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# BII IN BRIEF

PT Bank Internasional Indonesia Tbk (BII) continues to recover amidst the downturn of the nation's banking sector following the break-out of the Asian financial crisis in 1997. Established in 1959, BII was licensed as a foreign exchange bank in 1989, and continues to evolve to become one of the leading private national banks in Indonesia. Through the Government recapitalisation program, BII managed to book profit in 2000 after suffering considerable losses in the last two years. For the year 2001, BII provides attractive products and services to its customers, including up-to-date Internet banking services. Supported by the Government's recapitalisation program and core structural changes in its banking operations, BII progresses prudently.

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# financial HIGHLIGHTS

[In Millions of Rupiah, except for Selected Data]

	2000	1999	Change [%]
<b>For the Year</b>			
Interest Income	5,537,524	4,783,325	( 26.04 )
Net Interest Income	766,594	( 1,155,123 )	166.36
Net Income Before Taxes	381,333	( 2,057,634 )	118.53
Net Income	267,487	( 2,092,809 )	112.78

#### At the End of the Year

Loans (Gross)	18,994,031	11,804,944	60.90
Earnings Assets	31,630,700	34,385,926	( 8.01 )
Total Deposits	28,784,389	26,101,065	10.28
Borrowings	4,194,903	5,102,318	( 17.78 )
Shareholder's Equity	2,338,640	1,936,134	20.79
Total Assets	37,208,844	40,185,239	( 7.41 )
Outstanding Shares (number of shares)	92,793,462,307	92,793,360,445	-

#### Average Balance

Loans (Gross)	15,399,488	15,164,885
Earnings Assets	33,008,313	38,130,314
Total Deposits	27,442,727	26,506,902
Borrowings	4,648,611	5,443,813
Shareholder's Equity	2,137,387	( 3,370,496 )
Total Assets	38,697,042	37,713,539
Outstanding Shares (number of shares)	92,793,411,376	48,013,902,707

#### Financial Ratios [%]

Capital Adequacy Ratio	7.57	4.43
Return on Average Assets	0.69	( 5.55 )
Return on Average Equity	12.51	( 62.09 )
Net Interest Margin	2.32	( 3.14 )
Non-performing Loans to Total Loans	22.34	53.10
Loans to Deposit Ratio	65.99	45.33

#### Per Share [Rp]

Net Income (Loss)	3	( 39 )
Shareholders' Equity	25	40

#### Share Price [in Rupiah]

	2000		1999	
	Highest	Lowest	Highest	Lowest
First Quarter	140	100	250	125
Second Quarter	125	75	300	100
Third Quarter	85	60	225	100
Fourth Quarter	70	40	175	100

#### Share Performance [in Rupiah]

	2000	1999
Highest Price	140	300
Lowest Price	40	100
Year End Price	40	150
Earnings Per Share	3	( 39 )
Dividend Payout Ratio	-	-

The year 2000 was a difficult one for Bank Internasional Indonesia. The Bank faced many multi-dimensional challenges. It has had to cope with an unfavourable domestic environment, an uncertain global economy and a domestic banking sector which has not fully recovered from the Asian financial crisis of 1997.

The year also brought several new appointments to the Board of Commissioners and Board of Directors on March 27, 2000. Immediately upon their appointment, both the commissioners and directors went to work on the most challenging tasks and issues, among others, the related-party exposures, interbank claims, and the non-performing

message from the president  
**COMMISSIONER**



LEFT to right>

(SEATED) Sudiarmo Deputy President Commissioner Rusli Prakarsa  
President Commissioner (STANDING) Suad Husnan Commissioner  
Randolph Latumahina Commissioner Aditiawan Chandra  
Commissioner Anggito Abimanyu Commissioner



loans, all the while trying to preserve and enhance the franchise value of the Bank.

The related-party exposures and interbank claims were concluded in early 2001 through a firm leadership of the Indonesian Bank Restructuring Agency (IBRA). On franchise value, BII was able to preserve it, by maintaining a strong market presence through product innovation and high service quality. The Board of Commissioners is pleased with this.

The Board of Commissioners is of the opinion that the BII of today is different from the BII of yesterday. The experiences and events of 1998 and 1999 have changed the Bank permanently. A more transparent and accountable approach has emerged. It will

provide the solid foundation on which to build the future.

In closing, we wish to express our deepest appreciation to the Government of Indonesia, Bank Indonesia, our shareholders, our customers, and our employees who have stood by us in these challenging times.

Jakarta, May 2001

Rusli Prakarsa  
President Commissioner

Bank Internasional Indonesia remains a key player in the Indonesian banking sector despite the many challenges it faces in its recovery. It has been more than three years since the collapse of the Indonesian banking sector. Since then, we have made significant progress to get back on track on the road to growth, but much remains to be done.

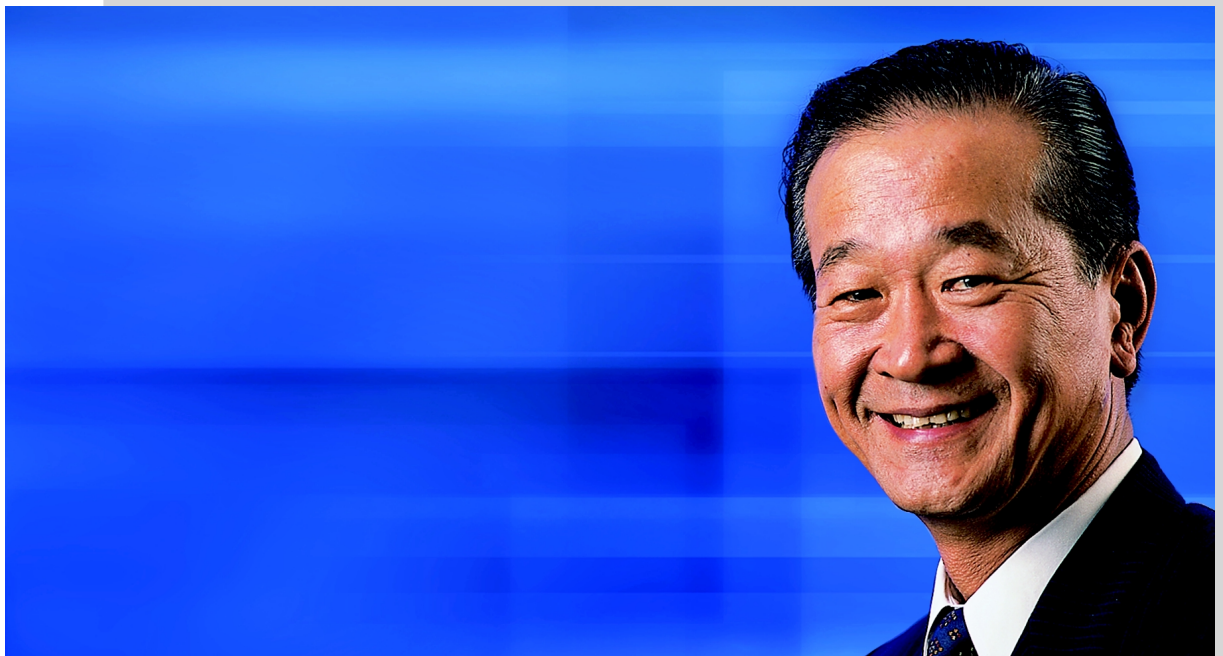
Our strategy for recovery, formulated jointly with McKinsey & Co., calls for the separation of the Bank into two distinct operations: the "New Bank - Old Bank". The mission of the New Bank is to preserve and enhance the franchise value of BII going forward. While all of BII's legacy issues of the past shall be the responsibility of the Old Bank to manage and resolve with the least cost in the shortest possible time.

message from the president  
**DIRECTOR**



LEFT to right >

(SEATED) Gustiono Kustianto Deputy  
President Director Hiroshi Tadano President  
Director Yap Tjay Soen Deputy President  
Director (STANDING) Halim Susanto Director  
Fransiska Oei Director Hedy Lopian Director  
Rudy N. Hamdani Director Raymond  
Yauwenas Director



The strategy is simple. The execution is not. The road ahead we expect is rows of curves and bends. But, we are aware, and we are prepared. Stay with us.

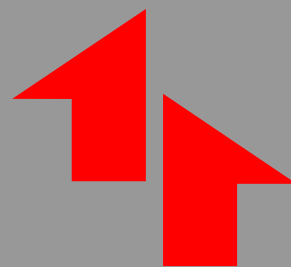
In 2000, BII had a net operating income of Rp 203.4 billion on net interest income of more than Rp 766.6 billion. Our net profit achievement was Rp 267.5 billion, a marked turnaround compared to a net loss of Rp 2.1 trillion in 1999. This moderate result is a reflection of our hard work in a very difficult environment. For a more complete discussion of the year's financial results, please refer to the Management Analysis & Discussion section beginning on page 21.

Last but not least, we would like to convey our appreciation for the continuing support and trust given by our customers, shareholders and employees.

Thank you.

Jakarta, May 2001

Hiroshi Tadano  
President Director



>>> *PROGRESS*



# SETTLEMENT OF INTERBANK CLAIMS



We made further progress on our claims during year 2000. We received a total amount of Rp 1.1 trillion. From Bank Aken, Bank Dagang Nasional Indonesia and Bank Putra Surya Perkasa, we received Rp 741.3 billion for principals and Rp 311.5 for interests, included interest for Bank Papan, all in cash.

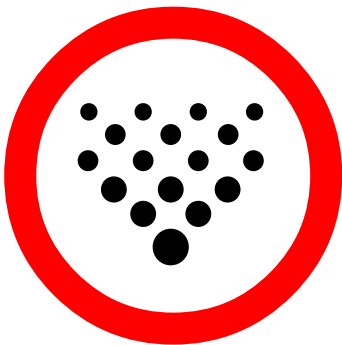
For Bank Tiara, we received Government Bonds, Rp 87.4 billion for the principal, and a combination of cash and Government Bonds for interest for a total sum of Rp 57.6 billion.

Total settlements of our claims until end of 2000 amounted to Rp 1.3 trillion for principal and Rp 311.5 billion for interests.

The Government through IBRA has expressed their commitment to resolve the remaining balance of the claims amounted to Rp 1.1 trillion for principal and Rp 103.7 billion for interest.

On the other side, we also settled our interbank obligations of Rp 312.8 billion due to Bank Bukopin, bilaterally, and Rp 320.5 billion due to Bank Duta, through IBRA, in 2000.

# ASSETS REHABILITATION



During 2000, BII restructured approximately Rp 1.8 trillion of loans. In the process, BII received approximately Rp 280 billion in loan repayment through discounted settlements, Rp 78 billion in collected back-interest and written-off assets, and Rp 40 billion in proceeds from the sale of foreclosed assets.

# DIVESTMENT



Divestment was part of the effort by BII to increase its focus and attention on rebuilding its business. Therefore, on July 10, 2000, BII divested all of its investment in PT Bank BII Commonwealth to the Commonwealth Bank of Australia for Rp 75.6 billion, or approximately 1.06 times book value.



>>> ORGANISATION

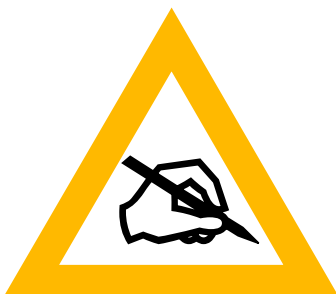


# GOOD CORPORATE GOVERNANCE



As a form of commitment to strict compliance and transparency, the Bank formed a compliance division in June 2000. The appointed division immediately worked to socialize and increase awareness for compliance. The first issues of compliance policies and directives have been drawn up and distributed throughout BII's organisation.

# RISK MANAGEMENT



Credit risk management is only one part of BII's comprehensive risk management policies comprising credit risk, market risk, liquidity risk and operational risk. BII has enhanced its ability to monitor and address these risks on a continuous basis. This includes the adoption of transparency and better accountability; segregation of management and ownership; adherence to procedures and proven banking policies; separation of credit from marketing activities; constant evaluation of assets and liabilities structure; and installation of independent functions covering policies, control, as well as credit and risk committees.

## EMPLOYEE RELATIONS

The first Collective Labour Agreement in the Bank's history was signed on August 24, 2000. This agreement will be the cornerstone of our equal, fair and transparent human resources management that will ensure a right working environment for the new BII. Throughout 2000, more than 7,900 employees make up the Bank's human resources strength.



## BANKING OPERATIONS

BII exerts every effort to achieve continuous improvement in its banking operations through innovative and efficient services. To increase productivity, BII relies on the appropriate technology, using an integrated information technology system that maximises the benefits of branch networking through automation; interfaces credit card, retail banking and EFT (Electronic Fund Transfer) applications; and consolidates information from various banking operations to support an integrated management information and reporting system.



# e-LEARNING



e-Learning is now facilitated within Bank Internasional Indonesia via an online intranet website training facility as part of a Knowledge Management System designed to promote the Bank as a knowledge-based, learning organisation. In addition to facilitating information sharing and knowledge building as well as a powerful management support tool, e-learning is also an effective means to instill our vision and corporate culture throughout our organisation.



>>> MARKET STANDING



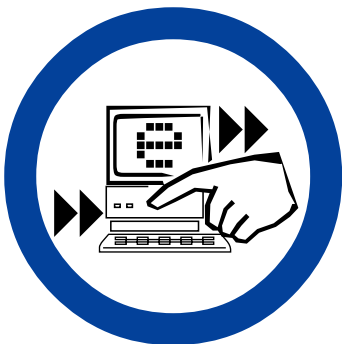
# CONSUMER BANKING



BII has one of the largest consumer banking franchises in Indonesia today, with over 1.7 million individuals and small-business customers that have access to a wide range of deposit, savings, loans and credit card products.

A primary feature of BII's consumer banking franchise is its ATM and debit card services, throughout Indonesia and worldwide.

# ELECTRONIC CHANNELLING



BII offers a comprehensive range of electronic channelling services which is one of the foremost in Indonesia today, from a website with full transactional services facility (<http://www.bii.co.id>) to an Internet-based electronic payment gateway, the SecurePay.

As the pioneer in electronic banking channelling services that was introduced in Indonesia in 1998, BII's Internet Banking service offers a convenient access to current, savings, deposit and credit card accounts from a single Internet bank account.

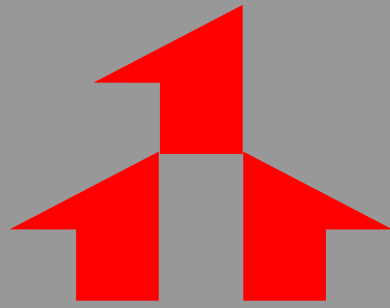


# CARD BUSINESS

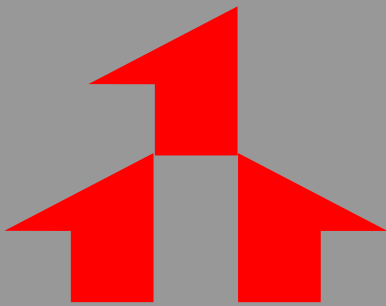


BII is the largest local card issuing bank in Indonesia, with a credit card customer base of more than 348,000 as at year-end 2000.

BII credit cards are equipped with the electronic smart-chip, making us the first and sole user in Indonesia that offers chip technology on its credit cards. BII is also the first card issuer bank in Indonesia that provides Internet access to cardholders to check on their credit card transactions with just a few clicks.



>>> *SOCIAL ACTIVITY*



# SOCIAL CONTRIBUTION

In December 2000, BII made a contribution to the communities of Purworejo, Central Java, for the survivors of a devastating landslide. BII was also the main sponsor of a national poetry writing competition for the blind organised by Yayasan Mitra Netra, a foundation dedicated to fostering education and skill enhancement among blind people. The competition was held throughout the months of July and August 2000, drawing a considerable number of entries from all over Indonesia. Fifty best poems will be published as a book in an Anthology of Poetry by the Blind.





>>> *THE ROAD AHEAD*



# THE ROAD AHEAD

The past few years have been extraordinarily difficult for BII. In the continuing uncertainties of the social and economic environment, the recovery efforts of BII have gone from hope to despair to hope again.

As Indonesia's current economic situation stands, there is no denial that our recovery effort faces a potential second-round crisis given the fact that many banks, debtors and businesses have not fully recovered.

We fully acknowledge the fact that BII faces a difficult road ahead, BII has formulated a long range survival plan, which includes a short- to medium-term conceptual framework which in principal divides the Bank into "New Bank - Old Bank". In the long-term, BII's goal is to position itself among the top three banks in Indonesia. To achieve those objectives, BII has set several key objectives in 2001, which include:

- Complete resolution of related-party exposures
- Final resolution of interbank claims
- Addressing the deferred tax component of our capital base
- Continuing with the restructuring of loan assets, and
- Strengthening our New Bank platform to rebuild the Bank by relying on a clear vision, good corporate governance, improved risk management and a strong commitment.

The Road Ahead is challenging.







# FINANCIAL REVIEW

## OVERVIEW

PT Bank Internasional Indonesia Tbk and subsidiaries (collectively referred to as "the Bank") provide a broad range of banking products and services, including deposit taking, lending, treasury and investment banking services. The Bank also provides trade finance facilities, foreign-exchange transaction services, loan syndications for project financing and investment services.

The Bank generates revenues primarily in the form of interest from its lending activities, as well as fees accruing on its transactional banking. Meanwhile, the Bank incurs expenses mainly in the form of interest expenses on its interest-bearing deposits and borrowings, as well as on its operations.

## RESULTS OF OPERATIONS

In 2000, the Bank booked a net income of Rp 267 billion, as compared with the net loss of Rp 2,093 billion incurred in 1999. The Bank's performance in 2000 benefited from a stable interest rate environment resulting in a positive spread, as well as from a significantly lower loss provisioning as a result of the continuing improvement in the quality of the Bank's loan portfolio.

**INTEREST REVENUES AND EXPENSES.** The Bank's interest revenues, including fees and commissions earned on the disbursement of credit facilities, amounted to Rp 3,537 billion in 2000, a 26.0% decline from Rp 4,783 billion in 1999. The largest contributor to this decline was interest income from the Bank's placements with other banks, which declined to Rp 162 billion from Rp 1,210 billion in 1999, in line with the reduced amount of these placements and the lower interest rates applicable during 2000. The decline in interest revenues also reflected the exclusion of interest received from Bank International Ningbo, a subsidiary, which was not consolidated in the Bank's consolidated financial statements for 2000.

Interest expenses declined significantly by 53.3% to Rp 2,771 billion in 2000, from Rp 5,938 billion in 1999. The largest contributor to this decline was interest payments on time deposits, which declined to Rp 1,645 billion in 2000 from Rp 3,986 billion in 1999, due to the lower interest rate environment in 2000. Interest paid on the Bank's borrowings and securities issued also declined to Rp 373 billion in 2000, from Rp 1,067 billion in 1999.



As a result of the above, BII booked a net interest income of Rp 766 billion in 2000, compared to a net interest loss of Rp 1,155 billion in 1999. The Bank's net interest income in 2000 reflected a positive Net Interest Margin of 2.3%.

**OTHER OPERATING REVENUES.** The Bank's other operating revenues, comprising fees from transactional banking services, foreign currency transactions and export-import financing, declined by 24.6% to Rp 465 billion in 2000, from Rp 617 billion in 1999, due mainly to the decline in fees received from agency and capital market activities, in line with the unfavourable market condition during the year 2000.

**OTHER OPERATING EXPENSES.** Other operating expenses, excluding provisions for possible losses on earning assets, totalled Rp 1,002 billion in 2000, representing a 11.0% decline from Rp 1,125 billion in 1999. The decline was primarily attributable to a 15.0% decline in general and administrative expenses to Rp 450 billion, which offset the 21.0% increase in personnel expenses to Rp 255 billion in 2000.

The Bank further reduced its provisions for possible losses on earning assets to Rp 26 billion in 2000, compared to Rp 545 billion in 1999. The significantly reduced provisions in 2000 were made possible by the improved quality of the Bank's earning assets.

**OPERATING INCOME.** As a result of a net interest income and the lower other operating expenses, the Bank was able to book an operating income of Rp 203 billion in 2000. This represented a significant improvement compared to Rp 2,208 billion of operating loss incurred in 1999.

**NON-OPERATING REVENUES & EXPENSES.** Net non-operating revenues in 2000 amounted to Rp 178 billion, representing a 18.0% increase over net non-operating revenues of Rp 151 billion in 1999.

**NET INCOME (LOSS).** After deducting the calculations for income tax, the Bank recorded a net income (after tax) of Rp 267 billion in 2000, compared to a net loss of Rp 2,093 billion recorded in 1999. Net income in 2000 reflected a Return on Average Assets (ROAA) and Return on Average Equity (ROAE) of 0.7% and 12.5%, respectively, and an earnings per share of Rp 3, for the year 2000.

## FINANCIAL POSITION

Total assets of the Bank as of year-end 2000 amounted to Rp 37,209 billion, while its liabilities amounted to Rp 34,870 billion. These represented a decline of 7.4% and 8.8%, respectively, from their respective amounts a year earlier, and reflected the exclusion of the accounts of Bank International Ningbo from the Bank's consolidated financial statements for the year 2000.

The Bank manages its balance sheet and risk limits associated with changes in the balance sheet in accordance with market conditions and liquidity needs, and subject to profitability and risk controls. In managing its balance sheet, the Bank strives to match funds which constitute its interest-earning assets with those that constitute its interest-bearing liabilities. As such, the liquidity and maturity profiles of assets and liabilities are monitored daily. Asset and liability management have been particularly difficult due to the volatility of exchange rates and interest rates prevalent in Indonesia's crisis-stricken economy. The Bank determines its earning assets mix on one hand, and the funding of these assets on the other, based on the liquidity and maturity profile analysis of the respective assets and liabilities. The Bank's assets are funded through various sources which consist of third-party deposits, securities issued, short- and long-term borrowings, and equity.

**EARNING ASSETS.** At year-end 2000, the Bank's earning assets, net of provisions for possible losses, totalled Rp 29,418 billion, which reflected a decline of 6.5% from its position of Rp 31,469 billion a year earlier, due primarily to the decline in placement with other banks following the settlement of interbank claims. The Bank's earning assets include Government Bonds in the amount of Rp 6,462 billion in 2000.

**LOANS.** Total loans outstanding as at year-end 2000 amounted to Rp 18,994 billion, up 60.9% from Rp 11,805 billion a year earlier. The increase in the size of the Bank's loan portfolio mainly reflects the weakening of the Rupiah during 2000, and the conversion of export bills into loans. The Bank disbursed its loans to various sectors, including manufacturing (33.9%), trading (27.1%), services industry (including property sector, 19.3%), agriculture & transportation (10.2%), construction (2.5%) and others (7%). The ratio of total loans to total deposits stood at 66.0% as of year-end 2000, improving significantly from 45.3% a year earlier. The ratio of non-performing loans to total loans also improved from 47.2% in 1999 to 22.0% in 2000.

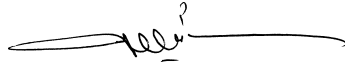
**FUNDING.** Total third-party deposits as at year-end 2000 amounted to Rp 28,784 billion, reflecting an increase of 10.3% from Rp 26,101 billion in 1999.

**LIQUIDITY.** The Bank's liquid assets, comprising cash, demand deposits with Bank Indonesia and with other banks, placements with other banks, and Bank Indonesia Certificate (SBI), totalled Rp 7,443 billion as of year-end 2000, compared with Rp 11,226 billion a year earlier. The decline in the Bank's liquid assets was mainly due to the repayment of export bills previously rediscounted with Bank Indonesia.

**EQUITY AND CAPITAL ADEQUACY.** The Bank's equity as at year-end 2000 stood at Rp 2,339 billion, up 20.8% from Rp 1,936 billion at year-end 1999. Changes in the Bank's equity in 2000 mainly reflected differences in foreign currency translation arising from the consolidation of financial statements of overseas subsidiaries, changes in equity ownership in subsidiaries, and a reduction in the equity deficit account due to profitable operations during the year. As at year-end 2000, the Capital Adequacy Ratio (CAR) of the Bank was 7.57%, significantly improving from 4.43% a year earlier. The increase in CAR reflected an increase in the Bank's Tier-1 and Tier-2 capital to Rp 1.7 trillion in 2000, compared to Rp 1.2 trillion in 1999.

This annual report, including the accompanying financial statements and related financial information, is the responsibility of the management of BII and has been signed by members of the Board of Commissioners and Directors.

Jakarta, May 2001



Rusli Prakarsa  
President Commissioner



Hiroshi Tadano  
President Director



Sudiarso  
Deputy President Commissioner



Yap Tjay Soen  
Deputy President Director



Anggito Abimanyu  
Commissioner



Gustiono Kustianto  
Deputy President Director



Aditiawan Chandra  
Commissioner



Fransiska Oei  
Director



Suad Husnan  
Commissioner



Raymond Yauwenas  
Director



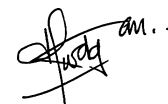
Randolph Latumahina  
Commissioner



Rudy N. Hamdani  
Director



Halim Susanto  
Director



Hedy Lapian  
Director

**Responsibility  
for Financial  
Reporting**

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***P.T. BANK INTERNASIONAL INDONESIA Tbk  
AND ITS SUBSIDIARIES***

CONSOLIDATED FINANCIAL STATEMENTS -  
WITH CONSOLIDATING INFORMATION  
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

AND INDEPENDENT AUDITORS' REPORT

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## Independent Auditors' Report

No. 070501 BII LA LA

The Stockholders, Board of Commissioners and Directors  
P.T. Bank Internasional Indonesia Tbk

We have audited the accompanying consolidated balance sheets and consolidated statements of commitments and contingencies of P.T. Bank Internasional Indonesia Tbk and its subsidiaries as of December 31, 2000 and 1999, and the related consolidated statements of profit and loss, changes in equity, and cash flows for the years ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of BII Finance Co. Ltd. (Hong Kong) in 2000 and 1999 and the financial statements of Bank International Ningbo (China) in 1999, wholly-owned subsidiaries of the Company, which statements reflect total assets constituting 19.91% and 12.05%, respectively, of the consolidated total assets as of December 31, 2000 and 1999, and total revenues constituting 13.13% and 10.25%, respectively, of the consolidated total revenues for the years then ended. Those financial statements of both subsidiaries were audited by other independent auditors whose reports with unqualified opinion have been furnished to us, and our opinion, insofar as it relates to the amounts included for those subsidiaries, is based solely on the reports of such other independent auditors.

We conducted our audits in accordance with auditing standards established by the Indonesian Institute of Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the reports of other independent auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other independent auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and the commitments and contingencies of P.T. Bank Internasional Indonesia Tbk and its subsidiaries as of December 31, 2000 and 1999, and the results of their operations, changes in their equity, and their cash flows for the years then ended in conformity with accounting principles generally accepted in Indonesia.

## Hans Tuanakotta & Mustofa

The accompanying consolidated financial statements have been prepared assuming that the Company and its subsidiaries will continue their operations as a going concern. Note 41 to the consolidated financial statements includes the effects of the economic condition to the Company and its subsidiaries, mainly to liquidity, capital adequacy ratio, and quality of earning assets which affect the Company and its subsidiaries' ability to continue their operations as a going concern. Plans and actions of management and stockholders (the Indonesian Bank Restructuring Agency and Sinar Mas Group) to solve these problems (including restructuring of repayment schedule and the Government Guarantee of the Company's receivables to debtors of Sinar Mas Group, settlement of defaulted inter-bank placements, capitalization, and liquidity) are also described in Note 41. Plan of the Indonesian Bank Restructuring Agency to solve the Company's problems (i.e. defaulted inter-bank placements and capitalization - Notes 5, 6, 19 and 41) by using recycled Government Bonds will be implemented after receiving approval from the Commission IX of the House of Representatives (DPR). Recovery of the economy to a sound and stable condition is dependent on policies that will be taken by the Government, actions which are beyond the Company and its subsidiaries' control. It is not possible to determine the future effects a continuation of the economic condition may have on the liquidity, capitalization, and capability of the Company and its subsidiaries to generate earnings and realize their receivables. The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of these uncertainties.

Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The consolidating information (Parent Company financial statements) was presented for the purpose of additional analysis of the consolidated financial statements rather than to present the financial position, commitments and contingencies, results of operations, changes in equity, and cash flows of the Parent Company as a separate entity. The consolidating information is the responsibility of the Company's management. Such information has been subjected to the auditing procedures applied in our audits of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

HANS TUANAKOTTA & MUSTOFA

Business License No. 98.2.0240



Drs. Lukman Abdullah

License No. 98.1.0383

May 7, 2001

The accompanying consolidated financial statements are not intended to present the consolidated financial position and results of operations, changes in equity and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than those in Indonesia. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in Indonesia.

