Bakrie & Brothers

# ENERGING POTENTIAL ANNUAL REPORT 2015



# **EMERGING POTENTIAL**

The Company utilizes every available resources in a sustainable manner to expand its business which has been running for over seven decades in Indonesia. The ever changing business environment requires a prudent anticipation. With this approach, the Company has always been able to explore business opportunities and, armed with its experiences, also manage to continuously provide growth and value creation. The Company has the belief to make use of the economic benefit of such opportunities according to its potential in the manufacturing, infrastructure, and strategic investment sector.

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# CORPORATE PROFILE



# CORPORATE IDENTITY

Name	: PT Bakrie & Brothers Tbk	
Listing Code	: BNBR	
Business Activity	: Investment and Divestment	
Line of Business	<ul> <li>General trading, construction, agriculture, mining, industry, especially steel pipes manufacturi building materials and other construction materials, telecommunication systems, electronic an electrical goods, and investment, including equity investments in other companies.</li> </ul>	
Address	: Bakrie Tower, 35th – 37th Floor, Rasuna Epicentrum JI. H.R Rasuna Said, Jakarta 12940	
Telephone	: 021 2991 2222	
Faximile	: 021 2991 2333	
Call Center	: N/A	
Homepage	: www.bakrie-brothers.com	
Email	: ir@bakrie.co.id	
Establishment Date	: 13 March 1951	
Legal Basis of Establishment	: Deed of Sie Khwan Djioe No.55 dated March 13, 1951.	
Authorized Capital	: Rp 45,600,000,000 (372,196,588,000 shares)	
Paid- In Capital	: Rp 12,263,548,350,192 (93,721,717,528 shares)	
Tax Registration Number	: 01.000.913.2-054.000	
Registration of Company	: 09.03.1.70.00661 prevails to April 22, 2021	
Business Registration	: 00291-04/PB/P1/1.824.271 prevails to July 11, 2018	
Operational Area	: Throughout the Indonesian region	
Number of Employees	: TBA	
Shareholders	- BNYM S/A Mackenzie Cundill Recovery FD-2039924282 - Interventures Capital Pte. Ltd.	21.61% 9.34% 5.14% 63.91%
Stock Exchange	: Indonesia Stock Exchange. Listed in 1989.	
Workers Union	: Based on Kep-16 / MEN / 2001 regarding mechanism of workers Union/Labor Certificate registration, it is pronounced that workers unions of BNBR is named Pimpinan Unit Serikat Pekerja Niaga, Bank, Asuransi, dan Jasa PT. Bakrie & Brothers Tbk. No: 455/V/P/III/2006 dated March 2, 2006.	

## PT BAKRIE & BROTHERS TBK AT A GLANCE



PT Bakrie & Brothers Tbk ("BNBR" or the "Company") was established in 1942 by the late H. Achmad Bakrie (1914-1997). The Company's journey begins with the story of a growing small trading business, and in more than 74 years has engaged in investment/divestment business, has reached various achievements and delivered the Company to become one of the leading corporations in Indonesia.

The Company was registered at the Indonesia Stock Exchange back in 1989. The investment portfolio approach of BNBR has been the controlling on potential businesses and developed inter-business synergy for the long term, as well as designing and implementing value creation strategy.

By the start of the new millenia, BNBR business activities comprised of general trading, construction, agribusiness, coal mining, oil & gas, as well as telecommunication business; while still growing the manufacturing industries it has started in the 1950s – namely steel pipes, building materials as well as automotive components. More recently, the Company has expanded its venture to participate in strategic infrastructure projects in energy and transportation sectors. This business diversification provides opportunities for the Company to contribute to the national development.

In 2014, through subsidiaries and affiliations, the Company put its strategy and business focus on manufacturing, infrastructure and investments as its main pillars. The strategy has become the accurate steps to strengthen recurring income business, as well as to respond to wide-open opportunities, in line with Indonesia's infrastructure development plans.

BNBR stands with a solid and noble foundation, developed to form a strong investment base while creating sustainable value as a proud Indonesian corporation. BNBR is aspired to continue to be a strong company, to serve its employees and the community, as well as to deliver value to shareholders and stakeholders, and also contribute to accelerate the growth of the Indonesian economy.

# SEVEN DECADES OF BUSINESS VENTURE

Participating in building the nation.



PT BAKRIE & BROTHERS TBK

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Main Highlights

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Management's Discussion & Analysi

### 2007-2008

- UNSP expanded its land to 107,000 ha valued at US\$110 million.
- BTEL initiated national expansion worth US\$72 million
- BNBR acquired ELTY, ENRG, & BUMI, at US\$4.4 billion.
- BUMI acquired Herald Resources, valued at US\$547 million.
- ELTY purchased 75.04% shares of Alberta Utilities at US\$2 milion.
- BUMI acquired 44% shares of DEWA at US\$218 million.

### 2010

- Signed an SPA agreement with Vallar, UK worth US\$844 million.
- Founded Bakrie Connectivity data services.
- ELTY acquired 51% shares of PT Bukit Jonggol Asri at US\$111 million and 20% shares of PT Bukit Sentul at US\$17 million.
- BUMI acquired 24% shares of PT Newmont Nusa Tenggara at US\$225 million.
   ELTY acquired Lido
- ELLY acquired Llub Lake Resort (99.99% of ownership) at US\$39 million.

### 2012

- BNBR completed transaction of divestment upon some ownership in Bumi plc.
   Signed Gas
  - Transportation Agreement (GTA) for Kepodang- Tambak Lorok section.
- Signed of Assets Purchase of KG-Technology by PT Bakrie Tosanjaya (BTJ).

### 2015

- Official Inauguration of PT. Bakrie Pipe Industries' coating plant.
- PT Kalimantan Jawa Gas ("KJG") started coating its pipes.
- Kalija Phase 1 Infrastructure Project started its gas transportation.
- Visit from the Ministry of Public Work and Housing for CCTW Project groundbreaking.
- Preparation stage of Tanjung Jati A power plant project is approaching completion.

### 2010

### 2009

- BUMI acquired 84% of Pendopo Energi Batubara, valued at US\$117 million.
- ENRG signed agreement to purchase 10% stake in Masela PSC Block, valued at US\$90 million.
- BUMI acquired 76.8% of PT Fajar Bumi Sakti, valued at US\$222 million.

### 2011

- BNBR completed revitalization process, including the quasi reorganization.
- ENRG acquired Offshore North West Java block at US\$212 million.
- Bakrie group established strategic partnership with BORN and decreased debts by US\$1 billion.

### 2013-2014

- PT Bakrie Pipe Industries (BPI) awarded with significant pipe supply contract by Pertagas and Pertamina EP
- BTJ changed its name to PT Bakrie Autoparts (BA)
- Phase 1 of Kalija infrastructure project initiated.



**Corporate Social Respons** 

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# **CORPORATE VISION & MISSION**

# VISION

To become a leading Investment Company and a proxy of the Indonesian economy.

# MISSION

To maximize shareholder value through profitable investment activities and enhancement of core portfolio's value.

# CORPORATE VALUES & PHILOSOPHY

It began with a noble aspiration to improve the quality of life for Indonesia and to become a nation with dignity. H. Achmad Bakrie, founder of BNBR, focused on business development as well as raising the high spirit and honourable goals. Through basic core values that embodies, maintains and bequeathed to the next generation in the Bakrie Group, called the PIAGAM BAKRIE. The said values provide a guidance to balance intellectual, emotional and spiritual elements in order to realize the three pillars of life.

### Ke-Indonesiaan, Kemanfaatan and Kebersamaan

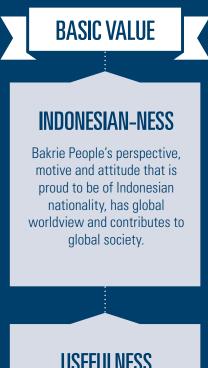
(Indonesian-ness, Usefulness and Togetherness) known as TRIMATRA BAKRIE.



Main Highlights

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### **TRIMATRA BAKRIE**



### **USEFULNESS**

Bakrie People's perspective, motive and attitude that prioritizes the effectiveness and efficiency of resources to enhance the quality of life.

### **TOGETHERNESS**

Bakrie People's perspective, motive and attitude that promotes synergy in diversity.

### **INSTRUMENTAL VALUE**

### INTEGRITY

Performing obliged duties honestly, always respecting the principles of truth and company interests.

### PROFESSIONALISM

Having the intelligence, encourages achievement of excellent performance, procedure, respecting the other parties.

# **COMPANY LOGO**



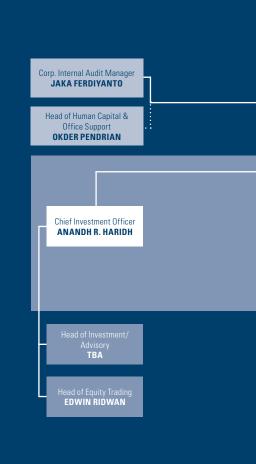
### PHILOSOPHY OF BAKRIE IDENTITY

Aspiring to be the best is everybody's goal. However, a high aspiration shall remain grounded to a strong foundation while keeping people inspired and enlivened. High aspiration must not made people forget where they stand.

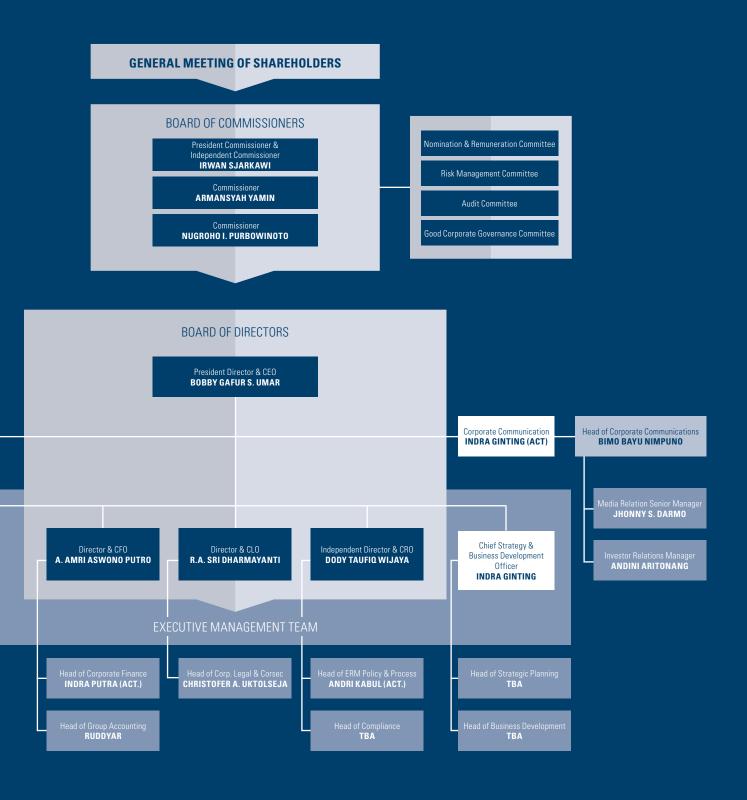
No matter how great, mighty or big the aspiration is, Bakrie will never forget its humble roots. From that humble roots Bakrie leaves a legacy of tradition, culture and spirit in doing business; and it has formed Bakrie today and in the future.

### MEANING OF BAKRIE LOGO

- a. The seven dots on top represents the North Star constellation, Polaris (Or "Weluku" in Javanese), to symbolize the Company's high ambitions without neglecting its origins.
- b. The two bold lines in the bottom colored in Terracotta represents Indonesia's fertile soil. These lines are then separated by a white space, symbolizing land that has been cultivated, which will result in a more fertile and prosperous land. The lines are curved to represent the Earth.



## PT BAKRIE & BROTHERS TBK ORGANIZATION STRUCTURE

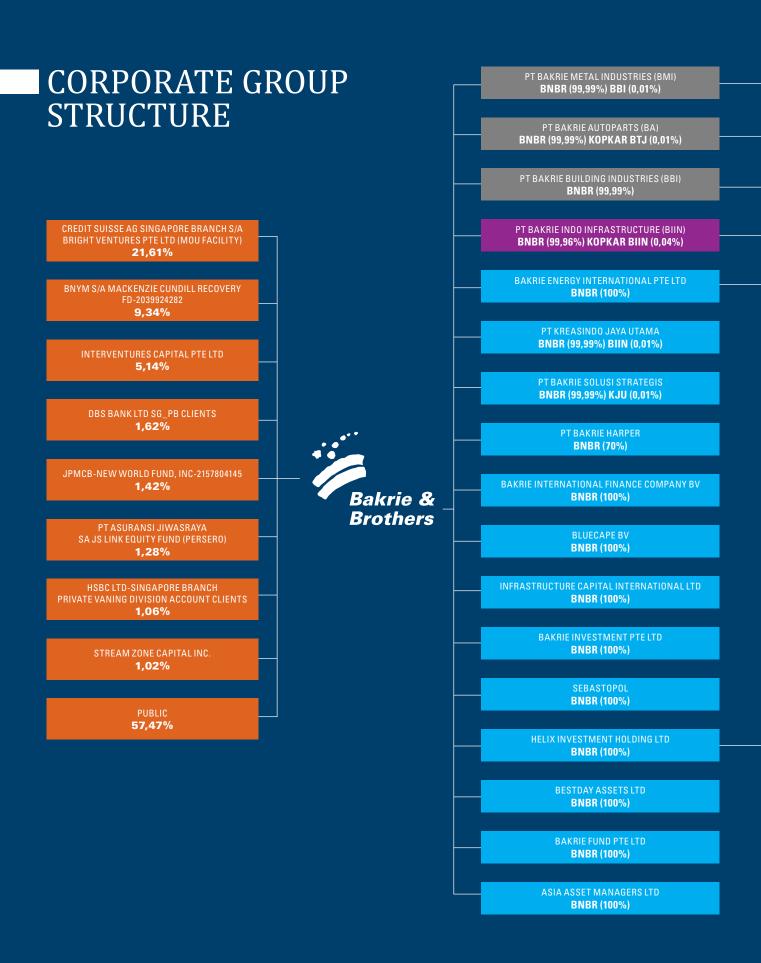


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### PT BAKRIE & BROTHERS TBK

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PT BAKRIE CONSTRUCTION (BCONS)	
BMI (57,57%) AFHL (2,43%)	

PT BINA INSPEKSI UJIPRIMA (BIU) BMI (60%) ENERGIDP (40%)

PT BINA PROTEKSIPRIMA PIPABAJA (BPP) BMI (60%) ENERGIDP (40%)

> PT BAKRIE PIPE INDUSTRIES (BPI) BMI (99,99%) KOPKAR BPI (0,01%)

PT BRAJA MUKTI CAKRA (BMC) BA (50%) KYTBM (50%)

PT BINA USAHA MANDIRI MIZUSAWA (BUMM) **BA (99,90%) KOPKAR BTJ (0,10%)** 

> PT BAKRIE STEEL INDUSTRIES (BSI) BA (99,99%) BUMM (0,01%)

> > PT BAKRIE POWER (BP) BIIN (99,99%)

PT BAKRIE TOLL INDONESIA (BTI) BIIN (99,99%) KOPKAR BIIN (0,01%)

PT BAKRIE PORT INDONESIA (BPORT) BIIN (99,50%) KOPKAR BIIN (0,50%)

> PT BAKRIE GAS BIIN (99,50%) BOGI (0,50%)

PT ENERGAS DAYA PRATAMA BIIN (99,50%) BOGI (0,50%)

PT BANGUN INFRASTRUKTUR NUSANTARA (BIN BIIN (99,99%) KOPKAR BIIN (0,01%)

PT BAKRIE TELCO INFRASTRUCTURE (BTI) BIIN (99,50%) KOPKAR BIIN (0,50%)

PT BAKRIE OIL & GAS INFRASTRUCTURE (BOGI) BIIN (99,99%) KOPKAR BIIN (0,01%)

> PT BAKRIE JAVA ENERGY (BJE) BIIN (99,99%) BMI (0,01%)

PT BAKRIE GASINDO UTAMA BIIN (99,50%) KOPKAR BII<u>N (0,50%)</u> PT SOUTHEAST ASIA PIPE INDUSTRIES (SEAPI) BPI (99,82%) BNBR (0,18%)

PT BINA KARYA PROTEKSI PIPABAJA (BKPP) BPI (99,99%) SEAPI (0,01%)

PT BINA ANDALAN KARYA INSPEKSI (BAKI) BPI (99,99%) SEAPI (0,01%)

PT KUALA TANJUNG POWER (KTP) **BP (99%) BIIN (1%)** 

PT BAKRIE DARMAKARYA ENERGI (BDE) BP (98%) BIIN (1%)

PT SOKORIA GEOTHERMAL INDONESIA (SGI) **BP (53%)** 

PT CIMANGGIS CIBITUNG TOLLWAYS (CCT) BTI (5%) BNBR (5%) WASKITA (90%)

UPITER ASIA NO. 1 PTE LTD HELIX (100%)

PT BANGUN BANTALA INDONESIA (BBIN)

BBI (99,02%)

BAKRIE AGRO COMMODITY INTERNATIONAL PTE LTD BEI (100%)

PT BAKRIE KIMIA INVESTAMA BEI (99%)

> PT BATUTA KIMIA PERDANA BKIV (45%) KJU (55%)

PT BATUTA KIMIA UTAMA BKIV (95%) BEI (5%)

PT BATUTA CHEMICAL INDUSTRIAL PARK **BKIV (95%) BEI (5%)** 

- BNBR Shareholder
- Manufacturing Direct Ownership
- Manufacturing Indirect Ownership
- Infrastructure Direct Ownership
- Infrastructure Indirect Ownership
- Trading, Services & Investment Direct Ownership
- Trading, Services & Investment Indirect Ownership

Human Capital Managemen

# **SUBSIDIARIES**

	Name of Subsidiaries	Domicile		Year of esta-	Perce of Own		Total Assets Before Elimination (in million Rupiah)	
No.		Dominente	Principal Activity	blishment/ Commercial operation	31 Dec 2015 (%)	31 Dec 2014 (%)	31 Dec 2015	31 Dec 2014
DIRE	CT OWNERSHIP							
1.	PT Bakrie Building Industries (BBI)	Jakarta	Fiber cement building products	1974	99.99	99.99	918,473	827,928
2.	PT Bakrie Metal Industries (BMI)	Bekasi	Corrugated metal products and multiplate	1982	99.99	99.99	2,301,503	3,421,225
3.	PT Bakrie Autoparts (BA) (formerly PT Bakrie Tosanjaya (BTJ))	Bekasi	Foundry and automotive component	1976	99.99	99.99	825,697	820,774
4.	Bakrie International Finance Company BV (BIFC)	Belanda	Financial services	1996	100	100	57	57
5.	PT Cimanggis Cibitung Tollways (CCT)	Jakarta	Development and maintenance operation of toll road	2008	5	15	263,869	95,873
6.	PT Bakrie Harper (BHP) (formerly PT Bakrie Harper Corporation (BHC))	Jakarta	Steel Construction	1996	70	70	664	664
7.	Bestday Assets Limited (BAL)	Mauritius	Investment	2001	100	100	1,380	1,244
8.	Blue Cape BV (BlueCape)	Netherlands	Financial services	2006	100	100	1,037	1,042
9.	Infrastructure Capital International Limited (ICIL)	British Virgin Islands	Financial services	2007	100	100	118,557	106,911
10.	PT Bakrie Steel Industries (BSI)	Jakarta	Industries and trading	2007	-	99.99	-	8,281
11.	PT Bakrie Indo Infrastructure (BIIN)	Jakarta	Development and services	2008	99.96	99.96	1,343,448	943,600
12.	Bakrie Fund Pte. Ltd. (BF)	Singapore	Investment	2008	100	100	423	381
13.	Bakrie Investment Pte. Ltd. (BI)	Singapore	Investment	2008	100	100	-	-
14.	Sebastopol Inc. (SI)	Cayman Islands	Investment	2008	100	100	357,558	915,184
15.	Bakrie Energy International Pte. Ltd. (formerly Orange Assets Pte. Ltd.)	Singapore	Trading	2009	100	100	1,846,069	1,265,150
16.	Helix Investment Holding Ltd. (Helix)	British Virgin Islands	Investment	2009	100	100	-	-
17.	PT Bakrie Solusi Strategis (BSS) (formerly PT Bakrie & Brothers Services (BNBS))	Jakarta	Trading, Services, Industry	2010	99.99	99.99	4,508	3,737
18.	PT Kreasindo Jaya Utama (KJU)	Jakarta	Trading	2009	99.99	99.99	-	-
19.	Asia Asset Manager Ltd (AAM)	Cayman Islands	Investment	2012	100	100	-	-

No.	Name of Subsidiaries	Domicile	Principal Activity	Year of esta- blishment/	Perce of Own		Total Asse Elimin (in million	ation
NU.		Domicile		Commercial operation	31 Dec 2015 (%)	31 Dec 2014 (%)	31 Dec 2015	31 Dec 2014
INDIR	ECT OWNERSHIP							
THRO	UGH BMI							
1.	PT Bakrie Pipe Industries (BPI)	Jakarta	Steel pipe manufacturer	1979	99.99	99.99	1,714,676	2,909,780
2.	PT Bakrie Construction (BCons)	Jakarta	Steel Construction	1986	97.57	97.57	375,356	476,085
3.	PT Bina Inspeksi Ujiprima (BIU)	Jakarta	Laboratory service	2014	60	60	-	-
4.	PT Bina Proteksiprima Pipabaja (BPP)	Jakarta	Coating Plant	2014	60	60	-	-
THRO	UGH BIIN							
1.	PT Bakrie Gas (BG)	Jakarta	Oil and Gas Trading	2006	99.5	99.5	19,998	19,998
2.	PT Bakrie Gasindo Utama (BGU)	Jakarta	Oil and Gas Trading	2006	99.5	99.5	19,998	19,998
3.	PT Bakrie Java Energy (BJE)	Jakarta	Oil and Gas Trading	2006	99.99	99.99	498	498
4.	PT Energas Daya Pratama (EDP)	Jakarta	Oil and Gas Trading	2006	99.5	99.5	9,998	9,998
5.	PT Bakrie Power (BP)	Jakarta	Energy and electrical power	1994	99.99	99.99	1,319,893	902,451
6.	PT Bangun Infrastruktur Nusantara (BIN)	Jakarta	Development and Services	2008	99.99	99.99	10,940	10,941
7.	PT Bakrie Oil & Gas Infrastructure (BOGI)	Jakarta	Development and Services	2008	99.99	99.99	22,026	22,960
8.	PT Bakrie Telco Infrastructure (BTelco)	Jakarta	Development and Services	2008	99.5	99.5	10,000	10,000
9.	PT Bakrie Toll Indonesia (BTI)	Jakarta	Development and Services	2008	99.99	99.99	66,429	85,928
10.	PT Bakrie Port Indonesia (BPort)	Jakarta	Development and Services	2008	99.5	99.5	10,100	10,100

THRO	UGH BPI	•						
1.	PT South East Asia Pipe Industries (SEAPI)	Jakarta	Steel pipe manufacturer	2001	99.82	99.82	611,184	665,685
2.	PT Bina Andalan Karya Inspeksi (BAKI)	Jakarta	Laboratory service	2014	99.99	99.99	2,721	7,131
3.	PT Bina Karya Proteksi Pipabaja (BKPP)	Jakarta	Coating Plant	2014	99.99	99.99	52,994	52,931

No.	Name of Subsidiaries	Domicile Princij	Principal Activity	Year of esta- blishment/ Commercial operation	Percentage of Ownership		Total Assets Before Elimination (in million Rupiah)	
					31 Dec 2015 (%)	31 Dec 2014 (%)	31 Dec 2015	31 Dec 2014
THRO	UGH BTI							
1.	PT Cimanggis Cibitung Tollways (CCT)	Jakarta	Development and maintenance operation of toll road	2008	5	85	263,869	95,873

THRO	UGH BA							
1.	PT Braja Mukti Cakra (BMC)	Bekasi	Automotive components manufacturer	1986	50	50	238,949	225,958
2.	PT Aneka Banusakti (ABS)	East Java	Automotive components manufacturer	1994	-	58	-	19,665
3.	PT Bina Usaha Mandiri Mizusawa (BUMM)	Tangerang	Automotive components manufacturer	1986	99.9	99.9	94,803	91,625
4.	PT Bakrie Steel Industries (BSI)	Jakarta	Industries and trading	2007	99.99	-	14,517	-

THRO	UGH BEI							
1.	PT Bakrie Kimia Investama (BKIV)	Jakarta	Management consultation	2009	99	99	136,707	131,779
2.	Bakrie AN International Pte. Ltd.	Singapore	Trading in ammonium nitrat	2009	100	100	-	-
3.	Bakrie Agro Commodity International Pte. Ltd.	Singapore	Trading in Olein	2009	100	100	-	-

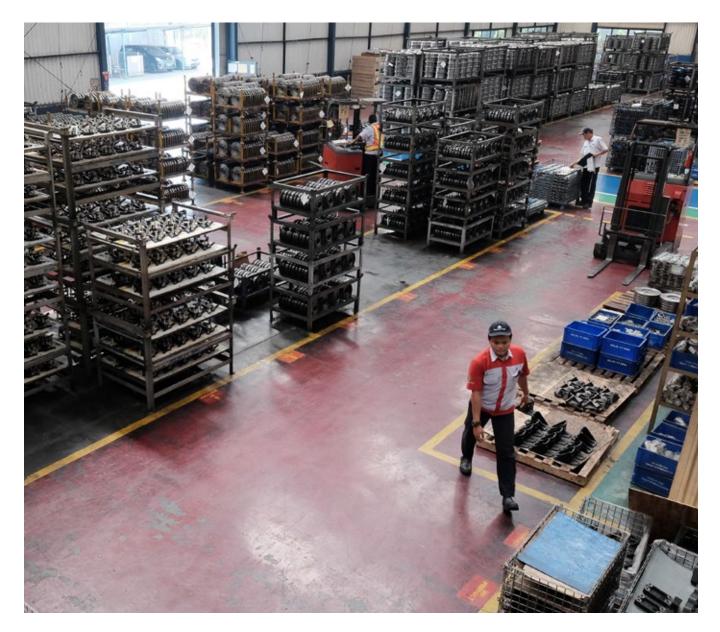
THRO	THROUGH HELIX								
1.	Jupiter Asia No. 1 Pte. Ltd. (Jupiter)	Singapore	Investment	2009	100	100	-	-	

THRO	THROUGH PT BAKRIE KIMIA INVESTAMA										
1.	PT Batuta Chemical Industrial Park (BCIP)	Jakarta	Industrial estated management	2009	95	95	-	-			
2.	PT Batuta Kimia Utama (BKU)	Jakarta	Non-organic fertilizer industry	2009	95	95	-	-			
3.	PT Batuta Kimia Perdana (BKP)	Jakarta	Industries-organic chlor	2009	45	45	-	-			

THRO	UGH BP							
1.	PT Sokoria Geothermal Indonesia (SGI)	Jakarta	Energy and electrical power	2009	53	53	31,892	31,448
2.	PT Bakrie Darmakarya Energi (BDE)	Jakarta	Energy and electrical power	2011	98	98	415,859	414,445
3.	PT Kuala Tanjung Power (KTP)	Jakarta	Energy and electrical power	2010	99	99	9,563	9,446

No.	Name of Subsidiaries	Domicile	Principal Activity	Year of esta- blishment/	Percentage of Ownership		Total Asse Elimin (in million	ation
NO.		Dominin	Thirdpar Activity	Commercial operation	31 Dec 2015 (%)	31 Dec 2014 (%)	31 Dec 2015	31 Dec 2014
THRO	UGH KJU							
1.	PT Batuta Kimia Perdana (BKP)	Jakarta	Chemical Industries- organic chlor	2009	55	55	-	-

THRO	UGH BBI							
1.	PT Bangun Bantala Indonesia (BBIn)	Jakarta	General Trading	2013	99.02	99.02	29,002	30,291



# MAP OF PRODUCT & SERVICES DISTRIBUTION



PT BAKRIE & BROTHERS TBK

Corporate Profile

Main Highlights

ort From The Board of Commi & The Board of Directors

Management's Discussion & Analysis



Human Capital Management Corporate Governance Implementation Report Corporate Social Responsibility Additional Information Financial Report



# MAIN HIGHLIGHTS

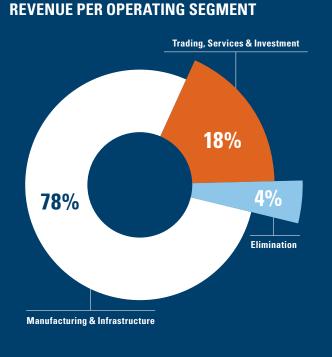


### FINANCIAL HIGHLIGHTS

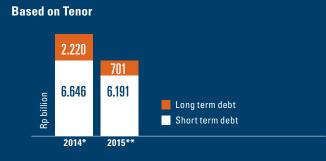
	2015	2014*	2013*	2012	2011
RESULT OF OPERATIONS					
Net Revenues	4,662	6,379	5,213	15,479	16,695
Expenses	(6,309)	(6,111)	(15,681)	(14,942)	(16,679)
Gross Income (Loss)	626	1,404	1,163	2,503	5,087
Net Income (Loss)	(1,719)	152	(12,723)	355	132
EBITDA	32	665	562	2,038	3,222
Profit (Loss) atributable to owners of parent and non-controlling interest	(1,719)	152	(12,723)	355	132
Total Comprehensive Income (Loss)	(1,749)	131	(7,525)	(6,388)	(4,132)
Total Comprehensive Income (Loss) atributable to owners of parent and non-controlling interest	(1,749)	131	(7,525)	(6,388)	(4,132)
PROFIT PER SHARE					
Total Outstanding Share (in million)	93,722	93,722	93,722	93,722	93,722
Net Profit (Loss) per Share (full amount in Rupiah)	(18.62)	1.65	(135.78)	1.36	4.82
FINANCIAL POSITION					
Total Assets	9,186	11,314	11,878	15,658	25,213
Total Current Assets	3,217	5,587	7,304	7,390	11,677
Total Non-Current Assets	5,969	5,727	4,575	8,268	13,536
Total Liabilities	13,122	13,500	13,972	10,198	13,046
Total Short Term Liabilities	11,627	11,813	10,046	4,934	11,593
Total Long Term Liabilities	1,494	1,687	3,926	5,264	1,453
Total Equity	(3,935)	(2,186)	(2,094)	5,459	12,167
Net Working Capital	(8,410)	(6,226)	(2,743)	2,456	84
Operating Cash Flow	(415)	860	318	369	621
OTHER FINANCIAL INFORMATION					
EBITDA Margin	0.68%	10.42%	10.79%	13.16%	19.30%
Net Profit Margin	(36.88%)	2.38%	(244.06%)	2.29%	0.79%
FINANCIAL RATIOS					
Return on Assets	(18.72%)	1.34%	(107.11%)	2.27%	0.52%
Return on Equity	43.69%	(6.94%)	607.73%	6.50%	1.08%
Current Ratio	27.67%	47.30%	72.71%	149.78%	100.72%
Short Term Debt / Equity	(295.47%)	(540.51%)	(479.87%)	90.38%	95.28%
Long Term Debt / equity	(37.98%)	(77.18%)	(187.52%)	96.42%	11.94%
Total Debt / Equity	(333.45%)	(617.69%)	(667.38%)	186.80%	107.23%

\*) In billion Rupiah, unless stated otherwise

### PERFORMANCE HIGHLIGHTS



### **TOTAL DEBT (AT HOLDING LEVEL)**



**Based on Currency** 



# ↓ TOTAL DEBT DECREASED BY 22,3%

### BAKRIE AUTOPARTS PERFORMANCE

**8% 28% HIGHER THAN** SALES OF COMMERCIAL VEHICLE IN INDONESIA

Sales volume of Bakrie Autoparts precision machining products decreased by 8% compared to sales volume of trucks in Indonesia which decreased by 36%\*.

\*source: Gaikindo

### BAKRIE BUILDING INDUSTRIES PERFORMANCE

**18% HIGHER THAN** SALES REVENUE OF SIMILAR COMPANIES IN INDONESIA

Net sales revenue of Bakrie Building Industries decreased by 8% compared to net sales revenue of several building material companies in Indonesia which recorded average decrease of 26%.

\*Arwana Citramulia Tbk, Intikeramik Alamasri Industri Tbk and Keramika Indonesia Assosiasi Tbk

### BAKRIE METAL INDUSTRIES PERFORMANCE

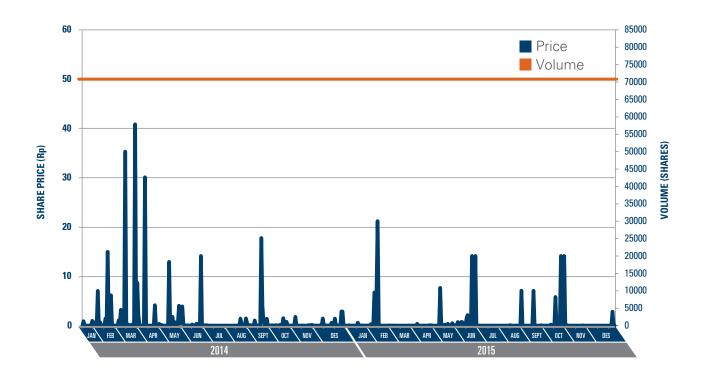


CRUDE OIL PRICE PERFORMANCE

Net sales of Bakrie Metal Industries that were related with oil & gas industry decreased by 40% compared to crude oil price which decreased by 47%\*.

\*source: World Bank

# SHARES HIGHLIGHTS



Regular Market		20	14			20	15	
Share Price (Rupiah)	Q1	0.2	Q3	Q.4	Q1	0.2	Q3	Q4
Highest	50	50	50	50	50	50	50	50
Lowest	50	50	50	50	50	50	50	50
Closing	50	50	50	50	50	50	50	50
Total Shares Traded	22,084,500	6,830,800	4,142,200	2,019,200	5,167,400	6,217,700	2,035,400	5,302,700

Total Floating Shares	93,721,717,528	93,721,717,528	93,721,717,528	93,721,717,528	93,721,717,528	93,721,717,528	93,721,717,528	93,721,717,528
Market Capitalization (Rp	million)							
Highest	4,686,086	4,686,086	4,686,086	4,686,086	4,686,086	4,686,086	4,686,086	4,686,086
Lowest	4,686,086	4,686,086	4,686,086	4,686,086	4,686,086	4,686,086	4,686,086	4,686,086
Closing	4,686,086	4,686,086	4,686,086	4,686,086	4,686,086	4,686,086	4,686,086	4,686,086

# SHAREHOLDERS COMPOSITION

### **SHARES OWNERSHIP OF BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS** *based on BNBR shareholder register per December 31, 2015*

SHAREHOLDERS	POSITION	TOTAL SHARE	OWNERSHIP Percentage
	BOARD OF COMMISSIONERS		
Irwan Sjarkawi	President Commissioner & Independent Commissioner	0	0
Armansyah Yamin	Commissioner	167,989	0
Nugroho I. Purbowinoto	Commissioner	8,000	0

	BOARD OF DIRECTORS		
Bobby Gafur S. Umar	President Director & Chief Executive Officer	0	0
A.Amri Aswono Putro	Director & Chief Financial Officer	0	0
Dody Taufiq Wijaya	Independent Director & Chief Risk Officer	0	0
R.A. Sri Dharmayanti	Director & Chief Legal Officer	0	0
TOTAL		175,989	0

### **SHAREHOLDERS WITH 5% OWNERSHIP OR MORE** based on BNBR shareholder register per December 31, 2015

SHAREHOLDERS	TOTAL SHARE	OWNERSHIP Percentage
Credit Suisse AG Singapore Branch S/A Bright Ventures Pte Ltd (MOU Facility)	20,251,500,000	21.61
BNYM S/A Mackenzie Cundill Recovery FD-2039924282	8,750,000,000	9.34
Interventures Capital Pte. Ltd.	4,814,695,351	5.14
Sub Total	33,816,195,351	36.09
Public (Ownership <5%)	59,905,522,177	63.91
TOTAL	93,721,717,528	100

### **SHAREHOLDERS WITH 1% OWNERSHIP OR MORE** based on BNBR shareholder register per December 31, 2015

SHAREHOLDERS	TOTAL SHARE	OWNERSHIP Percentage
DBS BANK LTD SG-PB CLIENTS	1,519,010,889	1.62
JPMCB-NEW WORLD FUND. INC -2157804145	1,332,820,100	1.42
PT Asuransi Jiwasraya (Persero)	1,196,560,000	1.28
HSBC LTD-SINGAPORE BRANCH PRIVATE BANKING DIVISION ACCOUNT CLIENTS	992,011,652	1.06
STREAM ZONE CAPITAL INC.	955,000,000	1.02
Other Public (Ownership <1%)	53,910,119,536	57.51
Sub Total	59,905,522,177	63.91
Shareholders with 5% Ownership or More	33,816,195,351	36.09
TOTAL	93,721,717,528	100

• **36.09%** 5%< • **6.4%** 

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100%

# LISTING OF SHARES CHRONOLOGY

The Company listed it shares on the Indonesia Stock Exchange (previously Jakarta Stock Exchange) with ticker code BNBR.