P.T. BANK INTERNASIONAL INDONESIA Tbk AND ITS SUBSIDIARIES

**CONSOLIDATED BALANCE SHEETS WITH CONSOLIDATING INFORMATION - PARENT COMPANY BALANCE SHEETS**

DECEMBER 31, 2000 AND 1999

	Notes	Consolidated		Parent Company	
		2000 *)	1999	2000	1999 (As restated- Note 45b)
		Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
<b>ASSETS</b>					
Cash	2d,38	826,246	708,150	826,212	703,264
Demand Deposits with Bank Indonesia	2d,3,38	1,414,099	1,268,150	1,414,099	1,268,150
Demand Deposits with Other Banks - net of allowance for possible losses of Rp 14,267 million (Parent Company Rp 14,267 million) in 2000 and Rp 18,709 million (Parent Company Rp 18,709 million) in 1999	2d,2h,4,38	1,498,483	2,772,508	1,472,630	1,886,927
Placements with Other Banks - net of allowance for possible losses of Rp 61,981 million (Parent Company Rp 61,981 million) in 2000 and Rp 35,028 million (Parent Company Rp 35,028 million) in 1999	2d,2e,2h, 5,37,38	2,085,218	3,842,958	1,881,373	2,374,477
Marketable Securities - net of allowance for decline in market value, allowance for possible losses and unearned income of Rp 398,934 million (Parent Company Rp 398,934 million) in 2000 and Rp 717,217 million (Parent Company Rp 717,217 million) in 1999	2f,2h,6, 37,38	4,206,366	10,952,944	4,052,931	10,790,029
Loans	2g,2v,7,38				
Non-related Parties		9,192,206	7,395,736	8,939,915	6,997,558
Related Parties	7d,37	9,801,825	4,409,208	9,780,965	3,499,562
Less: Allowance for possible losses	2h	(2,329,766)	(1,758,364)	(2,234,318)	(1,630,683)
Total		16,664,265	10,046,580	16,486,562	8,866,437
Bonds of the Government of the Republic of Indonesia	2f,8	6,462,166	6,627,576	6,462,166	6,627,576
Income Receivables	2l,9,38	411,168	759,477	408,896	703,240
Prepayments	10,37,38	54,743	83,057	54,134	81,348
Investments in Shares of stock - net of allowance for possible losses of Rp 26,472 million (Parent Company Rp 26,472 million) in 2000 and Rp 20,396 million (Parent Company Rp 18,299 million) in 1999	2b,2h,2i,11,38	714,202	143,360	854,327	724,871
Premises and Equipment - net of accumulated depreciation of Rp 594,517 million in 2000, (Parent Company Rp 585,940 million) and Rp 365,585 million (Parent Company Rp 349,225 million) in 1999	2j,12,37,38	1,327,874	1,513,428	1,325,727	1,494,300
Deferred Tax Assets	2n,19	882,181	996,027	874,389	960,610
Other Assets	2k,13,37,38	661,833	471,024	660,467	466,930
<b>TOTAL ASSETS</b>		<b>37,208,844</b>	<b>40,185,239</b>	<b>36,773,913</b>	<b>36,948,159</b>

\*) The 2000 consolidated financial statements were not consolidated with the financial statements of Bank International Ningbo (Note 1b).

See accompanying notes to the consolidated financial statements which are an integral part of the consolidated financial statements.



P.T. BANK INTERNASIONAL INDONESIA Tbk AND ITS SUBSIDIARIES

**CONSOLIDATED BALANCE SHEETS WITH CONSOLIDATING INFORMATION - PARENT COMPANY BALANCE SHEETS**

DECEMBER 31, 2000 AND 1999 (Continued)

	Notes	Consolidated		Parent Company	
		2000 *)	1999	2000	1999 (As restated- Note 45b)
		Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
<b>LIABILITIES AND EQUITY</b>					
<b>LIABILITIES</b>					
<b>DEPOSITS</b>					
Demand Deposits					
Non-related Parties	14,38	8,000,415	5,572,120	8,016,836	5,558,003
Related Parties	14,37,38	203,061	1,112,718	203,061	291,861
Savings Deposits	15,38	4,886,732	3,281,386	4,886,732	3,279,344
Time Deposits					
Non-related Parties	16,38	14,856,826	15,516,993	14,792,653	15,215,831
Related Parties	16,37,38	553,426	328,817	548,628	229,908
Certificates of Deposit - net of prepaid interest of Rp 512 million (Parent Company Rp 512 million) in 2000 and Rp 599 million (Parent Company Rp 587 million) in 1999	17,38	283,929	289,031	283,929	288,731
<b>Total Deposits</b>		<b>28,784,389</b>	<b>26,101,065</b>	<b>28,731,839</b>	<b>24,863,678</b>
Other Current Liabilities	18,38	190,679	182,236	172,148	165,838
Taxes Payable	19,38	48,818	63,531	48,675	47,985
Securities Issued	20	-	194,700	-	194,700
Borrowings	21,37,38	4,194,903	5,102,318	3,854,271	3,516,116
Accrued Expenses	21,22,38	201,555	832,301	190,202	700,418
Other Liabilities	23,38	1,449,860	5,772,954	1,438,536	5,523,688
<b>TOTAL LIABILITIES</b>		<b>34,870,204</b>	<b>38,249,105</b>	<b>34,435,671</b>	<b>35,012,423</b>
<b>EQUITY</b>					
Capital Stock					
Authorized Capital - 289,000,000,000 shares in 2000 and 1999 consisting of:					
5,000,000,000 Series A shares with Rp 500 par value per share					
204,000,000,000 Series B shares with Rp 125 par value per share					
80,000,000,000 Series C shares with Rp 125 par value per share					
Issued and Paid-up Capital -					
3,881,462,307 Series A shares					
36,220,654,000 Series B shares					
52,691,346,000 Series C shares in 2000, and					
3,881,360,445 Series A shares					
35,891,396,568 Series B shares					
53,020,603,432 Series C shares in 1999	24	13,054,731	13,054,668	13,054,731	13,054,668
Additional Paid-in Capital	25	12,530	12,499	12,132	12,101
Difference due to Change of Equity in Subsidiaries Equity	2b,2i,26	374,489	266,475	374,489	266,475
Unrealized Decline in Value of Marketable Securities	2f,6,8	(285,159)	(317,908)	(285,159)	(317,908)
Difference in Foreign Currency Translation	2c	(2,861)	2,977	(2,861)	2,977
Revaluation Increment in Premises and Equipment	2j,12	1,343,195	1,343,195	1,343,195	1,343,195
Deficit		(12,158,285)	(12,425,772)	(12,158,285)	(12,425,772)
<b>TOTAL EQUITY</b>		<b>2,338,640</b>	<b>1,936,134</b>	<b>2,338,242</b>	<b>1,935,736</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>37,208,844</b>	<b>40,185,239</b>	<b>36,773,913</b>	<b>36,948,159</b>

\*) The 2000 consolidated financial statements were not consolidated with the financial statements of Bank Internasional Ningbo (Note 1b).

See accompanying notes to the consolidated financial statements which are an integral part of the consolidated financial statements.

P.T. BANK INTERNASIONAL INDONESIA Tbk AND ITS SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF COMMITMENTS AND CONTINGENCIES WITH CONSOLIDATING INFORMATION -  
PARENT COMPANY STATEMENTS OF COMMITMENTS AND CONTINGENCIES**

DECEMBER 31, 2000 AND 1999

	Notes	Consolidated		Parent Company	
		2000 *)	1999	2000	1999
		Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
<b>COMMITMENTS</b>					
Commitment Receivables					
Spot foreign currencies purchased	29	158,318	9,230	158,318	9,230
Forward foreign currencies purchased	29	418,282	450,330	418,282	450,330
Interest rate SWAP transactions	2o,29	47,975	35,500	47,975	35,500
<b>Total Commitment Receivables</b>		<b>624,575</b>	<b>495,060</b>	<b>624,575</b>	<b>495,060</b>
Commitment Liabilities					
Spot foreign currencies sold	29	105,545	-	105,545	-
Forward foreign currencies sold	29	770,464	151,965	770,464	151,965
Unused loan commitments granted to customers					
Outstanding irrevocable letters of credit		2,088,107	2,807,327	2,088,107	2,163,204
Acceptances of import drafts based on usance letters of credit		513,203	820,495	431,922	598,029
		118,560	1,553,998	94,104	858,353
<b>Total Commitment Liabilities</b>		<b>3,595,879</b>	<b>5,333,785</b>	<b>3,490,142</b>	<b>3,771,551</b>
<b>Commitment Liabilities - Net</b>		<b>(2,971,304)</b>	<b>(4,838,725)</b>	<b>(2,865,567)</b>	<b>(3,276,491)</b>
<b>CONTINGENCIES</b>					
Contingent Receivable					
Past due interest revenues	2l,2v	1,488,558	2,652,360	1,488,558	2,651,516
<b>Total Contingent Receivable</b>		<b>1,488,558</b>	<b>2,652,360</b>	<b>1,488,558</b>	<b>2,651,516</b>
Contingent Liabilities					
Guarantees issued in the form of :					
Bank guarantees		191,430	854,971	191,430	185,886
Shipping guarantees		5,814	7,817	5,814	7,817
Standby letters of credit		18,758	1,126,702	18,758	10,650
<b>Total Contingent Liabilities</b>		<b>216,002</b>	<b>1,989,490</b>	<b>216,002</b>	<b>204,353</b>
<b>Contingent Receivable - Net</b>		<b>1,272,556</b>	<b>662,870</b>	<b>1,272,556</b>	<b>2,447,163</b>
<b>Commitments and Contingencies - Net</b>		<b>(1,698,748)</b>	<b>(4,175,855)</b>	<b>(1,593,011)</b>	<b>(829,328)</b>

\*) The 2000 consolidated financial statements were not consolidated with the financial statements of Bank International Ningbo (Note 1b).

P.T. BANK INTERNASIONAL INDONESIA Tbk AND ITS SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF PROFIT AND LOSS WITH CONSOLIDATING INFORMATION -  
PARENT COMPANY STATEMENTS OF PROFIT AND LOSS**  
FOR THE YEAR ENDED DECEMBER 31, 2000 AND 1999

	Notes	Consolidated		Parent Company	
		2000 *)	1999	2000	1999
		Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
<b>OPERATING REVENUES AND EXPENSES</b>					
<b>Interest Revenues and Expenses</b>					
Interest Revenues					
Interest received	2l,30	3,506,706	4,756,947	3,445,091	4,250,426
Provision and Commissions	2m	30,818	26,378	30,690	26,260
<b>Total Interest Revenues</b>		<b>3,537,524</b>	<b>4,783,325</b>	<b>3,475,781</b>	<b>4,276,686</b>
Interest Expenses					
Interest paid	2l,31	2,769,629	5,936,253	2,728,695	5,593,362
Provision and Commissions paid	2m	1,301	2,195	965	1,275
<b>Total Interest Expenses</b>		<b>2,770,930</b>	<b>5,938,448</b>	<b>2,729,660</b>	<b>5,594,637</b>
Interest Revenues (Expenses) - Net		766,594	(1,155,123)	746,121	(1,317,951)
<b>Other Operating Revenues (Expenses)</b>					
Other Operating Revenues					
Revenues on other commissions and fees		135,758	148,532	129,886	120,209
Gain on foreign exchange - net	2c	197,739	213,150	192,963	218,265
Others	32	131,863	255,701	131,807	252,586
<b>Total Other Operating Revenues</b>		<b>465,360</b>	<b>617,383</b>	<b>454,656</b>	<b>591,060</b>
Other Operating Expenses					
General and administrative	33	450,004	529,367	443,212	515,647
Personnel		254,838	210,733	237,969	194,503
Depreciation and amortization		262,439	351,035	261,116	345,075
Provision for possible losses on earning assets, commitments, contingencies and foreclosed collaterals		26,339	544,839	3,094	517,204
Repairs and maintenance		34,967	34,840	34,220	32,450
<b>Total Other Operating Expenses</b>		<b>1,028,587</b>	<b>1,670,814</b>	<b>979,611</b>	<b>1,604,879</b>
Other Operating Expenses - Net		(563,227)	(1,053,431)	(524,955)	(1,013,819)
<b>REVENUES (EXPENSES) FROM OPERATIONS - NET</b>		<b>203,367</b>	<b>(2,208,554)</b>	<b>221,166</b>	<b>(2,331,770)</b>
NON-OPERATING REVENUES	34	186,473	170,301	140,771	232,767
NON-OPERATING EXPENSES	35	(8,507)	(19,381)	(8,229)	(18,926)
<b>NON-OPERATING REVENUES - NET</b>		<b>177,966</b>	<b>150,920</b>	<b>132,542</b>	<b>213,841</b>
<b>INCOME (LOSS) BEFORE TAX</b>		<b>381,333</b>	<b>(2,057,634)</b>	<b>353,708</b>	<b>(2,117,929)</b>
<b>TAX BENEFIT (EXPENSE)</b>					
Current tax	2n,19	-	(26,494)	-	-
Deferred tax		(113,846)	(8,681)	(86,221)	25,120
<b>NET INCOME (LOSS)</b>		<b>267,487</b>	<b>(2,092,809)</b>	<b>267,487</b>	<b>(2,092,809)</b>
<b>BASIC EARNINGS PER SHARE (in full Rupiah)</b>					
Net Income (Loss)	2g,36	3	(39)	3	(39)

\*) The 2000 consolidated financial statements were not consolidated with the financial statements of Bank Internasional Ningbo (Note 1b).

See accompanying notes to the consolidated financial statements which are an integral part of the consolidated financial statements.

P.T. BANK INTERNASIONAL INDONESIA Tbk AND ITS SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY WITH CONSOLIDATING INFORMATION -  
PARENT COMPANY STATEMENTS OF CHANGES IN EQUITY**

FOR THE YEAR ENDED DECEMBER 31, 2000 AND 1999

	Notes	Consolidated		Parent Company	
		2000 *)	1999	2000	1999 (As restated- Note 45b)
		Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
<b>CAPITAL STOCK</b>					
Balance at beginning of year		13,054,668	1,617,222	13,054,668	1,617,222
Additional issuances of capital stock from bonus shares		-	323,445	-	323,445
Additional issuances of capital stock from limited public offering to stockholders		-	11,114,000	-	11,114,000
Additional issuances of capital stock from conversion of warrants		63	1	63	1
Balance at end of year	24	13,054,731	13,054,668	13,054,731	13,054,668
<b>ADDITIONAL PAID-IN CAPITAL</b>					
Balance at beginning of year		12,499	335,943	12,101	335,545
Conversion of additional paid-in capital to capital stock arising from the issuance of bonus shares		-	(323,445)	-	(323,445)
Additional paid-in capital from conversion of warrants		31	1	31	1
Balance at end of year	25	12,530	12,499	12,132	12,101
<b>DIFFERENCE DUE TO CHANGE OF EQUITY IN SUBSIDIARIES</b>					
	26	374,489	266,475	374,489	266,475
<b>UNREALIZED DECLINE IN VALUE OF MARKETABLE SECURITIES</b>					
	2f,6	(285,159)	(317,908)	(285,159)	(317,908)
<b>DIFFERENCE IN FOREIGN CURRENCY TRANSLATION</b>					
	2c	(2,861)	2,977	(2,861)	2,977
<b>REVALUATION INCREMENT IN PREMISES AND EQUIPMENT</b>					
	2j,12	1,343,195	1,343,195	1,343,195	1,343,195
<b>DEFICIT</b>					
Balance at beginning of year		(12,426,404)	(10,333,595)	(12,426,404)	(10,333,595)
Net income (loss) during the year		267,487	(2,092,809)	267,487	(2,092,809)
Deficit		(12,158,917)	(12,426,404)	(12,158,917)	(12,426,404)
<b>APPROPRIATED RETAINED EARNINGS</b>					
		632	632	632	632
<b>DEFICIT</b>					
		(12,158,285)	(12,425,772)	(12,158,285)	(12,425,772)
<b>TOTAL EQUITY</b>					
		2,338,640	1,936,134	2,338,242	1,935,736

\*) The 2000 consolidated financial statements were not consolidated with the financial statements of Bank International Ningbo (Note 1b).

P.T. BANK INTERNASIONAL INDONESIA Tbk AND ITS SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CASH FLOWS WITH CONSOLIDATING INFORMATION -  
PARENT COMPANY STATEMENTS OF CASH FLOWS**

FOR THE YEAR ENDED DECEMBER 31, 2000 AND 1999

	Consolidated		Parent Company	
	2000 *)	1999	2000	1999 (As restated- Note 45b)
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Interest earned	4,106,784	4,545,479	3,971,442	4,067,628
Provision and commissions earned	177,954	181,360	171,296	153,827
Interest paid	(3,379,922)	(5,830,672)	(3,264,294)	(5,514,668)
Provision and commissions paid	(1,301)	(2,195)	(965)	(1,275)
Income from foreign currency transactions	158,954	217,968	149,967	220,441
Other operating income	131,863	255,701	131,807	252,586
Personnel expenses	(254,838)	(210,733)	(237,969)	(194,503)
General, administration, repairs and maintenance	(437,415)	(570,690)	(429,912)	(554,627)
Receipts of non-operating income	22,905	146,790	20,048	10,729
Payments of non-operating expenses	(10,448)	(19,381)	(8,229)	18,926
Operating income (loss) before changes in operating activities	514,536	(1,286,373)	503,191	(1,540,936)
Increase/decrease in operating assets :				
Placements with other banks (closed/frozen/taken over)	304,464	(493,558)	304,464	(493,558)
Purchase of marketable securities	(138,582)	(9,331,494)	(138,582)	(9,286,577)
Net proceeds on sale of marketable securities	3,074,561	3,604,881	3,064,698	3,604,881
Loans	(4,148,079)	(3,336,079)	(3,918,742)	(3,789,522)
Prepayments	28,314	(35,168)	27,214	(36,785)
Other assets	(190,807)	847,475	(193,534)	844,449
Increase/decrease in operating liabilities :				
Demand deposits	1,518,638	3,266,945	2,370,033	2,314,121
Savings deposits	1,605,346	1,524,928	1,607,388	1,524,773
Time deposits	(435,558)	(3,985,209)	(104,458)	(4,031,791)
Certificates of deposit	(5,102)	(948,482)	(4,802)	(948,706)
Other current liabilities	8,443	(40,238)	6,310	(20,483)
Other liabilities	(553,116)	48,257	(300,409)	1,008,608
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>1,583,058</b>	<b>(10,164,115)</b>	<b>3,222,771</b>	<b>(10,851,526)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Additional loans received	750,052	992,045	750,052	992,045
Payments of loans received	(2,645,546)	(1,346,108)	(1,312,648)	(530,394)
Payment of securities issued	(194,700)	-	(194,700)	-
Payment of export bills rediscounted to BI	(4,008,810)	(3,532,769)	(4,008,810)	(3,532,769)
Proceeds from sale of premises and equipment	19,497	6,325	2,340	3,781
Acquisitions of premises and equipment	(87,454)	(71,584)	(84,749)	(61,491)
<b>Net Cash Used in Investing Activities</b>	<b>(6,166,961)</b>	<b>(3,952,091)</b>	<b>(4,848,515)</b>	<b>(3,128,828)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Additional capital stock from limited public offering to stockholders	-	11,114,002	-	11,114,002
Additional capital stock from conversion of warrants	63	-	63	-
Additional paid-in capital from conversion of warrants	31	-	31	-
<b>Net Cash Provided by Financing Activities</b>	<b>94</b>	<b>11,114,002</b>	<b>94</b>	<b>11,114,002</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(4,583,809)</b>	<b>(3,002,204)</b>	<b>(1,625,650)</b>	<b>(2,866,352)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>6,717,600</b>	<b>9,115,701</b>	<b>4,358,652</b>	<b>6,878,730</b>
Effect of foreign exchange rate changes	2,143,064	604,103	1,314,121	346,274
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>4,276,855</b>	<b>6,717,600</b>	<b>4,047,123</b>	<b>4,358,652</b>

\*) The 2000 consolidated financial statements were not consolidated with the financial statements of Bank International Ningbo (Note 1b).

See accompanying notes to the consolidated financial statements which are an integral part of the consolidated financial statements.

P.T. BANK INTERNASIONAL INDONESIA Tbk AND ITS SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CASH FLOWS WITH CONSOLIDATING INFORMATION -  
PARENT COMPANY STATEMENTS OF CASH FLOWS (Continued)**

FOR THE YEAR ENDED DECEMBER 31, 2000 AND 1999

	Consolidated		Parent Company	
	2000 *)	1999	2000	1999 (As restated- Note 45b)
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
<b>SUPPLEMENTAL DISCLOSURES</b>				
Cash and Cash Equivalents at End of year				
Cash	826,246	708,150	826,212	703,264
Demand deposits with Bank Indonesia	1,414,099	1,268,150	1,414,099	1,268,150
Demand deposits with other banks	1,512,750	2,791,217	1,486,897	1,905,636
Placements with other banks **)	523,760	1,950,083	319,915	481,602
<b>Total Cash and Cash Equivalents at End of year</b>	<b>4,276,855</b>	<b>6,717,600</b>	<b>4,047,123</b>	<b>4,358,652</b>
<b>NON CASH TRANSACTIONS</b>				
Conversion of additional paid-in capital stock arising from the distribution of bonus shares	-	(323,444)	-	(323,444)
Revaluation increment in premises and equipment	-	1,343,195	-	1,343,195
Unrealized decline in value of marketable securities	(285,159)	(317,908)	(285,159)	(317,908)
Difference due to change of equity in subsidiaries	374,489	266,475	374,489	266,475

\*\*) Placements with other banks on a consolidated basis and on a parent company basis as of December 31, 2000 did not include placements in frozen banks and other banks amounting to Rp 1,623,439 million (1999 : Rp 1,927,903 million).

\*) The 2000 consolidated financial statements were not consolidated with the financial statements of Bank Internasional Ningbo (Note 1b).

## 1. GENERAL

### a. Establishment

P.T. Bank Internasional Indonesia Tbk (“the Company” or “Parent Company”) was established in 1959 by virtue of notarial deed No. 53 dated May 15, 1959 of substitute Notary Soeleman Ardjasasmita SH. The deed was subsequently amended by notarial deed No. 9 dated August 4, 1959 and No. 21 dated October 6, 1959 of Notary Eliza Pondaag SH in Jakarta. The deed of establishment was approved by the Minister of Justice of the Republic of Indonesia in his decision letter No. J.A.5/112/18 dated November 2, 1959 and was registered in the Jakarta Court of Justice under registration No. 2116 dated November 5, 1959.

According to the Articles of Association, the Company was established with following objectives :

1. To operate in banking, finance or capital market activities which are either directly or indirectly related to trading, custodian and management of securities, or other services and activities allowed from time to time, presently and in the future, on business with other parties or companies.
2. To set-up, or jointly set-up or have ownership in shares of other companies with similar or closely related objectives as the Company, either in the form of joint venture or in contractual basis.

On March 31, 1980, the Company merged with PT Bank Tabungan Untuk Umum 1859, Surabaya by virtue of notarial deed No. 17 dated March 31, 1980 of notary Arianny Lamoen Redjo SH.

Pursuant to Bank Indonesia Decree No. 21/11/Dir/Upps dated November 9, 1988, the Company obtained an approval to upgrade its status to a foreign exchange bank.

On September 13, 1996, by virtue of notarial deed No. 130 of Sutjipto SH, and approval by the Minister of Justice of the Republic of Indonesia in his decision letter No. C2-9626.HT.01.04.TH.96 dated October 21, 1996, the Company made the following major decisions :

1. Change the Company’s Articles of Association to comply with Corporate Law No. 1 of 1995 and Capital Market Law No. 8 of 1995; and
2. Change the par value of Series A shares from Rp 1,000 to Rp 500 per share.

The Company held an Extraordinary Stockholders’ Meeting on March 31, 1999 to increase the Company’s authorized capital from Rp 6,468,000 million to Rp 38,000,000 million (consisting of 5,000,000,000 Series A shares with par value of Rp 500 per share; 204,000,000,000 Series B shares with par value of Rp 125 per share; and 80,000,000,000 Series C shares with par value of Rp 125 per share). The minutes of this Extraordinary Stockholders’ Meeting were documented in notarial deed No. 60 of notary Sutjipto SH dated March 31, 1999 and were approved by the Minister of Justice of the Republic of Indonesia in his decision letter No. C2-5902.HT.01.04.TH.99 dated April 5, 1999.

The Company’s head office is located in Jalan M.H. Thamrin, Kav 22, Central Jakarta. The Company has 1 main branch, 60 branches, and 122 sub-branches. On December 31, 2000, the Company had 7,971 employees.

Before being recapitalized by the Government in 1999, the Company was a public bank owned and controlled by Sinar Mas Group. After recapitalization, the Company is principally owned and controlled by the Government through the Indonesian Bank Restructuring Agency.

**b. Subsidiaries and the Branches of the Company Domiciled Outside of Indonesia**

The Company has ownership interests in the following subsidiaries:

Subsidiary	Domicile	Nature of Business	Percentage of Ownership	Start of Commercial Operations
BII Finance Co. Ltd.	Hong Kong	Banking	100%	1991
PT BII Finance Center	Jakarta	Multifinance	99,99%	1991

On July 30, 2000, the Central Bank of China issued a decision letter to approve the capital injection by Western Oceanic Bank amounting to USD 49 million (equivalent to Rp 441,147 million) into Bank International Ningbo, and the distribution of stock dividends amounting to USD 6 million (equivalent to Rp 54,018 million) to the original shareholder (the Company). This transaction diluted the Company's ownership interest from 100% (Note 11) and the Company to have no control on this subsidiary. The Company plans to sell its entire ownership interest in Bank International Ningbo to Sinar Mas Group (namely PT Purinusa Ekapersada) and the selling process and legal documentation of this transaction are expected to be settled in 2001. The sale of this subsidiary is under the restructuring scheme of Sinar Mas Group which has been agreed by the Company, Sinar Mas Group and the Indonesian Bank Restructuring Agency. In relation with this matter, as of December 31, 2000 the financial statements of Bank International Ningbo was not consolidated with the Company's financial statements.

The Company has operational branches domiciled outside Indonesia namely : Cayman Islands, Mumbai and Mauritius. Commercial operations of Cook Island branch has been stopped since November 2000. The financial statements of the existing branches have been combined into the Company's financial statements.

**c. Public Offering of the Company's Shares**

In October 1989, the Company sold 12 million Series A shares with a par value of Rp 1,000 per share to the public through the capital market in Indonesia in accordance with the prevailing laws. The Company received a notice of effectivity from the Capital Market Supervisory Agency ("BAPEPAM") through its letter No. SI-058/SHM/MK.10/189 dated October 2, 1989 for the sale of Series A shares to the public.

In February 1994, the Company sold 52,717,184 Series A shares with a par value of Rp 1,000 per share through Limited Public Offering I ("rights issue I") in which each holder of every 5 Series A shares had right to purchase 1 new Series A share at Rp 4,000 per share. This rights issue I was approved by the stockholders in the Extraordinary Stockholders' Meeting held on January 25, 1994. The Company received a notice of effectivity from BAPEPAM through its Decision Letter No. S-130/PM/1994 dated January 24, 1994 for this rights issue I.

In February 1997, the Company sold 1,289,579,469 Series A shares through Limited Public Offering II ("rights issue II"), in which 286,573,215 Series I warrants were attached. In this offering, each holder of 27 Series A shares received preemptive right for 18 new Series A shares with a subscription price of Rp 750 per share, and 4 Series I warrants were attached to each group of 18 newly issued Series A shares free of charge. The subscription right was exercisable in multiples of 9 Series A shares for Rp 6,750. The total proceeds from this rights issue II amounted to Rp 967,185 million. This rights issue II was approved by the stockholders in their Extraordinary Stockholders' Meeting held on December 27, 1996. The Company received a notice of effectivity from BAPEPAM through its Decision Letter No. S-2093/PM/1996 dated December 28, 1996 for this rights issue II.

The Company held an Extraordinary Stockholders' Meeting on March 31, 1999 to approve the Limited Public Offering III ("rights issue III") plan for 62,101,383,408 new shares (Series B with a par value of Rp 125 per share) and 7,762,672,926 Series II warrants. The Company received a notice of effectivity from BAPEPAM for rights issue III through its Decision Letter No.S-434/PM/1999 on March 30, 1999 and for the continuation of rights issue III through its Decision Letter



No. S-857/PM/1999 dated June 8, 1999. The total proceeds from the rights issue III amounted to Rp 4.5 trillion (for 35,891,396,568 Series B shares and 4,486,424,571 Series II warrants), and were received by the Company in April and June 1999.

**d. Recapitalization Program of the Company**

On March 13, 1999, the Council for Economic and Monetary Resilience (“Dewan Pemantapan Ketahanan Ekonomi dan Keuangan Indonesia”) announced and stated that the Company was one of the banks that would be recapitalized by the Indonesian Government.

The Company joined the National Banking Recapitalization Program based on a Joint Decree of the Minister of Finance and the Governor of Bank Indonesia No. 53/KMK.017/1999 and No. 31/12/KEP/GBI dated February 8, 1999 and a statement from the Council for Economic and Monetary Resilience (“Dewan Pemantapan Ketahanan Ekonomi dan Keuangan Indonesia”) dated March 13, 1999. The Joint Decree states that the Government will make capital investments in private banks which are qualified to join the recapitalization program by providing a maximum amount of 80% of the total funds needed for those private banks to achieve a Minimum Capital Adequacy Ratio (CAR) of 4%. The controlling stockholders, the Governor of Bank Indonesia, the Minister of Finance and the Chairman of the Indonesian Bank Restructuring Agency signed the “Investment, Management, and Performance Agreement” on May 28, 1999. The “Investment, Management, and Performance Agreement” was amended several times with the latest amendment signed on November 10, 1999. Based on Government Regulation No. 34 dated May 24, 1999, the Indonesian Government decided to make a capital investment in the Company at a maximum amount of Rp 8.7 trillion.

The balance of the capital investment of the Indonesian Government to the Company amounted to Rp 6.6 trillion, which was placed in the form of bonds issued by the Indonesian Government. Such amount was Rp 2.1 trillion lower than the maximum recapitalization amount decided by the Indonesian Government because the controlling and public stockholders invested capital in excess of the minimum 20% of the total recapitalization amount needed to achieve a CAR of 4%. The Company has refunded the excess recapitalization funds of Rp 2.1 trillion to the Indonesian Government in January 2000.