Listing Type	Date	Change in Shares Volume	Total Shares
Initial Public Offering	28-Aug-89	2,850,000	2,850,000
Company Listing	9-Mar-90	16,150,000	19,000,000
Private Placement I	27-Nov-91	978,969	19,978,969
Private Placement II	10-Jan-92	1,031	19,980,000
Preemptive Rights I	4-Jun-93	1,080,000	21,060,000
Bonus Share I	22-Jun-94	31,590,000	52,650,000
Preemptive Rights II	14-Jul-94	189,540,000	242,190,000
Stock Split	7-Aug-95	242,190,000	484,380,000
Bonus Share II	17-Jan-97	1,453,140,000	1,937,520,000
Non Preemptive Rights Capital Addition	31-Oct-01	36,812,880,000	38,750,400,000
Reverse Stock I	17-Mar-05	(31,000,320,000)	7,750,080,000
Preemptive Rights III	6-May-05	19,220,198,400	26,970,278,400
Reverse Stock II	6-Mar-08	(13,485,139,200)	13,485,139,200
Preemptive Rights IV & Warrant Series I	24-Mar-08	84,956,376,960	98,441,516,160
Fully Issued & Paid-up Shares	31-Dec-11	(4,719,798,632)	93,721,717,528

### Note:

\*) From total of Warrants Series I which has been issued to 4,719,798,729, Up to the end of warrants exercise date April 1, 2011, the total warrants exercised were 88 shares.

# **AWARDS & CERTIFICATIONS**

### **AWARDS**



### **BEST CONTRIBUTION ACHIEVEMENT 2014** March 2015

Best Contribution Achievement 2014 (PT Hino Motors Manufacturing Indonesia) for outstanding performance and support was obtained by PT Bakrie Autoparts on March 24, 2015.



### **ZERO ACCIDENT AWARD**

August 2015

Zero Accident Award Certificate (Kementerian Ketenagakerjaan Republik Indonesia) for 9,669,494 working hours for the period January 1, 2011 until December 31, 2014. The award was obtained by PT Bakrie Autoparts on August 31, 2015.



### **TOP BRAND AWARD**

June 2015

TOP BRAND AWARD (Frontier Consulting Group, Marketing Magazine) for the Fibre Cement roof category was obtained by PT Bakrie Building Industries for the product HARFLEX on June 30, 2015.



### **8.3 MILLION WORKING HOURS WITHOUT INCIDENT AWARD**

February 2015

Certificate of Merit (Governor of Banten) for operating without incident for 8,372,569 working hours from November 17, 2009 until October 31, 2014 obtained by PT Bakrie Construction on February 23, 2015.



### **ZERO ACCIDENT AWARD**

August 2015

Zero Accident Award Certificate (Kementerian Ketenagakerjaan Republik Indonesia) for 4,828,617 working hours for the period January 1, 2011 until December 31, 2014. The award was obtained by PT Bakrie Pipe Industries on August 31, 2015.



### **SNI AWARD 2015**

November 2015

SNI award 2015 (Badan Standardisasi Nasional) Silver Rank was obtained by PT Bakrie Pipe Industries.

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### CERTIFICATIONS

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### OHSAS 18001:2007

April 2012 – April 2015

Occupational Health and Safety Management System Certificate OHSAS 18001:2007 (TÜV SÜD PSB) for Manufacture of Casted and Machined Parts was obtained by PT Bakrie Autoparts (known at the time as PT Bakrie Tosanjaya) on April 10, 2012. This certificate is valid until April 9, 2015.



### ISO 14001:2004

April 2014 – April 2017

Environmental Management System Certificate; ISO 14001:2004 (TÜV SÜD PSB) for fabrication and construction services Manufacture of Casted and Machined Parts for Brake Drum, Fly Wheel, Disc Brake, Hub, Parking Brake Drum, and Bracket Generator was obtained by PT Bakrie Autoparts (known at the time as PT Bakrie Tosanjaya) on April 9, 2014. This certificate is valid until April 8, 2017.

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### ISO/TS 16949:2009

August 2014 – August 2017

Quality Management System Certificate; ISO 9001:2008 (TÜV SÜD PSB) for Manufacture of Casted and Machined Parts for Brake Drum, Fly Wheel, Disc Brake, Hub, Parking Brake Drum, and Bracket Generator (without Product Design as per Chapter 7.3) was obtained by PT Bakrie Autoparts (known at the time as PT Bakrie Tosanjaya) on August 22, 2014. This certificate is valid until August 21, 2017.

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### ISO 9001:2008

August 2014 – August 2017

Quality Management System Certificate; ISO 9001:2008 (TÜV SÜD PSB) for Manufacture of Casted and Machined Parts for Brake Drum, Fly Wheel, Disc Brake, Hub, Parking Brake Drum, and Bracket Generator was obtained by PT Bakrie Autoparts (known at the time as PT Bakrie Tosanjaya) on August 25, 2014. This certificate is valid until August 24, 2017.



### **GREEN LISTING**

February 2015

Green Listing Indonesia Label (Architectural Space Center, Green Building Council Indonesia) was obtained by PT Bakrie Building Industries for the products Versa Wood and Versa Board on the February 12, 2015. The Label verifies that the products are environmentally friendly and free from hazardous materials.





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### ISO 14001:2004

February 2015

Environmental Management Certificate; ISO 14001:2004 (BSI, ANAB, IAF) for design and manufacture of fibre cement product (Harflex and Versa) of building materials was obtained by PT Bakrie Building Industries on June 1, 2015 and is valid until May 31, 2018.

### **CERTIFICATIONS**

### **OHSAS 18001:2007**

June 2015 – May 2018

Occupational Health and Safety Management System Certificate OHSAS 18001:2007 (BSI, ANAB) for design and manufacture of fibre cement product (Harflex and Versa) of building materials was obtained by PT Bakrie Building Industries on June 1, 2015. This certificate is valid until May 31, 2018.

### ISO 9001:2008

August 2015 – November 2016

Quality Management System Certificate; ISO 9001:2008 (BSI, KAN, ANAB, IAF) for design and manufacture of fibre cement product (Harflex and Versa) of building materials was obtained by PT Bakrie Building Industries on September 6, 2007. This certificate is recertified and is valid from August 11, 2015 until November 17, 2016.

### **SNI ISO 9001:2008**

November 2015 – November 2019

Quality Management System Certificate; ISO 9001:2008 (Kementrian Perindustrian Republik Indonesia) requirement SNI 2050:2015 for symmetrical corrugated cement sheets obtained by PT Bakrie Building Industries on November 25, 2015 and is valid until November 24, 2019.

### ISO 14001:2004

January 2014 – January 2017

Environmental Management System Certificate; ISO 14001:2004 (Bureau Veritas Certification) for fabrication and construction services for oil & gas onshore/offshore facilities, and mining that was obtained by PT Bakrie Construction on January 6, 2011. This certificate is recertified and is valid from January 6, 2014 until January 5, 2017.

### **OHSAS 18001:2007**

January 2014 – January 2017

Occupational, Health and Safety Management System Certificate; OHSAS 18001:2007 (Bureau Veritas Certification) for fabrication and construction services for oil & gas onshore/offshore facilities, and mining that was obtained by PT Bakrie Construction on January 6, 2011. This certificate is recertified and is valid from January 6, 2014 until January 5, 2017.



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### ISO 9001:2008

March 2014 – March 2017

Quality Management System Certificate; ISO 9001:2008 (Bureau Veritas Certification) for fabrication and construction services for oil & gas onshore/offshore facilities and mining that was obtained by PT Bakrie Construction on May 3, 2005. This certificate is recertified and is valid from March 30, 2014 until March 29, 2017.

### **SERTIFIKAT VHSE-MS**

May 2014 - May 2015

Vendor Health, Safety, & Environment Certificate; VHSE-MS (HCML) Pre Qualification phase to be used in Husky - CNOOC Madura Ltd area obtained by PT Bakrie Construction. This certificate is valid from May 20, 2014 until May 20, 2015.



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### **CERTIFICATE**



### ISO 9001:2008

April 2015 – March 2018

Environmental Management System Certificate; ISO 9001:2008 (AJA Registrars) was obtained by PT Bakrie Metal Industries. This certificate is valid from April 10, 2015 until March 28, 2018.



### ISO 14001: 2004 May 2015 – April 2018

Environmental Management System Certificate; ISO 14001:2004 (AJA Registrars) was obtained by PT Bakrie Metal Industries. This certificate is valid from May 19, 2015 until April 17, 2018.



### Occupational Health and Safety Management System; OHSAS 18001:2007 (AJA Registrars) was obtained by PT Bakrie Metal Industries. This certificate is valid from May 19, 2015 until April 17, 2018.

**OHSAS 18001:2007** 

May 2015 – April 2018

### **ENVIRONMENTALLY FRIENDLY CERTIFICATE**

June 2015

Environmentally Friendly Certificate (Government of Serang) for the efforts that has been executed in managing living environment obtained by PT Bakrie Construction on June 10, 2015.

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### **CONTRACTOR'S SAFETY MANAGEMENT SYSTEM**

September 2015 – September 2017

Contractor's Safety Management System Certificate (MSMS PT Pertamina) for refinery unit VI Balongan was obtained by PT Bakrie Construction on September 25, 2015. The certificate is valid until September 23, 2017.



### **API CERTIFICATION**

February 2012 – February 2015

Certificate of Authority to use the Official API Monogram (The American Petroleum Institute) for Manufacturer of Electric-Welded Casing or Tubing Plain End obtained by PT Bakrie Pipe Industries on February 4, 2012 and is valid until February 4, 2015.



### **OHSAS 18001:2007**

May 2013 - April 2016

Occupational, Health and Safety Management System Certificate; OHSAS 18001:2007 (ABS Quality Evaluations) for Manufacture of Fabricated Steel Pipes that was obtained by PT Bakrie Pipe Industries on April 2, 2007. This certificate is recertified and is valid from May 28, 2013 until April 1, 2016.

### CERTIFICATE

recertified and is valid from April 23, 2014 until May 18, 2017.



### LABORATORY CERTIFICATION

May 2013 – May 2017

**ISO 9001:2008** April 2014 – May 2017

Certificate of Accreditation (Komite Akreditasi Nasional) for General requirements for the competence of testing and calibration laboratories that was obtained by PT Bakrie Pipe Industries on May 28, 2013 and is valid until May 27, 2017.







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### API 1 5L

July 2014 – July 2017

Certificate of Authority to use the Official API Monogram (The American Petroleum Institute) for Manufacturer of Line Pipe Plain End at PSL1, Manufacturer of Line Pipe Plain End at PSL 2, Manufacturer of Line Pipe Plain End at PSL 2 – Service Annex H and Manufacturer of Line Pipe end at PSL 2 – Service Annex J was obtained by PT South East Asia Pipe Industries on July 28, 2014 and is valid until July 28, 2017.



### API 2B

July 2014 - July 2017

Certificate of Authority to use the Official API Monogram (The American Petroleum Institute) for manufacturing Steel Pipes was obtained by PT South East Asia Pipe Industries on July 28, 2014 and is valid until July 28, 2017.

Occupational, Health and Safety Management System Certificate; OHSAS 18001:2007 (ABS Quality Evaluations) for Manufacture of Fabricated Steel Pipes that was obtained by PT South East Asia Pipe Industries on October 15, 2010. This certificate is recertified and is valid from December 2, 2015 until October 14, 2016.

Quality Management System Certificate; ISO 9001:2008 (ABS Quality Evaluation) for Manufacture of Fabricated Steel Pipes that was obtained by PT Bakrie Pipe Industries on July 17, 1992. This certificate is

### ISO 9001:2008

July 2014 – July 2017

**OHSAS 18001:2007** 

December 2013 – October 2016

Quality Management System Certificate; ISO 9001:2008 (ABS Quality Evaluation) for manufacture of metal alloy steep pipe for the oil and gas, chemical, and construction industries obtained by PT South East Asia Pipe Industries on July 28, 2011. This certificate is recertified and is valid from July 28, 2014 until July 28, 2017.

### **API SPECIFICATION Q1**

July 2014 – July 2017

Quality Management System Certificate; ISO 9001:2008 (ABS Quality Evaluation) for manufacture of metal alloy steep pipe for the oil and gas, chemical, and construction industries obtained by PT South East Asia Pipe Industries on February 18, 2003. This certificate is recertified and is valid from July 28, 2014 until July 28, 2017.

# **EVENT HIGHLIGHTS**

### **15 JANUARY 2015**



CEO of PT Bakrie Autoparts, with the Chairman of EI – Wahab Group, Abd EI Wahab Ghourieb ( right) signed a cooperation agreement for automotive components trade in Egypt, North Africa, and Europe.

### 24 JANUARY 2015



Project Y230 K Hino Motors was launched by the President Director of Hino Motor, Mr. Akhito Yamanaka and the General Secretary of Motors Clubs Indonesia, Boy Andoko Purnadie.

### **12 FEBRUARY 2015**



PT Bakrie Building Industries' CEO, Yogi Pratomo Widhiarto receiving the Top Brand Award 2015 for the product Harflex, under the Fiber Cement Producer Category. The award was handed over by Frontier Consulting Group's CEO Handi Irawan (left) in Jakarta, Thursday, 12th of February.

### 27 MARCH 2015

CEO of Bakrie Autoparts, CEO of Braja Mukti Cakra and President Director of Arakawa – Japan, Sakai signed a cooperation agreement for automotive components trade in Japan and Southeast Asia.

### 13 MAY 2015

General Meeting of Shareholders of PT Bina Usaha Mizusawa Mandiri (BUMM).

### 20 MAY 2015

General Meeting of Shareholders PT Aneka Banusakti (ABS) on May 20th 2015, at Bakrie Autoparts Office

### 21 MAY 2015



Saleh Husen, Minister of Industry, officially opened PT Bakrie Pipe Industries' Coating Plant.

### 10 JUNE 2015



PT Bakrie Autoparts has successfully passed the audit of Global Procurement Mitsubishi Fuso - Daimler making Bakrie Autoparts the Global Supplier for Mitsubshi Fuso-Daimler.

#### 12 JUNE 2015



16 JUNE 2015

Mitsubishi Office Jakarta.



General Meeting of Shareholders of PT Bakrie Autoparts

#### 18 JUNE 2015



Annual General Meeting of Shareholders

#### 30 JUNE 2015



PT Bakrie Building Industries received Received the ISO 14001 & OHSAS 18001 certificates.

#### 2 JULY 2015

#### Cimanggis Cibitung Tol Road Project

Formed a collaboration with PT. Waskita Karya (Persero) on July 2015 to start constructing the 26 km toll road, part of the Jakarta Outer Ring Road 2 network. Current construction focuses on Cimanggis Junction along with acquiring the necessary land in Bekasi and Bogor Regency.

#### 14 JULY 2015



Formed a collaboration with YTL Corporation Berhad's subsidiary; YTL Jawa Energy BV on August 2015 to construct and operate a 2x660MW coal fired power plant in Cirebon, West Java. The Amendment to Power Purchase Agreement for this project was signed by PT. PLN (Persero) on December 2015. Other supporting activities included preparation of Environmental Impact Assessment study, EPC review and land acquisition.

#### 21 AUGUST 2015

Kepodang-Tambak Lorok Gas Transmission Pipeline (Kalija Phase 1) pipeline project commenced its operation on August 2015, marking the completion of the first phase of the Kalimantan-Jawa Gas Transmission Pipeline. The project consist of constructing 200km offshore & onshore open access pipeline along with Onshore Recieivng Facilities, currently transporting 116 mmscfd gas from Petronas Carigali Muria Ltd to PLN Tambak Lorok

#### 27 OCTOBER 2015



CGPI Observation from The Indonesian Institute for Corporate Governance.

#### **10 NOVEMBER 2015**

PT Bakrie Building Industries accomplished partership with BBPK for PULP research.

#### 4 DECEMBER 2015

Public Expose 2015

#### **15 DECEMBER 2015**



GRC (Governance, Risk, Compliance) – Day, The Role of GRC in Indonesia's Oil & Gas Industry.



# REPORT FROM THE BOARD OF COMMISSIONERS & THE BOARD OF DIRECTORS

#### REPORT FROM THE BOARD OF COMMISSIONERS

# Withstanding to Thrive in 2016

The challenges faced throughout the year 2015 weren't any lighter than the ones we faced in the previous year. Even though Indonesia's economic growth has reached 4.73%, the number is still below the expected 5.7% target based on the State Budget. Depreciation of the Indonesian Rupiah against US Dollars reached Rp 14,800 during the third quarter, which translate to a decrease of 15% in exchange rate comparing to Rp. 12,400 per US Dollars during the beginning of 2015, burdening the Company's financial condition.

The end of 2015 was marked by the launch of the Asean Economic Community (AEC). Such implementation will result in free flow of goods and services, investments, labor, and capital, which in turn will impact various sectors of industry. Facing AEC could be a challenge for Indonesia due to the standard of labor quality that is still relatively low, inadequate quality of infrastructure, fragile industrial sector due to the reliance on import of raw material and intermediate goods, as well as a limited supply of energy source. For the Company, the implementation of AEC should be taken as a challenge, as the competition to take part in infrastructure project developments opportunities will increase.

However, the sector that had the biggest impact on the Company this year was energy, where oil prices plummeted throughout the year 2015, reaching price as low as US\$ 35 per barrel. This drastic fall in oil prices have impacted the oil & gas industry globally, forcing companies to delay production, and to cut down costs in every line, including the reduction of manpower. Such crisis in the oil industry has caused investments in oilfield explorations to slow down, leading to the notable decrease in demand for pipes.

#### PT BAKRIE & BROTHERS TBK

Corporate Profile

Main Highlights

Report From The Board of Commissioners & The Board of Directors

Irwan Sjarkawi President Commissioner & Independent Commissioner

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Corporate Governance Implementation Report

Corporate Social Respon

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#### COMPANY PERFORMANCE

In general the 2015 business result decreased compared to previous year. Net revenues declined by 26.9% to Rp 4.7 trillion, and total expenses slightly increase to Rp 6.3 trillion which accounted provision for impairment in investment value as much as Rp 968 billion and loss on foreign exchange as much as Rp 722 billion. Therefore the Company recorded net loss after tax as much as Rp 1.7 trillion, giving further pressure to the equity deficiency.

The Company management continues to solve the company's capital deficiency by implementing debt to equity conversion plan. Several creditors have come to an agreement for the conversion, however there are still some that have yet to agree and are still under the process of negotiation. Moreover, the Management team has decided to optimize assets unproductive to the company; such as partnering with PT Waskita Karya to construct the Cimanggis Cibitung toll road through share divestment, as well as acquiring new investors for PLTU Tanjung Jati. The divestment of such infrastructure projects was aimed to turn the company's unproductive assets, into assets that could provide good yield in the long run.

Our subsidiaries that performed well was the one focusing in pipe manufacturing, even though it faced a significant drop in revenue as compared to last year's performance. As for our subsidiary focusing on automotive components, namely Bakrie Autoparts, it faced a loss throughout the whole year of 2015 due to the fall in demand from the country's automotive market.

In relation to the company's performance in 2015 mentioned above, the Board of Commissioners would like to address a few points:

**Firstly,** the company will focus in market expansion, product development, and to improve the quality of service in order to gain a competitive advantage in an environment where competition is always increasing, and to also focus in prudent investment management. **Secondly,** to complete the Company's debt restructuring process in order to improve the overall growth of the Company and to take on every business opportunities faced.

**Thirdly,** to increase the quality of internal control and risk management.

The Board of Commissioners fully supports the decisions of the Board of Directors to strengthen synergy, improve effectiveness and efficiency of business, as well as optimizing the financing and productivity as the appropriate strategy to face the current challenges.

#### CORPORATE GOVERNANCE AND IMPLEMENTATION OF THE BOARD OF COMMISSIONERS' SUPERVISORY FUNCTION

Throughout 2015, the Board of Commissioners actively performed its supervisory functions, providing advice and recommendations on policies and measures enacted by the Board of Directors. To support each member's supervisory role, the Board Of Commissioners are supported by: the Audit Committee, Risk Management Committee, Good Corporate Governance Committee, and the Nomination and Remuneration Committee.

Every committee have dedicated their work and authority based on the prevailing charter, and continuously keep members of the committee updated, including providing recommendations and reporting to the Board of Commissioners on aspects that could affect the Board of Commissioners in fulfilling their supervisory duties and function, as well as enhancement related with supervisory aspects and responsibilities of each committee.

The Board of Commissioners and Board of Directors meetings were regularly held in order to ascertain the progress of measures taken by the Board of Directors. In addition to the internal Board of Commissioners meetings, supervisory functions are also carried out by committees under the Board of Commissioners mentioned above. These Board of Commissioners committees operate well according to their area of responsibility.

The proper communication and cooperation between the Board of Commissioners and the Board of Directors was reflected in the joint meeting held between the two bodies at least once a month throughout 2015.

The Board of Commissioners ensures strong and sustainable Good Corporate Governance implementation in all areas of Bakrie Group, by all employees and management.

The committees under the Board of Commissioners are continuously improved to ensure the awareness and importance of good corporate governance.

The Audit Committee carries out its role by providing an insight to the Board of Commissioners on management reports, specifically financial reports, review the objectivity and independence of external auditors, the effectiveness of internal control and the Company's compliance with the capital market regulations and other prevailing law.

#### CHANGE IN THE COMPOSITION OF BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

During 2015, the composition of the Board of Commissioners underwent changes as Mohamad Ikhsan resigned from his position as the Company's Independent Commissioner. To keep the Board of Commissioners' supervisory function running at an optimal level, changes were made in the committees under the Board of Commissioners.

At the same time, the Board of Directors also underwent changes. Eddy Soeparno resigned from his position as the Director of Finance, and is now taken over by A. Amri Aswono Putro.

expand our product portfolio, as well as to prevent the dependence on just one particular product.

On behalf of the Board of Commissioners, I would like to thank Mohamad Ikhsan and Eddy Soeparno for their contribution and dedication towards the company. And to A. Amri Aswono Putro, we would like to wish him the best in performing his duty in the Company.

We will always support the Company to selectively take on business development endeavor in the future. Following the Government's plan to increase their spending on infrastructure, the Board of Commissioner advises the management to take advantage of the situation. The prioritized infrastructure projects shall be realized in order to improve the Company's performance.

#### 2016 BUSINESS PROSPECTS

The national economic condition for the year 2016 is predicted to be better than 2015. Exchange rates are expected to be more stable for the year 2016, where the Indonesian Rupiah is predicted to stabilize at approximately Rp 13,000 per US Dollar. The predicted condition are also packed up by economic stimulus packages launched by the Government since the end of 2015 until the beginning of 2016, followed by the cutting down of Interest Rates by the Central Bank of Indonesia which are expected to accelerate investments, specifically in the energy and infrastructure sector.

The debt restructuring process that is currently being processed is expected to strengthen and accelerate growth for the Company. We will always support every development endeavor made by our subsidiaries to selectively take on opportunities in the future, whether to increase the capacity for each business units, or to

#### **CLOSING STATEMENT**

The challenges faced during 2016 were not an easy task to overcome. However, we are thankful to God for our achievements. In this time of joy, the Board of Commissioners would like to thank the shareholders for the endless trust and support that was given.

Also, to all the stakeholders and related parties of PT Bakrie & Brothers Tbk, the Board of Commissioners would like to give our biggest gratitude. Not forgetting, to all the employees that showed dedication and competence, the Board of Commissioners would like to give our utmost respect everyone. And of course, the Board of Commissioners would like to give our appreciation and endless thanks to the Board of Directors for every effort that has been put into the Company during this challenging year. With our high spirit, hard work, focus, and dedication, we shall bring new colours for the Company and reach success, Amen.



President Commissioner & Independent Commissioner

Corporate Governance Implementation Report

## **BOARD OF COMMISSIONERS**

Armansyah Yamin Commissioner

With a solid team of professionals, Bakrie & Brothers is ready to take part in the new era of business, in Indonesia and the world.

> On top of operating strongly in the manufacturing sector, Bakrie & Brothers is also involved in various energy and transportation infrastructure projects in Indonesia.

Bakrie & Brothers is always ready to overcome all challenges and opportunities.



Irwan Sjarkawi President Commissioner & Independent Commissioner

#### IRWAN SJARKAWI PRESIDENT COMMISSIONER & INDEPENDENT COMMISSIONER

Sjarkawi was born in Bukittinggi, West Sumatera, in 1946. He earned Telecommunication Technology Engineering degree from Bandung Institute of Technology in 1973, and a degree in Electronics, specializing in digital electronics from the International Institute of Philips, Eindhoven-Netherlands in 1974. He was a Senior Fellow from John F. Kennedy School of Government, Harvard University, Cambridge, USA, in 2002. In 2010, he was appointed to the Board of Academic Advisor Bakrie University.

Sjarkawi has held the position of President Commissioner since June 2004. Previously, he held posts as the Commissioner of the Company (2002-2004), and also President Director and CEO (1998-2002). Since 2008, he serves as Advisor to UNISPICES BV AMSTERDAM, THE NETHERLAND. Before joining - the Company, his professional career started as a Manager at PT Elektronika Nusantara in 1974. Managing Director of Philips Indonesia (1981-1990), President Director of PT Pantja Niaga (1991-1998). He has also served as President Commissioner at more than 10 subsidiaries of PT Pantja Niaga including Pantja Motor (Sole agent of Isuzu brand in Indonesia), Director of UNIPRO BV, Amsterdam, Holland, during 1993-2001, as well as Director of PT Daeng Brothers (Sole Distributor of Philips) during 1980-1990.

 Since the beginning of the nation,
 Bakrie & Brothers
 has always kept its
 determination and
 devotion for the country.



# ARMANSYAH YAMIN

Armansyah Yamin was born in Teluk Betung, Lampung in 1953. He graduated from Indonesian Academy of Aviation in Jakarta in 1972. He took several educations: Instructor and Test Pilot Program British Aerospace, Manchester, United Kingdom (1976) and Airline Management Course Philippine Airlines, Philippine University, Manila (1978). He also studied at Institute Commodity of London, United Kingdom (1986-1987).

He was appointed as Commissioner on June 2009. Currently, he also holds the position of Commissioner at PT Bakrieland Development Tbk, He began his career at the Bakrie Group as Special Project Manager for PT Bakrie & Brothers (1985-1986), Head of Representative for Mindo Commodity Europe Hamburg, Germany (1987-1991), Managing Director for Lewis & Peat International, Singapore (1991-1993), Vice President Director for Bakrie Trading (1993- 1998), President Commissioner for PT Asuransi Ikrar Lloyd (1998- 2002) President Director for Perusda Bersujud, South Kalimantan (2003-2007) and President Director for PT Arm & Ken Investment (2007-2011).

As a pioneer in trading sector, to developing manufacturing industries, and now maintaining its work in various strategic industries. Bakrie & Brothers assume a role in the growth of the nation by its involvement in vital infrastructure projects. **BOARD OF COMMISSIONERS PROFILE** 

# NUGROHO I. PURBOWINOTO

Nugroho I. Purbowinoto was born in Kediri, East Java in 1943. He graduated from the Bandung Institute of Technology and has held the position of Commissioner since 2009. He started his career at the Bakrie Group since 1975. He has held various executive positions in the Bakrie Group, from Director of PT Bakrie Pipe Industries (1979-1988), General Manager of Planning and Development of PT Bakrie & Brothers (1985-1987), Director of Business Development of PT Bakrie & Brothers (1988-1990), Commissioner of PT Bakrie Hyosung Apparel (1990-1993), PT Bakrie Kasei Corporation (1991-1992), Director of Corporate Administration PT Bakrie & Brothers (1990-1993) to President Director of PT Bakrie Pipe Industries (1993-1996) and President Director of PT Seamless Pipe Indonesia Jaya (1996-2009).

 Struggling through the ups-and-downs of business cycle, and always managed to rise, becoming bigger and stronger than before.

orate Profile

Main Highlights

WE ARE LOOKING AT THE FUTURE, WHERE SUCCESS WILL BE OURS TO REACH, AND WE WILL ACHIEVE OUR GOALS WITH A FIRM STAND ON OUR GROUND.

TOGETHER IN BAKRIE & BROTHERS, WE WILL EMBRACE OUR TRIUMPH AND PROSPERITY, FOR THE GOOD OF EVERY EMPLOYEE, OUR STAKEHOLDERS, AND THE PEOPLE OF INDONESIA.

Additional Information



#### REPORT FROM THE BOARD OF DIRECTORS

# Unveiling Our Greatest Potential

The Company performance was affected by the macro economic conditions of Indonesia which was closely related to the weakening of the global economy.

The two main pillars of the Company are in the manufacturing and infrastructure sector. In addition to that, the Company still maintains its vast strategic investment portfolio in several affiliated listed companies. In general, the manufacturing sector experienced a decrease in line with sluggish consumption in the automotive and building materials, as well as the fall in demand of pipes in the oil & gas sector. Despite the conditions, the Company has successfully monetized several infrastructure projects throughout 2015 by partnering with strategic investors in toll road, natural gas infrastructures and power plant sector.

#### ECONOMIC SITUATION IN INDONESIA

Global economic in 2015 was dominated by the plummeting of oil price and growth deceleration in several developed countries in Europe, North America and Asia. Alongside with the global oil price decrease, other main commodities prices also significantly declined. Global economic growth in 2015 was down to 2.4% from 2.6% in 2014.

Indonesia economic growth during 2015 was 4.79%, a setback from 2014 growth of 5.02%. The highest GDP growth during 2015 was recorded in the last quarter, reaching 5.04%. However the annual growth was still below Government's plan as stated in 2015 State Budget. Indonesia's economic structure based on industrial origin the year 2015 was dominated by three main industries: Manufacturing Industry (20.84%), Agriculture, Forestry, and Fishery (13.52%), and

Wholesale Retail Trade; Automotive and Motorcycle (13.29%). The Manufacturing Industry sector is the biggest contributor for the economic growth during the year 2015 with a total of 0.92%, followed by Construction sector at 0.64%, and Agriculture at 0.53%.

Meanwhile Indonesia's inflation rate was recorded at 3.35% for 2015'.

The exchange rate for the Indonesian Rupiah to US Dollars weakened throughout 2015, increasing from Rp 12,440 to Rp 13,795 or depreciated by 9.8%. This was a challenging factor for the Company as it directly impacted production costs that increased accordingly to the inflation, as well as the Company's financial state, where a majority of the debts are denominated in US Dollars.

<sup>1</sup> Bank Indonesia, December 2015

#### COMPANY PERFORMANCE

The Company performance for the year 2015 was directly impacted by the weakened economy, resulting in a fall in demand for the Company's products and services. Sales volume for all of the subsidiaries declined and was still below the 2015 budget which was set during the fourth quarter of 2014. In addition, the weakening of Rupiah affected the financial performance of the Company.

#### PERFORMANCE AS COMPARED TO BUDGET FOR 2015

In general, the performance of 2015 was below the Company's budget that was set on the beginning of the year. This was caused by the fall in demand due to the decline in the growth of all sectors of industry related with Company's subsidiaries source of revenue. On top of that, the weakening of Indonesian Rupiah throughout the year also affected the Company's financial performance.

#### **OPERATIONAL PERFORMANCE**

Based on data disclosed by Gaikindo (the Indonesia Auto Industry Association), the Indonesian automotive sales experienced a decline, to 1.0 million in 2015 from 1.3 million vehicles for the year 2014. This attributed to our subsidiary, Bakrie Autoparts (BA), which produces components for commercial and passenger vehicles. The sales for commercial vehicles slipped more significantly as compared to passenger vehicles due to the decrease of demand for vehicles from the plantation and mining sector which occurred as a result of price weakening of related commodities, such as crude palm oil and mineral and coal mining.

Due to the fall of oil prices in 2015, many producers operating in the oil & gas sector reconsiders their investment plans. This factor directly affected Bakrie Pipe Industries and SEAPI which is one of Indonesia's most reputable steel pipe manufacturers catering to the oil & gas sector, as well as the Company's EPC services provider subsidiary, namely Bakrie Metal Industries.

The demand of building materials also decreased in line with the declining growth in the property and building materials industry throughout 2015. The Company's subsidiary in this field, Bakrie Building Industries, recorded a decline in sales compared to 2014.

Looking at the positive side, despite the decline in sales, our subsidiaries are still performing well as compared to the decline experienced by other related industries in Indonesia.

#### **OPERATIONAL STRATEGIC POLICY**

The Company management set up strategic policies for each subsidiary to operate more efficiently in order to improve the cost structure as well as expanding their product portfolios to withstand economic fluctuations, or as a complementary product for the existing ones. For example, BA extends the product portfolio into passenger vehicle spare parts and replacement auto components, agriculture machineries, and heavy machineries, to railroad tracks segments. BBI also develops high value added products, while BPI is increasing its capacity in pipe production for the non-oil & gas industry.

#### **FINANCIAL PERFORMANCE**

In 2015, the Company recorded a loss of Rp1.75 trillion, compared to a profit amounted to Rp130.9 billion in 2014. Even with factoring in the deconsolidation of one of the subsidiary to normalize the sales amount, sales revenue decreased by 27%, down to Rp 4.66 trillion in 2015 from Rp 6.38 trillion in 2014.

There are three major factors that resulted in the loss for 2015:

 The company experienced a foreign exchange loss in 2015 with a total of Rp 722.2 billion as compared to Rp 162.7 billion for the year 2014. This was due to the weakening of Rupiah against US Dollars, amounting to 9.8%.

- The Company recorded provision for impairment in investments value for the year 2015, amounted to Rp 968.1 billion. This provision account was not recorded in 2014.
- 3. The Company recorded a loss on fair value changes of trading investment as much as Rp 137.8 billion in 2015 compared to nil in corresponding period in 2014.

In regard to the balance sheet, the Company recorded a decrease of total assets, Rp 9.19 trillion in 2015 from Rp. 11.31 trillion in 2014. This is mainly due to the decrease in short term investments as a result of realization of impairment losses. The Company posted a capital deficiency of Rp 3.94 trillion in 2015 that was caused mainly by the decrease of short term investments value and fair value changes of derivatives.

#### **FINANCIAL STRATEGIC POLICY**

From a financial point of view, in 2015 the Company has implemented strategic decisions in order to improve its financial performance through various plans and steps, such as debt restructuring through conversion of debts into shares, increasing capital through shares issuance and assets sales, and reducing investments in the means of shares. Moreover, the Company will focus on developing its business in the manufacturing sector as well as infrastructure projects as a source of sustainable income.

#### CORPORATE GOVERNANCE PRACTICES

The Company continually enhances the quality of GCG implementation which is conducted in line with the Company values. For this, BNBR refers to the best practices in company business process, control, and

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standard operating procedures. That being said, it is expected that the GCG principles that are of quality will help improve Company performance through better decision making process, increase in efficiency of operations, as well as improved services towards our shareholders.

The principles of GCG are applied through a structure which defines the relationship between every GCG organs, the relationship with the shareholders as well as stakeholders, to ensure the balance and harmony between working performance and the Company's business continuity.

During the year 2015, the Company underwent several activities and initiatives with the aim of improving the quality of GCG. One of the important activities include the Governance, Risk and Compliance (GRC) day, a method of training and educating employees to become experts in GRC. The GRC day aims to disseminate and socialize the GRC related rules & regulation.

The Company also assessed its GCG practices by contributing in the CGPI Award and Annual Report Award, where the results are used as a platform to see where and how the company could improve Corporate Governance.

#### CORPORATE SOCIAL RESPONSIBILITY

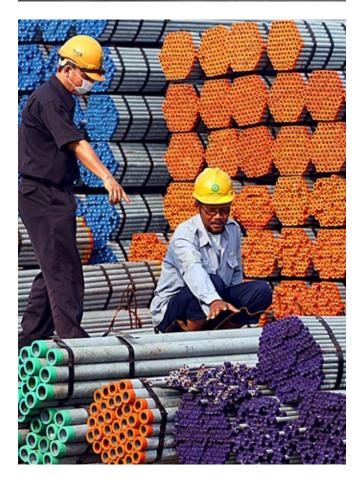
The Company's CSR programs aims to create an economic selfreliance among the communities around the Company's operational sites, enhancing their quality of life while at the same time maintaining environmental sustainability.

The Company alongside its subsidiaries launched several programs to help fulfill such aim, including: Peduli Untuk Negeri (social and religious sector), Cerdas Untuk Negeri (formal and non-formal education sector), Hijau Untuk Negeri (environment sector), Sehat Untuk Negeri (health sector), Kemitraan Untuk Negeri (community development sector). Some of these programs are conducted in collaboration with various subsidiaries through one umbrella activity called Bakrie Untuk Negeri.

#### HUMAN RESOURCES MANAGEMENT

The human resources development program of 2015 was implemented through various initiative programs and organizations, focusing on accelerating strategic achievements and decided business targets. Some of the initiative programs implemented are; the study of organizational design development based on the company's business model, HR planning, recruitment programs, performance management, remuneration management, HR system and procedures, leadership development programs and corporate culture development program.