**e. The Company’s Commissioners and Managements**

The composition of the Company’s Board of commissioners and managements in accordance with notarial deed No. 80 dated June 30, 2000 of notary Fathiah Helmi, SH, is as follows:

President Commissioner	:	Rusli Prakarsa
Vice President Commissioner	:	Sudiarso
Commissioners	:	Aditiawan Chandra Anggito Abimanyu Randolph Latumahina Suad Husnan
President Director	:	Hiroshi Tadano
Vice President Directors	:	Gustiono Kustianto Yap Tjay Soen
Directors	:	Fransiska Oei Lan Siem Halim Susanto Hedy Maria Helena Lapian Raymond Yauwenas Rudy N. Hamdani

**f. Restructuring of Company's Receivables from Related Parties**

According to the Terms of the Recapitalization Agreement dated May 28, 1999 and the letter of undertaking from the Minister of Finance to PT Sinar Mas Multiartha Tbk and the Company dated April 15, 1999 attached to the Recapitalization Agreement, the Company, the Indonesian Bank Restructuring Agency, and Sinar Mas Group, signed a memorandum of understanding on March 31, 2000 to restructure the repayment schedule and the quality of collateral of the Company's receivables from related parties (Sinar Mas Group). The receivables included placement with bank, notes receivable, export bills, loans given, letters of credit, and acceptances on import L/C (Notes 5, 6, 7, and 37).

To continue the above memorandum of understanding, the Company, the Indonesian Bank Restructuring Agency, and Sinar Mas Group (represented by Teguh Ganda Wijaya, Indra Widjaja, Franky Oesman Widjaja, and Muktar Widjaja) signed a Settlement Agreement for the Company's receivables from related parties (Sinar Mas Group) amounting to USD 1,249 million (equivalent to Rp 11,985,016 million at the exchange rate of Rp 9,595/USD 1) on January 26, 2001 and its amendments on February 3, 2001. The Settlement Agreement with its amendments have been legalized by Sukawaty Sumadi SH, notary in Jakarta, on January 26, 2001 and February 16, 2001. Under the Settlement Agreement, it was noted that Teguh Ganda Wijaya, Indra Widjaja, Franky Oesman Widjaja, and Muktar Widjaja were the Personal Guarantors for settlement of the Company's receivables from debtors of Sinar Mas Group. Settlement of the Company's receivables will be made by debtors of Sinar Mas Group as follows:

September 30, 2001	2.5%	Of the Company's outstanding receivables
March 31, 2002	5%	Of the Company's outstanding receivables
September 30, 2002	5%	Of the Company's outstanding receivables
December 31, 2002	7.5%	Of the Company's outstanding receivables
March 31, 2003	7.5%	Of the Company's outstanding receivables
June 30, 2003	7.5%	Of the Company's outstanding receivables
September 30, 2003	65%	Of the Company's outstanding receivables

Based on the Settlement Agreement, Sinar Mas Group is charged with interest rate at 16% per annum for Rupiah and SIBOR + 3% per annum for USD. Interest is paid every June 30th and December 30th.

The Settlement Agreement was signed with acknowledgement from the Minister of Finance. To keep the Company's financial soundness and to maintain its asset quality, the Indonesian Bank Restructuring Agency provided Government Guarantee to the Company so that the Company's receivable to debtors of Sinar Mas Group could be excluded from the calculation of Legal Lending Limit in accordance with Bank Indonesia's regulation. Personal Guarantors will provide a Personal Guarantee to ensure the payment of Government Guarantee, and will seek to provide and pledge collateral (valued at 145% of the outstanding receivables) as counter guarantee in order to ensure Government Guarantee to the extent that Bank Indonesia categorizes the Company's receivables to Sinar Mas Group in calculation of Legal Lending Limit. The Indonesian Bank Restructuring Agency will carry through and supervise the implementation of the guarantee provided by the Indonesian Government. The Indonesian Bank Restructuring Agency is in the process for obtaining personal guarantee from Eka Tjipta Widjaja.

By the authority vested by the Minister of Finance on March 8, 2001, the Chairman of the Indonesian Bank Restructuring Agency issued guarantee on receivables to companies under Sinar Mas Group amounting to USD 1,249 million. This guarantee has been effective since April 30, 2001 and will expire on October 7, 2003. If debtors of Sinar Mas Group do not make any interest payment upon its maturity, or principal repayment on schedule, the Indonesian Bank Restructuring Agency will pay interest and make principal instalments in accordance with the terms of the Settlement Agreement.

The Government Guarantee on receivables to debtors of Sinar Mas Group will expire in proportion to the receivable portion of the Company that has been paid, sold and/or transferred to third parties or the Indonesian Bank Restructuring Agency, or that is based on Bank Indonesia's prevailing regulation the related party is no longer included in the calculation of violation of Legal Lending Limit to related parties because of other reasons other than the existence of Government Guarantee.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **a. Consolidated Financial Statement Preparation**

The consolidated financial statements have been prepared in accordance with Statement of Financial Accounting Standards No. 31, "Accounting for Banking Industry", and accounting principles and reporting practices generally accepted in Indonesia. Such consolidated financial statements are an English translation of the Company and its subsidiaries' statutory report in Indonesia, and are not intended to present the financial position and results of operations, changes in equity and cash flows in accordance with accounting principles and reporting practices generally accepted in other countries and jurisdictions.

The reporting currency used in the preparation of the consolidated financial statements is the Indonesian Rupiah. Unless otherwise stated, all figures presented in the notes to the consolidated financial statements are stated in millions of Rupiah.

The consolidated financial statements, except for the statements of cash flows, are prepared under the accrual basis of accounting. The consolidated financial statements are prepared on the historical cost basis, except for certain accounts which are measured on the bases described in the related accounting policies.

Starting in 2000, the consolidated statements of cash flows are prepared using the direct method with classifications of cash flows into operating, investing and financing activities. For comparative purposes, the 1999 consolidated statement of cash flows, which was previously presented using the indirect method, was restated to conform with the 2000 presentation.

### **b. Principles of Consolidation**

The consolidated financial statements include all subsidiaries that are controlled by the Company, other than those excluded because control is assumed to be temporary or due to long-term restrictions significantly impairing a subsidiary's ability to transfer funds to the Company.

Where an entity either began or ceased to be controlled during the year, the results are included only from the date that the control commenced or up to the date that the control ceased.

Control is presumed to exist where more than 50% of a subsidiary's voting power is controlled by the Company, or the Company is able to govern the financial and operating policies of a subsidiary, or control the removal or appointment of the majority of the subsidiary's board of directors.

All significant inter-company balances and transactions, including unrealized gain/loss, have been eliminated in consolidation to reflect the financial position and results of operations of the Company and its subsidiaries as one business entity.

Changes in the value of investments due to changes in the equity of subsidiaries arising from capital transactions of such subsidiaries with other parties are recognized in equity as "difference due to change of equity in subsidiaries", and recognized as income or expenses in the period the investments are disposed of.

### **c. Foreign Currency Transactions and Translations**

#### **Transactions**

The Company and its branches domiciled in Indonesia maintain their accounting records in Indonesian Rupiah. Transactions during the year involving currencies other than Rupiah are recorded at the exchange rates prevailing at the dates of the transactions.

#### **Translation of Monetary Assets and Liabilities Denominated in Foreign Currencies**

At balance sheet dates, all monetary assets and liabilities denominated in foreign currency are translated to Rupiah using the middle exchange rates published by Bank Indonesia (i.e. Rp 9,595/USD 1 for December 31, 2000 and Rp 7,100/USD 1 for December 31, 1999). The resulting gain or loss from the translation is recognized in the current year operations.

#### **Translation Related to Consolidation of Subsidiaries and Branches of the Company Domiciled Outside Indonesia**

Subsidiaries and branches of the Company domiciled outside Indonesia maintain their accounting records in their respective domestic currencies.

For consolidation purposes, the financial statements of such subsidiaries and branches domiciled outside Indonesia are translated into Rupiah as follows:

- Balance sheet accounts, except for equity accounts which are translated using historical rates, are translated using the middle exchange rates at the balance sheet date as published by Bank Indonesia;
- Profit and loss accounts are translated on a monthly basis using the average month-end middle exchange rates as published by Bank Indonesia. Profit and loss account balances for the year represent the sum of those monthly translations; and
- Differences arising from translation are presented in the consolidated balance sheet as part of equity under "difference in foreign currency translation" account.

#### **Forward Contracts of Funding Nature**

The difference between the contracted forward rate and the spot rate on the transaction date is recorded as a premium or discount and is amortized over the life of the contract. The amortization of the premium or discount is presented in the statement of income as an addition or deduction from the interest expenses.

The difference between the balance sheet date spot rate and the spot rate on forward receivable or payable at the transaction date is recognized as gain or loss in the current year operations.

#### **Forward Contracts of Trading Nature**

The difference between the contracted forward rate and the spot rate on the maturity date is recognized as gain or loss in the current year operations.

#### **d. Cash and Cash Equivalents**

Cash and cash equivalents consist of cash, demand deposits with Bank Indonesia and with other banks, and placements with other banks which are unrestricted and have a maturity of less than three months. Placements at closed and taken-over banks are excluded from cash and cash equivalents.

#### **e. Placements with Other Banks**

Placements with other banks are stated at their outstanding balance less allowance for possible losses which is determined based on evaluation of the collectibility of each placement.

**f. Marketable Securities**

Marketable securities comprised of Bonds of the Government of the Republic of Indonesia ("Government bonds"), money market securities (including Certificates of Bank Indonesia), placement at Bank Indonesia, notes receivable, bonds, receivables on export bills, shares, draft and traveller's cheques.

Accounting for marketable securities are as follows:

- Securities held to maturity are stated at cost, adjusted for unamortized premium or discount. If it is probable that the cost of such securities will not be fully recovered, a permanent decline in value is considered to have occurred and, as a result, the cost basis of the individual security is written down to fair value and the amount of the write-down is recognized as loss in the current year.
- Securities available for sale are stated at market value. Unrealized gains (losses) due to an increase (decrease) in market value are recognized and presented as an equity component. The difference between market value and cost value is recognized in the statement of profit and loss when realized upon the sale of the securities.
- Securities for trading are stated at market value. Unrealized gains (losses) due to an increase (decrease) in market value are recognized as gains (losses) in the current year.

Transfer of marketable securities to held to maturity from available for sale category is recorded at fair value. Unrealized gain or loss is recorded as part of equity and amortized using the straight-line method over the remaining life of the debt securities.

Realized gain or loss from sale of securities is determined based on average cost, adjusted for unamortized discount or premium, at the date of sale.

Allowance for possible losses and allowance for decline in market value are presented as deductions from the balance of marketable securities.

**g. Loans**

Loans are stated at the gross amount of their outstanding balance less allowance for possible losses which is determined based on evaluation of the collectibility of each loan.

**h. Allowance for Possible Losses on Earning Assets and Commitment/Contingent Liabilities**

Allowance for possible losses on earning assets and commitment/contingent liabilities is determined based on evaluation by management of the collectibility of earning assets and commitment/contingent liabilities. Management's evaluation for purposes of determining the allowance for possible losses on earning assets and commitment/contingent liabilities is based on Decree of Bank Indonesia No. 31/147/KEP/DIR and No. 31/148/KEP/DIR dated November 12, 1998.

Based on the Decree of Bank Indonesia dated November 12, 1998, earning assets consist of demand deposits with other banks, interbank placements, marketable securities, loans and investments in shares. Earning assets and commitment/

contingent liabilities of banks are classified into 5 categories, i.e. current, special mention, substandard, doubtful and loss. The following are percentages of allowance for possible losses that the Company applied for December 31, 2000:

Category of Earning Assets and Commitment/Contingent Liabilities	Minimum Percentage of Allowance
Current	0.875%
Special mention	4.000%
Substandard	12.500%
Doubtful	50.000%
Loss	100.000%

The above percentages are applied to earning assets and commitment/contingent liabilities less the collateral value in accordance with the Decree of Bank Indonesia, except for earning assets and commitment/contingent liabilities categorized as current and special mention, where the rates are applied directly to the balances of earning assets and commitment/contingent liabilities. Percentages of allowance for possible losses on earning assets and commitment/contingent liabilities categorized as current, special mention, and substandard will increase gradually up to 1% for current, 5% for special mention, and 15% for substandard in June 2001.

Allowance for possible losses on commitment and contingent liabilities made is presented in the other liabilities account.

The outstanding balance of earning assets is written off against the respective allowance for possible losses when management believes that the assets are determined to be definitely uncollectible or unrealizable. Recovery of earning assets previously written off is recorded as an addition to allowance for possible losses on earning assets during the year of recovery.

#### i. Investments in Shares

Investments in shares of entities in which the Company has an ownership interest of less than 20% and the market price is not available are carried at cost (cost method), while investments in shares of entities in which the Company has an ownership interest of 20% to 50%, directly or indirectly owned, are accounted for using the equity method whereby the Company's proportionate share in the income or loss of the associated company is added to or deducted from, and the dividends received are deducted from, the acquisition cost of the investments (equity method).

Investments in subsidiaries in the consolidating information-Parent Company are presented using the equity method. Changes in the value of investments due to changes in the equity of subsidiaries or associated companies arising from capital transactions of such subsidiaries or associated companies with other parties are recognized in equity as "difference due to change of equity in subsidiaries or associated companies", and will be recognized as gain or loss in the year the investments are disposed of.

The carrying amount of the investments is written down to recognize a permanent decline in value of the investments which is charged directly to current year operations.

#### j. Premises and Equipment

Premises and equipment, except revalued premises and equipment, are stated at cost less accumulated depreciation.

In September 1998, the Company revalued its premises and equipment in accordance with the Decree of the Minister of Finance of the Republic of Indonesia No. 384/KMK.04/1998 dated August 14, 1998, resulting in a revaluation increment of Rp 1,343,195 million.

The Company received approval from the Tax Office on March 25, 1999 with respect to the revaluation increment of Rp 1,343,195 million through its letter No. KEP-7/WPJ.06/KP.0404/1999. The revaluation increment was booked by the Parent Company on April 1, 1999. Premises and equipment purchased before October 1998 are stated at the revalued amount less accumulated depreciation, while premises and equipment purchased subsequent to October 1998 are stated at cost less accumulated depreciation.

All premises and equipment, except for land and buildings, are depreciated over their estimated useful lives using the double-declining-balance method. Land is not depreciated, while buildings are depreciated using the straight-line method. The annual depreciation rates are as follows :

	Percentage
Buildings :	
• Permanent	5%
• Non Permanent	10%
Premises and equipment other than buildings :	
Class I : assets with useful lives of less than 4 years	50%
Class II : assets with useful lives between 4 to 8 years	25%

Land is stated based on acquisition cost and is not depreciated, except if the quality of the land deteriorates or when the nature of the main operations abandons the land when the project is completed.

Since 1999, legal expenses related to landright are recognized as deferred expenses and are amortized over its legal term or economic useful life of land, whichever is shorter, using straight-line method (adoption of Statement of Financial Accounting Standards No. 47). In connection with the effectivity of this SFAS, management evaluated the carrying value of the land and decided to apply this SFAS prospectively (for acquisition of new lands or renewal of landrights in the future), because at the end of 1998, the Company had just revalued their property, plant and equipment, including land (Note 12).

The cost of repairs and maintenance is charged to operations as incurred, while significant renewals or betterments are capitalized. When assets are retired or otherwise disposed of, their carrying values and the related accumulated depreciation are removed from the accounts and any resulting gain or loss on sales of those assets is reflected in the statement of profit and loss for the current year operations.

**k. Assets Seized on Loans in Default and Unused Assets (or Foreclosed Collateral)**

Assets seized on loans in default represent loan collateral seized by the Company and the transfer of ownership is still in process. Unused assets are loan collateral seized by, and under the ownership of the Company.

Assets seized on loans in default and unused assets obtained as loan settlements by the Company are recorded at the lower of market value or mutually agreed value. Differences between the loan receivable and market value or mutually agreed value are charged to allowance for possible loan losses in the current year.

Management evaluates the value of foreclosed collateral regularly. Allowance for possible losses on foreclosed collateral is determined based on declining value of foreclosed collateral.

Expenses incurred for maintaining assets seized on loans in default and unused assets are charged in the statement of profit and loss in the year incurred.

Gains or losses on sales of assets seized on loans in default and unused assets are recorded in the year in which the sale is made.

**l. Recognition of Interest Revenue and Expense**

Interest revenue and expense from interest-earning assets and interest-bearing liabilities are recognized on an accrual basis, except for interest revenues on loans and other earning assets categorized as non-performing. Those interest revenues are recognized only when such interests are actually received. Such interest revenues are instead recorded as past due interest revenue in the statement of commitments and contingencies.

Loans and other earning assets (excluding marketable securities) are considered as non-performing when already categorized as substandard, doubtful, or loss, and the borrowers have not been able to fulfill their monetary obligations for more than 90 days or when management considered that the receipts of interest were doubtful. On the other hand, marketable securities are categorized as non-performing when the issuer of marketable securities has not been able to fulfill interest and/or principal payments.

**m. Recognition of Provision or Commission Revenue and Expense**

Provision or commission revenue and expense directly related to loans given or received in excess of Rp 100 million are recognized as deferred income or expense and are amortized on a proportional basis in accordance with the year in which the respective loans are given or received. Provision or commission revenue and expense less than or equal to Rp 100 million are recognized as income or expense upon receipt or payment.

Provision or commission which is indirectly related to credit activities or certain period of time is recognized as income or expense when earned or incurred.

**n. Income Tax**

The Company and its subsidiary domiciled in Indonesia calculated income tax based on Statement of Financial Accounting Standards (SFAS) No. 46, "Accounting for Income Taxes" since June 1, 1999. Corporate income tax calculation of subsidiaries domiciled outside Indonesia and associated companies domiciled in Indonesia was based on taxable income or loss of those companies because the effect of application of SFAS No. 46 was not significant.

Current tax expense is determined based on the taxable income for the year computed using prevailing tax rates.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable income will be available in future years against which the deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the statement of profit and loss, except deferred tax which is charged or credited directly to equity.

Deferred tax assets and liabilities are offset in the balance sheet in the same manner the current tax assets and liabilities are presented, except deferred tax assets and liabilities for different entities.

**o. Interest Rate Swaps**

**Interest rate swap transactions for funding purposes**

The difference between the original interest rate and the contracted interest rate is presented as an addition to or deduction from the cost of funds, and is amortized on a proportional basis over the period of the contract.



**Interest rate swap transactions for trading purposes**

The difference between the original interest rate and the contracted interest rate is recognized as gain or loss at the end of the contract period.

**p. Options**

In the event that the Company acts as an issuer of options, loss arising from the difference between the contracted option rate and the spot rate at the reporting date is recognized as an expense for the current year. Gain arising from the difference between the contracted option rate and the spot rate at the reporting date is not recognized as revenue for the current year but will be recognized as revenue at the realization date.

**q. Earnings Per Share**

Basic earnings per share is calculated based on the weighted average number of shares outstanding during the year.

In calculating fully diluted earnings per share, the weighted average number of shares outstanding is adjusted for the dilutive effect of warrants which could potentially be converted to shares.

**r. Pension Fund**

The Company has a defined contribution pension plan since May 1996 for all of its local permanent employees. Pension expense under this program is recognized on an accrual basis.

**s. Assets Sold under Repurchase Agreements**

Assets (securities and loans) which are sold under repurchase agreements are not presented in the balance sheet, but are presented as "Liabilities to repurchase assets sold under repo terms" in the statement of commitments and contingencies.

**t. Segment Information**

The segment information is presented in accordance with accounting policy used for presenting the consolidated financial statements.

**u. Issuance Costs of Shares**

Share issuance cost is presented as part of additional paid-in capital and is not amortized. Share issuance cost of the Company as of December 31, 2000 was nil because it was already charged to current year's operations and, as a result, the 1999 financial statements was not restated.

**v. Restructuring of Earning Assets**

The Company applies SFAS No. 54, "Restructuring of Troubled Payable and Receivable" and Bank Indonesia regulation No. 31/150/KEP/DIR dated November 12, 1998 regarding "Loan Restructuring" for restructured receivable on earning assets. The difference between nominal value of receivable and present cash value of the receivable is charged to current year operations. The overdue interests capitalized to principal in new credit agreement under restructuring scheme is booked as deferred interest income ("interest in suspense") and recognized as income in a proportional basis with the principal when cash payments are received. The deferred interest income is presented as deduction from the balance of loans given.

**3. DEMAND DEPOSITS WITH BANK INDONESIA**

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Rupiah	1,030,336	987,578	1,030,336	987,578
Foreign currency	383,763	280,572	383,763	280,572
<b>Total</b>	<b>1,414,099</b>	<b>1,268,150</b>	<b>1,414,099</b>	<b>1,268,150</b>

According to Bank Indonesia's Decree, each bank in Indonesia is required to maintain a minimum liquidity reserves amounting to 5% of liabilities in Rupiah and 3% of liabilities in foreign currencies. The balance of minimum liquidity reserves in Rupiah and foreign currency of the Company as of December 31, 2000 was Rp 1,299,862 million (1999 : Rp 1,146,950 million).

**4. DEMAND DEPOSITS WITH OTHER BANKS**

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Rupiah	6,004	8,496	5,993	8,493
Foreign currency	1,506,746	2,782,721	1,480,904	1,897,143
<b>Total</b>	<b>1,512,750</b>	<b>2,791,217</b>	<b>1,486,897</b>	<b>1,905,636</b>
Allowance for possible losses	(14,267)	(18,709)	(14,267)	(18,709)
<b>Net</b>	<b>1,498,483</b>	<b>2,772,508</b>	<b>1,472,630</b>	<b>1,886,927</b>

Management believes that the allowance for possible losses on demand deposits with other banks at balance sheet dates is adequate to cover possible losses which might arise from uncollectible demand deposits with other banks.



Rp 1,065,000 million). The related party as of December 31, 2000 was Bank International Ningbo. The Company, Sinar Mas Group, and the Indonesian Bank Restructuring Agency have agreed to restructure the repayment schedule of the Parent Company's placement with related party as of December 31, 2000 and to transfer the placement into loan to PT Purinusa Ekapersada in 2001 (Notes 1f and 44). The loan restructuring agreement was signed by the Company and PT Purinusa Ekapersada on March 9, 2001. The loans to PT Purinusa Ekapersada included loans under restructuring based on the Settlement Agreement among the Company, Sinar Mas Group and the Indonesian Bank Restructuring Agency dated January 26, 2001 and its amendment dated February 3, 2001. (Notes 1f, 7 and 44).

**b. Placements with Closed/Frozen Banks**

Placements with other banks (call money) as of December 31, 2000 included placements with frozen banks amounting Rp 180,856 million (1999 : Rp 1,009,576 million). Claims on placements with frozen banks have been filed with the Indonesian Bank Restructuring Agency. The Company received settlement of principal and accrued interest on placements with frozen/closed banks from the Indonesian Bank Restructuring Agency as follows:

- (i) Settlement of principal of receivable from PT Bank Papan Sejahtera (frozen bank) amounting to Rp 425,000 million, received on December 20, 1999.
- (ii) Settlement of principal of receivable from PT Bank Aken (frozen bank) amounting to Rp 40,000 million, received on January 26, 2000.
- (iii) Settlement of principal of receivable from PT Bank Dagang Nasional Indonesia (closed bank) amounting to Rp 110,340 million, received on March 15, 2000.

The accrued interest from PT Bank Papan Sejahtera, PT Bank Aken, and PT Bank Dagang Nasional Indonesia totalling Rp 253,928 million was paid on the same date March 15, 2000.

- (iv) Settlement of principal of receivable from PT Bank Putera Surya Perkasa (frozen bank) amounting to Rp 591,000 million, received on December 1, 2000.

In addition, the Company also received settlement of principal of receivable from PT Bank Tiara Asia (Taken Over Bank) amounting to Rp 87,380 million on May 15, 2000 in form of Government bonds. Total amount of interest received was Rp 57,619 million, of which Rp 1,465 million was received in the form of accrued interest of Government bonds and the remaining amount have been received in cash by the Company on May 1, and May 31, 2000 amounting to Rp 28,077 million on each date.

The settlement of the interbank placement in PT Bank Bira (frozen bank) amounting to Rp 176,625 million and the related interest amounting to Rp 103,714 million (including money market securities/SBPU endorsed by PT Bank Umum Nasional (closed bank) amounting to Rp 896,000 million presented under marketable securities account - Note 6) is as follows :

- On April 27, 2001, the Committee of Financial Sector Policy (KFSK) approved on the proposal of the Indonesian Bank Restructuring Agency (after taking into account Bank Indonesia's consideration) to transfer the Rp 1,176,338 million "recycled Government bonds" from the account of the Indonesian Bank Restructuring Agency in Bank Indonesia to the account of the Company in Bank Indonesia in relation to the settlement of the interbank claim of the Company amounting to Rp 1,176,339. The utilization of the "recycled Government bonds" will be executed after obtaining an approval from the Commission IX of the House of Representatives (DPR). If the transfer of the bonds can not be executed, the Indonesian Bank Restructuring Agency can replace the "recycled Government bonds" with collateral in form of inventory, land and other assets which are valued in accordance with Bank Indonesia's regulations. During the valuation of the collateral, the Indonesian Bank Restructuring Agency is authorized to temporarily collateralized deposits or other liquid financial instruments.

- To pursue on the above decision of KKSK, on April 27, 2001 the Minister of Finance vested authority to the Chairman of the Indonesian Bank Restructuring Agency to represent the Indonesian Government in the settlement of the interbank claims of the Company in accordance with the letter of the Minister of Finance and the Governor of Bank Indonesia dated May 19, 1999 to the Company and PT Sinar Mas Multiartha Tbk (presented as attachment 8 to the "Investment, Management and Performance Agreement" among the Indonesian Bank Restructuring Agency, the Company, controlling stockholder and management). In addition, the Minister of Finance also issued an approval so that a minimum of 20% of the liabilities of Sinar Mas Group (minimum amount of Rp 235.3 billion) will be settled separately between the Indonesian Bank Restructuring Agency and Sinar Mas Group (not affected the Company). On May 3, 2001, the Chairman of the Indonesian Bank Restructuring Agency and the management of the Company signed a Fiduciary Collateral Deed in relation with the pledging of the Serie FR004 Government bonds amounting to Rp 1,176,338 million as collateral for the interbank claims. The Fiduciary Collateral Deed No. 6 dated May 3, 2001 was made by Winnie Susanti Hadiprodjo SH, notary in Jakarta. On May 4, 2001, Citibank (Jakarta) as sub-registry (No. 2.1.2.031) issued a Statement of Collateralized Marketable Securities (SKSD) No. 01/WWSS/V/2001 in relation with the pledging of the Serie FR004 Government bonds as mentioned above. The pledging of the "recycled Government bonds" as collateral is for temporary period only (until the decision is obtained from the Commission IX of the House Representatives for the settlement of interbank claims with the "recycled Government bonds").

#### c. Term of Maturity

Call money represents placements with maturity between 1 day and 90 days, while the tenure of time deposits is between 1 month and 3 months. Placements with closed banks, taken-over bank and frozen banks have been due for more than 90 days.

#### d. Allowance for Possible Losses

Management believes that the allowance for possible losses on placements with other banks at balance sheet dates is adequate to cover possible losses which might arise from uncollectible placements with other banks.

## 6. MARKETABLE SECURITIES

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
<b>Held to maturity :</b>				
Certificates of Bank Indonesia	1,625,000	2,660,800	1,625,000	2,660,800
Unamortized discount	(6,103)	(26,632)	(6,103)	(26,632)
Certificates of Bank Indonesia - Net	1,618,897	2,634,168	1,618,897	2,634,168
Placement with Bank Indonesia	90,000	451,000	90,000	451,000
Unamortized discount	(27)	-	(27)	-
Placement with Bank Indonesia - Net	89,973	451,000	89,973	451,000
Receivable on Export Bills	170,567	4,231,425	17,132	4,068,510
Unamortized discount	(6)	(44,118)	(6)	(44,118)
Receivable on Export Bills - Net	170,561	4,187,307	17,126	4,024,392
Money market securities (SBPU)	896,000	896,000	896,000	896,000

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Notes receivable	639,103	2,370,114	639,103	2,370,114
Unamortized discount	(1,152)	(105,133)	(1,152)	(105,133)
Effect of change in investment purpose	(162,489)	(169,041)	(162,489)	(169,041)
Permanent decline in value of marketable securities	-	(89,369)	-	(89,369)
Notes Receivable - Net	475,462	2,006,571	475,462	2,006,571
Bonds	286,743	303,844	286,743	303,844
Unamortized discount	(3,982)	(9,273)	(3,982)	(9,273)
Effect of change in investment purpose	(48,625)	(84,436)	(48,625)	(84,436)
Bonds - Net	234,136	210,135	234,136	210,135
Draft	150	275	150	275
<b>Available for sale :</b>				
Notes receivable	618,777	543,615	618,777	543,615
Allowance for decline in market value	(70,163)	(65,339)	(70,163)	(65,339)
Notes receivable - Net	548,614	478,276	548,614	478,276
Bonds	175,359	211,887	175,359	211,887
Allowance for decline in market value	(3,855)	768	(3,855)	768
Bonds - Net	171,504	212,655	171,504	212,655
Shares	70	256	70	256
Allowance for increase (decline) in market value	(27)	140	(27)	140
Shares - Net	43	396	43	396
Traveller's cheques	919	945	919	945
<b>Trading :</b>				
Notes receivable	44,741	-	44,741	-
Allowance for decline in market value	(2,879)	-	(2,879)	-
Notes receivable - Net	41,862	-	41,862	-
Bonds	57,871	-	57,871	-
Allowance for decline in market value	(3,011)	-	(3,011)	-
Bonds - Net	54,860	-	54,860	-
Total	4,302,981	11,077,728	4,149,546	10,914,813
Allowance for possible losses	(96,615)	(124,784)	(96,615)	(124,784)
Net	4,206,366	10,952,944	4,052,931	10,790,029

**a. Export Bills from Related Parties**

Outstanding consolidated export bills as of December 31, 2000 amounting to Rp 34,783 million (1999 : Rp 4,059,598 million) were purchased from related parties. As of December 31, 1999, there were export bills amounting to Rp 4,008,810 million which had been rediscounted with Bank Indonesia. The Company, Sinar Mas Group and the Indonesian Bank Restructuring Agency have agreed to restructure the repayment schedule of the Company's export bills purchased from related parties and to convert them into loans. The loan restructuring agreement has been signed by the Company and the respective debtors on March 9, 2001. These loans were restructured loans based on Settlement Agreement among the Company, Sinar Mas Group and the Indonesian Bank Restructuring Agency dated January 26, 2001 and its amendment dated February 3, 2001 (Notes 1f and 44).