"The Company will focus on developing its business in the manufacturing sector as well as infrastructure projects as a source of sustainable income." A number of programs were specifically designed to develop employee's capacity, while working together with reputable universities such as Universitas Bakrie for the Bakrie Middle Management Development Program and Bakrie General Manager Development Program.

## BUSINESS PROSPECTS AND DEVELOPMENT FOR 2016

World Bank estimated that the global economic growth for the year 2016 would still be below 3%. The main cause of this growth slowdown is the weakening in economic activities in both developed and developing countries. China's economic growth is predicted decelerate and rebalance at 6.7% for 2016. World Bank estimates that a one-percentage-point decline in China's growth rate will reduces Indonesia's economic growth (via trade and financial links) by about 0.4% after two years. Meanwhile, the Indonesian economic growth is estimated to reach just 5.1%. By taking into consideration of the global economic slowdown that is still happening in 2016, oil prices and commodities that haven't recovered to pre-2014 level, as well as the decrease in domestic consumption, the Company took short-term strategies to improve performance.

Bakrie Metal Industries will focus more on the non-oil & gas market and expand its production capacity in order to achieve a more intensive market penetration. Bakrie Autoparts will continue to focus on improving productivity, expanding to passenger vehicles and replacement market as well as preparing its production infrastructures in order to increase capacity in the medium term. Bakrie Building Industries will improve its high-value-added product portfolio. Meanwhile, from the infrastructure subsidiary, monetization will always be considered along with completion of projects in collaboration with strategic partners

# CHANGE IN THE COMPOSITION OF BOARD OF DIRECTORS

During 2015, the Board of Directors composition experienced a change following Eddy Soeparno's resignation. Through the Company's annual GMS, it was decided for A. Amri Aswono Putro to take Eddy Soeparno's place as Company's Director and CFO. We would like to thank Eddy Soeparno for all of his contributions to the Company, and we are confident that A. Amri Aswono Putro possesses the capabilities and experience to grow the company even further for the upcoming future.

#### CONCLUSION

With all the potential the Company possesses, the Board of Directors is confident that we will grasp every opportunity available, growing the company in the upcoming future. To close it off, the Board of Directors and the entire company's employees would like to thank the Board of Commissioners, shareholders, and other stakeholders for their constant support throughout the years. We do hope that the performance for 2015 will always be improved for the upcoming years.

Jakarta, On behalf of the Board of Directors PT Bakrie & Brothers Tbk

Bobby Gafur S. Umar President Director

## **BOARD OF DIRECTORS**

Dody Taufiq Wijaya Independent Director

Bobby Gafur S. Umar President Director

PT BAKRIE & BROTHERS TBK

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#### BOBBY GAFUR S. UMAR PRESIDENT DIRECTOR & CEO

Bobby Gafur S. Umar was born in Jakarta, 1968 and obtained a Master of Business Administration (MBA) degree from the University of Arkansas, Little Rock, Arkansas, USA in 1995.

He holds the position of President Director & CEO of PT Bakrie & Brothers Tbk since June 2010, while previously was the President Director of PT Bakrie & Brothers Tbk (August 2002-March 2008). In addition to his position in the company, Bobby Gafur S. Umar is also the Commissioner of PT Bakrie Sumatera Plantations (July 2002-now), and the President Director/CEO of PT Bakrie Indo Infrastructure (March 2008-now). Throughout his career, Bobby Gafur S. Umar have held many position, including Managing Director/CEO of PT Bakrie & Brothers Tbk (June 2009-June 2010), Vice President Commissioner of PT Bakrie & Brothers Tbk (March 2008-June 2009), Director of PT Bakrie Sumatera Plantation Tbk (June 2000-August 2002), Director of PT Bakrie Pasaman Plantation Tbk (March-August 2002), Director of PT Agrowiyana (March 1998-August 2002), Manager of Restructurization and Project Acquisition of BSP (October 1997-February 1998), Assistant to the Chairman of the Bakrie Group (October 1995-February 1998).

Bobby Gafur S. Umar is also active in various professional and business organizations. He is currently the Vice Chairman of Oil and Gas Energy of the Indonesian Chamber of Commerce and Industry (KADIN) for the 2015-2020 executive term, and as the Vice Chairman of the Indonesian Public Listed Companies Association for the 2011-2017 executive term. Previously, he was positioned as the Chairman of the Institution of Engineers Indonesia (PII) for the 2012-2015 executive term, Chairman of the ASEAN Federation of Engineering Organization (AFEO) for 2012-2013 executive term and as Chief of the Permanent Committee for the Infrastructural Development of the Indonesian Chamber of Commerce and Industry (KADIN) for the 2010-2015 executive term, after previously held the position of Assistant to the President of KADIN (1995-1998), Vice Chairman of GAPKI West Sumatera Branch (2001-2004), and Chief of the Plantation Sector of KADIN Jambi (2001-2006).

orporate Profile

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Report From The Board of Commissioners & The Board of Directors



# A. AMRI ASWONO PUTRO

Amri Aswono Putro was born in Yogyakarta in 1965 and earned a Bachelor degree in Civil Engineering from Gajah Mada University, Yogyakarta.

He has held the position of Director & Chief Financial Officer (CFO) since June 2015 and also holds the position of CFO at PT Bakrie Indo Infrastructure since 2012. He joined Bakrie Group in 2006 as Corporate Treasury Division Head at PT Bakrieland development Tbk, he was then appointed as Director for the period of 2011-2012. He has handled various infrastructure projects during his tenure in PT Bakrieland Development Tbk. Prior to joining Bakrie Group, he has 15 years of experience in banking and investment industry in a private national bank and other private institutions.

For more than 70 years Bakrie & Brothers also carries out prudent investment in various companies and business sectors, reaching countless milestones, continuously making its contribution to the Indonesian economy.

This is Bakrie's devotion, love, and contribution. To shine light, bring hope, invite prosperity and to take part in shaping the nation.

Additional Informa

**BOARD OF DIRECTORS PROFILE** 

# DODY TAUFIQ WIJAYA

Dody Taufiq Wijaya was born in Jakarta on October 1966 and earned an Accounting degree in 1993 from Indonesian State College of Accountancy (STAN), Jakarta and a Master of Commerce with Advanced Specialization in Accounting from the University of New South Wales (UNSW), Sydney Australia in 1998.

He was appointed as an Independent Director since June 2014, previously since 2010 he has held the position of Director. He has been the Chief Risk Officer (CRO) of the Company since June 2009 and started his career at the Company as the Internal Audit Manager (2002-2005). He was then appointed as Head of Risk Management & Internal Audit (2005-2008) and Vice President Project Support & Control at PT Bakrie Indo Infrastructure (2008-2009). He was an auditor for 15 years at several government agencies and institutions. Currently he held the position as Deputy Head of the Permanent Committee on Good Corporate Governance KADIN Indonesia. He is also a Certified Internal Auditor (CIA) and a Chartered Accountant (CA), also a member of PRMIA, GARP, Indonesia Prima, the Institute of Internal Auditors (IIA), and the Association of Indonesian Accountants (IAI).

PT BAKRIE & BROTHERS TBK

porate Profile

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# R.A. SRI DHARMAYANTI

Sri Dharmayanti was born in Jakarta in 1962 and obtained her Master degree in Law from University of Indonesia.

She holds the position of Director & CLO since 2008. Currently, she also serves as Director of PT Bumi Resources Tbk, Commissioner of PT Arutmin Indoxnesia, Commissioner of PT Kaltim Prima Coal as well as member of the Board of the Indonesian Mining Association (API-IMA), member of Advisory Board of the Indonesian Coal Mining Association (APBI-ICMA), member of the Assessment Team of Indonesia Public Listed Companies Association (AEI) and Member of Association of Indonesian Mining Proffessional (PERHAPI). Previously, she was General Manager-Legal of PT Arutmin Indonesia, after serving as Legal & General Affairs BHP Minerals Group in Indonesia.

Living up to the Trimatra Bakrie Philosophy as the core value of the business, Bakrie & Brothers alongside its subsidiaries has become the foundation for tens of thousands of workers and their families, as well as the stakeholders and the society.

Additional Informati

#### STATEMENT OF RESPONSIBILITY FOR 2015 ANNUAL REPORT

Board of Commissioners and Directors' statement on the responsibility for PT Bakrie & Brothers Tbk Annual Report year 2015.

We, the undersigned, hereby declare that all information disclosed in the 2015 Annual Report of PT Bakrie & Brothers Tbk is complete and we are fully responsible for the accuracy of such information.

Jakarta, April 2016

#### **BOARD OF COMMISSIONERS**

Irwan Sjarkawi President Commissioner & Independent Commissioner

Armansyah Yamin Commissioner

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Nugroho I. Purbowinoto Commissioner

#### **BOARD OF DIRECTORS**

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Bobby Gafur S. Umar President Director

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Dody Taufiq Wijaya Independent Director

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R.A. Sri Dharmayanti Director

A. Amri Aswono Putro Director

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# MANAGEMENT'S DISCUSSION AND ANALYSIS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

This financial performance discussion and analysis refers to the Company's Consolidated Financial Statements for the years ended December 31, 2015 and 2014 attached to this Annual Report. The Consolidated Financial Statements are audited by Public Accounting Firm Handoko Tomo Samuel Gunawan & Partners - Member of Moores Rowland CPAs with their opinion that the consolidated financial statements present fairly in all material respects, the consolidated financial position of PT Bakrie & Brothers Tbk and its subsidiaries as of December 31, 2015 and the consolidated financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

The understanding of description of the financial performance review is taking into account the disclosures in the notes to the Consolidated Financial Statements that represent as an integral part of this Annual Report.

#### OPERATING REVIEW PER BUSINESS SEGMENT

The Company has two core business segments consisting of manufacturing and infrastructure as well as trading, services and investment.

#### MANUFACTURING AND INFRASTRUCTURE SEGMENT

The Company earns a sustainable recurring income from its various manufacturing business units. Whereas the infrastructure projects are currently developed as future income generator.

The Manufacturing and Infrastructure segment contributed 78% of the Company's total revenue in 2015, or Rp 3.64 trillion. This revenue was generated by the Company's manufacturing business units in automotive component, building material and metal industry sectors.

#### PERFORMANCE OF AUTOMOTIVE COMPONENT MANUFACTURING SEGMENT

BNBR carries out its automotive component business through its subsidiaries PT Bakrie Autoparts (BA). BA was established as PT Bakrie Tosanjaya in 1975; currently BA supplies automotive components for OEM with major products among others are brake drum, flywheel, disc brake, hub and coupling housing. BA also has the capacity to perform general or non-automotive casting and plans to tap into after sales spare parts market.

BA has five plant facilities with annual capacity of 33,000 ton casting and 2.5 million units precision machining. In 2015 BA reached production capacity of 78% and fulfilled orders from its various customers.

#### PERFORMANCE OF BUILDING MATERIAL MANUFACTURING SEGMENT

BNBR carries out its building material business through its subsidiaries PT Bakrie Building Industries (BBI). Established as a joint venture with an Australian company in 1976, BBI was one of the pioneers of building material producer in Indonesia which provides Total Building Solution for domestic and international market. BBI products are high quality building material such as fiber cement for roof, ceiling and partition as well as wood substitution product.

BBI has four production facilities with capacity of 350 thousand metric ton per year. Other than that, BBI also performs trading activity of building material products from Japan and Southeast Asia countries. In 2015 BBI reached production capacity of 77% and sales volume of 269 thousand metric ton.

#### PERFORMANCE OF METAL INDUSTRY MANUFACTURING SEGMENT

BNBR carries out its business in metal industry through its subsidiaries PT Bakrie Metal Industries (BMI). BMI started its business in 1959 through its subsidiaries PT Bakrie Pipe Industries (BPI) by producing steel pipes for general use and later expanded to oil and gas sector. In 1984 BMI expanded its capacity by providing fabrication service for corrugated metal and bridges, and then in 1985 BMI started its EPC business through its subsidiaries PT Bakrie Constructions (BC).

The annual capacity of BMI is 200 thousand ton of steel pipes for oil & gas and non-oil & gas sector, 20 thousand ton of corrugated steel fabrication and 2.5 million man-hour of steel structure fabrication. BMI also has extensive experience in handling EPC projects for various oil & gas and non-oil & gas construction.

#### PERFORMANCE OF INFRASTRUCTURE SEGMENT

BNBR carries out its infrastructure business through its subsidiaries PT Bakrie Indo Infrastructure (BIIN). Established in 2008, BIIN was a development of Infrastructure Division of PT Bakrie & Brothers Tbk. As a holding company with various infrastructure assets in Indonesia, BIIN utilizes its extensive experience in infrastructure field and regional expertise. BIIN's objective is to invest in lucrative and high-growth toll road, power, oil & gas, port, and telecommunication infrastructure projects.

Currently BIIN focuses on three major infrastructure projects, that are Coal Fired Steam Power Plant 2 x 660 MW Tanjung Jati A in West Java, Cimanggis-Cibitung 26.4km toll road in West Java, and Kalimantan - Java gas pipeline with phase 1 stretches 200 km at offshore North Java and phase 2 stretches 1,000 km from offshore East Kalimantan to Semarang, Central Java.

#### **Operational Performance of Manufacturing by Segment**

DESCRIPTION		2014 Total	2015			2015/		
	UNIT		TARGET	REALIZATION	% TO TARGET	DIFFERENCE	INCREASE / DECREASE (%)	2016 TARGET
A. Production Volume	e							
Automotive Component	s Manufactur	ring Segment						
Forging	Ton	37,896	41,616	26,347	63.3%	(11,549)	-30.5%	31,810
Precision Machining	Piece	1,848,017	1,937,980	1,702,948	87.9%	(145,069)	-7.8%	2,204,931
Metal Industry Manufac	cturing Segme	ent						
Oil & Gas Steel Pipe	Ton	50,151	129,065	10,817	8.4%	(39,334)	-78.4%	87,110
Non-Oil&Gas Steel Pipe	Ton	69,688	57,482	29,077	50.6%	(40,611)	-58.3%	57,319
Corrugated Steel Fabrication	Ton	623	2,464	582	23.6%	(41)	-6.6%	1,725
Steel Structure Fabrication	Ton	8,455	12,022	5,093	42.4%	(3,362)	-39.8%	13,114
B. Sales Volume								
Automotive Component	s Manufactur	ring Segment						
Sales to OEM	Ton	29,156	22,117	18,849	85.2%	(10,307)	-35.4%	18,491
Replacement Spare Parts Market	Ton	1,365	2,214	1,235	55.8%	(130)	-9.5%	7,223
General Casting	Ton	3,097	3,784	3,436	90.8%	339	10.9%	6,757
Export	Ton	1,140	1,847	1,092	59.1%	(48)	-4.2%	1,210



DESCRIPTION UNIT	2014	2014	2015			2015 /	2016			
	UNIT	TOTAL	TARGET	REALIZATION	% TO TARGET	DIFFERENCE	INCREASE / DECREASE (%)	TARGET		
Building Material Manufacturing Segment										
Fiber Cement Roof	Metric Ton	218,163	252,000	186,013	73.8%	(32,150)	-14.7%	228,000		
Fiber Cement Board	Metric Ton	83,303	120,000	83,528	69.6%	225	0.3%	108,000		
Metal Industry Manufac	cturing Segme	ent								
Oil & Gas Steel Pipe	Ton	95,700	120,000	34,246	<b>28.5</b> %	(61,454)	-64.2%	83,000		
Non-Oil&Gas Steel Pipe	Ton	40,109	53,800	33,484	62.2%	(6,625)	-16.5%	59,400		
Corrugated Steel Fabrication	Ton	655	2,464	566	23.0%	(89)	-13.6%	1,725		
Steel Structure Fabrication	Ton	8,377	12,022	5,111	42.5%	(3,266)	-39.0%	13,114		

#### Net Sales of Manufacturing by Segment

				2015		2015 / 2014				
DESCRIPTION	UNIT	2014 TOTAL	TARGET	REALIZATION	% TO TARGET	DIFFERENCE	INCREASE/ DECREASE (%)	2016 TARGET		
Automotive Components Manufacturing Segment										
Sales to OEM	Rp mio	632,755	511,186	467,107	91.4%	(165,648)	-26.2%	458,624		
Replacement Spare Parts Market	Rp mio	27,077	43,123	23,176	53.7%	(3,901)	-14.4%	65,754		
General Casting	Rp mio	56,802	74,373	63,994	86.0%	7,192	12.7%	114,489		
Export	Rp mio	25,828	44,694	30,525	68.3%	4,697	18.2%	34,461		
Building Material Manufa	cturing Segm	ient		1			·			
Fiber Cement Roof	Rp mio	516,420	697,974	458,714	65.7%	(57,706)	-11.2%	566,000		
Fiber Cement Board	Rp mio	173,068	299,667	176,506	58.9%	3,438	2.0%	265,000		
Metal Industry Manufact	uring Segmen	it					·			
Oil & Gas Steel Pipe	Rp mio	2,404,388	2,125,300	1,376,509	64.8%	(1,027,879)	-42.8%	1,430,348		
Non-Oil&Gas Steel Pipe	Rp mio	429,829	679,179	327,923	48.3%	(101,906)	-23.7%	541,476		
Corrugated Steel Fabrication	Rp mio	11,253	54,458	10,033	18.4%	(1,220)	-10.8%	27,600		
Steel Structure Fabrication	Rp mio	165,683	265,681	88,522	33.3%	(77,161)	-46.6%	236,050		
EPC Service	Rp mio	85,088	433,178	102,009	23.5%	16,921	19.9%	168,131		

#### **TRADING, SERVICES AND INVESTMENT SEGMENT**

The Company also earns revenues from Trading, Services and Investment Segment which comprise of trading of fuel, management and consultation services and making investment in other companies in the form of equity participation, establish or acquire stocks of other companies both directly and indirectly, trading marketable securities and other investment activities.

In 2015 Trading, Services and Investment segment contributes 18% of the Company's total revenue, or Rp 830 billion. The majority of that sum was contributed by investment activities.

		20	14	20	15	2014/2015			
DESCRIPTION	UNIT	TOTAL	% TO TOTAL SALES	TOTAL	% TO TOTAL SALES	DIFFERENCE	INCREASE / DECREASE (%)		
Trading	Rp '000	163,111,772	2.56%	-	-	(163,111,772)	-100.0%		
Services	Rp '000	911,356	0.01%	1,770,040	0.04%	858,684	94.2%		
Investment	Rp '000	223,158,395	3.50%	61,601,568	1.32%	(161,556,827)	-72.4%		

#### **Net Revenues per Trading, Services and Investment Segment**

#### **REVIEW OF FINANCIAL PERFORMANCE**

#### **NET REVENUES**

In 2015 the Company booked total net revenues of Rp 4.66 trillion, or decreased by 27% compared to net sales of 2014.