**b. Money Market Securities (SBPU)**

SBPU represent securities endorsed by PT Bank Umum Nasional (closed bank) amounting to Rp 896,000 million. Claim on the securities has been filed with the Indonesian Bank Restructuring Agency. The claim will be settled by the Indonesian Bank Restructuring Agency in accordance with the decision of KKSK and the Minister of Finance (Notes 5 and 44).

**c. Notes Receivable**

The consolidated notes receivable balance as of December 31, 2000 included notes receivable from related parties amounting to Rp 335,825 million (1999: Rp 585,750 million). The Company, Sinar Mas Group and the Indonesian Bank Restructuring Agency have agreed to restructure the repayment schedule of these notes receivable and to convert them into loans to PT Purinusa Ekapersada (amounting to Rp 287,850 million) and PT Tjiwi Kimia (amounting to Rp 47,975 million). The loan restructuring agreement has been signed by the Company and the related debtors of Sinar Mas Group on March 9, 2001. These loans were restructured loans based on the Settlement Agreement among the Company, Sinar Mas Group and the Indonesian Bank Restructuring Agency dated January 26, 2001 and its amendment dated February 3, 2001 (Notes 1f and 44).

**d. Bonds**

Bonds consist of securities denominated in Rupiah issued by other companies in Indonesia. The bonds as of December 31, 2000 included issuance by related parties amounting to Rp 91,600 million (1999 : Rp 91,600 million). Bonds amounting Rp 22,000 million are held as "sinking fund" investments for the bonds issued by the Company as of December 31, 1999. The bonds issued amounting to Rp 194,700 million have been paid in July 2000.

**e. Change in Investment Purpose**

The Company changed its investment purpose on notes receivable and bonds amounting to Rp 858,543 million from "available for sale" to "held to maturity" in relation to financial risk management policy. Outstanding unrealized loss in relation to change in investment purpose on the securities amounted to Rp 211,114 million as of December 31, 2000.

Market values of notes receivable and bonds which investment purpose was "held to maturity" aggregated to Rp 603,974 million as of December 31, 2000.

**f. Interest Rate and Tenure of the Securities**

Following are securities classified based on maturity and investment purposes:

**(i) Held to Maturity**

	Net amount Rp'000'000
- Less than 1 year	2,853,694
- More than 1 year up to 5 years	269,669
- More than 5 year up to 10 years	572,930
<b>Total</b>	<b>3,696,293</b>

**(ii) Available for Sale**

	Net amount Rp'000'000
- Less than 1 year	646,628
- More than 1 year up to 5 years	69,783
- More than 5 year up to 10 years	78,714
<b>Total</b>	<b>795,125</b>

The average interest rates on Certificates of Bank Indonesia, money market securities/notes receivable and bonds denominated in Rupiah currency as of December 31, 2000 range from 10.72% to 15% (1999 : 11% to 15%) per annum, while the average interest rates on notes receivable and export bills denominated in foreign currencies as of December 31, 2000 range from 7.06% to 10.88% (1999 : 6% to 9%) per annum.

**g. Allowance for Possible Losses**

Management believes that the allowance for possible losses on marketable securities at balance sheet dates is adequate to cover possible losses which might arise from uncollectible marketable securities.

**7. LOANS****a. Classified Based on Type of Loans**

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Promissory notes	14,841,689	8,498,924	14,772,573	7,413,180
Small business credits (KUK)	1,122,278	892,784	1,122,278	892,784
Housing loans (KPR)	681,708	565,053	681,708	565,053
Export credits	573,968	840,314	573,968	839,726
Overdrafts	557,058	336,824	557,058	320,771
Import credits	301,578	183,560	168,832	57,093
KIK, KMKP, KI and KPG	277,404	120,647	277,404	120,647
Credit card receivables	248,884	172,973	248,884	172,973
Car loans (KCMP)	239,320	29,830	239,320	29,830
Staff loans	46,996	23,733	34,950	20,132
Factoring receivables	46,583	53,999	-	-



	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Lease receivables - net	9,043	17,051	-	-
Consumer financing receivables	3,617	4,320	-	-
Advances under letters of credit	4,568	9,044	4,568	9,044
Others	39,337	55,888	39,337	55,887
Total	18,994,031	11,804,944	18,720,880	10,497,120
Allowance for possible losses	(2,329,766)	(1,758,364)	(2,234,318)	(1,630,683)
Net	16,664,265	10,046,580	16,486,562	8,866,437

- b. The balance of KUK Channelling outstanding as of December 31, 2000 amounted to Rp 140,565 million (1999 : Rp 106,730 million), of which Rp 70,000 million (1999 : Rp 70,000 million) had been distributed through a subsidiary which operates as multifinance company.
- c. Loan collaterals are usually in the form of tangible assets (i.e. land, building, shares of stock, time deposits, machinery, and inventory).
- d. Loans granted to related parties as of December 31, 2000 amounted to Rp 9,801,825 million on a consolidated basis (1999 : Rp 4,409,208 million) and Rp 9,780,965 million on a Parent Company basis (1999 : Rp 3,499,562 million). The amount included loans to staff amounting to Rp 46,996 million on a consolidated basis (1999 : Rp 23,733 million) and Rp 34,950 million on a Parent Company basis (1999 : Rp 20,132 million).

Increase in the balance of the loans granted to related parties as of December 31, 2000 as compared with December 31, 1999 balance were caused by receivable on export bills, letters of credit, and acceptances on import L/C totalling Rp 5,395,149 million which were converted into loans. The Company, Sinar Mas Group and the Indonesian Bank Restructuring Agency have agreed to restructure the repayment schedule of the loans granted by the Company to related parties (Sinar Mas Group) based on Settlement Agreement among the Company, Sinar Mas Group and the Indonesian Bank Restructuring Agency dated January 26, 2001 and its amendment dated February 3, 2001 (Notes 1f and 44). The loan restructuring agreement has been signed by the Company and the related debtors of Sinar Mas Group on March 9, 2001.

Asia Pulp & Paper Ltd. together with its subsidiaries and associated companies (paper manufacturing division of Sinar Mas Group) declared a moratorium ("standstill") on March 12, 2001 with respect to their obligation to pay the creditors. The period of moratorium has not yet been determined and is still awaiting the result of the discussion with all the creditors of Asia Pulp & Paper Ltd. Group. The moratorium decision does not affect the Company's receivables from debtors of Sinar Mas Group since the Company has already signed a Settlement Agreement with Sinar Mas Group and the Indonesian Bank Restructuring Agency who issued a Government Guarantee on the Company's receivables from debtors of Sinar Mas Group (Note 1f).

Loans to employee consist of loans granted with special interest rate with term between 1 up to 20 years collected through monthly salary deductions. Except for loans to employees, loans are granted to related parties under similar terms and conditions as those granted to non-related parties.

- e. Loans classified as doubtful and loss as of December 31, 2000 amounted to Rp 2,854,829 million (1999 : Rp 2,490,541 million). Collateral value for these loans as of December 31, 2000 was Rp 1,109,088 million (1999 : Rp 694,276 million). The balance of loans under restructuring process (excluding Sinar Mas Group) as of December 31, 2000 was Rp 1,886,427 million (1999 : Rp 308,762 million).

## f. Changes in the allowance for possible losses on loans :

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Balance at Beginning of Year	1,758,364	7,547,777	1,630,683	7,366,210
Effect of non consolidation of Bank International Ningbo	(29,415)	-	-	-
Additions :				
Recoveries of loans previously written off	154,559	148,615	154,559	148,615
Provision during the year	277,137	444,420	253,890	386,775
Difference in foreign currency translation	324,806	166,583	302,442	158,151
Deductions :				
Reversal of provision made	-	(42,944)	-	-
Loans written off during the year	(155,685)	(6,506,087)	(107,256)	(6,429,068)
Balance at End of Year	2,329,766	1,758,364	2,234,318	1,630,683

Management believes that the allowance for possible losses on loans at balance sheet dates is adequate to cover possible losses which might arise from uncollectible loans.

## g. Syndicated loans as of December 31, 2000, amounted to Rp 1,983,849 million (1999 : Rp 1,396,352 million). The Company participates as a leader or member of syndicate with sharing percentages ranging between 7% to 50% of the total syndicated loan amount.

## h. Loans classified based on tenure :

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Short-term credits (< = 1 year)	8,459,592	7,765,499	8,380,967	6,552,500
Long-term credits (> 1 year)	10,534,439	4,039,445	10,339,913	3,944,620
Total	18,994,031	11,804,944	18,720,880	10,497,120

## i. The average interest rates per annum on loans of the Company are as follows :

	2000	1999
In Rupiah	19.78%	25.09%
In foreign currencies	10.85%	13.22%

- j. The Company's loans classified by economic sector according to Bank Indonesia's Decree are as follows :

	2000	1999
	Rp '000'000	Rp '000'000
Services	3,666,761	3,764,303
Manufacturing	6,443,880	3,143,055
Trade	5,130,276	1,735,770
Agriculture and transportation	1,943,089	1,622,336
Construction	476,750	610,887
Others	1,333,275	928,593
<b>Total</b>	<b>18,994,031</b>	<b>11,804,944</b>

The real estate and property sectors were included in the services sector.

#### 8. BONDS OF THE GOVERNMENT OF THE REPUBLIC OF INDONESIA ("GOVERNMENT BONDS")

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
<b>Held to maturity :</b>				
Floating rate bonds	4,885,306	7,179,000	4,885,306	7,179,000
Fixed rate bonds	1,535,000	1,535,000	1,535,000	1,535,000
Bonds received by the Company	6,420,306	8,714,000	6,420,306	8,714,000
Excess to be refunded to the Indonesian Government	-	(2,086,424)	-	(2,086,424)
<b>Subtotal</b>	<b>6,420,306</b>	<b>6,627,576</b>	<b>6,420,306</b>	<b>6,627,576</b>
<b>Trading :</b>				
Floating rate bonds	19,779	-	19,779	-
Fixed rate bonds	25,650	-	25,650	-
Allowance for decline in market value	(3,569)	-	(3,569)	-
<b>Subtotal</b>	<b>41,860</b>	<b>-</b>	<b>41,860</b>	<b>-</b>
<b>Total</b>	<b>6,462,166</b>	<b>6,627,576</b>	<b>6,462,166</b>	<b>6,627,576</b>

Bonds classified as held to maturity amounting to Rp 8,714,000 million were received by the Company in relation to its recapitalization program (Note 1d). Excess funds of Rp 2,086,424 million was refunded to the Indonesian Government in January 2000. The balance of bonds as of December 31, 2000 included bonds received from PT Bank Tiara (Taken Over Bank) upon settlement of inter-bank placement amounting to Rp 87,380 million (Note 5), while bonds amounting to Rp 269,000 million was used to settle placement from PT Bank Duta (taken over Bank) (Note 21).

The Company has been earning interest income on Government bonds since July 1999. Floating rate bonds earn annual interest equivalent to 3 months interest rate of Certificates of Bank Indonesia. These bonds have various maturity dates between July 25, 2002 to July 25, 2009.

Various fixed interest rate bonds are in accordance with the interest rate as stated in each certificate of Government bonds owned by the Company. These bonds have various maturity dates between September 15, 2004 to June 15, 2009.

**9. INCOME RECEIVABLES**

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Interest Receivables on :				
Interbank placements	12,485	398,935	12,485	362,144
Loans	252,965	159,574	250,693	140,128
Marketable securities	145,718	200,968	145,718	200,968
<b>Total</b>	<b>411,168</b>	<b>759,477</b>	<b>408,896</b>	<b>703,240</b>

Interest receivable as of December 31, 2000 did not include overdue interest from placement with PT Bank Bira (frozen bank) and PT Bank Umum Nasional (closed bank) in relation to securities endorsed by the respective banks. The overdue interests were not recognized as income in the statement of profit and loss for the period up to December 31, 2000.

**10. PREPAYMENTS**

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Rentals	26,185	57,312	26,045	57,133
Others	28,558	25,745	28,089	24,215
<b>Total</b>	<b>54,743</b>	<b>83,057</b>	<b>54,134</b>	<b>81,348</b>

Prepaid rental as of December 31, 2000 included an unamortized rental paid to PT Royal Oriental, a related party.

Other prepayments include insurance premiums, car license, advances for the installation of computers, purchase of uniforms, promotion and others.

**11. INVESTMENTS IN SHARES**

The balances represent investments in shares of the following companies:

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
PT BII Finance Center				
Cost	-	-	37,500	37,500
Percentage of ownership - 99.99%				
Equity in deficit	-	-	(29,206)	(31,267)
BII Finance Co. Limited Hong Kong				
Cost	-	-	13,563	13,563
Percentage of ownership - 100%				
Equity in retained earnings	-	-	76	11,194
Difference due to change of equity in subsidiary	-	-	124,477	85,965

	Consolidated		Parent Company	
	2000	1999	2000	1999 (As restated - Note 45b)
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Bank International Ningbo				
Cost	163,118	-	163,118	109,100
Percentage of ownership - 51% (1999 : 100%)				
Equity in retained earnings	218,293	-	218,293	182,513
Difference due to change of equity in subsidiary	250,012	-	250,012	180,510
PT MLC Investment Indonesia (formerly PT BII Lend Lease Investment Services)				
Cost	4,777	4,777	4,777	4,777
Percentage of ownership - 50%				
Equity in deficit	(3,376)	(3,390)	(3,376)	(3,390)
PT Fuji Bank Internasional Indonesia				
Cost	27,250	27,250	27,250	27,250
Percentage of ownership - 20%				
Equity in retained earnings	44,277	23,704	44,277	23,704
PT Bank Credit Lyonnais Indonesia				
Cost	10,000	10,000	10,000	10,000
Percentage of ownership - 3.29%				
Equity in deficit	-	-	-	-
PT Bank Dagang dan Industri (closed bank)				
Cost	16,754	16,754	16,754	16,754
Percentage of ownership - 24.55%				
Equity in deficit	-	-	-	-
PT BII Commonwealth				
Cost	-	75,000	-	75,000
Percentage of ownership - 50%				
Equity in deficit	-	(3,349)	-	(3,349)
Investment in other companies				
PT BII Finance Center	6,285	9,664	-	-
Others	3,284	3,346	3,284	3,346
Total	740,674	163,756	880,799	743,170
Allowance for possible losses	(26,472)	(20,396)	(26,472)	(18,299)
Total - Net	714,202	143,360	854,327	724,871

In the Extraordinary Stockholders' Meeting held on March 31, 1999, the stockholders agreed to divest all of the Company's investments in subsidiaries and associated companies to comply with Bank Indonesia's Decree No. 31/177/KEP/DIR dated December 31, 1998 regarding "Legal Lending Limit".

The Company's ownership interest in Bank International Ningbo was diluted from 100% and the Company has not held any control on this subsidiary in 2000. The effect of the change in ownership interest to investment in subsidiary amounting to Rp 51,886 million was recorded as part of equity under "difference due to change of equity in subsidiaries" account (Note 26). The entire investment in Bank International Ningbo will be sold to PT Purinusa Ekapersada in 2001 at a price of USD 76.3 million. This sales transaction is included in the restructuring program of Sinar Mas Group which has been agreed by the Company, Sinar Mas Group and the Indonesian Bank Restructuring Agency.

The percentage of ownership in PT Bank Credit Lyonnais Indonesia was diluted from 20% to 3.29% when the major stockholder (Bank Credit Lyonnais Switzerland) injected additional capital to this associated company in August 1999 amounting to Rp 1,036,225 million. The Company did not make additional investment in PT Bank Credit Lyonnais Indonesia. Hence, the accounting for investment in this associated company has been changed from equity method to cost method.

PT Bank Dagang dan Industri was closed by the Indonesian Government on March 13, 1999. Other stockholders of PT Bank Dagang dan Industri included PT Bank Lippo Tbk. In January 1998, PT Bank Dagang dan Industri participated in the Government's guarantee program to cover third party deposits in commercial banks. From January 1998 to March 1999, Bank Indonesia provided Rp 460 billion to PT Bank Dagang dan Industri to cover deposit shortfalls pursuant to the guarantee program. On March 13, 1999, the Indonesian Bank Restructuring Agency took over all the obligations and assets of PT Bank Dagang dan Industri, including the collateral securing the loans. In the event that the proceeds recovered through restructuring of the loans and disposal of the assets securing the loans do not equal to Rp 460 billion plus accrued interest provided by Bank Indonesia to PT Bank Dagang dan Industri under the guarantee program, the Company, as one of the stockholders, may be held liable on a pro-rata basis on the amount owed to the Indonesian Bank Restructuring Agency. However, at this point in time, the likelihood of a favourable or unfavourable outcome can not reasonably be determined.

On April 14, 2000, the Company signed a memorandum of understanding with Commonwealth Bank, Australia to sell the whole 50% ownership interest of the Company in PT Bank BII Commonwealth to Commonwealth Bank, Australia at an agreed price of Rp 75,563 million. The price had been paid by Commonwealth Bank, Australia on July 10, 2000.

Based on notarial deed No. 102 of notary Eva Misdawati SH dated December 3, 2000, the Articles of Association of an associated company, PT BII Lend Lease Investment Services, was amended for the change in its name into PT MLC Investment Indonesia. The amendment has been approved by the Minister of Justice and Human Rights (formerly the Minister of Justice) through his letter No. C-425.HT.01.04-TH.2001 dated January 17, 2001.

Other investments represent long-term investments in shares of various companies in which the ownership interests of the Company are less than 5%. Those companies are PT Aplikasi Lintas Arta, PT Sarana Bersama Pembiayaan Indonesia, PT Sarana Sulsel Ventura, PT Sarana Bali Ventura, PT Sarana Sumatera Barat Ventura, PT Sarana Lampung Ventura, PT Sarana Sumsel Ventura, PT Sarana Jambi Ventura, PT Sarana Kalbar Ventura, PT Sarana Sulut Ventura, PT Bhakti Sarana Ventura, PT Penjamin Kredit Pengusaha Indonesia, PT Sarana Riau Ventura, and PT Sarana Sumut Ventura.

Management believes that the allowance for possible losses on investments in shares at balance sheet dates is adequate to cover possible losses which might arise from investments in shares.

## 12. PREMISES AND EQUIPMENT

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
At Cost or Revalued Amounts				
Direct Acquisitions :				
Land	435,526	435,177	435,526	435,177
Buildings	353,800	368,098	363,006	357,300
Office equipment	692,853	676,871	675,764	657,844
Installations	365,023	323,672	363,732	321,269
Vehicles	75,189	75,195	73,639	71,935
Total Cost or Revalued Amounts	1,922,391	1,879,013	1,911,667	1,843,525
Accumulated Depreciation				
Direct Acquisitions :				
Buildings	42,187	27,335	42,187	22,159
Office equipment	273,438	147,815	264,339	139,778
Installations	232,537	152,750	233,746	151,605
Vehicles	46,355	37,685	45,668	35,683
Total Accumulated Depreciation	594,517	365,585	585,940	349,225
Net Book Value	1,327,874	1,513,428	1,325,727	1,494,300

Changes from January 1, 2000 up to December 31, 2000 in premises and equipment balances are as follows:

	Jan 1, 2000	Additions	Deductions	Translation	Dec 31, 2000
				Adjustments/ Reclassifications	
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
At Cost or Revalued Amounts					
Direct Acquisitions :					
Land	435,177	349	-	-	435,526
Buildings	368,098	6,257	20,555	-	353,800
Office equipment	676,871	37,290	5,239	(16,069)	692,853
Installations	323,672	41,185	2,868	3,034	365,023
Vehicles	75,195	2,373	2,265	(114)	75,189
Total Cost or Revalued Amounts	1,879,013	87,454	30,927	(13,149)	1,922,391
Accumulated Depreciation					
Direct Acquisitions :					
Buildings	27,335	20,028	5,176	-	42,187
Office equipment	147,815	133,119	3,508	(3,988)	273,438
Installations	152,750	93,634	2,393	(11,454)	232,537
Vehicles	37,685	10,177	1,336	(171)	46,355
Total Accumulated Depreciation	365,585	256,958	12,413	(15,613)	594,517
Net Book Value	1,513,428				1,327,874

Changes from January 1, 1999 up to December 31, 1999 in premises and equipment balances are as follows:

	Jan 1, 1999	Revaluation	Additions	Deductions	Translation	Dec 31, 1999
	Unaudited	Increment			Adjustments/ Reclassification	
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
<b>At Cost or Revalued Amounts</b>						
<b>Direct acquisitions :</b>						
Land	107,284	326,077	1,816	-	-	435,177
Buildings	253,266	116,436	1,907	-	(3,511)	368,098
Office equipment	232,009	471,114	33,375	1,270	(58,357)	676,871
Installations	79,092	393,603	32,075	1,689	(179,409)	323,672
Vehicles	56,444	35,965	2,411	1,572	(18,053)	75,195
<b>Total Cost</b>	<b>728,095</b>	<b>1,343,195</b>	<b>71,584</b>	<b>4,531</b>	<b>(259,330)</b>	<b>1,879,013</b>
<b>Accumulated Depreciation</b>						
<b>Direct Acquisitions :</b>						
Buildings	50,283	-	21,946	-	(44,894)	27,335
Office equipment	128,297	-	169,133	1,261	(148,354)	147,815
Installations	55,708	-	139,002	1,173	(40,787)	152,750
Vehicles	41,579	-	13,677	429	(17,142)	37,685
<b>Total Accumulated Depreciation</b>	<b>275,867</b>	<b>-</b>	<b>343,758</b>	<b>2,863</b>	<b>(251,177)</b>	<b>365,585</b>
<b>Net Book Value</b>	<b>452,228</b>					<b>1,513,428</b>

The Company and its subsidiaries own several pieces of land with Building Use Rights (Hak Guna Bangunan or HGB) for a period of 20 years until 2000 to 2018. Management believes that there will be no difficulty in the extension of the landrights since all the pieces of land were acquired legally and supported by sufficient evidence of ownership.

Deductions in premises and equipment in 2000 amounting to Rp 26,666 million for cost and Rp 9,823 million for accumulated depreciation represents the effect of not consolidating the financial statements of Bank Internasional Ningbo with the Company's financial statements.

Premises and equipment, except land, of the Company as of December 31, 2000 were insured against fire and theft risks with PT Asuransi Sinar Mas (a related party) and other party for Rp 388,810 million.

### 13. OTHER ASSETS

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Assets seized on loans in default - net	501,864	322,965	500,277	322,965
Unused assets - net	39,371	51,276	39,371	49,382
New branch opening costs	132	3,362	132	2,949
Cost of building renovation and repairs	4,917	3,601	4,917	3,498
Other accounts receivable - net	100,089	54,569	105,240	53,517
Others - net	15,460	35,251	10,530	34,619
<b>Net</b>	<b>661,833</b>	<b>471,024</b>	<b>660,467</b>	<b>466,930</b>



Others include receivables in relation with banking transactions, guarantee deposits for office rental, receivables related to foreign currency swap transactions with related party which were due in February 1999 (amounted to Rp 1,000,375 million as of December 31, 2000 and 1999), telephone, golf memberships and others.

The balance of assets seized on loans in default, unused assets and others are net of allowance for possible losses amounting to Rp 187,549 million, Rp 10,086 million, and Rp 1,000,375 million (1999 : Rp 404,152 million, 13,986 million, and Rp 1,000,375 million), respectively.

#### 14. DEMAND DEPOSITS

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Interest bearing	8,069,654	6,484,137	8,086,075	5,649,163
Non-interest bearing	133,822	200,701	133,822	200,701
<b>Total</b>	<b>8,203,476</b>	<b>6,684,838</b>	<b>8,219,897</b>	<b>5,849,864</b>

The average interest rates on demand deposits as of December 31, 2000 were 4.99% per annum (1999 : 5.43% per annum) for Rupiah, and 4.81% per annum (1999 : 4.78% per annum) for foreign currencies.

Total demand deposits which were blocked or under lien as of December 31, 2000 amounted to Rp 119,374 million both for consolidated basis and Parent Company basis (1999 : nil).

The balance of demand deposits from related parties as of December 31, 2000 amounted to Rp 203,061 million on a consolidated basis (1999 : Rp 1,112,718 million) and Rp 203,061 million on a parent company basis (1999 : Rp 291,861 million).

The interest rates per annum on demand deposits from related parties are similar to those offered to non-related parties.

#### 15. SAVINGS DEPOSITS

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
BII savings deposits	4,886,732	3,243,119	4,886,732	3,243,119
Kesra savings deposits	-	36,225	-	36,225
Other saving deposits	-	2,042	-	-
<b>Total</b>	<b>4,886,732</b>	<b>3,281,386</b>	<b>4,886,732</b>	<b>3,279,344</b>
			2000	1999
Average interest rate per annum			8.28%	8.79%

Kesra savings deposits have been closed in October 2000 because this product was less attractive for customers. All existing Kesra savings deposits were transferred into BII savings deposits.

**16. TIME DEPOSITS**

- a. Classified based on maturity :

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
<b>Rupiah:</b>				
1 month	8,471,658	10,446,303	8,471,658	10,446,303
3 months	1,522,001	740,184	1,522,001	740,184
6 months	141,206	63,166	141,206	63,166
12 months	122,045	205,696	122,045	205,696
Subtotal	10,256,910	11,455,349	10,256,910	11,455,349
<b>Foreign Currency:</b>				
1 month	4,854,152	3,816,841	4,827,645	3,753,961
3 months	148,522	208,534	106,058	136,841
6 months	74,421	136,873	74,421	99,096
12 months	76,247	228,213	76,247	492
Subtotal	5,153,342	4,390,461	5,084,371	3,990,390
Total	15,410,252	15,845,810	15,341,281	15,445,739

- b. The average interest rates per annum on time deposits in Rupiah are as follows :

	2000	1999
1 month	11.57%	12.22%
3 months	11.98%	12.68%
6 months	12.15%	12.61%
12 months	13.96%	22.84%

- c. The average interest rates per annum on time deposits in foreign currencies are as follows :

	2000	1999
1 month	5.96%	5.31%
3 months	6.14%	5.52%
6 months	5.88%	5.97%
12 months	7.46%	7.21%

Total time deposits which were blocked or under lien as of December 31, 2000 amounted to Rp 411,687 million on a consolidated basis (1999 : Rp 284,448 million) and Rp 390,410 million on a parent company basis (1999 : Rp 327,156 million).

The balance of time deposits from related parties as of December 31, 2000 amounted Rp 553,426 million on a consolidated basis (1999 : Rp 328,817 million) and Rp 548,628 million on a parent company basis (1999 : Rp 229,908 million).

The interest rates per annum on time deposits from related parties are similar to those offered to non-related parties.

**17. CERTIFICATES OF DEPOSIT**

- a. Classified based on maturity :

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
1 month	81,486	86,313	81,486	86,313
3 months	1,460	-	1,460	-
6 months	-	3,445	-	3,445
12 months	201,495	199,872	201,495	199,560
Total	284,441	289,630	284,441	289,318
Prepaid interest	(512)	(599)	(512)	(587)
Total - Net	283,929	289,031	283,929	288,731

- b. The average interest rates per annum on certificates of deposit in Rupiah are as follows :

	2000	1999
1 month	10.95%	11.76%
3 months	11.62%	13.56%
6 months	11.69%	12.76%
12 months	11.33%	12.52%

- c. The average interest rates per annum on certificates of deposit in foreign currencies as of December 31, 2000 ranged from 6.15% to 7.12% (1999 : 5.88% to 7.45%).

**18. OTHER CURRENT LIABILITIES**

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Unclaimed matured deposits	977	20,132	977	20,132
Transfer, cheques for collection and clearing	45,258	18,142	45,258	18,142
Other bank liabilities	144,444	143,962	125,913	127,564
Total	190,679	182,236	172,148	165,838

Other bank liabilities included payments received for electricity, telephone and money transfer which are still in the clearing process.

**19. TAXES PAYABLE AND TAX BENEFIT/EXPENSE**

Taxes payable consist of :

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Corporate income taxes	-	15,421	-	-
Articles 21 dan 23 income taxes	48,818	48,110	48,675	47,985
<b>Total</b>	<b>48,818</b>	<b>63,531</b>	<b>48,675</b>	<b>47,985</b>

Lodgment of tax returns is based on taxpayers' own calculation of tax liabilities (self - assessment). The tax authorities may conduct a tax audit at any time for up to ten years after the tax becomes due.

Tax expense (benefit) consists of the following :

	2000	1999
	Rp '000'000	Rp '000'000
Deferred tax expense (benefit)		
Parent Company	86,221	(25,120)
Subsidiary	27,625	33,801
<b>Total deferred tax expense</b>	<b>113,846</b>	<b>8,681</b>
Current tax expense		
Parent Company	-	-
Subsidiaries	-	26,494
<b>Total current tax expense</b>	<b>-</b>	<b>26,494</b>
<b>Total</b>	<b>113,846</b>	<b>35,175</b>

**Current Tax**

A reconciliation between income (loss) before tax in statements of profit and loss and fiscal losses of the Parent Company for the years ended December 31, 2000 and 1999 is as follows :

	2000	1999
	Rp '000'000	Rp '000'000
Income (loss) before tax per Parent Company statements of profit and loss	353,708	(2,117,929)
Less : net income (loss) of subsidiaries	(9,056)	198,429
<b>Income (loss) before Income Tax of the Parent Company</b>	<b>362,764</b>	<b>(2,316,358)</b>

Positive corrections :

Equity in net loss of associated companies (equity method)	-	68
Permanent decline in value of marketable securities	-	89,369
Donations	506	198
Employee benefits	1,284	325
Representation	1,637	1,630
Share in the profit of BII Finance Co. Limited Hong Kong	-	7,108

	2000	1999
	Rp '000'000	Rp '000'000
Negative corrections :		
Equity in net income of associated companies (equity method)	(124,385)	-
Provision for possible losses on earning assets and foreclosed collaterals	(425,192)	(3,494,176)
Technical assistance fee	(688)	(271)
Share in the loss of BII Finance Co. Limited Hong Kong	(11,119)	-
Negative fiscal corrections - Net	(557,957)	(3,395,749)
Fiscal Losses	(195,193)	(5,712,107)

The computation of current tax expense (benefit) is as follows :

	2000	1999
	Rp '000'000	Rp '000'000
Current tax expense		
The Parent Company	-	-
Subsidiaries	-	26,494
Total current tax expense	-	26,494
Deferred tax expense (benefit)		
The Parent Company	86,221	(25,120)
Subsidiary	27,625	33,801
Total deferred tax expense	113,846	8,681
Total tax expense	113,846	35,175

The fiscal loss of the Company in 1999 is in accordance with the corporate tax returns filed with the Tax Service Office.

#### Deferred Tax

Deferred tax is computed based on the effect of the temporary differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases. The details of the Parent Company and its subsidiaries' deferred tax assets and liabilities are as follows :

	January 1, 1999	Charged in the statement of Profit & Loss	December 31, 1999	Charged in the statement of Profit & Loss	December 31, 2000
	Rp' 000'000	Rp' 000'000	Rp' 000'000	Rp' 000'000	Rp' 000'000
Deferred tax assets:					
Allowance for possible losses	29,529	(330)	29,199	2,206	31,405
Fiscal loss	905,961	25,450	931,411	(88,427)	842,984
Total - Parent Company	935,490	25,120	960,610	(86,221)	874,389
Subsidiary	69,218	(33,801)	35,417	(27,625)	7,792
Total	1,004,708	(8,681)	996,027	(113,846)	882,181

The Company had fiscal losses in 1998 and 1999 amounting to Rp 6,039,737 million and Rp 5,712,107 million, respectively, which could be used for compensating taxable income within the immediately succeeding five years. In 1999, portion of the fiscal losses was used to compensate the revaluation increment in premises and equipment amounting to Rp 1,343,195 million (Note 12), hence the remaining fiscal losses as of December 31, 1999 was Rp 10,408,649 million.

Management estimated that the fiscal losses realizable for the next years were only Rp 3,104,703 million, hence the related deferred tax asset recognized as of December 31, 1999 as only Rp 931,411 million.

On December 31, 2000, the Company experienced fiscal loss amounting to Rp 195,193 million, with deferred tax asset on this fiscal loss of Rp 58,558 million. Management estimated that the fiscal loss could not be realized in the future years, hence the deferred tax assets of Rp 58,558 million was not recognized as deferred tax assets as of December 31, 2000. As of December 31, 2000, management also reevaluated the deferred tax assets recognized in previous year and made adjustment to reduce the deferred tax assets by Rp 88,427 million because, in management opinion, it is more likely than not that the related future benefits will not be realized prior to expiration. The deferred tax asset balance as of December 31, 2000 amounted to Rp 882,181 million. This deferred tax asset was considered in calculating the capital adequacy ratio as of December 31, 2000, thus both for consolidated and Parent Company capital adequacy ratio are above the minimum ratio required by Bank Indonesia (4%). On the other hand, without considering deferred tax assets in calculating the capital adequacy ratio, both consolidated and Parent Company capital adequacy ratio are below the minimum required by Bank Indonesia (4%) (Note 41).

A reconciliation between the total tax expense and accounting income (loss) is as follows:

	2000	1999
	Rp '000'000	Rp '000'000
Income (loss) before tax per Parent Company statements of profit and loss (accounting income/loss)	353,708	(2,117,929)
Less : net income (loss) of subsidiaries	(9,056)	198,429
Income (loss) before tax of the Parent Company	362,764	(2,316,358)
Tax expense (benefit) at effective tax rates	108,829	(694,907)
Equity in net (income) loss of associated companies	(28,253)	20
Donations	152	59
Employee benefits	385	98
Representation	491	489
Share in profit (loss) of BII Finance Co. Limited Hong Kong	(3,336)	2,132
Permanent decline in value of securities	-	26,811
Technical assistance fee	(206)	(81)
Provision for possible losses	-	(1,047,923)
Estimated unrecovered fiscal losses	8,159	1,285,223
Deferred tax benefit applied against income tax on revaluation increment in premises and equipment	-	402,959
Total - Parent Company	86,221	(25,120)
Tax (benefit) expense of the Parent Company	86,221	(25,120)
Tax expense of subsidiaries	27,625	60,295
Total tax expense	113,846	35,175

**20. SECURITIES ISSUED**

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Bonds	-	194,700	-	194,700
Total	-	194,700	-	194,700

The Trustee Agent ("Wali Amanat") for the issuance of these bonds was PT Bank Niaga. The bonds were issued at 100% of nominal value. These bonds matured within 5 years and were subject to interest at 18.5% per annum for the first year and at floating rates for subsequent years, calculated based on the average interest rates on 6 (six) months time deposits with PT Bank Negara Indonesia Tbk, PT Bank Tabungan Negara, PT Bank Bali Tbk and PT Bank Lippo Tbk plus a premium of 2%.

Interest is payable quarterly in accordance with the payment date stated on each coupon. The first interest coupon was paid on October 1, 1995. The final interest coupon was paid on July 24, 2000, the maturity date of the bonds.

The bonds were secured by the Company's housing loans (KPR) amounting to Rp 205 billion (105% of the nominal value of bonds issued) and the Company's claim from insurance companies on the recovery of life insurance of its debtors and the recovery of fire insurance of the security pledge for the housing loans under a collateral agreement as documented by Notary Adam Kasdarmadji SH in his notarial deed No. 289 dated June 23, 1995.

In accordance with the trust deed of "BII Bonds I year 1995" No. 287 dated June 23, 1995, of notary Adam Kasdarmadji SH, the Company was required to establish a "bonds sinking fund" in accordance with the schedule which has been determined.

Under the agreement, the Company was required to place the required amount of bond sinking fund in the form of time deposits and/or bonds issued or guaranteed by the state-owned banks and/or Certificate of Bank Indonesia or other securities issued by Bank Indonesia or any other kind of deposits as agreed by the Company and "the Trustee".

As of December 31, 1999, the bond sinking fund was placed in bonds which were guaranteed by state-owned banks (see Note 8).

The Company paid the bonds on July 24, 2000, the maturity date.

**21. BORROWINGS**

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
<b>Loans received from Bank Indonesia:</b>				
Two Step Loan (ADB, BEO Japan, OECF and AJDF)	136,428	133,178	136,428	133,178
Small investment loans (KIK)	343,837	230,224	343,837	230,224
KPRS and KPG	404	831	404	831
<b>Total Loans Received From</b>				
Bank Indonesia	480,669	364,233	480,669	364,233
Placements from other banks	50,000	1,912,617	50,000	607,120
Loans from other banks	3,664,234	2,825,468	3,323,602	2,544,763
<b>Total</b>	<b>4,194,903</b>	<b>5,102,318</b>	<b>3,854,271</b>	<b>3,516,116</b>

**a. Loans Received from Bank Indonesia**

The "Two Step Loan" is a loan received through Bank Indonesia from Asian Development Bank, Bank Export Import of Japan, AJDF and OECF to be distributed to the Company's customers. The outstanding balance of the "two step loan" as of December 31, 2000 from Asian Development Bank was Rp 90,458 million (1999 : Rp 78,650 million), Bank Export Import of Japan was Rp 13,211 million (1999 : Rp 18,496 million), AJDF was Rp 17,340 million (1999 : Rp 19,380 million) and OECF was Rp 15,419 million (1999 : Rp 16,652 million). The maximum amount of loan facility is the equivalent of USD 25 million from Asian Development Bank; JP¥ 2,140 million from Bank Export Import of Japan; JP¥ 995 million from AJDF; and JP¥ 991 million from OECF in Rupiah currency. Loan received will mature in 2005 and 2008 for Asian Development Bank, 2003 for Bank Export Import of Japan, 2009 for AJDF and 2013 for OECF.

The loans received from Bank Indonesia, including the two step loans, are unsecured and bear interest ranging from 4% to 11.22% per annum for Rupiah loans and 7.03% per annum for foreign currency loans. The loans (KIK, KPRS and KPG) will mature in 2007.

**b. Placements from Other Banks**

Placements from other banks represent interbank taking which are obtained from money markets, with interest rates as of December 31, 2000 ranging from 9% to 11% per annum (1999 : 12% to 13% per annum) for Rupiah placements and 6% to 8.5% per annum (1999 : 6% to 7% per annum) for foreign currency placements.

The balance of placement from related party bank as of December 31, 2000 was nil (1999 : Rp 1,305,497 million) on a consolidated basis and nil on a parent Company basis (1999 : nil). Placement from related party as of December 31, 2000 which were either blocked or pledged as collateral was nil (1999 : Rp 721,167 million).

On July 14, 2000, the Indonesian Bank Restructuring Agency agreed on the settlement of the interbank obligation to PT Bank Duta Tbk. The Company may settle the principal obligation amounting to Rp 269 billion with the Company's Government bonds while the interest obligation amounting to Rp 51 billion must be paid in cash. The interest obligation had been settled by the Company on July 17, 2000.



**c. Loans Received from Other Banks**

Loans from other banks represent the balance of unsecured loans received from various local banks and offshore banks, with an average interest rate of 22.25% per annum as of December 31, 2000 (1999 : 25% per annum) for Rupiah loans and 6.40% to 8.59% per annum (1999 : 6% to 12% per annum) for foreign currencies loans. The Company signed "Exchange Offer Program Agreements I and II" with Bank Indonesia on August 18, 1998 and May 25, 1999, respectively. The total loans from offshore banks registered under the Exchange Offer Programs I and II amounted to USD 168 million and USD 211 million, respectively. Loans under the Exchange Offer Program I and II include floating rate certificates of deposit amounting to USD 99.5 million.

Following are the repayment schedules for the loans registered under the Exchange Offer Programs I and II :

Repayment Schedule	Repayment Date	USD
<b>Exchange Offer Program I</b>		
15% of outstanding borrowings	August 25, 1999	25,169,628
30% of outstanding borrowings	August 25, 2000	50,339,256
45% of outstanding borrowings	August 25, 2001	75,508,884
10% of outstanding borrowings	August 25, 2002	16,779,752
<b>Exchange Offer Program II</b>		
8.88% of outstanding borrowings	June 1, 2002	18,750,000
43.59% of outstanding borrowings	June 1, 2003	92,070,000
43.36% of outstanding borrowings	June 1, 2004	91,570,000
4.17% of outstanding borrowings	June 1, 2005	8,810,000

15% and 30% of loans received (EOP I) due on August 25, 1999 and 2000 had been paid by the Company.

The balance of loans received from related party banks as of December 31, 2000 amounted Rp 64,287 million (1999 : Rp 47,570 million) both for consolidated basis and Parent Company basis.

Consolidated loans from other banks included loans received of PT BII Finance Center, a subsidiary, from PT Bank Modern (closed bank) amounting to USD 2.5 million as of December 31, 1999. The liability has been transferred to the Indonesian Bank Restructuring Agency. On December 22, 2000, PT BII Finance Center settled the liability to the Indonesian Bank Restructuring Agency by paying cash amounting to USD 2.5 million.

Loans and placements from related parties banks were received under similar terms and conditions as those received from non-related parties.

**22. ACCRUED EXPENSES**

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Interest	146,568	824,871	135,913	693,650
Others	54,987	7,430	54,289	6,768
<b>Total</b>	<b>201,555</b>	<b>832,301</b>	<b>190,202</b>	<b>700,418</b>

**23. OTHER LIABILITIES**

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Liabilities on export bills which are rediscounted with Bank Indonesia	-	4,008,810	-	4,008,810
Margin deposits	46,223	214,294	46,223	26,340
Deferred income	9,899	21,277	6,859	17,579
Liability on securitization of future credit card receivables	1,226,089	942,199	1,226,089	942,199
Others	167,649	586,374	159,365	528,760
<b>Total</b>	<b>1,449,860</b>	<b>5,772,954</b>	<b>1,438,536</b>	<b>5,523,688</b>

On July 14, 1997, the Company signed an agreement with Acme Securitisation for securitizing future BII Visa and Master credit card receivables amounting to USD 140 million since July 1997. The contract will mature in 2007.

Other liabilities as of December 31, 2000 include accrual of general and administrative expenses, allowance for possible losses on commitment and contingent liabilities amounting Rp 34,495 million, and payroll services.

Management believes that the allowance for possible losses on commitments and contingent liabilities at balance sheet dates is adequate to cover possible losses arising from those commitment and contingent liabilities.

**24. CAPITAL STOCK****1999**

At the Extraordinary Stockholders' Meeting held on February 6, 1999 as documented in notarial in deed No. 43 dated February 6, 1999 of Notary Sutjipto SH, the stockholders decided to distribute Series A shares as bonus shares, where in each holders of 5 existing Series A shares would be entitled to receive 1 new Series A share. The bonus shares were created by the conversion of the additional paid-in capital of the Company amounting to Rp 323,444 million divided into 646,888,994 Series A shares with a par value of Rp 500 per share.

At the Extraordinary Stockholders Meeting held on March 31, 1999, the stockholders decided to increase the Company's authorized capital from Rp 6,468,000 million to Rp 38,000,000 million (consisting of 5,000,000,000 Series A shares with a par value of Rp 500; 204,000,000,000 Series B shares with a par value of Rp 125 per share; and 80,000,000,000 Series C shares

with a par value of Rp 125 per share). The stockholders also agreed on the sale of the Company's Series B and C shares through Limited Public Offering III in 1999. Total Series B shares issued was 35,891,396,568 shares, and total Series C shares issued was 53,020,603,432 shares. Attached free of charge to the Series B shares were 4,486,424,571 Series II warrants. In addition, 1 (one) Series II warrant will be issued for every 8 Series C shares converted into Series B shares, and a total of 6,627,575,429 Series II warrants were issued in relation to the conversion. Funds raised amounted to Rp 4.5 trillion from controlling stockholders and the public, and Rp 6.6 trillion from the Indonesian Government. The decision on the Extraordinary Stockholders' Meeting was documented in notarial deed No. 60 dated March 31, 1999 of notary Sutjipto SH, and was approved by the Minister of Justice in his decision letter No. C-5902.HT.01.04.Th.99 dated April 5, 1999.

The Company's stockholders at balance sheet dates are as follows:

Name of Stockholders	December 31, 2000		
	%	Shares (in thousands)	Rp '000'000
Series A shares			
PT Sinar Mas Multiartha Tbk	0.53	489,744	244,872
Deutsche Boerse Clearing AG	1.08	1,001,211	500,604
Public (less than 5%)	2.58	2,390,507	1,195,255
Series B shares			
Directors	0.04	38,078	4,760
PT Sinar Mas Multiartha Tbk	0.97	898,190	112,274
Deutsche Boerse Clearing AG	6.68	6,197,589	774,699
Public (less than 5%)	31.34	29,086,797	3,635,849
Series C shares			
Indonesian Government (qq. Indonesian Bank Restructuring Agency)	56.78	52,691,346	6,586,418
<b>Total</b>	<b>100.00</b>	<b>92,793,462</b>	<b>13,054,731</b>

Name of Stockholders	December 31, 1999		
	%	Shares (in thousands)	Rp '000'000
Series A shares			
Directors	-	5	3
PT Sinar Mas Multiartha Tbk	0.58	540,522	270,261
Public (less than 5%)	3.60	3,340,833	1,670,417
Series B shares			
Directors	0.04	39,968	4,983
PT Sinar Mas Multiartha Tbk	0.75	694,464	86,808
Public (less than 5%)	37.89	35,156,965	4,394,621
Series C shares			
Indonesian Government (qq. Indonesian Bank Restructuring Agency)	57.14	53,020,603	6,627,575
<b>Total</b>	<b>100.00</b>	<b>92,793,360</b>	<b>13,054,668</b>

Sinar Mas Group's ownership of Series A and Series B shares was 18% as of December 31, 2000 (1999 : 18%).

Following is a summary of changes in capital stock during the period from January 1, 1999 up to December 31, 2000 :

	Shares	Paid-up Capital Rp '000'000
Balance as of January 1, 1999	3,234,444,969	1,617,222
Bonus shares distributed in February 1999	646,888,994	323,445
Limited Public Offering III in April and June 1999	88,912,000,000	11,114,000
Series I warrants converted to shares	26,482	1
Balance as of December 31, 1999	92,793,360,445	13,054,668
Series I warrants converted to shares	101,862	63
Balance as of December 31, 2000	92,793,462,307	13,054,731

## 25. ADDITIONAL PAID-IN CAPITAL

	Consolidated		Parent Company	
	2000 Rp '000'000	1999 Rp '000'000	2000 Rp '000'000	1999 Rp '000'000
Additional paid-in capital - Parent Company	12,132	12,101	12,132	12,101
Additional paid-in capital - Subsidiaries	398	398	-	-
Total	12,530	12,499	12,132	12,101

Following are the movement of additional paid-in capital during the period from January 1, 1999 to December 31, 2000:

	2000	
	Consolidated Rp '000'000	Parent Company Rp '000'000
Balance as of January 1, 1999	335,943	335,545
<b>Addition</b>		
Increase in additional paid-in capital due to conversion of warrants to shares when market price exceeds par value of shares	1	1
<b>Deduction</b>		
Additional paid-in capital distributed as bonus shares	(323,445)	(323,445)
Balance as of December 31, 1999	12,499	12,101

	2000	
	Consolidated Rp '000'000	Parent Company Rp '000'000
<b>Addition</b>		
Increase in additional paid-in capital due to conversion of warrants to shares when market price exceeds par value of shares	31	31
Balance as of December 31, 2000	12,530	12,132

**26. DIFFERENCE DUE TO CHANGE OF EQUITY IN SUBSIDIARIES**

This account represents differences resulting from foreign exchange translation of the financial statements of subsidiaries, namely Bank International Ningbo (China) and BII Finance Company Ltd. (Hong Kong), and change of the Parent Company's percentage of ownership in Bank International Ningbo as a result of additional capital from Western Oceanic Bank (Notes 1b and 11).

	Consolidated		Parent Company	
	2000 Rp '000'000	1999 Rp '000'000	2000 Rp '000'000	1999 Rp '000'000 (As restated Note 45b)
Difference in foreign currency translation				
Bank International Ningbo	198,126	180,510	198,126	180,510
BII Finance Co. Ltd.	124,477	85,965	124,477	85,965
Change of ownership resulting from transaction of subsidiary with other investor	51,886	-	51,886	-
Total	374,489	266,475	374,489	266,475

**27. WARRANTS**

In February 1997, the Company issued 286,573,215 Series I warrants. Such warrants are exercisable starting from July 16, 1997 to January 17, 2000. Each warrant is exercisable for 1 new Series A share at an exercise price of Rp 1,000 per share. As of December 31, 2000, there were 275,948,575 (1999 : 276,050,437) Series I overdue warrants which had not been exercised.

In April and June 1999, the Company has also issued 4,486,424,571 Series II warrants exercisable for Series B shares. Such warrants are attached to Series B shares and are exercisable between October 6, 1999 and April 16, 2002. Each Series II warrant is exercisable for 1 new Series B share at an exercise price of Rp 220 per share. In addition, 1 (one) warrant will be issued for every 8 Series C shares converted into Series B shares, where the warrants have identical specifications with Series II warrants, hence 6,627,575,429 Series II warrants were from Series C shares. The total number of Series II warrants issued (from Series B shares and Series C shares) totalled 11,114,000,000 warrants.

In the Limited Public Offering III, stockholders who exercised their rights were granted, for each Series B share received, an option to purchase 3.15 Series C shares (Government shares) convertible to Series B shares at the Government selling price plus premium to be determined by the Government. The option may be exercised every 6 months and are valid until the end of the third year of the Government's participation in the Company, depending on the availability of Series C shares. As of December 31, 2000, there were 11,114,000,000 Series II warrants which had not been exercised for shares.

**28. DIVIDENDS**

The stockholders decided in the Annual Stockholders' Meeting held on June 30, 1999 not to distribute any dividends in 1999 because the Company was experiencing losses.

**29. COMMITMENTS AND CONTINGENCIES**

- a. The Company deals in a variety of derivative financial instruments such as forward exchange and swaps contracts which enable the Company and its customers to manage their interest rate and foreign exchange exposures.

Forward foreign exchange contracts are commitments to deliver currencies to the buyer or to receive delivery of currencies from the seller on a future date at a specified price.

Swap contracts are comprised of currency swaps and interest rate swaps. Swap contracts are commitments to settle in cash on a future date or dates with interest rate commitments or currency amounts based upon a notional principal amount.

Derivative financial instrument trading gives rise to market and credit risks.

The market risk of derivative financial instruments arises from the potential changes in value due to fluctuations in interest and foreign exchange rates. Credit risk is the possibility that a loss may occur due to the failure of a counter-party to fulfill its obligations according to the terms of the contract.

The notional or contract amount of derivative financial instruments stated in the statements of commitments and contingencies represents the volume of outstanding transactions and does not represent the potential for gain or loss associated with the market risk or credit risk on such instruments.

- b. Commitments on purchases and sales of foreign currencies.

Outstanding foreign currencies purchased at balance sheet dates are as follows :

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
<b>Spot Foreign Currencies Purchased:</b>				
United States Dollar (USD)	158,318	9,230	158,318	9,230
<b>Total</b>	<b>158,318</b>	<b>9,230</b>	<b>158,318</b>	<b>9,230</b>
<b>Forward Foreign Currencies Purchased:</b>				
Singapore Dollar (SGD)	182,789	97,990	182,789	97,990
United States Dollar (USD)	182,515	338,244	182,515	338,244
Japanese Yen (JP¥)	33,429	6,948	33,429	6,948
Australian Dollar (AUD)	10,637	-	10,637	-
EURO (EUR)	8,912	7,148	8,912	7,148
<b>Total</b>	<b>418,282</b>	<b>450,330</b>	<b>418,282</b>	<b>450,330</b>

Outstanding foreign currencies sold at balance sheet dates are as follows :

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
<b>Spot Foreign Currencies Sold:</b>				
United States Dollar (USD)	105,545	-	105,545	-
<b>Total</b>	<b>105,545</b>	<b>-</b>	<b>105,545</b>	<b>-</b>
<b>Forward Foreign Currencies Sold:</b>				
United States Dollar (USD)	757,581	151,965	757,581	151,965
Hong Kong Dollar (HKD)	4,306	-	4,306	-
Canadian Dollar (CAD)	2,875	-	2,875	-
Swiss Franc (CHF)	2,051	-	2,051	-
New Zealand Dollar (NZD)	1,690	-	1,690	-
Denmark Krone (DKK)	994	-	994	-
Swedish Krone (SEK)	967	-	967	-
<b>Total</b>	<b>770,464</b>	<b>151,965</b>	<b>770,464</b>	<b>151,965</b>

Unrealized gain on forward foreign currency contract transactions for "trading" purposes of the Company as of December 31, 2000 amounted to Rp 2,192 million (1999 : Rp 793 million). The average tenure of forward purchases and sales is 3 months.

The total outstanding forward contracts with related parties as of December 31, 2000 amounted to Rp 42,218 million (1999: Rp 39,648 million).

- c. Interest rate swap represents transaction with a related party. This transaction has a notional amount of USD 5 million or equivalent to Rp 47,975 million as of December 31, 2000 (1999 : equivalent to Rp 35,500 million).
- d. As of December 31, 2000, average tenure of letters of credit and acceptances was 1 to 6 months, while for bank guarantees was 1 to 2 years as of December 31, 2000.

### 30. INTEREST RECEIVED

Interest earned and recognized in 2000 and 1999 are as follows:

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Loans	1,691,073	2,028,503	1,659,949	1,802,946
Marketable securities	1,653,801	1,517,863	1,630,162	1,517,863
Placements with other banks	161,832	1,210,581	154,980	929,617
<b>Total</b>	<b>3,506,706</b>	<b>4,756,947</b>	<b>3,445,091</b>	<b>4,250,426</b>

**31. INTEREST PAID**

Interest incurred and recognized in 2000 and 1999 are as follows:

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Time deposits	1,645,020	3,986,205	1,641,635	3,967,143
Borrowings and securities issued	372,613	1,066,891	335,064	763,057
Demand deposits	365,345	417,021	365,345	397,026
Savings deposits	362,512	334,890	362,512	334,890
Certificates of deposits	24,139	131,246	24,139	131,246
<b>Total</b>	<b>2,769,629</b>	<b>5,936,253</b>	<b>2,728,695</b>	<b>5,593,362</b>

**32. OTHER REVENUES**

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Retail administration	63,252	53,675	63,252	53,675
Banking services	9,039	7,308	9,039	7,308
Loans administration	4,689	3,343	4,689	3,343
Import and export administration	3,367	2,121	3,367	2,121
Investment banking administration	2,407	48,172	2,407	48,172
Foreign currency transaction administration	1,173	1,834	1,173	1,834
Credit card administration	21,243	16,037	21,243	16,037
Others	26,693	123,211	26,637	120,096
<b>Total</b>	<b>131,863</b>	<b>255,701</b>	<b>131,807</b>	<b>252,586</b>

Others include revenues from agency fee, organization fee and other income from banking operations.

**33. GENERAL AND ADMINISTRATIVE EXPENSES**

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
General	107,021	123,855	105,972	117,609
Rental	94,132	94,697	91,800	94,697
Premium on Government guarantee (see Note 42)	79,542	74,459	79,542	74,459
Professional and advisory	25,949	20,817	24,657	15,343
Telephone, telex and wires	24,468	24,112	23,491	23,357
Printing and stationeries	23,428	20,217	23,188	19,584



	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Transportation and housing	19,201	15,578	19,123	15,522
Banking communication line	18,931	20,396	18,931	20,396
Promotion	16,618	16,889	16,016	16,499
Water and electricity	12,785	10,376	12,621	10,240
Decline in market value of trading securities	9,459	-	9,459	-
Stamps and stamp duty	8,947	6,536	8,919	6,512
Research and development	6,435	7,682	6,417	7,676
Supplies	3,088	4,384	3,076	4,384
Permanent decline in value of marketable securities and losses from marketable securities	-	89,369	-	89,369
<b>Total</b>	<b>450,004</b>	<b>529,367</b>	<b>443,212</b>	<b>515,647</b>

**34. NON-OPERATING REVENUES**

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Investment income - net	124,386	20,049	115,330	218,480
Rental	5,512	9,218	5,512	9,218
Gain on sale of premises and equipment	982	3,462	982	3,558
Others	55,593	137,572	18,947	1,511
<b>Total</b>	<b>186,473</b>	<b>170,301</b>	<b>140,771</b>	<b>232,767</b>

Others included discount on interest and principal received by PT BII Finance Center in relation to the settlement of its obligation, consulting fees and fees for services other than banking operations.

**35. NON-OPERATING EXPENSES**

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Legal, court and mortgage	1,080	6,007	1,080	6,007
Penalties and donations	1,399	380	1,399	380
Others	6,028	12,994	5,750	12,539
<b>Total</b>	<b>8,507</b>	<b>19,381</b>	<b>8,229</b>	<b>18,926</b>

Others included meetings, sports and recreation and other general expenses.

**36. EARNINGS PER SHARE**

	2000	1999
	Rp '000'000	Rp '000'000
<b>Net Income (Loss)</b>		
Net income (loss) for computation of basic earnings per share	267,487	(2,092,809)
<b>Number of shares</b>		
Weighted average number of ordinary shares for computation of basic earnings per share	92,793,462,307	53,844,470,450

The Company did not compute diluted earnings per share because the exercise price for warrants amounting to Rp 220 per share was higher than the market price.

**37. TRANSACTIONS WITH RELATED PARTIES****Nature of Related Parties**

Related parties are companies under the control of Sinar Mas Group.

**Transactions With Related Parties**

In the normal course of business, the Company entered into transactions with related parties under the same terms and conditions as those done with non-related parties, except loans to employees. Balances with related parties as of balance sheet dates were disclosed in the following notes: placements with other banks (Note 5), marketable securities (Note 6), loans (Note 7), other assets (Note 13), demand deposits (Note 14), time deposits (Note 16) and borrowings (Note 21). The Company also paid rental fees to related parties (Note 10), purchased insurance policies (Note 12), dealt with purchases/sales of forward foreign exchange contracts (Note 29b) to and from related parties, and dealt with interest rate swap transaction (Note 29c).

The total outstanding commitments and contingent liabilities to related parties (consisting of letters of credit, acceptances, standby letters of credit, and bank guarantees) as of December 31, 2000 amounted to Rp 18,970 million on a consolidated basis (1999 : Rp 2,894,899 million) and Rp 18,970 million on a parent company basis (1999 : Rp 1,020,786 million).