Manufacturing and infrastructure sector recorded 31% decrease of net revenues, this was mainly attributed to less than conducive economic condition through out 2015 for manufacturing industry in general.

While trade, services and investment sector net revenues declined due to lower investment activity, resulting in a sharp decrease of investment yield in 2015.

#### Net Revenues by Operating Segment

		2014		20	15	2014/2015	
DESCRIPTION	UNIT	TOTAL	% TO TOTAL SALES	TOTAL	% TO TOTAL SALES	DIFFERENCE	INCREASE/ DECREASE (%)
Manufacturing and Infrastructure	Rp '000	5,250,504,620	82.3%	3,643,948,904	78.2%	(1,606,555,716)	-30.6%
Trading, Services and Investment	Rp '000	2,341,513,221	36.7%	830,522,896	<b>17.8</b> %	(1,510,990,325)	-64.5%
Elimination	Rp '000	(1,213,065,087)	-19.0%	187,451,717	4.0%	1,400,516,804	-115.5%
Consolidated	Rp '000	6,378,952,754	100.0%	4,661,923,517	100.0%	(1,717,029,237)	-26.9%

#### **COST OF REVENUES**

In 2015, the Company's cost of revenues decreased by 30%, to Rp 2.71 trillion compared to Rp 3.86 trillion in 2014.

Decrease of cost of revenues for manufacturing and infrastructure segment was a result of lower demand of manufacturing products due to national economic slowdown in 2015.

While in the trade, services and investment segment decrease of cost of revenues was caused by less business activities, mainly in the investment sector.

Detailed cost of revenues by operating segment were as follows:

#### **Cost of Revenues by Operating Segment**

				2014/2015		
DESCRIPTION	UNIT	2014 TOTAL	2015 TOTAL	DIFFERENCE	INCREASE / DECREASE (%)	
Raw material	Rp '000	2,825,661,809	1,725,547,443	(1,100,114,366)	-38.9%	
Direct Labor	Rp '000	175,684,393	132,477,266	(43,207,127)	-24.6%	
Overhead	Rp '000	700,180,039	610,262,298	(89,917,741)	-12.8%	
Work in process and finished goods	Rp '000	29,365,026	231,940,421	202,575,395	689.9%	
Total of cost of Manufacturing and Infrastructure segment	Rp '000	3,730,891,267	2,700,227,428	(1,030,663,839)	-27.6%	
Cost of Investment and Services	Rp '000	518,896	10,886,782	10,367,886	1.998.1%	
Cost of service and installation	Rp '000	124,995,228	-	(124,995,228)	-100.0%	
Total of cost of Trading, Services and Investment segment	Rp '000	125,514,124	10,886,782	(114,627,342)	-91.3%	
Total Cost of Revenue	Rp '000	3,856,405,391	2,711,114,210	(1,145,291,181)	-29.7%	

#### **SELLING, GENERAL AND ADMINISTRATIVE EXPENSES**

In 2015 the Company booked decrease of selling, general and administrative expenses as much as 22%, down to Rp 678 billion compared to 2014 total of Rp 866 billion.

The largest decrease occurred in selling expenses, down by Rp 128 billion in line with the decrease of manufacturing sector's sales volume. While decrease of personnel expenses was partly caused by dismissal of a number of employees in manufacturing business units.

#### Selling, General and Administrative Expenses

				2014/2015		
DESCRIPTION	UNIT 2014 TOTAL		2015 TOTAL	DIFFERENCE	INCREASE / DECREASE (%)	
Selling expenses	Rp '000	246,597,375	118,257,783	(128,339,592)	-52.0%	
Personnel expenses	Rp '000	288,149,157	253,848,963	(34,300,194)	-11.9%	
General and administrative expenses	Rp '000	331,455,495	306,271,662	(25,183,833)	-7.6%	
Total Selling, General and Administrative Expenses	Rp '000	866,202,027	678,378,408	(187,823,619)	-21.7%	

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#### **OPERATING INCOME**

The Company does not present operating income in its 2015 profit and loss report.

#### **OTHER EXPENSES**

In 2015 the Company booked an increase of other expenses as much as 110%, rose to Rp 2.92 trillion compared to Rp 1.39 trillion in 2014.

The biggest contributor to the increase of other expenses is provision for impairment in investment value amounted to Rp 968 billion, followed by loss on foreign exchange which tripled from Rp 163 billion in 2014 to Rp 722 billion in 2015 as a result of weakening of Rupiah exchange rate to US Dollar, from Rp 12,440 in 2014 to Rp 13,795 in 2015. In addition, the Company also realized loss on fair value changes of trading investment amounted to Rp 138 billion due to significant decrease of share price.

		2014	2015	2014/2015		
DESCRIPTION	UNIT	TOTAL	TOTAL	DIFFERENCE	INCREASE / DECREASE (%)	
Loss on foreign exchange - net	Rp '000	162,760,918	722,172,482	559,411,564	343.7%	
Provision for impairment in investment value	Rp '000	-	968,098,807	968,098,807	N/A	
Interest and financial expenses	Rp '000	598,987,903	543,537,809	(55,450,094)	-9.3%	
Realized loss on fair value changes of trading investment	Rp '000	-	137,782,352	137,782,352	N/A	
Fair value changes of derivatives - net	Rp '000	540,515,297	462,841,034	(77,674,263)	-14.4%	
Tax expenses	Rp '000	12,117,807	13,565,877	1,448,070	11.9%	
Loss on disposal of investment	Rp '000	72,809,564	-	(72,809,564)	N/A	
Write-off and provision for impairment losses	Rp '000	1,020,671	65,157,200	64,136,529	6283.8%	
Others	Rp '000	-	6,684,898	6,684,898	N/A	
Total Other Expenses	Rp '000	1,388,212,160	2,919,840,459	1,531,628,299	110.3%	

#### INCOME (LOSS) BEFORE INCOME TAX BENEFIT (EXPENSE)

The company booked loss before income tax expense amounted to Rp1.65 trillion in 2015, a decrease compared to income before income tax expense amounted to Rp 268 billion in 2014.

#### **INCOME TAX EXPENSE**

The company booked income tax expense amounted to Rp 72 billion in 2015, or decreased by 38% compared to the account in 2014. This is due to a direct effect from decrease of the Company's net revenues in 2015.

		2014	2045	2014/2015		
DESCRIPTION	UNIT	2014 TOTAL	2015 TOTAL	DIFFERENCE	INCREASE / DECREASE (%)	
Current tax	Rp '000	(144,257,960)	(74,557,509)	69,700,451	-48.3%	
Deferred tax	Rp '000	27,881,530	2,597,898	(25,283,632)	-90.7%	
Total Income Tax Expense - Net	Rp '000	(116,376,430)	(71,959,611)	44,416,819	-38.2%	

### **NET INCOME (LOSS)**

The company booked a net loss of Rp1.72 trillion in 2015, compared a net income of Rp 152 billion recorded in 2014.

### **OTHER COMPREHENSIVE INCOME (LOSS)**

Other comprehensive incomes (expenses) consist of incomes and expenses which are not recognized in comprehensive income (loss) report but affected equity, thus recorded as a component of equity. Other comprehensive income (loss) is divided into two posts, namely posts that will be reclassify as profit (loss) and posts that will not be reclassified as profit (loss). The Company has balance of other comprehensive incomes as required by Financial Accounting Standard (FAS).

The Company's other comprehensive incomes (expenses) consist of exchange rate differences due to financial statements translation, availablefor-sale securities, difference in value from restructuring transaction of entities under common control, actuarial gain (losses) on employee benefits liabilities and income tax on items in other comprehensive income. The Company's other comprehensive incomes (expenses) in 2015 was Rp 30 billion, or increased by 44% from Rp 21 billion in 2014.

The increase was mainly attributed to difference in value from restructuring transaction of entities under common control amounted to Rp 179 billion.

### TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO OWNERS OF PARENT AND NON-CONTROLING INTEREST

Upon the calculation of profit/loss, then, in 2015 the Company recorded the comprehensive loss attributable Owner of Parent and Non-Controlling Interest in the amount of Rp 1.75 trillion.

### **Balance Sheets Highlight**

				2014/	2014/2015		
DESCRIPTION	UNIT	2014 TOTAL	2015 TOTAL	DIFFERENCE	INCREASE / DECREASE (%)		
Current Assets	Rp '000	5,587,264,118	3,217,077,800	(2,370,186,318)	-42.4%		
Non-Current Assets	Rp '000	5,727,230,435	5,969,314,298	242,083,863	4.2%		
Total Assets	Rp '000	11,314,494,553	9,186,392,098	(2,128,102,455)	-18.8%		
Short-Term Liabilities	Rp '000	11,813,217,334	11,627,124,832	(186,092,502)	-1.6%		
Long-Term Liabilities	Rp '000	1,686,837,262	1,494,386,267	(192,450,995)	-11.4%		
Total Liabilities	Rp '000	13,500,054,596	13,121,511,099	(378,543,497)	<b>-2.8</b> %		

### **CURRENT ASSETS**

In 2015 the Company booked Rp 3.22 trillion of current assets, decreased by 42% compared to Rp 5.59 trillion in 2014. This was mainly due to selling of available-forsale securities namely the Rp 1.24 trillion worth of Bumi Borneo Resources Pte Ltd shares which the proceed was used to settle some of the short term loans, as well as allowance for impairment of investment amounted to Rp 900 billion.

### **NON-CURRENT ASSETS**

The Company recorded an increase of non-current assets to Rp 5.97 trillion in 2015 compared to Rp 5.73 trillion in 2014, or by 4%. Largest increase was contributed by investment in associated and jointly controlled entities which increased by Rp 920 billion; this increase counterbalanced the Rp 372 billion decrease of other non-current assets.

### **TOTAL ASSETS**

In 2015 the Company booked total assets amounted to Rp 9.2 trillion compared to Rp11.3 trillion recorded in 2014, or decreased 19%. This was mainly attributed to decrease of current assets as described above.

### **SHORT-TERM LIABILITIES**

In 2015 the Company booked 2% decrease of short-term liabilities, down to Rp 11.6 trillion compared to Rp 11.8 trillion in 2014. Derivative liabilities and current maturities of long-term liabilities increased by Rp 860 billion and Rp 616 billion respectively, however this increase was compensated by the Rp 1.29 trillion total decrease of short-term loans.

### LONG-TERM LIABILITIES

In 2015 the Company recorded long-term liabilities amounted to Rp 1.49 trillion, down by 11% from Rp 1.69 trillion in 2014. This decrease was mainly due to increase of current maturities of long-term liabilities.

### **TOTAL LIABILITIES**

In 2015 the Company booked decrease of total liabilities as much as Rp 378 billion, or declined by 3% to Rp 13.12 trillion compared to Rp 13.50 trillion in 2014.

### **TOTAL EQUITY**

The Company booked equity deficiency as much as Rp 3.93 trillion in 2015, or decreased by 80% from 2014 equity deficiency which amounted to Rp 2.18 trillion. This decrease was caused by increase of deficit value which amounted to Rp 1.74 trillion.

### **Total Equity**

				2014/	/2015
DESCRIPTION	UNIT	2014 TOTAL	2015 TOTAL	DIFFERENCE	INCREASE / DECREASE (%)
Equity attributable to owners of the Parent Share capital – Rp 2,850, Rp 399 and Rp 114 as of December 31, 2014 and December 31, 2015 par value for each A Series, B Series and C Series shares Authorized 372,196,588,000 shares Issued and fully paid 93,721,717,528 shares as of December 31, 2014 and December 31, 2015	Rp '000	12,263,548,350	12,263,548,350	-	N/A
Additional paid-in capital - netto	Rp '000	(2,380,597,497)	(2,559,844,395)	(179,246,898)	-7.5%
Exchange differences due to financial statements translation	Rp '000	120,864,679	291,220,611	170,355,932	140.9%
Unrealized loss on short-term investments	Rp '000	(40,173,856)	-	40,173,856	N/A
Actuarial gain (loss) on employee benefit liability	Rp '000	(89,994,293)	(78,576,861)	11,417,432	12.7%
Deficit (Deficit of Rp27.7 trillion as of June 30, 2011 was eliminated in connection with quasi-reorganization)	Rp '000	(12,078,460,677)	(13,823,577,069)	(1,745,116,392)	-14.4%
Sub-total	Rp '000	(2,204,813,294)	(3,907,229,364)	(1,702,416,070)	-77.2%
Non-controlling Interest	Rp '000	19,253,251	(27,889,637)	(47,142,888)	-244.9%
Total (Defficiency) Equity	Rp '000	(2,185,560,043)	(3,935,119,001)	(1,749,558,958)	-80.1%



### **CASH FLOWS**

The Company recorded net used of cash for operating activites amounted to Rp 415 billion in 2015, compared to net cash flow provided by operating activities in 2014 which amounted to Rp 860 billion. This was mainly due to decrease of cash receipt from customers, from Rp 6.30 trillion in 2014 down to Rp 2.77 trillion in 2015. While payments to suppliers and employees in 2015 were as much as Rp 2.92 trillion, down by 44% from 2014 total.

Cash flow provided by investing activities during 2015 was as much as Rp 75.3 billion, increased by 122% compared to cash used in investing activities during 2014. Largest cash flow came from investments disposal, that is sales of 90% shares in PT Cimanggis Cibitung Tollways, which consists of 10% share ownership of PT Bakrie & Brothers Tbk and 80% share ownership of PT Bakrie Toll Indonesia, to PT Waskita Karya (Persero) Tbk valued at Rp 552 billion.

Net cash provided by financing activities during 2015 was as much as Rp 449 billion, increased by 206% compared to cash used in financing activities during 2014. Largest increase came from cash withdrawal of restricted cash in banks which amounted to Rp 438 billion in 2015.

				2014/2015		
DESCRIPTION	UNIT	2014 TOTAL	2015 TOTAL	DIFFERENCE	INCREASE/ DECREASE (%)	
Net Cash Flows Provided by (Used in) Operating Activities	Rp '000	860,169,014	(415,172,030)	(1,275,341,044)	-148.3%	
Net Cash Flows Provided by (Used in) Investing Activities	Rp '000	(337,941,464)	75,299,010	413,240,474	-122.3%	
Net Cash Flows Provided by (Used in) Financing Activities	Rp '000	(421,336,151)	449,307,702	870,643,853	-206.6%	
Cash and Cash Equivalents at End of Year	Rp '000	279,176,797	418,099,972	138,923,175	49.8%	

### **Cash Flows**

# LIABILITIES SERVICING AND RECEIVABLES COLLECTABILITY

### LIABILITIES SERVICING (SOLVENCY)

The Company's solvency can be analyzed by three relevant financial ratios – solvency ratio, liquidity ratio, and collectability ratio, as detailed in the following tables.

### Solvability

DESCRIPTION	UNIT	2014 TOTAL	2015 Total
Debt to Equity Ratio	Multiple	-6.18	-3.33
Net Debt to EBITDA Ratio	Multiple	20.31	416.04
EBITDA to Interest Expense Ratio	Multiple	1.11	0.06
Total Debt to Total Assets Ratio	Multiple	1.19	1.43

### **RECEIVABLES COLLECTABILITY**

The Company was able to improve the quality of its receivables by accelerating collecting period from 130 days in 2014 to 120 days in 2015. The improvement was enabled by the increase of collectability level of trade receivables with collection period up to 1 month. In the previous year trade receivables with collection period up to 1 month was only 50% of total trade receivables, it was then increased to 64% of total trade receivables in 2015. This increase counterbalanced the increase of trade receivables with collection period over 1 year, which contributed 12% to 2015 total trade receivables, from 9% in 2014.

### Collectability

DESCRIPTION	UNIT	2014 TOTAL	2015 TOTAL
Collection Period	Day	130	120
Account Receivables Turnover Ratio	Multiple	2.77	3.01

# CAPITAL STRUCTURE AND CAPITAL STRUCTURE POLICY

The Company's capital structure in 2015 consisted of 142.8% liabilities and -42.8% equity. The Company's liabilities were mainly used to increase the Company's funding needs in financing the business development activities including: companies acquisition, subsidiaries establishment, addition of paid-in capital in subsidiaries, plant capacity expansion, constructing of supporting production facilities, distribution network development, and for working capital needs as well as to cover capital deficiency.

The Company's equity was entirely used to finance business development activities and to cover business risks. The Company's equity in 2014 and 2015 recorded negative balance due to accumulated losses arising from short-term investment activities, fair value change of derivatives, weakening of Rupiah exchange rate and financial expenses.

		20	14	2015		
DESCRIPTION	UNIT	TOTAL	% TO CAPITAL	TOTAL	% TO CAPITAL	
Short-Term Liabilities	Rp '000	11,813,217,334	104.4%	11,627,124,832	126.6%	
Long-Term Liabilities	Rp '000	1,686,837,262	14.9%	1,494,386,267	<b>16.3</b> %	
Total Liabilities	Rp '000	13,500,054,596	119.3%	13,121,511,099	<b>142.8</b> %	
Equity	Rp '000	(2,185,560,043)	-19.3%	(3,935,119,001)	-42.8%	
Total Liabilities and Equity	Rp '000	11,314,494,553	100.0%	9,186,392,098	100.0%	

### **Capital Structure**

### **CAPITAL STRUCTURE POLICY**

The Company established the policies of capital structure with a view to preserving the balance between the use of the composition of equity to loan / debt consists of short-term debt and long-term debt in order to maximize the value of the Company. The Company seeks to maintain capital structure to fit or do not exceed the financial covenant as required by loan agreement with the creditors.

The Company's capital structure policies which are implemented are:

- Capital structure should be able to balance financial risk with the rate of return to enhance the value of the Company, by:
  - Taking into account the use of scale and structure of debts that bear financial obligations (interest rate) and affect the liquidity of the Company.
  - Optimizing return of equity to increase earnings per share.

- The capital structure is reviewed by evaluating the relationship between financial leverage, the value of the company, and cost of capital in order to achieve financial trade-off that can be justified.
- Capital structure needs to be optimized by managing the combination of debt and equity that maximizes the value of the Company.

# MATERIAL COMMITMENT FOR CAPITAL INVESTMENT

There was no material commitment for capital investment in 2015.

# CAPITAL GOODS INVESTMENT

The investment policy of BNBR and its subsidiaries focuses on business sustainability and achievement of company's long term plan. In 2015 BNBR and its subsidiaries spent Rp 122 billion for capital goods investment.

# 2015 COMPANY'S TARGET COMPARED TO ACTUAL PERFORMANCE

Achievement of 2015 target was also monitored through average selling price and infrastructure projects completion as described in the following tables.

### **Average Selling Price**

		2015			2015 /			
DESCRIPTION	UNIT	INIT 2014 PRICE	PRICE TARGET	PRICE REALIZATION	% TO TARGET	DIFFERENCE	INCREASE / DECREASE (%)	2016 TARGET
A. Production Volume	1							
Automotive Components	Manufacturin	g Segment						
Sales to OEM	Rp '000/ton	21,702	23,113	24,782	107.2%	3,080	14.2%	24,803
Replacement Spare Parts Market	Rp '000/ton	19,837	19,477	18,766	<b>96.3</b> %	(1,071)	-5.4%	9,103
General Casting	Rp '000/ton	18,341	19,655	18,625	94.8%	284	1.5%	16,944
Export	Rp '000/ton	22,656	24,198	27,953	115.5%	5,297	23.4%	28,480
Building Material Manufa	icturing Segm	ent						
Fiber Cement Roof	Rp '000/ton	2,367	2,770	2,466	89.0%	99	4.2%	2,482
Fiber Cement Board	Rp '000/ton	2,078	2,497	2,113	84.6%	35	1.7%	2,454
Metal Industry Manufacturing Segment								
Oil & Gas Steel Pipe	Rp '000/ton	25,124	17,711	40,195	226.9%	15,071	60.0%	17,233
Non-Oil&Gas Steel Pipe	Rp '000/ton	10,717	12,624	9,793	77.6%	(924)	-8.6%	9,116

### **Infrastructure Projects Completion**

		COMPLETION STAGE	
DESCRIPTION	2014	2015	TARGET 2016
Steam Power Plant 2 x 660 MW Tanjung Jati A	Selection of consultant for land acquisition, implementation of soil investigation, transmission line and Environmental Impact Assessment survey. Have carried out coordination meeting with PLN.	Formed collaboration with YTL Jawa Energy BV on August 2015 to construct and operate. Have performed preparation of Environmental Impact Assessment study, EPC review and land	Started land acquisition process as well as Environmental Impact Assessment study and EPC tender process.
Cimanggis-Cibitung Toll Road 26.4 km	SP2LP licence has been issued by the Governor of West Java. Have performed signing of BLU as land acquisition fund as well as composed Environmental Impact Assessment addendum, Environmental Management Plan and Environmental Monitoring Plan.	Formed a collaboration with PT Waskita Karya Persero (Tbk) for construction on July 2015. Current construction focuses on Cimanggis Junction along with acquiring the necessary land in Bekasi and Bogor Regency.	Continue land acquisition process as well as phase 1 construction.
Kalija Gas Pipeline	Project groundbreaking by the President of the Republic of Indonesia. Every licence for pipe and facility construction, both offshore and onshore, have been issued.	First phase of this project is completed and has started operation on August 2015, marked by the transportation of 116 mmscfd gas from Petronas Carigali Muria Ltd to PLN Tambak Lorok.	First phase of this project has fully operated. Gas transportation carried out according to GTA.

# MATERIAL EVENT AND INFORMATION SUBSEQUENT TO THE ACCOUNTANT'S REPORTING DATE

On January 28, 2016, BNBR Group partially repay loan facility to MNC Bank amounting to Rp 9.5 billion.

# COMPANY'S BUSINESS PROSPECT

### **BAKRIE AUTOPARTS**

Total sales of cars in Indonesia market dropped from 1.2 million units in 2014 to just 1 million units in 2015, or declined by 16%. The commercial vehicle segment suffers from 17% decrease, from approximately 313 thousand units sold in 2014 to just 260 thousand units. While passenger vehicle segment declined by 16%, from 879 thousand units in 2014 to 737 thousand units in 2015.<sup>1</sup>

For the past couple of years the global automotive production in general and in Indonesia particularly was not fully absorbed by the market. This condition prompted BA to set a conservative sales target.

Even though 2015 wasn't the most encouraging year for automotive industry, however as economic activity grew as observed in third

quarter of 2015, GAIKINDO predicted 2016 will be a turning point where car sales will rebound and grow up to 10% reaching 1.1 million units. Furthermore, considering that Indonesia's car ownership per capita ratio is still very low (less than four present of total population<sup>2</sup>), it is reasonable to conclude that automotive industry still has vast growth opportunity.

Bakrie Autoparts (BA) main sales are components for commercial vehicle, which contributed up to 85% of total sales tonnage in 2015. BA has been trusted as component supplier for two major OEM in Indonesia, namely Mitsubishi and Hino. This reinforced BA's performance in commercial vehicle segment eventhough domestic sales in that category significantly dropped.

BA realized that commodity market which has been the backbone of commercial vehicle segment will not be fully recovered yet in 2016, therefore BA has made necessary preparation to start tapping into passenger vehicle and aftersales market in order to support its business sustainability.

Other than that BA will also boost its sales in non-automotive segment (general casting) in the coming years. BA's current customer profile has also include various agricultural and heavy equipment producers, right now BA is actively prospecting partnership with other producers in order to expand this market segment.

<sup>1</sup> GAIKINDO

<sup>&</sup>lt;sup>2</sup> World Economic Outlook Data, Oktober 2012

### **BAKRIE BUILDING INDUSTRIES**

Indonesia's economic slowing down in 2015 has caused decline of demand in building materials product, however this decline is viewed as a temporary condition. As GDP growth and inflation rate stability recover, construction projects of both Government and private sector will resume.

In May 2015 the Government has proclaimed "A Million Houses for the People" (Sejuta Rumah untuk Rakyat) program, this program is set to fulfill housing backlog in Indonesia which has reached 7.6 million<sup>3</sup> houses in 2015. Until 2015 the Government has only been able to build 452 thousand houses for low income group of people (MBR) and 247 thousand houses for non-low income group of people (non-MBR), or only approximately 70% of target. However the Ministry of Public Works and Public Housing has stated their readiness to continue this program in 2016.

Housing backlog and Government commitment in fulfilling it indicates a vast opportunity for Bakrie Building Industries (BBI) to increase sales of fiber cement products which are commonly used in lowincome housing. Until 2015 BBI succeeded in achieving 21% and 14% domestic market share for roof and board products respectively. BBI's distribution strength still relies on Java and Southern part of Sumatera island; this is inline with national construction market value mapping which has largest concentration in Java island at 57%, followed by Borneo island at 15% and Sumatera island at 12%<sup>4</sup>. In the short term BBI aims to strengthen its distribution network to grab the opportunities outside Java island.

Other than expanding its products distribution, BBI has also added High Value Added (HVA) product type which has higher margin and suitable for upper-middle market segment. In the long term BBI positioned itself as provider of "Total Building Solution", therefore BBI continuously perform research and development in order to provide products that are suitable with Indonesia's market demand.

### **BAKRIE METAL INDUSTRIES**

The year 2015 was marked by the downslide of oil & gas industry; crude oil average price in 2015 only reached US\$ 50 per barrel, or declined by 47% compared to 2014<sup>5</sup>. This price decrease was mainly caused by oversupply of crude oil, while global oil consumption growth is predicted to decelerate in 2016 to a mere 1.3%<sup>6</sup>. As a result numerous projects related with oil & gas industry were put on halt and the effect was clearly visible in Bakrie Metal Industries (BMI) financial result during 2015.

BMI businesses that are related to oil & gas industry such as oil & gas pipes and offshore construction experienced a decrease of more than 40% in 2015. Crude oil price is predicted to start its recovery in 2016; however the recovery rate won't allow immediate rebound to its glory days. In light of this forecast BMI has planned to expand its non-oil & gas business.

In the near future BMI will focus on expanding its EPC segment and taking part in the numerous infrastructure development project planned by the Government of Indonesia.

As for Bakrie Pipa Industries (BPI), BMI's subsidiaries that produces steel pipes, it will strengthen its position in the non-oil & gas market by expanding its production capacity of general pipes. Furthermore, BPI has also started an effort to increase their margin by establishing pipe coating facility in their factory area.

### **BAKRIE INDO INFRASTRUCTURE**

Development of basic infrastructure and connectivity has become one of the mandates of National Medium Term Development Plan 2015 – 2019 of Republic of Indonesia. In order to achieve such infrastructure development target, the Government of Indonesia has predicted that funding needs will reach Rp 5,500 trillion, and private sector participation is put into budget by as much as Rp 1,700 trillion or 30% of the total needs.

Electrification ratio target in 2019 is set to reach 96.6% from just 81.5% in 2014. In order to achieve it the Government has announce accelerated development program of 35,000 MW power plants with investment needs totaling at Rp 980 trillion. Private sector participation is expected at Rp 435 trillion, or equivalent to development of 18.7 GW power plants along with 360 circuit kilometer. In addition, the Government has also opened a wider participation opportunity for private sector that previously has build and operate power plant.

The Company through its subsidiary, Bakrie Power (BP), has a considerably large prospect to further develop the capacity of Tanjung Jati Power Plant (2 x 660 MW) which will soon enter its construction stage. Furthermore, BP will also participate in other tenders that are parts of the aforementioned Government project, while continuing the development of its two geothermal powerplant concessions.

Meanwhile one of the connectivity targets is the development of 2,650 km new road, 1,000 toll road and 46,770 km existing road maintenance. The Government has constructed a plans for general toll road network system, included in it were toll roads that are approved by the Minister as general guidance in constructing the toll road network; the authority of toll road management rests with the Government with several authorities comprising of regulating, managing and supervising of toll roads delegated to the Indonesia Toll Road Authority (Badan Pengatur Jalan Tol / BPJT). At the macro stage of toll road business the Government also provides opportunity for other non-Government and non-BPJT related Business Entity to propose toll road development initiative based on study of connectivity needs and business prospect as conducted by the aforementioned Business Entity.

<sup>6</sup> World Bank, Januari 2016, "Commodity Markets Outlook"

<sup>&</sup>lt;sup>3</sup>BPS dan BKKBN

<sup>&</sup>lt;sup>4</sup> BCI Economics, 2015

<sup>&</sup>lt;sup>5</sup> World Bank, Januari 2016, "Commodity Markets Outlook"

Various business prospects that rise along with the Government's commitment to accelerate infrastructure development are captured by the Company through its subsidiary, Bakrie Indo Infrastructure (BIIN). With diversified assets portfolio, BIIN is positioned to develop, own and operate several lucrative and financially sound infrastructure projects in Indonesia. BIIN's short term projects are targeted at Indonesia's main development needs: toll road, electricity and gas pipe network. Currently BIIN still has the rights to build Kalimantan-Java 1,200 km pipeline, which is set to realize after availability of natural gas resource in East Kalimantan is confirmed. Other than the infrastructure sectors as mentioned above, the Company will also participate in reviewing the feasibility of business development in other related sectors, such as sea ports, air ports, and clean water provision.

# MARKETING OF COMPANY'S PRODUCT AND SERVICE

Operating units of BNBR actively implement their marketing strategy in order to achieve target sales. In majority the marketing activity is carried out through two methods: Business-to-Business (B2B) and Business-to-Consumer (B2C).

B2B marketing is carried out by Bakrie Autoparts (BA) for products supplied to OEM (Original Equipment Manufacturer) and by Bakrie Metal Industries (BMI) for services in metal construction project and oil & gas products such as large diameter pipes. BA and BMI routinely maintain good relationship with their business partner and expand their network to create future collaboration. Since 2015, Bakrie Pipe Industries (BPI), a subsidiary of BMI, also offers steel pipe coating and quality testing service which marketing activity also carried out using B2B method.

B2C marketing is carried out by Bakrie Building Industries (BBI) for its products and by BPI for non-oil & gas products such as small diameter pipes. BBI has built strong relation with 80 distributors which sell BBI products in over 12,000 building materials retailers across Indonesia. BPI also cooperates with distributors in channeling its general purpose pipes to consumers all over Indonesia.

# **DIVIDEND POLICY**

BNBR dividend policy is set in the Prospectus when the Company was conducting its Initial Public Offering (IPO), the policy is stated in the "Dividend" section, which states that BNBR will pay out dividends with respect to the financial condition and business development plans. The magnitude of the dividend payout ratio and/or the amount of the dividend per fiscal year is set by the General Meeting of Shareholders (GMS). With due regard to the Capital Market and other prevailing law, the Company plans to pay cash dividends to its shareholder every year, without reducing the rights of the GMS to decide otherwise. Proposed policy of dividend payments to shareholders, whose names are listed on the Shareholders Registrar, is as follow:

NET PROFIT AFTER INCOME TAX	DIVIDEND PAYOUT RATIO
Rp 0 up to 250 billion	5-10%
Above Rp 250 billion	11 — 15%

Each of the listed companies, subsidiaries/business units and associated companies has their independent dividend policy.

### **DIVIDEND DISTRIBUTION**

Referring to the Company's business plan for the coming fiscal year as well as the provisions of Article 70 and Article 71 of the Limited Liability Company and the requirements in BAPEPAM Circular Letter No. S-2057/PM/2003 which regulates, among others, usage of profit in the form of dividends can be done if the Company has positive retained earnings and total equity; therefore according to the decision of the Annual GMS in 2015 the usage of Company's profit of the fiscal year ended December 31, 2014 was decided as retained earnings. While for fiscal year ended December 31, 2015 will be decided in the coming Annual GMS in 2016.

# EMPLOYEE SHARE OWNERSHIP PROGRAM / MANAGEMENT SHARE OWNERSHIP PROGRAM (ESOP/ MSOP)

The Company currently does not have employee and/or management share ownership program (ESOP/MSOP).

Additional Informat

# REALIZATION OF INITIAL PUBLIC OFFERING (IPO) FUNDS

On August 28, 1989, the Company conducted an Initial Public Offering (IPO) of 2,850,000 shares at par value of Rp 1,000 per share. All of Company's shares were listed on Jakarta Stock Exchange (JSX), now known as Indonesia Stock Exchange (IDX). Since then until this reporting year the Company has never conducted the corporate action of offering shares to the public in order to raise funds.

# MATERIAL INFORMATION ON INVESTMENT, EXPANSION, DIVESTMENT, MERGER, ACQUISITION OR DEBT/CAPITAL RESTRUCTURING

Information on divestment as well as establishment and changes of share ownership in subsidiaries is disclosed by the Company in point number 4 of Accompanying Notes to the Consolidated Financial Statement for fiscal year ended December 31, 2015.

# INFORMATION ON MATERIAL TRANSACTION WHICH CONTAINS CONFLICT OF INTEREST AND/OR AFFILIATE TRANSACTION

In 2015 BNBR did not conduct any material transaction which contains conflict of interest and/or affiliate transaction.

# **RELATED PARTIES**

Considering the multi-sector nature of the Company's business, sometimes the Company conducts transactions with related parties that provide services relevant to the Company's business activities.

Related parties are defined in accordance with Regulation of BAPEPAM-LK No. VIII.G.7 on Presentation and Disclosure of Financial Statements of Listed Companies or Public Companies, as an attachment to Decree of Chairman of BAPEPAM-LK Number Kep-347/ BL/2012 dated 25 June 2012.

Detailed information on Transactions with Related Parties is is disclosed by the Company in point number 33 of Accompanying Notes

to the Consolidated Audited Financial Statement for fiscal year ended December 31, 2015.

As result of the transactions with related parties, the Company has balance of assets and liabilities with respect to the transactions and recognized under the accounts of: cash and cash equivalents, shortterm investments, trade receivables, other liabilities, and long-term liabilities.

# TYPES OF TRANSACTIONS AND BALANCE OF TRANSACTIONS WITH RELATED PARTIES

Types of transactions with related parties are:

### 1. Revenues

Sales of certain goods and services carried out with related parties include; construction services, general spare part products, and engineering services.

2. Receivables from Commissioners, Directors, and Employees

The Company and certain subsidiaries provide non-interest bearing loans for the purchase of houses and cars to Directors and other employees.

### 3. **Due from related parties**

In the process of procurement of goods and services from related parties, sometime the Company may make payments within a certain period of time, which are recorded as due from related parties.

### 4. Trade receivables – related parties

In the sales activity, the payments for services and goods can be made within a certain period of time. The Company records the unsettled invoices under Trade Receivables – Related Parties.

- 5. Other payables to related parties
- 6. Due to related parties
- 7. Short-term investments
- 8. Trade payables related parties
- 9. Key management compensation

The summary of balance and percentage of transactions with related parties compared to the respective types of transactions, including revenues, assets, liabilities, and others, are described in the following tables. (Complete information is disclosed in point number 33 of Accompanying Notes to the Consolidated Audited Financial Statement for fiscal year ended December 31, 2015).

Corporate Profile

### **Transaction with Related Parties**

		2014		20	15	2014/2015	
DESCRIPTION	UNIT	TOTAL	% TO TOTAL SALES	TOTAL	% TO TOTAL SALES	DIFFERENCE	INCREASE/ DECREASE (%)
Revenues	Rp '000	191,021,011	2.99%	215,468,671	4.62%	24,447,660	12.8%
Key management compensation	Rp '000	48,690,770	N/A	63,049,926	N/A	14,359,156	29.5%

		2014		20	15	2014/2015	
DESCRIPTION	UNIT	TOTAL	% TO TOTAL SALES	TOTAL	% TO TOTAL SALES	DIFFERENCE	INCREASE / DECREASE (%)
Receivable from Commissioners, Directors and Employees	Rp '000	5,514,499	0.06%	7,042,137	0.06%	1,527,638	27.70%
Due from related parties	Rp '000	365,655,147	3.23%	226,157,503	<b>2.46</b> %	(139,497,644)	-38.15%
Trade receivables — related parties	Rp '000	43,981,312	0.39%	32,775,850	0.36%	(11,205,462)	-25.48%

		2014		2015		2014/2015	
DESCRIPTION	UNIT	TOTAL	% TO TOTAL SALES	TOTAL	% TO TOTAL SALES	DIFFERENCE	INCREASE / DECREASE (%)
Other payables – related parties	Rp '000	8,456,268	0.06%	28,678,360	0.22%	20,222,092	239.14%
Due to related parties	Rp '000	128,969,653	100.00%	204,750,100	100.00%	75,780,447	58.76%
Short-term investment	Rp '000	1,672,889,909	64.62%	83,540,282	<b>6.24</b> %	(1,589,349,627)	-95.01%
Trade payables – related parties	Rp '000	2,682,865	0.02%	2,407,915	0.10%	(274,950)	-10.25%

# CHANGES OF REGULATIONS

In 2015, there were some changes of regulations that impact the Company's performance today and in the future:

No.	REGULATION	CONCERNING	EFFECT TO COMPANY
1.	Regulation of the President Number 12 year 2013	Healthcare Insurance: Payment of 5% contribution of wages shall be incurred by Employer	Neutral
2.	Government Regulation Number 45 year 2015	Pension Security Program: Payment of 2% contribution of wages shall be incurred by Employer	Neutral
3.	Bank Indonesia Regulation Number 17/3/ PBI/2015	Mandatory Use of Rupiah within the Unified State of the Republic of Indonesia	Neutral

# CHANGES OF ACCOUNTING POLICY

The Indonesian Institute of Accountants (IAI) has published several new/revised accounting standards that may have certain impact on the consolidated financial statements, as stipulated in point number 33 of Accompanying Notes to the Consolidated Audited Financial Statement for fiscal year ended December 31, 2015. The Company has applied several of the standards:

BNBR Group has applied PSAK 24 (Revised 2013) "Employee Benefits", issued by the Indonesian Financial Accounting Standards Board in December 2013 to replace PSAK 24 (Revised 2010) "Employee Benefits". BNBR has adopted this interpretation effective January 1, 2015 in accordance with the transitional provisions of PSAK 24.