The Company's receivable related with the transactions of placement with other bank, notes receivable, receivable on export bills, loans given, letters of credit, and acceptances on import L/C from related parties included in the restructuring of repayment schedule which has been agreed by the Company, Sinar Mas Group, and the Indonesian Bank Restructuring Agency (Notes 1f and 44).

**38. ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES**

- a. The balances of assets and liabilities denominated in foreign currencies as of balance sheet dates are as follows:

	Consolidated		Parent Company	
	2000	1999	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
				(As restated- Note 45b)
<b>Assets</b>				
Cash	194,701	204,466	194,684	199,607
Demand deposits with Bank Indonesia	383,763	280,572	383,763	280,572
Demand deposits with other banks	1,506,746	2,782,721	1,480,904	1,897,143
Placements with other banks	1,963,009	2,830,743	1,759,164	1,362,262
Marketable securities	1,237,509	6,497,125	1,084,074	6,334,210
Loans	13,247,065	8,906,415	13,025,521	7,655,764
Income receivables	224,776	253,189	222,744	196,952
Prepayments	16,709	898	16,298	-
Investments in shares	634,513	6,468	769,539	582,845
Premises and equipment	589	17,010	-	-
Other assets	29,766	53,952	27,427	52,192
<b>Total</b>	<b>19,439,146</b>	<b>21,833,559</b>	<b>18,964,118</b>	<b>18,561,547</b>
<b>Liabilities</b>				
Demand deposits	6,017,751	4,883,787	6,025,821	4,032,782
Savings deposits	426	3,176	426	1,134
Time deposits	5,153,342	4,390,461	5,084,371	3,990,390
Certificates of deposit	203,349	199,099	203,349	198,800
Other current liabilities	34,274	17,677	16,473	1,292
Taxes payable	-	16,438	-	-
Borrowings	3,748,633	4,164,531	3,408,001	2,592,883
Accrued expenses	119,671	193,536	115,977	62,999
Other liabilities	1,358,230	5,549,917	1,353,276	5,336,665
<b>Total</b>	<b>16,635,676</b>	<b>19,418,622</b>	<b>16,207,694</b>	<b>16,216,945</b>

## b. Net Open Position

Following is the Company's foreign currency net open position as submitted to Bank Indonesia:

Currency	Assets Rp '000'000	Liabilities Rp '000'000	Net Absolute Rp '000'000
<b>2000</b>			
United States Dollar	25,037,447	24,864,137	173,310
Great Britain Poundsterling	10,400	10,608	208
Japanese Yen	168,970	167,136	1,834
Deutsche Mark	1,266	1,128	138
Netherlands Guilder	380	225	155
French Franc	28	14	14
Hong Kong Dollar	69,054	4,241	64,813
Indian Rupee	109,161	64,165	44,996
Malaysian Ringgit	516	-	516
Mauritius Rupee	1,097	32	1,065
New Zealand Dollar	1,408	1,813	405
Australian Dollar	26,490	24,206	2,284
Belgian Franc	77	-	77
Canadian Dollar	2,854	2,977	123
Swiss Franc	2,348	1,997	351
Danish Krone	911	958	47
EURO	42,803	42,873	70
Swedish Krone	718	955	237
Singapore Dollar	473,518	474,103	585
<b>Total</b>	<b>25,949,446</b>	<b>25,661,568</b>	<b>291,228</b>
<b>1999</b>			
United States Dollar	26,472,321	26,319,509	152,812
Great Britain Poundsterling	13,648	12,994	654
Japanese Yen	28,431	27,718	713
Deutsche Mark	6,312	10,133	3,821
Netherlands Guilder	1,161	98	1,063
French Franc	1,659	164	1,495
Hong Kong Dollar	50,098	28	50,070
Indian Rupee	129,840	73,667	56,173
Italian Lire	608	75	533
Malaysian Ringgit	423	54	369
Mauritius Rupee	1,122	24	1,098
New Zealand Dollar	906	491	415
Australian Dollar	14,065	12,929	1,136
Belgian Franc	298	-	298
Canadian Dollar	661	56	605
Swiss Franc	1,033	67	966
Danish Krone	350	-	350
Spanish Peseta	357	-	357
EURO	23,249	17,780	5,469
Swedish Krone	528	-	528
Singapore Dollar	297,801	328,851	31,050
Thai Baht	6	-	6
<b>Total</b>	<b>27,044,877</b>	<b>26,804,638</b>	<b>309,981</b>

The above net open position includes the net open position of receivable and payable from commitments and contingencies of administrative accounts in foreign currency.

The net open position as of December 31, 2000 was calculated according to the Decree of Bank Indonesia No. 31/178/KEP/DIR dated December 31, 1998.

### 39. PENSION FUND

The pension fund is managed by Dana Pensiun Bank Internasional Indonesia ("Dana Pensiun BII") and is invested in short-term time deposits and securities. Permanent employees above 18 years of age or who are married are eligible to join the plan.

In April 1996, the pension fund scheme of the Company was changed from a defined benefit pension plan to a defined contribution pension plan. The change of the pension fund scheme was approved by the Department of the Finance of the Republic of Indonesia in its decision letter No. Kep-147/KM.17.1996 dated April 16, 1996.

Pension expense for the years ended December 31, 2000 and 1999 amounted to Rp 2,819 million and Rp 1,987 million, respectively.

### 40. SEGMENT INFORMATION

Following sets forth certain financial information for the Company and its subsidiaries :

#### a. Business Activities

Company	Business Activities
The Company	Banking
BII Finance Co. Limited, Hong Kong	Banking
PT BII Finance Center	Multifinance

#### b. Following is a segment information on banking and multifinance business activities:

	2000	1999 (As restated- Note 45b)
	Rp '000'000	Rp '000'000
<b>Banking</b>		
Total Assets	37,344,408	41,791,729
Interest received	3,494,385	4,738,041
Net operating revenues (expenses)	210,047	(2,188,127)
Net Income (loss)	256,368	(1,975,841)
<b>Multifinance</b>		
Total assets	104,166	83,603
Interest received	13,225	35,402
Net operating expenses	(6,680)	(20,427)
Net income	2,063	81,463

Year 2000 figures did not include financial position and results of operations of Bank Internasional Ningbo (Notes 1b and 11).

#### **41. EFFECTS OF THE ECONOMIC CONDITION AND GOING CONCERN**

Indonesia is still experiencing adverse economic condition marked with highly volatile exchange rate, lack of liquidity and lack of public confidence in the Indonesian banking system that have significantly effected the banking service sector including the operations of the Company and its subsidiaries as well as other economic sectors. This condition also affected cost of fund as well as the Company's and its subsidiaries' ability to generate revenues from operations in the future. In addition, the unstable exchange rates have increased the risks faced by the Company and its subsidiaries of foreign exchange losses. In general, the banking industry still operates at a minimum credit issuing activity. Even though there were few economic indicators towards recovery in the second semester of year 1999, the Indonesian economic condition in 2000 still continue to be affected by significant uncertainties.

The adverse economic condition have created uncertainty as to debtors' ability to fulfill their obligations on due dates, thereby increasing the credit risk inherent in the earning assets portfolio of the Company and its subsidiaries. The balance of loans granted by the Parent Company categorized as doubtful and loss as of December 31, 2000 amounted to Rp 2,854,829 million, and the balance of the Parent Company's allowance for possible losses on loans amounted to Rp 2,234,318 million as of December 31, 2000 (there is a possibility of additional losses to be recognized in the future after the losses are identified and measured). The consolidated net interest margin in 2000 did not reach optimum level and only reached Rp 766,594 million. Because of high cost of fund, large number of loans under doubtful/loss categories, and the receivables from PT Bank Umum Nasional (closed bank) and PT Bank Bira (frozen bank) had not been settled yet in 2000, the Company has not been able to gain an optimum profit to cover the previous years' deficit. The consolidated Minimum Capital Adequacy Ratio as of December 31, 2000 was 7.48% (Parent Company: 7.57%) after considering the effects of adopting the SFAS No. 46, "Accounting for Taxes" (see Note 19). For an indefinite period in the future, the Company and its subsidiaries may continue to be affected by the adverse economic condition.

The consolidated financial statements have been prepared assuming that the Company and its subsidiaries will continue their operations as a going concern. The aforementioned effects of the economic condition on the Company and its subsidiaries have created risks on the Company and its subsidiaries' ability to operate as a going concern. The consolidated financial statements do not include any adjustments which might result from the outcome of these uncertainties. Plans and actions of management and stockholders (the Indonesian Bank Restructuring Agency and Sinar Mas Group) to comply with Bank Indonesia's regulation concerning the 8% requirement of capital adequacy ratio by the end of year 2001 and to continue the operations as a going concern are as follows:

- a. The Indonesian Bank Restructuring Agency with acknowledgment of the Minister of Finance has approved the restructuring of the repayment schedule of the Company's receivables from companies under Sinar Mas Group amounting to USD 1,249 million (or equivalent to Rp 11,985,016 million) until September 2003. The approval was disclosed in a Settlement Agreement dated January 26, 2001 and its amendments dated February 3, 2001. In relation to the restructuring, Sinar Mas Group pledged assets as collateral valued at 145% of the outstanding receivables and provided personal guarantees (from Teguh Ganda Wijaya, Indra Widjaja, Franky Oesman Widjaja and Muktar Widjaja) to the Indonesian Bank Restructuring Agency and acted as Counter Guarantor on the Company's receivables from companies under Sinar Mas Group. The Indonesian Bank Restructuring Agency granted Government Guarantee to the Company on receivables from companies under Sinar Mas Group. The Government Guarantee caused the Weighted-Risks Asset (in the calculation of Minimum Capital Adequacy Ratio) of receivables to companies under Sinar Mas Group to decrease from 100% to 0%, and the Company has not been affected by the moratorium decision of Asia Pulp & Paper Ltd. together with its subsidiaries and associated companies (the paper manufacturing division of Sinar Mas Group) dated March 12, 2001. By the power of attorney vested by the Minister of Finance on March 8, 2001, the Chairman of the Indonesian Bank Restructuring Agency issued Government Guarantee to the Company on April 30, 2001. The Government Guarantee has been valid since April 30, 2001 (Note 1f).

The first interest payment after restructuring will be due at the end of June 2001, while the first principal instalment will be due at the end of September 2001.

- b. Based on decision of KSKS and the Minister of Finance on April 27, 2001 to settle the receivables from PT Bank Umum Nasional (closed bank) and PT Bank Bira (frozen bank), the Chairman of the Indonesian Bank Restructuring Agency placed Serie FR004 Government bonds amounting to Rp 1,176,338 million as temporary collateral (until the decision of Commission IX of the House of Representatives to settle the interbank receivables by "recycled Government bonds" is received). The Fiduciary Collateral Deed No. 6 for collateralization of those Government bonds was signed by the Chairman of the Indonesian Bank Restructuring Agency and the Company's management, and was made by Winnie Susanti Hadiprodo SH, notary in Jakarta, on May 3, 2001. On May 4, 2001, Citibank (Jakarta) had issued Statement of Collateralized Marketable Securities ("SKSD") No. 01/WWSS/V/2001 to register Serie FR004 Government bonds amounting to Rp 1,176,338 million as collateralized Government bonds (Note 5).
- c. To maintain the Company's operations as a going concern, the Chairman of the Indonesian Bank Restructuring Agency in his letter dated May 4, 2001 concerning the "Action Plans to Strengthen the Capitalization of Bank Internasional Indonesia" conveyed the plans and actions of the Indonesian Bank Restructuring Agency. The plans and action of the Indonesian Bank Restructuring Agency include:
1. On April 27, 2001, the Indonesian Bank Restructuring Agency informed KSKS concerning the effect of adopting deferred income tax accounting on the capital adequacy ratio of the Company that needs to be settled to maintain the Company as a going concern; and will follow up on the approval of the Minister of Finance of April 27, 2001 on employing "recycled Government bonds" available in the Indonesian Bank Restructuring Agency (after obtaining approval from the Commission IX of the House of Representatives) to settle the effects of adopting accounting standard for deferred tax on the Company's capital adequacy ratio (Note 19).
  2. The Indonesian Bank Restructuring Agency will discuss the matters faced by the Company with Bank Indonesia more intensively and determine the appropriate solutions.
  3. The Indonesian Bank Restructuring Agency plans to increase capital through rights issue or request the Company to issue new shares to strategic investors for the purpose of raising capital.
- The Indonesian Bank Restructuring Agency will discuss the above plans in a meeting with Commission IX of the House of Representatives (DPR) immediately and will resolve the above matters by the Company by the end of July 2001.
- d. In the meeting of the Commission IX of the House of Representatives with the Minister of Finance on February 22, 2001, the following matters were decided:
- The Company must be saved in order to protect going concern of banking sector as well as the Government's investment of Rp 6.6 trillion which has been placed in the Company under the recapitalization program; and
  - The Government should save the Company through instruments that do not add burden to the National Budget.
- e. The Company's management to tighten control and perform intensive reviews of the debtors' condition as well as to continue the restructuring of troubled loans.
- f. To improve the Company's liquidity, the Company has succeeded in obtaining loans from PT Bank Central Asia and PT Bank Panin totalling Rp 1,158,318 million in February 2001. These loans were guaranteed with collateral in form of the Company's marketable securities.
- g. The Company tries to balance foreign exchange exposures in an effort to control its net open position in compliance with Bank Indonesia's regulations.

Resolution of the economy to a sound and stable condition is dependent on monetary and fiscal measures being taken by the Indonesian Government, actions which are beyond the Company and its subsidiaries' control. It is not possible to determine the future effects the continuation of economic condition may have on the liquidity, capitalization, and their capability to generate earnings and realize their receivables.

#### 42. GOVERNMENT GUARANTEE ON OBLIGATIONS OF PRIVATE BANKS

Based on the decision letter of the Minister of Finance of the Republic of Indonesia No. 26/KMK.17/1998 dated January 28, 1998, and the Joint Decree of the Governor of Bank Indonesia and the Chairman of the Indonesian Bank Restructuring Agency No. 32/46/KEP/DIR and 181/BPPN/0599 dated May 14, 1999, regarding "Requirements and Procedures on Government Guarantee on Obligations of Private Banks", the Government will guarantee the obligations of private banks including demand deposits, savings deposits, time deposits and on-call deposits, bonds, marketable securities, interbank borrowings, loans received, letters of credit, L/C acceptances, currency swaps and other contingent liabilities such as bank guarantees, standby letters of credit, performance bonds and other kinds of liabilities other than those excluded in the said decision letter, such as subordinated loans, and liabilities to directors, commissioners and related parties of the Company. The guarantee is valid for 2 years starting from January 26, 1998 up to January 31, 2000. The guarantee period is extended subsequently by the Indonesian Government.

#### 43. PROFORMA FINANCIAL INFORMATION

As discussed in Notes 1b, 2b, and 11, the financial statements of Bank International Ningbo were not consolidated with the Company's financial statements as of December 31, 2000. Following is summary of proforma financial information for 2000 and 1999 based on assumption that investment in Bank International Ningbo has been accounted for using the equity method.

##### Summary of Proforma Balance Sheets

	Consolidated		Parent Company	
	2000	1999 (As restated)	2000	1999 (As restated Note 45b)
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
<b>ASSETS</b>				
Placements with other banks	2,085,218	2,421,183	1,881,373	2,374,477
Marketable securities	10,668,532	17,580,520	10,515,097	17,417,605
Loans	16,664,265	9,065,748	16,486,562	8,866,437
Investments in shares	714,202	615,483	854,327	724,871
Other assets	7,076,627	7,651,420	7,036,554	7,564,769
<b>Total Assets</b>	<b>37,208,844</b>	<b>37,334,354</b>	<b>36,773,913</b>	<b>36,948,159</b>



	Consolidated		Parent Company	
	2000	1999 (As restated)	2000	1999 (As restated Note 45b)
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
Deposits	28,784,389	24,897,344	28,731,839	24,863,678
Securities issued	-	194,700	-	194,700
Borrowings	4,194,903	3,796,822	3,854,271	3,516,116
Other liabilities	1,890,912	6,509,354	1,849,561	6,437,929
Total Liabilities	34,870,204	35,398,220	34,435,671	35,012,423
<b>EQUITY</b>				
Capital stock	13,054,731	13,054,668	13,054,731	13,054,668
Additional paid-in capital	12,530	12,499	12,132	12,101
Difference due to change of equity in subsidiaries	374,489	266,475	374,489	266,475
Unrealized decline in value of marketable securities	(285,159)	(317,908)	(285,159)	(317,908)
Difference in foreign currency translation	(2,861)	2,977	(2,861)	2,977
Revaluation increment in premises and equipment	1,343,195	1,343,195	1,343,195	1,343,195
Deficit	(12,158,285)	(12,425,772)	(12,158,285)	(12,425,772)
Total Equity	2,338,640	1,936,134	2,338,242	1,935,736
Total Liabilities and Equity	37,208,844	37,334,354	36,773,913	36,948,159

**Summary of Proforma Statements of Profit and Loss**

	Consolidated		Parent Company	
	2000	1999 (As restated)	2000	1999
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
Interest revenues	3,537,524	4,333,230	3,475,781	4,276,686
Interest expenses	2,770,930	5,625,099	2,729,660	5,594,637
Interest revenues (expenses) - net	766,594	(1,291,869)	746,121	(1,317,951)
Operating expenses - net	(563,227)	(1,056,409)	(524,955)	(1,013,819)
Revenues (expenses) from operations	203,367	(2,348,278)	221,166	(2,331,770)
Non-operating revenues - net	177,966	264,413	132,542	213,841
Income (loss) before tax	381,333	(2,083,865)	353,708	(2,117,929)
Tax benefit (expense)	(113,846)	(8,944)	(86,221)	25,120
Net Income (Loss)	267,487	(2,092,809)	267,487	(2,092,809)

**Summary of Proforma Statements of Commitments and Contingencies**

	Consolidated		Parent Company	
	2000	1999	2000	1999
	(As restated)			
	Rp '000'000	Rp '000'000	Rp '000'000	Rp '000'000
<b>COMMITMENTS</b>				
Commitment Receivables				
Spot foreign currencies purchased	158,318	9,230	158,318	9,230
Forward foreign currencies purchased	418,282	450,330	418,282	450,330
Interest rate SWAP transactions	47,975	35,500	47,975	35,500
<b>Total Commitment Receivables</b>	<b>624,575</b>	<b>495,060</b>	<b>624,575</b>	<b>495,060</b>
Commitment Liabilities				
Spot foreign currencies sold	105,545	-	105,545	-
Forward foreign currencies sold	770,464	151,965	770,464	151,965
Unused loan commitments granted to customers	2,088,107	2,163,204	2,088,107	2,163,204
Outstanding irrevocable letters of credit	513,203	677,552	431,922	598,029
Acceptances of import draft based on usage letters of credit	118,560	886,086	94,104	858,353
<b>Total Commitment Liabilities</b>	<b>3,595,879</b>	<b>3,878,807</b>	<b>3,490,142</b>	<b>3,771,551</b>
<b>Commitment Liabilities - Net</b>	<b>(2,971,304)</b>	<b>(3,383,747)</b>	<b>(2,865,567)</b>	<b>(3,276,491)</b>
<b>CONTINGENCIES</b>				
Contingent Receivable				
Past due interest revenues	1,488,558	2,651,516	1,488,558	2,651,516
<b>Total Contingent Receivable</b>	<b>1,488,558</b>	<b>2,651,516</b>	<b>1,488,558</b>	<b>2,651,516</b>
Contingent Liabilities				
Guarantees issued in the form of:				
Bank guarantees	191,430	185,886	191,430	185,886
Shipping guarantees	5,814	7,817	5,814	7,817
Standby letters of credit	18,758	10,650	18,758	10,650
<b>Total Contingent Liabilities</b>	<b>216,002</b>	<b>204,353</b>	<b>216,002</b>	<b>204,353</b>
<b>Contingent Receivable - Net</b>	<b>1,272,556</b>	<b>2,447,163</b>	<b>1,272,556</b>	<b>2,447,163</b>
<b>Commitments and Contingencies - Net</b>	<b>(1,698,748)</b>	<b>(936,584)</b>	<b>(1,593,011)</b>	<b>(829,328)</b>

**44. SIGNIFICANT SUBSEQUENT EVENTS TO BALANCE SHEET DATE****a. Settlement Agreement of Receivables from Companies under Sinar Mas Group**

The Company, the Indonesian Bank Restructuring Agency, and Sinar Mas Group (represented by Teguh Ganda Wijaya, Indra Widjaja, Franky Oesman Widjaja and Muktar Widjaja) with acknowledgement from the Minister of Finance signed the Settlement Agreement of the Company's receivables from debtors of Sinar Mas Group on January 26, 2001 and its amendments on February 3, 2001. This Settlement Agreement and its amendments have been legalized by Sukawaty Sumadi SH, notary in Jakarta, on January 26, 2001 and on February 16, 2001. In relation to the Settlement Agreement, the Chairman of the Indonesian Bank Restructuring Agency (by letter of attorney from the Minister of Finance dated March 8, 2001) issued Government guarantee on April 30, 2001 (Note 1f).

**b. Settlement Agreement of Receivables from Closed Bank and Frozen Bank**

Based on the decision of KKSK and the Minister of Finance on April 27, 2001 to settle the interbank placements from PT Bank Umum Nasional (closed bank) and PT Bank Bira (frozen bank), the Chairman of the Indonesian Bank Restructuring Agency placed the serie FR004 Government bonds amounting to Rp 1,176,338 million as a temporary collateral (until the decision is obtained from the Commission IX of the House of Representatives (DPR) for the settlement of those interbank placements with "recycled Government bonds"). Fiduciary Collateral Deed No. 6 for the collateralized Government bonds was signed by the Chairman of the Indonesian Bank Restructuring Agency and the Company's management, and was made by Winnie Susanti Hadiprodjo SH, notary in Jakarta, on May 3, 2001. On May 4, 2001, Citibank (Jakarta) issued a Statement of Collateralized Marketable Securities (SKSD) No. 01/WWSS/V/2001 to register the Serie FR004 Government bonds amounting to Rp 1,176,338 million as collateralized Government bonds (Note 5).

**45. RECLASSIFICATION OF ACCOUNTS AND RESTATEMENT****a. Reclassification of Accounts**

Difference in foreign currency translation account in the consolidated financial statements for the year ended December 31, 1999 has been reclassified to conform with the presentation of the consolidated financial statements for the year ended December 31, 2000.

	Before Reclassification Rp '000'000	After Reclassification Rp '000'000
Difference due to change of equity in subsidiaries	-	266,475
Difference in foreign currency translation	269,452	2,977

The reclassification was made to appropriately reflect nature of the transaction.

**b. Restatement of the Parent Company's Financial Statements**

The management decided to restate the Parent Company's financial statements as of December 31, 1999 wherein the investments in Bank International Ningbo and BII Finance Co. Limited (Hong Kong), which were accounted for using the equity method, were adjusted for the change of equities of the two subsidiaries resulting from difference in foreign currency translation. Following is a summary of relevant accounts before and after restatement :

	Parent Company	
	As previously presented Rp '000'000	As restated Rp '000'000
Investments in shares	458,396	724,871
Total assets	36,681,684	36,948,159
Difference due to change of equity in subsidiaries	-	266,475
Total Equity	1,669,261	1,935,736

#### **46. OTHER INFORMATION**

##### **a. New Regulation**

On June 20, 2000, the Ministry of Manpower of the Republic of Indonesia issued Decree No. Kep-150/Men/2000 concerning the "Settlement of Labor Dismissal and the Stipulation of Severance Pay, Gratuity and Compensation in Companies". The Decree requires the Company to pay, severance, gratuity and compensation benefits in case of employee retirement, dismissal or resignation.

The management believes that since the Company has established employees' pension fund and there is no plan for a massive dismissal of employees in the foreseeable future, such Decree did not significantly affect the Company and its subsidiaries' current year's financial position and results of operations.

##### **b. New Financial Accounting Standards**

The Indonesian Institute of Accountants issued SFAS No. 55, "Accounting for Derivative Instruments and Hedging Activities", and No. 31, (revision) "Accounting for Banking Industry" which will be effective on January 1, 2001.

The management is currently evaluating the effect of applying this standard on the Company's financial position and results of operations.



# CORPORATE DATA

## Brief History

**1959** Established under the name of PT Bank Internasional Indonesia.

**1979** Merger with PT Bank Tabungan Untuk Umum 1859 Surabaya, which was finalised in the following year. **1988** Licensed as a foreign-exchange bank. **1989** Initial Public Offering of 12,000,000 shares at Rp 11,000 per share offering price and Rp 1,000 per share nominal price. **1990** Acquired Allied Asia Finance Co. Ltd., a deposit-taking company in Hong Kong which was later renamed BII Finance Co. Ltd. **1991** Formed a wholly-owned subsidiary PT BII Finance Center, a financial services company in Indonesia licensed for leasing, factoring, venture capital and consumer finance. **1992** Formed PT BII Investment Management which subsequently, in September 1994, entered into a joint venture with Lend Lease Corporation Limited, a leading financial services group from Australia. The joint-venture company, PT BII Lend Lease Investment Services, focuses on pension fund administration, investment services and fund management. **1993** Acquired 100% stake in Koon Chung Ltd., which owns 100% shares of Bank International Ningbo (BIN) in China. **1995** Acquired 9% stake in BII Finance Co., Hong Kong, for full ownership of this company. **1996** Formed PT Bank BII Commonwealth in a 50:50 joint venture with the Commonwealth Bank of Australia. Named Commercial Bank of the Year in Indonesia by Asiamoney and Euromoney. **1997** Launched PT Bank BII Commonwealth and opened another international representative office in Manila, the Philippines. Named Commercial Bank of the Year in Indonesia by Asiamoney for the second consecutive year and Best Domestic Bank in Indonesia by Global Finance. **1999** Participated in the government recapitalization program whereby the government injected capital amounting to Rp 6,6 trillion. **2000** Sold BII shares ownership at PT Bank BII Commonwealth.

### RUSLI PRAKARSA

President Commissioner of BII since March 27, 2000. After 3 years in Bank Indonesia, from 1971 to 1974, he joined Panin Bank and his last position was Deputy President Commissioner. Began his career as a lecturer at several universities. Completed his last education at Universitas Airlangga, Surabaya and Universitas Sumatera Utara, Medan.

### SUDIARSO

Deputy President Commissioner of BII since June 30, 2000 after previously chairing as Commissioner since September 1, 1999. Former Director of Bank Indonesia (1968 - 1971) and President Commissioner of Bank PDFCI, an Indonesian private commercial bank (1990 - 1992). He graduated from N.E.H. Rotterdam (now School of Economics, Erasmus University) in the Netherlands in 1957.

### ANGGITO ABIMANYU

Commissioner of BII since March 27, 2000. A highly respected Indonesian economist, he obtained his Bachelors in Economics from Universitas Gajah Mada (UGM), Yogyakarta, and Masters and PhD from the University of Pennsylvania, USA, 1993. Former member of the National Economic Council (DEN), currently lectures at UGM, Yogyakarta, as well as special advisor and Head of The Assistant team to the Minister of Finance.

## Board of Commissioners

### ADITIAWAN CHANDRA

Commissioner of BII since September 1, 1999. He has more than 25 years of academic experience related to business management including his recent appointment as Dean of the Faculty of Economics Universitas Indonesia, Jakarta. Former Commissioner of PT Semen Padang (1990- 1995), and Director of the Master in Management Program at Universitas Indonesia, Jakarta. He obtained his Bachelors in Economics from Universitas Indonesia in 1977, Masters from the University of Wisconsin in 1979, and a PhD from the University of North Carolina, USA in 1985.

### SUAD HUSNAN

Commissioner of BII since September 1, 1999. Previously Commissioner of PT Bank Ekspor Impor Indonesia, one of the former state-owned commercial banks which has now been merged into Bank Mandiri, as well as Commissioner of PT Sari Husada Tbk. As a professional academician, his works have been published in numerous international financial journals. He obtained his Bachelors in Business Economics from Universitas Gajah Mada, Yogyakarta in 1975, Masters in Business Administration from the Catholic University, Leuven, Belgium in 1981, and PhD in Finance from the University of Birmingham, England in 1990.

### RANDOLPH LATUMAHINA

Commissioner of BII since June 30, 2000. Concurrently Head of Treasury and Risk Management, IBRA (Indonesian Bank Restructuring Agency). He spent more than 12 years with Bank Niaga with the last position as Vice President of Financial Institutions and Product Group. He obtained his Bachelors in Economics from Universitas Trisakti, Jakarta in 1983.

## Board of Directors

### HIROSHI TADANO

President Director of BII since March 27, 2000. Previously, he was Deputy President Director of BII. A Japanese citizen and professional banker with over 30 years of experience including 20 years of overseas assignments. He joined Sumitomo Bank Ltd. in Tokyo and worked at various branch offices in New York, Panama, Jakarta, Seoul and Singapore. Prior to joining BII in 1998, he was Vice President Commissioner of PT Bank Merincorp, Jakarta. He graduated from the Otaru University of Commerce, Japan in 1968.

### YAP TJAY SOEN

Deputy President Director of BII since March 27, 2000. He joined with BII since September 1, 1999 as Managing Director, Finance. Prior to that he was the Chief Operating Officer of Asia Food & Properties in Singapore. He held several management positions at PT Astra International and its affiliates (1989-1998). Former Vice President with Citibank, Indonesia (1980-1988). He acquired his Bachelors in Engineering in 1976 and Masters in Business Administration in 1980 from McGill University, Montreal, Canada.

### GUSTIONO KUSTIANTO

Deputy President Director of BII since March 27, 2000. His professional experience spans over 20 years in various banks and large corporations, among others, four years with Citibank, N.A. and PT Citicorp Finance Indonesia with his last position being Vice President - Risk Management. Former Division Head of Asset Management Investment of the Indonesian Bank Restructuring Agency (IBRA). He earned his Masters in Business Administration from the Indonesian Institute for Management Development (IPMI), Jakarta in 1988 and Bachelors in Civil Engineering from Universitas Kristen Petra, Surabaya.

### FRANSISKA OEI

Director of BII since March 27, 2000. She has held various senior management positions in legal affairs, administration and human resources at Citibank and other leading Indonesian companies. Former Chief of Staff - Senior Country Manager, Citibank. She obtained her Masters in Law from Universitas Trisakti, Jakarta in 1981.



### RAYMOND YAUWENAS

Director of BII since March 27, 2000. Previously Director of an IBRA (Indonesian Bank Restructuring Agency) Holding Company, as well as member of the Management Team at a BTO (Bank Taken Over). Started his career with Bank Bali then at Citibank, Astra Credit Company and a few other companies. He has extensive banking experience in credit and marketing, operations, service quality, promotion and business development, and internal control. He earned his Bachelors of Science degree from Sophia University, Japan in 1979, and Masters in Business Administration from the University of Southern California, USA in 1982.

### RUDY N. HAMDANI

Director of BII since March 27, 2000. He joined BII in 1987 and has been associated with the development of the credit card business at BII. Completed his Bachelors in Economics and Business Administration from St. Mary's College, California, USA in 1987.

### HALIM SUSANTO

Director of BII since March 27, 2000. Previously he held various senior positions in Treasury with Standard Chartered Bank, Jakarta, among others as Head of FX Option, Head of Derivatives, and Head of Treasury - Sales and Marketing. Prior to that he was with American Express Bank, Rabobank Duta Indonesia, and Citibank N.A. He graduated (cum laude) from University of Houston, Texas, USA in 1989.

### HEDY LAPIAN

Director of BII since March 27, 2000. Previously Director of Corporate Banking, American Express Bank, Jakarta. She started her banking career in the United States at the Union Bank, Los Angeles, and Bank of Trade, San Francisco. She has worked for several international banks operating in Indonesia such as Standard Chartered Bank, American Express Bank and ING Indonesia Bank. She holds a Masters in Business Administration from the Joseph M. Katz Graduate School of Business, University of Pittsburgh, USA in 1985.

## Senior Management

### DIVISION HEAD - HEAD OFFICE

Internal Audit	Otto S. Tirajo
International Operation	Toni Dinoto
Accounting & Finance	Jozef I. Munaba
Compliance	Buana Wikasa
Cooperative Credit & Two Step Loan	Jopie Gumay
Logistics & Building	Ekaputra Oyong
Planning & Comptroller	Supratman Gunawan
Human Resources Development	G.G. Liwang
Operations Development	Erzon
Credit Information, Reporting & Portfolio Review	Earl D. Santawirya
Corporate Credit Review & Restructuring	Siswo S. Iksan
Non Corporate Credit Review & Restructuring	Ratna Ningsih
Special Asset Management	Tony Kasim
Commercial Banking	Hanafi Himawan
Corporate Banking	Rudi Gomedi
Capital Market	Suzanna Irmawati
Information Technology	Harjanto Quaasalmy
Credit Card	Johan Sudiato
Legal	Iswandari Yusuf

### JAKARTA BRANCH MANAGERS

Thamrin Main Branch	Hermanus H. M.
Juanda Branch	Ferry V. Limiardi
Fatmawati Branch	Liarny
Eka Jiwa Branch	Ign. Kiki Suhertan
Mangga Dua Branch	Paulus Tangkilisan

### AREA MANAGERS

Area I (Sumatera)	
Head	Djaja S. Sutandar
Deputy	Rustam Oey
Area II (West Java & Central Java)	
Head	Andrae Krishnawan
Deputy	Kyardian Aunatalia
Area III (East Java, Bali & East Indonesia)	
Head	C.D. Boentoro
Deputy	Freddy Wunas

## REPRESENTATIVE/OVERSEAS BRANCH OFFICE

### **BII Representative Office - Singapore**

Senior Representative

Dede Kurnia

### **BII Representative Office - Manila**

Senior Representative

Francisco S. Varona

### **Overseas Business Unit**

(Cayman Islands, Cook Islands, Mumbai, Mauritius)

Head

Tonny D. Widjaja

## SUBSIDIARIES/AFFILIATES

### **PT BII Lend Lease Investment Services (Jakarta)**

President Director

Indra Novan Ginting

Director

Nugroho Permana Budi

### **PT BII Finance Center (Jakarta)**

President Director

Rizal N. Panji

Director

Adi Darmadi

Director

J. Purwanto

### **BII Finance Co. Ltd. (Hong Kong)**

Director

Juanna Lai

### **Bank International Ningbo (China)**

General Manager

Philip Tang Boon Ngow

Deputy General Manager I

Freenyan Liwang

Deputy General Manager II

Huang Zhirong

**Other  
Senior  
Management**

**VICE PRESIDENT**

**Head Office**

Credit Card	Winarto Widjaja
Corporate Banking	Jenny Wiriyanto
Operations Development	Iman Masdjud
Loan Recovery	Benny Wirawansa
	Herman Yulianto
Commercial Banking	Roestamadji
Planning & Comptroller	Sunarya
Information Technology	Agung Witono S.
	Undang Rahayu
	Donald F. Hartono
Thamrin Branch	Angela Apsarton

**ASSISTANT VICE PRESIDENT**

**Head Office**

Accounting & Finance	Effendi Rajagukguk
	Benny Roesamsi
	Ayip Muchlis
	Ganti Effendi Poerba
Investor Relations	Talip Rachman
Internal Audit	Akhadi
	Pranoto
Credit Card	Syatini Widjaja
	Kristanto Wibowo
Compliance	A.M. Krisdarujati
Financial Institution	Ratna Muljani Santosa
	Trie Rosdiati
Operations Development	Heni Yulia
Loan Recovery	Johnny Tirendra
	Chairil Asfar Azis
Special Asset Management	Shahrizal Nasution
	Dicky Yanuardi Noorkalam
Commercial Banking	Djoenaidi Hoediono
Planning & Comptroller	Rene Iwan Prayitno
Human Resources Development	Junus Hartanto Judianto
Information Technology	Eng Hwa Setiabudi
	Aloysius Lefaan
	Kristanto

Information Technology

Didi B. Heryadi  
Hendra Pranadjaja  
Mia Esti Rezeki  
Hasril Harun  
Benny Harkamto  
Hinayana Isnaeni  
Yoyana S. Rarung  
Melia Tjandra  
Edij

Treasury

**Branch Offices & Sub Branch Offices**

Thamrin Main Branch

Ferdi Rindhatmono

Juanda Branch

Yusiana Tronijaya

Eka Jiwa Branch

Muliodihardjo Tanubrata

Bandung Branch

Yani Lewa

Surabaya Branch

A. Oscar Gumulja

Medan Branch

T. Johansyah

Tanjung Pinang Branch

Hevi Angweita

Denpasar Branch

Maya Sartika

Tanah Abang Sub Branch

Ardy J. William

ITC Mangga Dua Sub Branch

Johny Harianto

Mery Liwang

Tan Moy Hoa

**ADVISORS**

Marketing

Yoon Hong Hwang

Treasury

Yukio Mukoyama

Credit

A. Krishnaswamy

## Subsidiary Companies

### PT BII LEND LEASE INVESTMENT SERVICE [BII-LLIS], Jakarta

BII-LLIS was established in September 1994 as a joint venture between PT BII Investment Management, a subsidiary company of BII engaged in investment management and advisory services, and Lend Lease Corporation Limited of Australia which is among the top 20 largest companies in Australia.

### PT BII FINANCE CENTER [BII-FC], Jakarta

BII-FC was formed on February 13, 1991, as a multi-finance services company to engage in leasing, factoring, and venture capital. It is also licensed to provide credit-card services and consumer finance.

### BII FINANCE COMPANY Ltd. [BIIF], Hong Kong

BIIF was established in Hong Kong on June 20, 1974 under the name of Hock Finance Holdings Ltd. and was registered under the Deposit-taking Companies Ordinance as a deposit-taking company on June 19, 1978. On May 31, 1985, the company was taken-over by Western Oceanic Holding Company incorporated in Grand Cayman Islands - controlled by the Widjaja family. On September 1, 1991, the company was acquired by Bank Internasional Indonesia, which now owns 100% of BIIF.

### BANK INTERNATIONAL NINGBO [BIN], China

BIN was established in March 1993 after having obtained approval from the People's Bank of China. BIN is the first foreign-owned bank in Zhejiang Province. Currently, BIN is under divestment process and is expected to be completed before end of 2001.

#### HEAD OFFICE

BII Plaza, Tower 2  
Jl. M.H. Thamrin Kav. 22, Jakarta 10350  
Tel. : (021) 2300888  
Fax. : (021) 330961  
http://www.bii.co.id  
e-mail: cs@bii.co.id

#### JAKARTA

##### Thamrin

BII Plaza, Tower 2  
Jl. M.H. Thamrin Kav. 22, Jakarta 10350  
Tel. : (021) 2300888, 2300666  
Fax. : (021) 2301426  
Telex : 61610 BIITH IA

##### Juanda

Jl. Ir. H. Juanda No. 37 – 38  
Jakarta 10120  
Tel. : (021) 2310811, 3841791  
Fax. : (021) 3841412

##### Fatmawati

Jl. R.S. Fatmawati No. 28, Jakarta 12410  
Tel. : (021) 7511900, 7511540  
Fax. : (021) 7505570, 7505571

##### Eka Jiwa

Wisma Eka Jiwa 6th Floor  
Jl. Mangga Dua Raya, Jakarta 10730  
Tel. : (021) 6121611, 6122811  
Fax. : (021) 6122820

##### Mangga Dua

Wisma Eka Jiwa 7th Floor  
Jl. Mangga Dua Raya, Jakarta 10730  
Tel. : (021) 6257525  
Fax. : (021) 6257780

##### Tanah Abang

Jl. H. Fachrudin No. 36  
Blok D 18-19, Jakarta 10250  
Tel. : (021) 2302533, 2303035  
Fax. : (021) 2303054

##### Permata Hijau

Jl. Perak Blok B No. 17, Jakarta 12210  
Tel. : (021) 5325487 – 88  
Fax. : (021) 5332260

##### Sahardjo

Jl. Dr. Sahardjo No. 149 D – E  
Tebet, Jakarta 12860  
Tel. : (021) 8312064, 8307605  
Fax. : (021) 8301093

##### Plaza Indonesia

Ground Floor, Blok B – 1  
Jl. M.H. Thamrin, Jakarta 10350  
Tel. : (021) 3107535 – 36  
Fax. : (021) 3107588

##### Proklamasi

Jl. Proklamasi No. 23, Jakarta 10330  
Tel. : (021) 3908416, 3906891  
Fax. : (021) 2301455, 3103568

##### Jatinegara Timur

Jl. Jatinegara Timur No. 59  
Jakarta 13301  
Tel. : (021) 2800320, 2800333  
Fax. : (021) 2800323

##### S. Parman

Jl. S. Parman Kav. 19, Jakarta 11480  
Tel. : (021) 53674168, 53674170  
Fax. : (021) 53674171

##### Gatot Subroto

Kanindo Plaza  
Jl. Gatot Subroto No. 23, Jakarta 12930  
Tel. : (021) 5258202 – 04  
Fax. : (021) 5225291, 5225293

##### Matraman

Jl. Matraman Raya No. 55, Jakarta 13140  
Tel. : (021) 8510761 – 64  
Fax. : (021) 8510769

##### Wisma Kyohei Prince

Jl. Jend. Sudirman Kav. 34, Jakarta 10220  
Tel. : (021) 5724031 – 36  
Fax. : (021) 5724038

#### Jakarta Stock Exchange

Jakarta Stock Exchange Building  
Jl. Jend. Sudirman Kav. 52 – 53  
Jakarta 12190  
Tel. : (021) 5150722, 5150727  
Fax. : (021) 5150731

#### Kuningan

Graha Irama, Ground Floor  
Jl. H.R. Rasuna Said Kav. X  
Kuningan, Jakarta 12950  
Tel. : (021) 5261330  
Fax. : (021) 526 1335

#### M.T. Haryono

Jl. M.T. Haryono Kav. 62, Jakarta 12780  
Tel. : (021) 7976061, 7976069  
Fax. : (021) 7976067

#### Mal Ambassador

Ground Floor, Jl. Prof. Dr. Satrio  
Jakarta 12940  
Tel. : (021) 5760136 – 38  
Fax. : (021) 5760366

#### Taman Anggrek

Mal Taman Anggrek  
Ground Floor, Banking Center  
Jl. S. Parman Kav. 21  
Grogol, Jakarta 11470  
Tel. : (021) 5639001 – 07  
Fax. : (021) 5639155

#### Sultan Agung

Jl. Sultan Agung No. 57 A – B  
Jakarta 12980  
Tel. : (021) 8293535  
Fax. : (021) 8293542

#### Klender

Jl. Teratai Putih Blok M 1 A & B  
Jakarta 13470  
Tel. : (021) 8602162  
Fax. : (021) 8603343

#### Thamrin

BII Plaza, Tower 1, 1st Floor  
Jl. M.H. Thamrin Kav. 22  
Jakarta 10350  
Tel. : (021) 2300888, 2300666  
Fax. : (021) 2301893

#### Kampung Melayu

Jl. Kampung Melayu Besar No. 9  
Jakarta 13330  
Tel. : (021) 2800313  
Fax. : (021) 2800315

#### Cikini

Gedung Hias Rias  
Jl. Cikini Raya No. 90, Jakarta 10330  
Tel. : (021) 3900772, 2301731  
Fax. : (021) 3103568

#### Rawasari

Ceramic Commercial Center  
Jl. Percetakan Negara No. C 566F  
Rawasari, Jakarta 10570  
Tel. : (021) 4257512  
Fax. : (021) 4257511

#### Menara Imperium

Menara Imperium Ground Floor No. 90  
Jl. H.R. Rasuna Said Kav. 1  
Jakarta 12980  
Tel. : (021) 8315101 – 06  
Fax. : (021) 8315034

#### Permata Hijau I

Pertokoan Permata Hijau,  
Blok DB No. 15  
Jl. Permata Hijau Raya, Jakarta 12210  
Tel. : (021) 5301775 – 76  
Fax. : (021) 5302034

#### Mangga Besar

Jl. Mangga Besar VIII No. 8  
Jakarta 11170  
Tel. : (021) 6261183 – 84  
Fax. : (021) 6497096

#### Kelapa Gading

Jl. Raya Boulevard Barat  
Blok C5 No. 9, Jakarta 14240  
Tel. : (021) 4503181, 4503177  
Fax. : (021) 4503175

**Branch  
Network**

**Sunter Nirwana**

Jl. Bismaraya Blok A5 No. 48 – 50  
Sunter Nirwana, Jakarta 14350  
Tel. : (021) 6452802, 6452805  
Fax. : (021) 6452811

**Sunter Podomoro**

Jl. Sunter Agung Utara  
Blok A 36 D No. 40 – 41  
Sunter, Jakarta 14350  
Tel. : (021) 686300 – 02  
Fax. : (021) 684967

**Palmerah**

Jl. Palmerah Utara 36 – 38  
Jakarta 11480  
Tel. : (021) 5305119 – 22  
Fax. : (021) 5480170

**Green Ville**

Komp. Pertokoan Green Ville  
Blok A 17 – 18, Jakarta 11510  
Tel. : (021) 5603949, 5656044  
Fax. : (021) 5656049

**Kebon Jeruk Intercon**

Intercon Plaza No. 3  
Jl. Meruya Ilir No. 14, Jakarta 11630  
Tel. : (021) 5841501, 5841503  
Fax. : (021) 5304411

**Plaza Kebon Jeruk**

Blok A No. 7 – 8  
Jl. Raya Perjuangan, Jakarta 11530  
Tel. : (021) 5308885  
Fax. : (021) 5306248

**Garuda**

Jl. Garuda No. 22B, Jakarta 10620  
Tel. : (021) 4211844, 4242423  
Fax. : (021) 4209874

**Batu Tulis**

Jl. Batu Tulis No. 7, Jakarta 10210  
Tel. : (021) 3841805, 3841809  
Fax. : (021) 3843379

**Pemuda**

Jl. Pemuda No. 29, Jakarta 13220  
Tel. : (021) 4714850, 4898010  
Fax. : (021) 4714849, 4758010

**Samanhudi**

Jl. H. Samanhudi No. 63  
Jakarta 10710  
Tel. : (021) 3441352, 3448190  
Fax. : (021) 3455422

**Roxy Mas**

Jl. Hasyim Ashari Blok B1 12 A  
Jakarta 10150  
Tel. : (021) 6329515  
Fax. : (021) 6329543

**Senen**

Komp. Ruko Segitiga Senen  
Blok F 34 – 36, Jl. Senen Raya  
Jakarta 10410  
Tel. : (021) 3858144 – 46  
Fax. : (021) 3858142

**Angkasa**

Jl. Angkasa No. 20 K, Jakarta 10610  
Tel. : (021) 4200386, 4200388  
Fax. : (021) 4200435

**Lindeteves**

Pasar Hayam Wuruk, Lt. 2 Los 9 No. 22  
Jl. Hayam Wuruk No. 100, Jakarta 11180  
Tel. : (021) 6242580 – 86  
Fax. : (021) 6242578

**Green Garden**

Komp. Perumahan Green Garden  
Blok 22 No. 46  
Jl. Raya Daan Mogot KM 3  
Jakarta 11520  
Tel. : (021) 5828359 – 64  
Fax. : (021) 5828356

**Tomang**

Jl. Tomang Raya No. 12A  
Jakarta 15340  
Tel. : (021) 5681750, 5681744  
Fax. : (021) 5681746

**Mal Ciputra**

Unit No. LG – 54, Jl. S. Parman Grogol  
Jakarta 11470  
Tel. : (021) 5606045  
Fax. : (021) 5606044

**Kedoya**

Jl. Terusan Arjuna No. 50, Jakarta 11510  
Tel. : (021) 5674653  
Fax. : (021) 5674652

**Cideng Barat**

Jl. Cideng Barat No. 31 A  
Jakarta 10150  
Tel. : (021) 6321846  
Fax. : (021) 6321935

**Ketapang Indah**

Jl. K.H. Zainul Arifin, Blok B II No. 18  
Jakarta  
Tel. : (021) 6338566  
Fax. : (021) 6338565

**Cempaka Mas**

Ruko Grand Cempaka  
Blok A No. 34, Jl. Letjen. Suprpto  
Jakarta 10640  
Tel. : (021) 4215915 – 20  
Fax. : (021) 4215909

**Kelapa Gading Boulevard I**

Jl. Kelapa Gading Boulevard  
Blok PA – 19 No. 11, Jakarta 14240  
Tel. : (021) 4514424 – 25  
Fax. : (021) 4507446

**Cakung**

PT Bimaruna Jaya Building  
Jl. Cakung Cilincing KM 1,5  
Jakarta 13910  
Tel. : (021) 4619401 – 03  
Fax. : (021) 4619405

**Kelapa Gading Kirana**

Jl. Gading Kirana Timur  
Blok A 13 No. 35, Jakarta 14240  
Tel. : (021) 4513212, 4513215  
Fax. : (021) 4513216

**Danau Sunter II**

Jl. Danau Agung II C3/C4  
No. 77 A – B, Jakarta 14350  
Tel. : (021) 6518089, 6518101  
Fax. : (021) 6518101

**Kelapa Gading Boulevard II**

Jl. Raya Boulevard I-3 No. 4  
Jakarta 14240  
Tel. : (021) 4515258  
Fax. : (021) 4515257

**Villa Taman Bandara**

Jl. Perancis B1 A8/1, Jakarta 15211  
Tel. : (021) 55951683 – 85  
Fax. : (021) 55951687

**Danau Sunter Utara**

Jl. Danau Sunter Utara  
Blok J-12 No. 58 – 59, Jakarta 14350  
Tel. : (021) 6502135  
Fax. : (021) 6515388

**Warung Buncit**

Jl. Mampang Prapatan Raya No. 91  
Jakarta 12790  
Tel. : (021) 7984401 – 44  
Fax. : (021) 7984395

**Ampera**

Jl. Ampera Raya 10  
Pejaten Barat, Jakarta 12510  
Tel. : (021) 7180149 – 50  
Fax. : (021) 7180151

**Pondok Indah**

Jl. Metro Pondok Indah  
Kav. II UA No. 65 – 66, Jakarta 12310  
Tel. : (021) 7501303, 7500027  
Fax. : (021) 7500387

**Ciputat**

Jl. Ciputat Raya No. 38 – 40  
Jakarta 15412  
Tel. : (021) 7491296, 7492592  
Fax. : (021) 7490033

**Panglima Polim**

Jl. Panglima Polim Raya No. 79  
Jakarta 12160  
Tel. : (021) 2700811, 2700632  
Fax. : (021) 7206978, 7262061

**Bintaro Permai**

Jl. Bintaro Permai No. 1  
Tanah Kusir, Jakarta 12320  
Tel. : (021) 73889677, 73889679  
Fax. : (021) 7209654, 7209682

**Mal Kalibata**

Kalibata Blok III No. 13 – 14  
Jl. Kalibata Raya, Jakarta 12750  
Tel. : (021) 7970733  
Fax. : (021) 7970715

**T.B. Simatupang**

Graha Simatupang 1st & 2nd Floor  
Jl. T.B. Simatupang Kav. 38  
Jakarta 12540  
Tel. : (021) 7813290 – 94  
Fax. : (021) 7813391

**Summitmas**

Menara Summitmas  
Jl. Jend. Sudirman Kav. 61, Jakarta 12910  
Tel. : (021) 2526333, 2526335  
Fax. : (021) 2526334

**Kemang**

Jl. Kemang Raya No. 6, Jakarta 12730  
Tel. : (021) 7181403 – 04  
Fax. : (021) 7181405

**Cipulir**

Pasar Cipulir Ruko No. 6  
Jl. Ciledug Raya, Jakarta 12230  
Tel. : (021) 2700628  
Fax. : (021) 7254005

**Kebayoran Lama**

Jl. Kebayoran Lama No. 162 B  
Jakarta 12230  
Tel. : (021) 2700454, 2700456  
Fax. : (021) 7256829

**Cawang Kencana**

Jl. Mayjend. Sutoyo Kav. 22  
Jakarta 13630  
Tel. : (021) 8002690  
Fax. : (021) 8002693

**Bintaro Jaya**

Kota Taman Bintaro Jaya  
Blok B 3A/A – 01 Sektor VII  
Jakarta 12330  
Tel. : (021) 7351158  
Fax. : (021) 7375127

**Grand Wijaya**

Jl. Dharmawangsa Raya  
Blok G 35 / 36, Jakarta 12160  
Tel. : (021) 2700620  
Fax. : (021) 2700611

**Mal Pondok Indah**

Ground Floor No. 1B  
Jl. Metro Pondok Indah, Blok B III  
Jakarta 12310  
Tel. : (021) 7507010 – 13  
Fax. : (021) 7506915

**Plaza Senayan**

1st Floor No. 109 – 110  
Jl. Asia Afrika No. 8, Jakarta 10270  
Tel. : (021) 5725087 – 88  
Fax. : (021) 5725092

**Tebah**

Jl. Tebah III No. 36, Jakarta 12120  
Tel. : (021) 2702882  
Fax. : (021) 2702883, 2700120

**Blok M Plaza**

Upper Ground Fl. No. 29  
Jl. Bulungan No. 76, Jakarta 12130  
Tel. : (021) 2700013 – 14  
Fax. : (021) 2700037, 2700044



**Sentra Arteri Mas**

Blok 10 – D & E  
Jl. Sultan Iskandar Muda, Jakarta 12420  
Tel. : (021) 7293325  
Fax. : (021) 7293326

**Pluit**

Jl. Pluit Kencana Raya No. 80  
Blok D Kav. 34, Jakarta 14450  
Tel. : (021) 6604333 – 38  
Fax. : (021) 6693874

**Tanjung Priok**

Jl. Enggano No. 38  
Tanjung Priok, Jakarta 14320  
Tel. : (021) 4300419 – 23  
Fax. : (021) 4300428

**Muara Karang**

Jl. Muara Karang 112  
Blok B 8 Timur, Jakarta 14450  
Tel. : (021) 6601478, 6601480 – 81  
Fax. : (021) 6679945

**Bandengan Utara**

Jl. Bandengan Utara No. 85 / A 10  
Jakarta 14440  
Tel. : (021) 6601469, 6601466  
Fax. : (021) 6602785

**Jelambar**

Komp. Pertokoan Taman Duta Mas  
Blok E1 No. 15  
Jl. Pangeran Tubagus Angke  
Jakarta 11460  
Tel. : (021) 5678021 – 23  
Fax. : (021) 5678020

**Cengkareng**

Jl. Bangun Nusa Raya No. 3  
Cengkareng, Jakarta 11730  
Tel. : (021) 5402728 – 30  
Fax. : (021) 5402726

**ITC Mangga Dua**

Blok D, Jl. Arteri Mangga Dua  
Jakarta 14400  
Tel. : (021) 6016418 – 20  
Fax. : (021) 6016420

**Glodok Plaza**

Jl. Pinangsia Raya Blok E  
No. 9 – 10, Jakarta 11110  
Tel. : (021) 6281100, 6394364  
Fax. : (021) 6497745

**Bekasi**

Ruko Kalimalang Pusat Pertokoan  
Jl Jend. A. Yani Blok A – 1 No. 8  
Bekasi 17144  
Tel. : (021) 8849060 – 63  
Fax. : (021) 8849064

**Jembatan Lima**

Jl. Moch. Mansyur No. 165 D  
Jakarta 11270  
Tel. : (021) 6304133 – 35  
Fax. : (021) 6304139

**Mal Mangga Dua**

5th Floor, Jl. Mangga Dua Raya  
Jakarta 10730  
Tel. : (021) 6129160  
Fax. : (021) 6129144

**Daan Mogot 1**

Jl Raya Daan Mogot No. 6 E – F  
Jakarta 11460  
Tel. : (021) 5637073  
Fax. : (021) 5655453

**Soekarno Hatta Airport**

Terminal 2D  
International Departure  
Cengkareng, Jakarta 11460  
Tel. : (021) 5501011, 5502928  
Fax. : (021) 5501011

**Jembatan Dua**

Jl. Jembatan Dua No. 11H  
Jakarta 14450  
Tel. : (021) 6683445 – 46  
Fax. : (021) 668347

**Mega Mal Pluit**

Ground Floor No. 8  
Jl. Pluit Raya Permai, Jakarta 14450  
Tel. : (021) 6683750 – 51  
Fax. : (021) 6683756

**Gading Serpong**

Jl. Gading Serpong Boulevard  
Blok AA No. 27, Jakarta 15310  
Tel. : (021) 5467909 – 13  
Fax. : (021) 5467916

**Gajah Mada**

Jl Gajah Mada No. 187, Jakarta 11120  
Tel. : (021) 6344948  
Fax. : (021) 6345101

**Pesona Indah Kapuk**

Rukan Pesona Indah Kapuk  
Jl. Kapuk Kamal Raya  
Blok A. No. 3A & 6, Jakarta 14470  
Tel. : (021) 55981850 – 51  
Fax. : (021) 55951856

**Pangeran Jayakarta**

Komp. Sentra Blok B. 18 – 19  
Jl. P. Jayakarta No. 126 – 129  
Jakarta 10730  
Tel. : (021) 6281328  
Fax. : (021) 623836

**Kali Besar**

Jl. Kali Besar Barat No. 18-19  
Jakarta Barat 11230  
Tel. : (021) 2060811  
Fax. : (021) 6902820

**Polda Daan Mogot**

Jl. Daan Mogot KM 11, Jakarta 11710  
Tel. : (021) 54391823 – 24  
Fax. : (021) 5455703

**Mal Puri Indah**

Jl. Puri Agung  
Puri Indah Kembangan, Jakarta 11610  
Tel. : (021) 5822514-18  
Fax. : (021) 5822511

**Depok**

Jl. Margonda Raya No. 38, Depok 16424  
Tel. : (021) 7751368 – 70  
Fax. : (021) 7521090

**Taman Cibodas**

Komp. Pertokoan Duta Mas  
Blok 1-4, Jl. Gatot Subroto  
Tangerang 15138  
Tel. : (021) 5528440 – 42  
Fax. : (021) 5549505

**Kota Wisata**

Sentra Komunitas Kyoto No. B3  
Komp. Perumahan Kota Wisata  
Jl. Transyogi KM 6, Cibubur 16965  
Tel. : (021) 82495003 – 06  
Fax. : (021) 82495007

**Cikarang Plaza**

Ruko Cikarang Plaza  
Blok B No. 17 & 18  
Jl. Sumantri, Cikarang 17530  
Tel. : (021) 8903178  
Fax. : (021) 8903156

**Lippo Cikarang**

Komp. Ruko Union Thamrin Square Blok E  
No. 6, Bekasi 17750  
Tel. : (021) 89909052 – 54  
Fax. : (021) 89908731

**Tangerang**

Jl. Daan Mogot No. 33, Jakarta 15111  
Tel. : (021) 5513626 – 29  
Fax. : (021) 5513625

**Gedung Indah Kiat**

Jl. Raya Serpong KM 8  
Tangerang 15310  
Tel. : (021) 53120270  
Fax. : (021) 53120269

**Bumi Serpong Damai**

Komp. Bumi Serpong Damai  
Blok N Type F No. 56 – 57  
Sektor VII, Tangerang 15322  
Tel. : (021) 5371455  
Fax. : (021) 5371454

**Alfa Super**

Komp. Sentra Perkulakan  
Jl. M.H. Thamrin No. 9  
Cikokol, Tangerang 15117  
Tel. : (021) 5549506  
Fax. : (021) 5527561

**Pondok Gede**

Pondok Gede Asri, Blok B1 No. B2  
Pondok Gede, Bekasi 17411  
Tel. : (021) 8463103, 8463106  
Fax. : (021) 8469687, 8469664

**Cibitung**

Komp. Perkantoran Kawasan Industri MM  
2100, Blok C, 12 – 12 A  
Cibitung, Bekasi 17520  
Tel. : (021) 8981338 – 40  
Fax. : (021) 8981341

**KARAWANG**

Jl. Jend. A. Yani No. 85, Karawang 41314  
Tel. : (0267) 403304  
Fax. : (0267) 403766

**Cikampek**

Jl. Jend A. Yani Ruko No. 60 C  
Cikampek 41373  
Tel. : (0264) 311761 – 63  
Fax. : (0264) 318969

**Sedana**

Jl. Kintamani Raya Sedana  
Ruko 1 – 2, Pintu Tol Karawang Barat  
Karawang 41361  
Tel. : (0267) 411527  
Fax. : (0267) 411623

**KIIC**

Kawasan Karawang Industrial  
International City  
Jl. Permata Raya Lot C No. 1B  
Karawang 41361  
Tel. : (021) 8905404  
Fax. : (021) 8905412

**Pindo Deli**

Gd. Pindo Deli Pulp & Paper Mills Lt. L Kuta  
Mekar, Teluk Jambe  
Karawang 41361  
Tel. : (0267) 440045  
Fax. : (0267) 440940

**MEDAN**

Jl. Diponegoro 18, Medan 20152  
Tel. : (0611) 4537222, 4537888  
Fax. : (061) 4537211 – 12

**Sutomo**

Jl. Dr. Sutomo No. 18 I – J  
Medan 20234  
Tel. : (061) 4565088  
Fax. : (061) 4567808

**Cirebon**

Jl. Cirebon No. 11, Medan 20212  
Tel. : (061) 4157111  
Fax. : (061) 4155639

**Pulo Brayon**

Jl. K.L. Yos Sudarso No. 2 M – N  
Medan 20116  
Tel. : (061) 6620888  
Fax. : (061) 6621850

**Medan Plaza**

1st Floor, Jl. Iskandar Muda  
Medan 20122  
Tel. : (061) 4528628  
Fax. : (061) 4521005

**Binjai**

Jl. Veteran No. 1 C – D  
Binjai, Medan 20712  
Tel. : (061) 8822325  
Fax. : (061) 8821037

**Mangkubumi**

Jl Mangkubumi No. 18  
Medan 20151  
Tel. : (061) 4511800, 4512800  
Fax. : (061) 4510510

**Thamrin**

Jl. Thamrin No 75 CI, Medan 20214  
Tel. : (061) 7348000  
Fax. : (061) 7348682

**A.R. Hakim**

Jl. A.R. Hakim No. 8, Medan 20216  
Tel. : (061) 7352688  
Fax. : (061) 7351253

**Mal Medan**

1st Floor No. 16, Jl. M.T. Haryono  
Medan 20212  
Tel. : (061) 4575771  
Fax. : (061) 4575779

**Tomang Elok**

Komp. Tomang Elok Blok C. No. 105  
Jl. Gatot Subroto, Medan 20122  
Tel. : (061) 8462222  
Fax. : (061) 8462002

**Krakatau**

Jl. Krakatau No. 138 A, Medan 20238  
Tel. : (061) 6630050  
Fax. : (061) 6630048

**Juanda Baru**

Jl. Juanda Baru No. 39, Medan 20213  
Tel. : (061) 7351262  
Fax. : (061) 7351254

**Setia Budi Indah**

Komp. Taman Setia Budi Indah  
Blok C. No. 1, Medan 20122  
Tel. : (061) 8219037  
Fax. : (061) 8219436  
Banda Aceh

**BANDA ACEH**

Jl. Panglima Polim No. 50 – 52  
Banda Aceh 23122  
Tel. : (0651) 26888  
Fax. : (0651) 23789

**Lhokseumawe**

Jl. Sukaramai No. 43  
Lhokseumawe 24351  
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Fax. : (0645) 41018

**PEMATANG SIANTAR**

Jl. Dr. Sutomo No. 245  
Pematang Siantar 21118  
Tel. : (0622) 22996, 420777  
Fax. : (0622) 22348

**RANTAU PRAPAT**

Jl. Diponegoro No. 19 – 21  
Rantau Prapat 21412  
Tel. : (0624) 327333, 21275  
Fax. : (0624) 21749

**BATAM****Jodoh Square**

Jl. Raja Ali Haji Blok A 10 – 11  
Batam 29432  
Tel. : (0778) 456377, 456864  
Fax. : (0778) 457265

**Raden Patah**

Indah Permai Center Blok B  
Jl. Raden Patah No. 14, Batam 29432  
Tel. : (0778) 422710  
Fax. : (0778) 422760

**TANJUNG PINANG**

Jl. Merdeka No. 6 G  
Tanjung Pinang 29111  
Tel. : (0771) 311800  
Fax. : (0771) 26267

**PEKANBARU****Senapelan Plaza**

Jl. Jend. Sudirman No. 69  
Pekanbaru 28141  
Tel. : (0761) 31922  
Fax. : (0761) 32272

**Perawang**

PT Indah Kiat Pulp & Paper Building  
KM 26, Jl. Raya Minas, Perawang  
Pekanbaru 28772  
Tel. : (0761) 91490  
Fax. : (0761) 91491

**Nangka**

Citra Plaza  
Jl. Tuanku Tambusai  
(d/h Jl. Nangka) No. 12  
Pekanbaru 28126  
Tel. : (0761) 28230, 28231  
Fax. : (0761) 28229

**PADANG**

Jl. Jend Sudirman No.14  
Padang 25121  
Tel. : (0751) 30811  
Fax. : (0751) 33989, 34752

**Pondok**

Jl. Pondok No. 86 C, Padang 25211  
Tel. : (0751) 33148  
Fax. : (0751) 36211

**Bukit Tinggi**

Jl. Jend A. Yani No. 92  
Bukit Tinggi 26113  
Tel. : (0752) 624929, 625811  
Fax. : (0752) 624991

**JAMBI**

Jl. Dr. Sutomo No. 54, Jambi 36000  
Tel. : (0741) 32141 – 42  
Fax. : (0741) 32488

**BENGKULU**

Jl. Letjend. Suprpto No. 205  
Bengkulu 38222  
Tel. : (0736) 344100  
Fax. : (0736) 343559

**PALEMBANG**

Jl. Kapt. A. Rivai No. 1293  
Palembang 30129  
Tel. : (0711) 311909, 311880  
Fax. : (0711) 311882

**Kebumen**

Jl. Kebumen Darat No. 742  
Palembang 30122  
Tel. : (0711) 361447, 361450  
Fax. : (0711) 361449

**Lemabang**

Jl. R. E. Martadinata No. 18 B  
Palembang 30116  
Tel. : (0711) 715608  
Fax. : (0711) 715614

**Polygon**

Perumahan Bukit Sejahtera  
Blok BA No. 17, Palembang 30139  
Tel. : (0711) 442605  
Fax. : (0711) 442604

**Kenten**

Jl. Siaran No. 11 Sako Kenten  
Palembang 30163  
Tel. : (0711) 817103, 817105  
Fax. : (0711) 817088

**Letkol Iskandar**

Jl. Letkol. Iskandar No. 901 D  
Palembang 30134  
Tel. : (0711) 370772  
Fax. : (0711) 311827

**BANDUNG**

Jl. R.E. Martadinata No. 23  
Bandung 40115  
Tel. : (022) 4240720  
Fax. : (022) 4240721

**Buah Batu**

Jl. Buah Batu No. 261, Bandung 40264  
Tel. : (022) 7305595  
Fax. : (022) 7307904

**Jl. Jakarta**

Jl. Jakarta No. 26, Bandung 40272  
Tel. : (022) 7214850  
Fax. : (022) 7214857

**Setia Budi**

Jl Setia Budi No. 170 K, Bandung 40141  
Tel. : (022) 232616  
Fax. : (022) 232608

**Kopo Plaza**

Komp. Bumi Kopo Kencana  
Blok D – 14, Jl. Lingkar Selatan  
Bandung 40223  
Tel. : (022) 679717  
Fax. : (022) 679712

**Asia Afrika**

Jl. Asia Afrika No. 95 – 97  
Bandung 40112  
Tel. : (022) 4238010  
Fax. : (022) 4204134

**Kopo Sayati**

Jl. Raya Kopo Bihbul No. 16 D  
Bandung 40225  
Tel. : (022) 5415858  
Fax. : (022) 5415800

**Cibadak**

Jl Cibadak No. 88, Bandung 40241  
Tel. : (022) 4207809  
Fax. : (022) 4213525

**Cimahi**

Jl. Raya Cibabat No. 118  
Cimahi, Bandung 40513  
Tel. : (022) 6658188  
Fax. : (022) 6657281

**Sumber Sari**

Ruko Sumber Sari No. 130  
Jl. Soekarno Hatta, Bandung 40222  
Tel. : (022) 679900  
Fax. : (022) 643345

**Surya Sumantri**

Jl. Surya Sumantri No. 76  
Bandung 40164  
Tel. : (022) 2003390  
Fax. : (022) 2002587

**A. Yani**

Jl. A. Yani No. 702, Bandung 40282  
Tel. : (022) 7202915  
Fax. : (022) 7206220

**CIBINONG**

Pertokoan Cibinong Indah  
Blok A No. 3  
Jl. Mayor Oking Jayaatmaja No. 27  
Cibinong 16917  
Tel. : (021) 8753692 – 3  
Fax. : (021) 8753694

**BOGOR**

Jl. Suryakencana No. 231, Bogor 16126  
Tel. : (0251) 330316  
Fax. : (0251) 328662

**Dewi Sartika**

Jl. Dewi Sartika No. 2 D, Bogor 16121  
Tel. : (0251) 333728, 333730  
Fax. : (0251) 336624

**Rancamaya**

Rancamaya Estate Ruko No. 5  
Jl. Raya Sukabumi, Bogor 16139  
Tel. : (0251) 246382, 240352  
Fax. : (0251) 246383

**CIREBON**

Jl. Siliwangi No. 49, Cirebon 45121  
Tel. : (0231) 202150  
Fax. : (0231) 207050

**Winaon**

Jl. Winaon No. 14, Cirebon 45117  
Tel. : (0231) 233350  
Fax. : (0231) 211820

## TASIKMALAYA

Jl. Yudanegara No. 16 – 17  
Tasikmalaya 46121  
Tel. : (0254) 338408  
Fax. : (0254) 338411

## CILEGON

Komp. Ruko Bonakarta  
Blok C No. 7 & 8, Jl. Raya Anyer  
Cilegon 42414  
Tel. : (0254) 395401  
Fax. : (0254) 395403

## Serang

Gedung IKPP Serang  
Jl. Raya Serang KM 76  
Kragilan, Serang 42184  
Tel. : (0254) 280905  
Fax. : (0254) 280901

## SEMARANG

Jl. Pemuda No. 150, Semarang 50139  
Tel. : (024) 3511506  
Fax. : (024) 3542932

## Gang Tengah

Jl. Gang Tengah No. 9, Semarang 50136  
Tel. : (024) 3546440  
Fax. : (024) 3515584

## Sultan Agung

Komp. Pertokoan Sultan Agung I  
Jl. Sultan Agung No. 1, Semarang 50232  
Tel. : (024) 8315590  
Fax. : (024) 8442538

## Majapahit

Komp. Maja Mas  
Jl. Brigjend. Sudiarto No. 198  
Semarang 50167  
Tel. : (024) 6717205  
Fax. : (024) 6717511

## Mal Ciputra

Ground Floor, Jl. Simpang Lima No. 2  
Semarang 50132  
Tel. : (024) 8414901  
Fax. : (024) 8441391

## Semarang Plaza

Jl. H. Agus Salim No. 7, Semarang 50137  
Tel. : (024) 3561580  
Fax. : (024) 3561581

## Ambarawa

Plaza Kupang Blok A 2  
Jl. Jend. Sudirman No. 51  
Ambarawa 50612  
Tel. : (0298) 592171, 591246  
Fax. : (0298) 592403

## PEKALONGAN

Jl. Diponegoro No. 4, Pekalongan 51116  
Tel. : (0285) 421337, 411505  
Fax. : (0285) 423313

## SALATIGA

Jl. Jend. Sudirman No. 172  
Salatiga 50711  
Tel. : (0298) 326280, 327193  
Fax. : (0298) 326547

## MAGELANG

Jl. A. Yani No. 11, Magelang 56117  
Tel. : (0293) 364421  
Fax. : (0293) 362816

## Tidar

Pertokoan Rejo Tumoto 7 A  
Jl. Tidar, Magelang 56125  
Tel. : (0293) 368722  
Fax. : (0293) 368723

## SOLO

Jl. Slamet Riyadi No. 307, Solo 57142  
Tel. : (0271) 722910, 728281  
Fax. : (0271) 722905

## Pasar Besar

Jl. Urip Sumoharjo No. 29  
Solo 57128  
Tel. : (0271) 632651 – 53  
Fax. : (0271) 632652

## Palur

Jl. Raya Palur No. 50, Solo 57771  
Tel. : (0271) 827584, 821357  
Fax. : (0271) 827585

## Kartasura

Komp. Ruko Kartosuro Blok A I  
Jl. Raya Kartasura, Solo 57167  
Tel. : (0271) 780487, 781703  
Fax. : (0271) 780514

## Klaten

Jl. Pemuda Utara No. 192  
Klaten 57411  
Tel. : (0272) 320559 – 62  
Fax. : (0272) 322216

## PURWOKERTO

Jl. Jend. Sudirman, No. 660 – 662  
Purwokerto 53114  
Tel. : (0281) 638623  
Fax. : (0281) 638622

## Ajibarang

Pasar Ajibarang Toko A 9  
Jl. Raya Pancasan KM 0,5  
Ajibarang, Banyumas 53163  
Tel. : (0281) 572136  
Fax. : (0281) 571385

## TEGAL

Jl. Jend. Sudirman No. 40  
Tegal 52113  
Tel. : (0283) 358500  
Fax. : (0283) 358400

## KUDUS

Komp. Ruko Panjunan  
Jl. Dr. Lukmonohadi No. 65  
Kudus 59317  
Tel. : (0291) 432841  
Fax. : (0291) 432849

## YOGYAKARTA

Jl. Jend. Sudirman No. 48  
Yogyakarta 55224  
Tel. : (0274) 561416  
Fax. : (0274) 561832

## Mangkubumi

Jl. Mangkubumi No. 99  
Yogyakarta 55232  
Tel. : (0274) 545661  
Fax. : (0274) 561874

## PONTIANAK

Jl. Tanjungpura No. 128  
Pontianak 78117  
Tel. : (0561) 739220  
Fax. : (0561) 732208

## LAMPUNG

### Bandar Lampung

Jl. Ikan Hiu No. 2/3, Teluk Betung  
Bandar Lampung 35221  
Tel. : (0721) 487411  
Fax. : (0721) 486225

### Tanjung Karang

Komp. Pertokoan Pasar Tengah  
Blok B II No. 15, Jl. Kartini  
Tanjung Karang 35111  
Tel. : (0721) 266651  
Fax. : (0721) 266654

### Metro Lampung

Komp. Pertokoan Sumur Bandung  
Blok B No. 5, Metro Lampung 34111  
Tel. : (0725) 47811, 47813 – 4  
Fax. : (0725) 47311

## SURABAYA

Jl. Pemuda No. 60 – 70, Surabaya 60271  
Tel. : (031) 5326444  
Fax. : (031) 5326461

## Pondok Candra

Jl. Palembang No. 22 – 23, Surabaya 60222  
Tel. : (031) 8669531  
Fax. : (031) 8669538

## Kapasran

Jl. Kapasran No. 19, Surabaya 60141  
Tel. : (031) 3760180  
Fax. : (031) 3770607

## Darmo

Jl. Raya Darmo No. 121, Surabaya 60241  
Tel. : (031) 5672347  
Fax. : (031) 5672803

## Kertajaya

Jl. Kertajaya No. 198, Surabaya 60282  
Tel. : (031) 5015741  
Fax. : (031) 5015747

## Mayjend. Sungkono

Jl. Mayjend. Sungkono No. 131  
Surabaya 60225  
Tel. : (031) 5671133  
Fax. : (031) 5671139

## Bongkaran

Pertokoan Bongkaran Megah  
Jl. Bongkaran No. 20 – 24  
Surabaya 60161  
Tel. : (031) 3553916  
Fax. : (031) 3553920

## Tunjungan Plaza

Tunjungan Plaza I LG 08  
Jl. Basuki Rahmat No. 8/12  
Surabaya 60261  
Tel. : (031) 5468133  
Fax. : (031) 5468131

## Kapas Krampung

Jl. Kapas Krampung No. 188  
Surabaya 60136  
Tel. : (031) 5035418  
Fax. : (031) 5035413

## Argopuro

Jl. Argopuro No. 53 – 53A  
Surabaya 60251  
Tel. : (031) 5320523  
Fax. : (031) 5346245

## Jemur Andayani

Jl. Jemur Andayani No. 19  
Surabaya 60327  
Tel. : (031) 8433570  
Fax. : (031) 8433557

## Jembatan Merah

Jl. Jembatan Merah No. 3  
Surabaya 60175  
Tel. : (031) 3520055  
Fax. : (031) 3532150

## Sidoarjo

Jl. Sidoarjo No. 14 – 16, Surabaya 60161  
Tel. : (0319) 8962508  
Fax. : (0319) 8921462

## Mal Galaxy

Ground Floor No. 73  
Jl. Darmahusada Indah Timur No. 37  
Surabaya 60116  
Tel. : (031) 5937175  
Fax. : (031) 5937172

## Manyar

Manyar Megah Indah Plaza  
Blok D 3 – 5, Surabaya 60283  
Tel. : (031) 5620981  
Fax. : (031) 5660985

## Citra Raya

Ruko Sentra Niaga No. 3  
Komp. Perumahan Citra Raya  
Surabaya 60219  
Tel. : (031) 7413329  
Fax. : (031) 7410947

## **PROBOLINGGO**

Jl. Dr. Sutomo No. 91 – 92  
Probolinggo 67217  
Tel. : (0335) 422384  
Fax. : (0335) 422387

## **MOJOKERTO**

Jl. Jaksa Agung Suprpto No. 30  
Mojokerto 61311  
Tel. : (0321) 383811  
Fax. : (0321) 323563

## **MALANG**

Jl. Basuki Rachmat No. 91 – 92  
Malang 65111  
Tel. : (0341) 368875  
Fax. : (0341) 369744

## **Kawi**

Jl. Kawi No. 11, Malang 65116  
Tel. : (0341) 365131  
Fax. : (0341) 365097

## **KEDIRI**

Jl. Hayam Wuruk No. 20 B – C  
Kediri 64121  
Tel. : (0354) 685582  
Fax. : (0354) 687363

## **JEMBER**

Jl. Gatot Subroto No. 68 – 70  
Jember 68131  
Tel. : (0331) 484706  
Fax. : (0331) 487972

## **JOMBANG**

Jl. Merdeka No. 133 – 135  
Jombang 61413  
Tel. : (0321) 864532  
Fax. : (0321) 864537

## **BALIKPAPAN**

Komp. Balikpapan Permai  
Jl. Jend Sudirman 640, Balikpapan 76114  
Tel. : (0542) 731176  
Fax. : (0542) 731170

## **Kebon Sayur**

Jl. Letjend. Soeprpto No. 24  
Balikpapan 76132  
Tel. : (0542) 735262  
Fax. : (0542) 735265

## **SAMARINDA**

Jl. Panglima Baur No. 1, 2, 5  
Samarinda 75112  
Tel. : (0541) 732751  
Fax. : (0541) 732750

## **Segiri**

Pertokoan Pasar Segiri No. 7  
Jl. Pahlawan, Samarinda 75123  
Tel. : (0541) 200025  
Fax. : (0541) 200024

## **Bontang**

Jl. Bayangkara No. 88, Bontang 75313  
Tel. : (0548) 23123  
Fax. : (0548) 23124

## **BANJARMASIN**

Jl. Lambung Mangkurat No. 18  
Banjarmasin 70111  
Tel. : (0511) 67711 – 16  
Fax. : (0511) 67717

## **Martapura**

Komp. Pertokoan Martapura Plaza  
Jl. Angkasa No. 34, Martapura 70616  
Tel. : (0511) 720495  
Fax. : (0511) 720496

## **MANADO**

Jl. Sam Ratulangi No. 18, Manado 95111  
Tel. : (0431) 860543  
Fax. : (0431) 864248

## **PALU**

Komp. Palu Plaza Blok A No. 3 – 5  
Jl. Danau Lindu, Palu 94222  
Tel. : (0451) 423421, 423384  
Fax. : (0451) 423168

## **MAKASSAR**

Jl. Kajaolalido No. 6, Makassar 90111  
Tel. : (0411) 328515  
Fax. : (0411) 316700

## **Jl. Sulawesi**

Jl. Sulawesi No. 141, Makassar 90174  
Tel. : (0411) 312827  
Fax. : (0411) 315608

## **Bandang**

Jl. Bandang No. 55 A, Makassar 90156  
Tel. : (0411) 315315  
Fax. : (0411) 316387

## **Mal Makassar**

Komp. Mal Makassar  
Jl. K.H. Ramli R. 99, Makassar 90174  
Tel. : (0411) 322808  
Fax. : (0411) 321498

## **KENDARI**

Jl. H. Abdul Silandoe  
No. 82 – 84, Kendari 93111  
Tel. : (0401) 327000  
Fax. : (0401) 324333

## **SAMPIT**

Jl. Rahadi Usman No. 3, Sampit 74322  
Tel. : (0531) 23464 – 69  
Fax. : (0531) 23471

## **Pasar Sentral**

Pasar Sentral, No. 3 B, Jl. M.T. Haryono  
Sampit 74322  
Tel. : (0531) 30782

## **DENPASAR**

Jl. Udayana No. 1, Denpasar 80232  
Tel. : (0361) 237250  
Fax. : (0361) 232515

## **Nusa Dua**

Jl. By Pass, Pertokoan Nusa Dua  
Blok E 39 – 41, Denpasar 80363  
Tel. : (0361) 772072  
Fax. : (0361) 772071

## **Ubud**

Jl. Raya Ubud, Gianyar 80571  
Tel. : (0361) 976595  
Fax. : (0361) 976107

## **Kuta Square**

Jl. Bakung Sari  
Pertokoan Kuta Square D 3 & 4  
Denpasar 80361  
Tel. : (0361) 756671  
Fax. : (0361) 754189

## **Sudirman**

Jl. Sudirman No. 8, Denpasar 80114  
Tel. : (0361) 240411  
Fax. : (0361) 234289

## **Dewi Sartika**

Pertokoan Duta Permai  
B1 – 1D & E, Jl. Dewi Sartika  
Denpasar 80114  
Tel. : (0361) 234306  
Fax. : (0361) 234305

## **Singaraja**

Jl. Diponegoro No. 93 B  
Singaraja 81113  
Tel. : (0362) 21234  
Fax. : (0362) 21348

## **MATARAM**

Jl. A. A. Gede Ngurah No. 46 B – D  
Mataram 83235  
Tel. : (0370) 635027  
Fax. : (0370) 633347

## **KUPANG**

Jl. Siliwangi No. 35  
Kupang 85221  
Tel. : (0380) 822889  
Fax. : (0380) 831734

## **AMBON**

Jl. Diponegoro No. 75 A  
Ambon 97127  
Tel. : (0911) 354343  
Fax. : (0911) 342829

## **JAYAPURA**

Jl. Percetakan Negara No. 18  
Jayapura 99111  
Tel. : (0967) 536712 – 13  
Fax. : (0967) 536711

## **SORONG**

Jl. Basuki Rahmat No. 11  
Sorong 98416  
Tel. : (0951) 321412  
Fax. : (0951) 321585

## **OVERSEAS BRANCHES**

**Cayman Islands**  
**Mumbai, India**  
**Port Louis, Mauritius**

## PRODUCT

### Deposit

Superpundi  
Superpundi Gold  
Super Dolar (USD, SGD, Euro)  
Credit Card Accounts

### Credit

Credit Card (VISA, MasterCard, JCB)  
Small Business Loans  
Working Capital Loans  
Investment Loans  
Two Step Loans  
Loans to Primary Cooperatives for its Member  
Housing Loans  
Car Loans  
Motorcycle Loans  
Letter of Credit (L/C)

## Banking Product & Services

## SERVICES

### Remittances

Clearing  
Domestic & Overseas Collection  
Inward/Incoming Forex Transfer  
Outward/Outgoing Forex Transfer  
Western Union Money Transfer  
Export/Import  
Draft Collection  
Real Time Gross Settlement

### Custodian

Safe Deposit Box  
Custodian

### Bill Payments

Electricity Bills  
Telephone Bills  
Tax Payments  
Payroll  
Collection

### Deposits

Current Accounts (Rupiah/Fcy)  
Demand Deposits (Rupiah/Fcy)  
Time Deposits (Rupiah/Fcy)  
Deposit On Call (Rupiah/USD)  
Certificates of Deposit

### Forex Transactions

Spot Foreign Exchange  
Forward Foreign Exchange  
Foreign Exchange Swap  
Money Changer

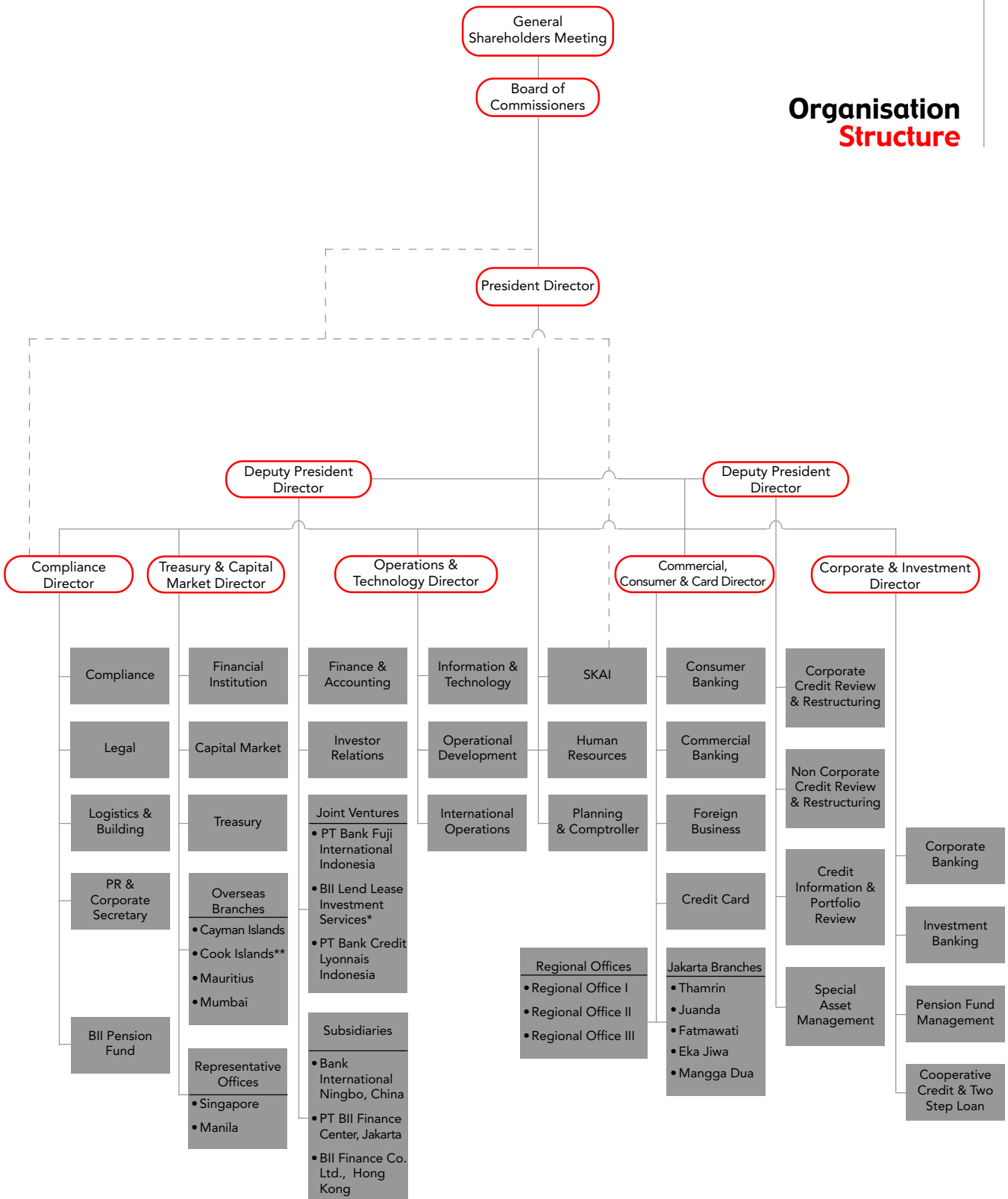
### Loans

Corporate Loans  
Syndicated Loans  
Trade Finance  
Bank Advances and Guarantees

### Advisory

Syndication Arranger  
Agency Activities  
Financial Advisory

# Organisation Structure



\* As of January 17, 2001 incorporated under the name of PT MLC Investment Indonesia

\*\* As of April 23, 2001 effectively closed



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