There are three key changes to the Group's previous accounting policy because of the adoption of PSAK 24 (Revised 2013), as follows:

- 1. Recognition of actuarial gains (losses)
- 2. Calculation of pension expenses
- 3. Disclosure items

A comparison of the amounts as previously reported and as restated as of December 31, 2014 was disclosed by the Company in point number 45 of Accompanying Notes to the Consolidated Audited Financial Statement for fiscal year ended December 31, 2015. The management believes that the above reclassification of accounts have no significant impacts to the presentation of previous year's consolidated financial statements.

The standards and interpretations that are issued by the Financial Accounting Standards Board (DSAK) and the Sharia Accounting Standards Board (DSAS), but not yet effective for current financial statements are disclosed below:

No.	ACCOUNTING STANDARD AND INTERPRETATION	CONCERNING	EFFECTIVE DATE
1.	Amendments to PSAK 1	Presentation of Financial Statements on Disclosures Initiative	1 Jan 2017
2.	Amendments to PSAK 4	Separate Financial Statements on Equity Method in Separate Financial Statements	1 Jan 2016
3.	Amendments to PSAK 15	Investments in Associates and Joint Ventures on Investment Entities: Applying the Consolidation Exception	1 Jan 2016
4.	Amendments to PSAK 16	Property, Plant and Equipment on Clarification of the Accepted Method for Depreciation and Amortization	1 Jan 2016
5.	Amendments to PSAK 19	Intangible Assets on Clarification of the Accepted Method for Depreciation and Amortization	1 Jan 2016
6.	Amendments to PSAK 24	Employee Benefits on Defined Benefit Plans: Employee Contributions	1 Jan 2016
7.	Amendments to PSAK 65	Consolidated Financial Statements on Investment Entities: Applying the Consolidation Exception	1 Jan 2016
8.	Amendments to PSAK 66	Joint Arrangements on Accounting Acquisition of Interests in Joint Operations	1 Jan 2016
9.	Amendments to PSAK 67	Disclosure of Interests in Other Entities on Investment Entities: Applying the Consolidation Exception	1 Jan 2016
10.	ISAK 30 (2015)	Levies, adopted from IFRIC 21	1 Jan 2016
11.	ISAK 31 (2015)	Interpretation on scope of PSAK 13: Investment Property	1 Jan 2017
12.	PSAK 5 (Improvement 2015)	Operating Segments	1 Jan 2016
13.	PSAK 7 (Improvement 2015)	Related Party Disclosures	1 Jan 2016
14.	PSAK 13 (Improvement 2015)	Investment Property	1 Jan 2016
15.	PSAK 16 (Improvement 2015)	Property, Plant and Equipment	1 Jan 2016
16.	PSAK 19(Improvement 2015)	Intangible Assets	1 Jan 2016

17.	PSAK 22 (Improvement 2015)	Business Combinations	1 Jan 2016
18.	PSAK 25 (Improvement 2015)	Accounting Policies, Changes in Accounting Estimates and Errors	1 Jan 2016
19.	PSAK 53 (Improvement 2015)	Share-based Payment	1 Jan 2016
20.	PSAK 68 (Improvement 2015)	Fair Value Measurement	1 Jan 2016
21	PSAK 110 (Improvement 2015)	Sukuk Accounting	1 Jan 2016

As of the issuance date of these consolidated financial statements, the Management of Group is still evaluating the impact of amendment and interpretation of these new standards, and the impact to consolidated financial statements.

# MATERIAL INCREASES RELATED TO SALES VOLUME/NEW PRODUCTS

BNBR and its subsidiaries did not have any material increases related to sales volume and/or new products.



# HUMAN CAPITAL MANAGEMENT





Developing talented and professional people with high integrity and entrepreneurial spirit in order to overcome challenges, embracing the opportunities and ensuring future business growth.

# HUMAN CAPITAL MANAGEMENT

The Company, which was previously better known for its management of short- and long-term assets through the expansion of its shareholding portfolio, is now focusing more on developing its business units operating in the real sector, manufacturing and infrastructure development. The Company is also pioneering a number of development programs in the real sector, as set out in the Corporate Development Strategy Initiative. This shift in focus represents the Company's response to the increasingly favorable conditions in the real sector, especially in areas related to infrastructure development.

In order to support the realization of these development programs, the Company has formulated a program to increase people competence and readiness, to be implemented in line with the Corporate Development Strategy Initiative. Considering the fact that people management, attitude changing and integrity and competence-building must be implemented sustainably, the Company has formulated integrated development and Human Capital (HC) management programs.

BNBR's Human Capital program was, in 2015, carried out through a number of HC management and organization programs and initiatives, steered toward acceleration of achievement of business goals and targets. These programs and initiatives included review and development of organization design in line with the Company's business model, HC planning and recruitment programs, leadership development programs and corporate culture development programs.

# ORGANIZATIONAL REVIEW AND DEVELOPMENT

Alongside the current business development and dynamic, the Company continuously updates and regulates the organizational structure in order to make it more effective. An effective organizational structure is pivotal in promoting the Company's vision, mission and business targets among all parties within the Company.

The process of the Company's organization review and development is carried out in view of its basic philosophy, placing organization productivity as the benchmark for success in tackling the competition, designing flexibility as the main key in responding to business changes and designing an organization that is able to meet all business needs now and in the future.

## PERFORMANCE MANAGEMENT

### **BAKRIE PERFORMANCE CONTRACT**

As an integral part of BNBR's HC management, the Company consistently applies an objective performance evaluation system, allowing all levels within the Company to move in the same direction and with the same commitment, thus ensuring stronger support in the attainment of the Company's business goals.

BNBR consistently applies a performance evaluation system through the development of Key Performance Indicators (KPI), which form the basis of evaluation of the Company's performance as well as the performance of individual employees. KPI also forms the benchmark for career development at all HR levels.

Specifically for employee performance evaluation, the Company has formulated the Bakrie Performance Contract (BPC), an objective, tailored performance evaluation system designed to support employees in their attainment of previously set goals and targets. Through the BPC system, employee work processes and performance are monitored through Position Description, Objective Setting and Performance Review documents. Employee performance is evaluated by calculating KPI, weighted 80%, and Employee Competence, weighted 20%.

### **REWARD MANAGEMENT**

Based on the drive to develop a performance oriented work ethos and corporate culture, BNBR implements a remuneration scheme based on principles of "internally fair" and "external competitiveness", as well as encouraging all employees to continuously increase productivity.

The Company also applies a reward & punishment policy as a commitment alongside all Company elements in the achievement of collectively decided objectives. High-achieving employees are given rewards, while employees who fail to reach their targets will be sanctioned proportionally.

# HUMAN CAPITAL MANAGEMENT POLICIES

As a company focused on operations in manufacturing and infrastructure sector, BNBR always strives to improve HR Policy and Procedure (HRP). The Company has regulated Corporate HRP with polices on the following matters:

- Business Conduct
- Organization
- Recruitment and Selection
- Inter-department employee transfer
- Inter-company in Bakrie group employee transfer
- Performance Evaluation systems
- Training and Development
- Compensation and Allowances
- Industrial Relations

In order to anticipate business development in the short and long terms, especially with regards to the fulfillment of targets related to business development in manufacturing and infrastructure sector, the Company has formulated HC requirement plans, both in terms of people quantity and people quality, for the next five years.

### **EQUALITY OF CAREER OPPORTUNITIES**

As part of its Corporate HC management policy, BNBR also implements a performance-oriented policy supported by remuneration and reward schemes designed to demonstrate recognition of positive performance among BNBR employees.

In accordance with Law No. 13 2003 on Employment, the Company applies a minimum age limit of 18 years old. The Company offers equal opportunities for every person to be employed, receive training and develop their career according to their competencies and performance.

The Company also provides equal opportunities for all employees to develop their career according to business area, qualifications and knowledge. Employees with the relevant qualifications for a certain post may apply and take a series of tests through internal selection. Vacancies are opened and advertised through internal Company media as well as external media, including certain daily newspapers.

### **EMPLOYEE RELATIONS**

The Company believes that open and harmonious working relations and communication are a key factor to support increased efficiency in achieving optimal productivity and performance.

Improving communication and relations through integrated development begins with the socialization of work culture, Company business conduct, Company vision and mission, improve relation among employees, consistently applying Collective Labor Agreement (CLA) and developing relations with other parties through social and sport activities. Besides this, the Company also develops good relations with government agencies related to employment, as well as business associations and other human resource development agencies.

# COMPANY HUMAN RESOURCES COMPOSITION

The slowing down of economic growth along 2015 has forced the Company, especially its manufacturing subsidiaries, to perform production efficiency; this condition has caused the decrease of total employees of BNBR and its subsidiaries as turnover rate increases. However BNBR believes its human resources remain highly competent and capable as well as highly dedicated. BNBR continues to support skill improvement of its employees through implementation of various training programs along 2015.

In 2015, total employee of BNBR and its subsidiaries decreased by 9% to 4,142 employees. Composition of total employee of BNBR and its subsidiaries by end of 2015 consists of 2,634 permanent employee and 1,508 contract employee.

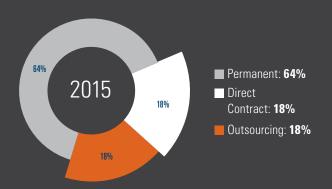
Of all BNBR and its subsidiares' employees, approximately 15% hold bachelor degree or higher, 7% hold diploma degree, and the remaining had primary education up to senior high school. In terms of age, approximately 31% are aged between 18-30 years, 46% are aged between 30-45 years, and the remaing are over 45 years old.

Employee Composition Based on Organization Level			
Organization Level 2014 2015			
Holding	56	55	
Subsidiaries	4,482	4,087	
TOTAL	4,538	4,142	

Employee Composition Based on Education Level			
Education Level	2014	2015	
Doctoral Degree	2	3	
Master Degree	89	90	
Bachelor Degree	642	638	
Diploma	329	281	
Senior High School	2,962	2,715	
Junior High School	380	299	
Elementary School	134	116	
TOTAL	4,538	4,142	

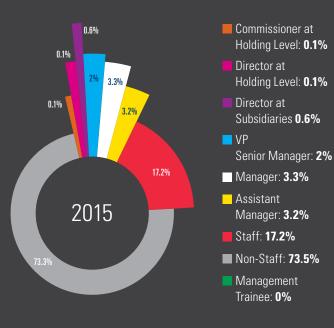
99% 2015	Holding: <b>1%</b> Subsidiaries: <b>99%</b>
0.1% 2.8% 2.3% 5.4% 8.8% 65.5%	<ul> <li>Doctoral Degree: 0.1%</li> <li>Master Degree: 2.3%</li> <li>Bachelor Degree: 15.4%</li> <li>Diploma: 6.8%</li> <li>Senior High School: 65.5%</li> <li>Junior High School: 7.2%</li> <li>Elementary School: 2.8%</li> </ul>

Employee Composition Based on Employment Status			
Status	2014	2015	
Permanent	2,652	2,634	
Direct Contract	736	771	
Outsourcing	1,150	737	
TOTAL	4,538	4,142	



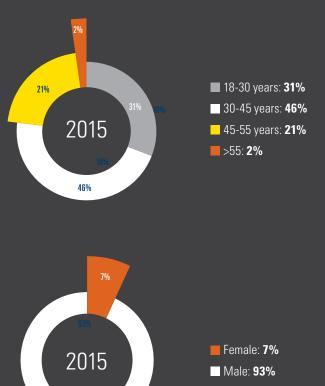
Additional Information Financial Report

Employee Composition Based on Position			
Position	2014	2015	
Commissioner at Holding Level	4	3	
Director at Holding Level	4	4	
Director at Subsidiaries	26	23	
VP/Senior Manager	82	84	
Manager	169	137	
Assistant Manager	124	134	
Staff	865	712	
Non-Staff	3,254	3,043	
Management Trainee	10	2	
TOTAL	4,538	4,142	



Employee Composition Based on Age Group			
Age	2014	2015	
18-30 years	1,733	1,284	
30-45 years	1,953	1,914	
45-55 years	756	843	
> 55 years	96	101	
TOTAL	4,538	4,142	

Employee Composition Based on Gender			
Gender	2014	2015	
Female	292	285	
Male	4,246	3,857	
TOTAL	4,538	4,142	



# HC TALENT DEVELOPMENT

### **BAKRIE TALENT MANAGEMENT PROGRAM**

Through the Bakrie Learning Center (BLC), the Company has formulated a Talent Management system as a long-term sustainable program aiming to ensure a balanced leadership in line with the Company's business development. The stages of the Company's talent management system can be outlined as follows:

- 1. Talent assessment and identification
- 2. Implementation of the Bakrie Succession Plan
- 3. Implementation of the Bakrie Leadership Development Program
- 4. Formulation and socialization of the Bakrie values, or Trimatra Bakrie
- 5. Carrying out of Bakrie Engagement Programs

The Company is committed to offering the widest possible opportunities to employees with integrity, professionalism, entrepreneur spirit and motivation to develop their careers across the Company's business units. The above programs are carried out by the Company through assignments with the development of new business, rotation, promotion and participation in internal and external training programs. The Company's career development philosophy emphasizes "promotion from within", allowing a smooth regeneration of leadership within all Company business units.

### **BAKRIE LEADERSHIP DEVELOPMENT PROGRAM**

Through collaboration with Bakrie Strategic Solutions (BSS) and the Bakrie Learning Center (BLC), the Company has developed a leadership development system for each level with the Company's organization, from entry level to executive level. This system consists of:

- 1. Bakrie Induction Program
- 2. Bakrie Basic Management Development Program (BBMDP)
- 3. Bakrie Middle Management Development Program (BMMDP)
- 4. Bakrie General Management Development Program (BGMDP)
- 5. Bakrie Executive Development Program (BEDP)

Over the last few years, BSS has focused on studying all programs under the Bakrie Leadership Development Program, allowing the systematic production of quality leaders for Bakrie.

### **DEVELOPMENT OF CORPORATE WORK CULTURE**

BNBR believes that the Company's performance relies very much on individual performance within the Company organization. Individual employee performance, meanwhile, is heavily affected by employee values and character, which reflect Company culture. For this reason, the Company strives consistently to develop and grow a work culture in line with the ideals and goals of the Company's founders.

The Company's values and culture can broadly be described as a consistent drive to increase value for shareholders and stakeholders through business activities that honor the Bakrie Trimatra values: **Indonesian-ness, Usefulness and Togetherness.** 

### PREPARATION FOR RETIREMENT TRAINING

BNBR does not pay any less attention to those employees close to retirement age. According to the CLA, the age of retirement is 56 years. In order to guarantee continued prosperity post-retirement, the Company includes all employees in the Definite Benefit Pension scheme through the Bakrie Pension Fund.

BNBR also holds the "Success in Retirement" training program, which is held in cooperation with the Management Board of Bakrie Untuk Negeri (BP BUN), Bakrie CSR Forum, Bakrie Pension Fund Foundation and the Bakrie Business Group. The program is aimed at employees entering retirement age, and has the following goals:

- To support employees in preparing for life post-retirement.
- To support employees in properly planning for life postretirement.
- To develop the entrepreneurial potential of employees approaching retirement age.
- To support employees in choosing the right business area according to their abilities.
- To support employees in preparing for certain issues that may arise post-retirement.

The "Success in Retirement" program consists of a series of workshops and training programs, visits and presentations from relevant parties alternated with games and direct practice of the training materials provided.

# HC TRAINING PROGRAMS AND COSTS

In order to increase competitiveness and guarantee the Company's sustainability, the Company improves employee competencies and capabilities through continuous training programs. Training programs broadly consist of two types: managerial and leadership training programs, and specific skill training programs, using tested methods and curricula and working alongside recognized training agencies.

Training programs are adjusted to the Company's strategic plans for the future. In line with the Company's planned strategic focus on development of business in the real sector, especially in manufacturing and infrastructure, training programs in 2014 were focused on technical and functional abilities.

In 2015, BNBR group held training programs for a total of 4,249 employees from various departments within the Company and its subsidiaries with total cost as much as Rp 2,036,952,194.-

Number of Participants and Cost of Training per Training Category				
Training Category	Number of Participants	Cost of Training (in Rupiah)		
Management and Leadership Training	458	925,702,210		
Functional Skill Development Training (Finance, HR, Marketing, Operation, Legal)	567	667,416,392		
ISO and Continuous Improvement Related Training	2,656	430,436,092		
Corporate Values Training	568	13,397,500		
TOTAL	4,249	2,036,952,194		

Number of Participants and Cost of Training per Organization Level			
Department Cost of Participants (in Rupi			
Holding	6	25,700,000	
Subsidiaries	4,243	2,011,252,194	
TOTAL	4,249	2,036,952,194	

Number of Participants and Cost of Training per Department			
Department	Number of Participants	Cost of Training (in Rupiah)	
Supporting Dept.	423	249,690,000	
Accounting & Finance	135	587,186,008	
HR	373	263,469,057	
Sales & Commercial	52	141,084,990	
IT, Legal & Risk	79	112,721,464	
Operations	3,187	682,800,675	
TOTAL	4,249	2,036,952,194	



# EMPLOYEE PROSPERITY

As part of the Company's commitment to treat HC as a key asset and a strategic partner in business development, BNBR strives to increase employee prosperity through the provision of various prosperity facilities including the Bakrie Pension Fund Program, health clinics, education aid for the children of high-achieving employees and recreational and sporting events for all employees. These programs are implemented in the belief that decent employee prosperity, competitive compared with other companies in the same industry, will lead employees to concentrate on their work and give their best for the Company, which will ensure progress for themselves and those around them.

The Company also strives to develop organizational cooperation, optimizing employee performance through BNBR Employee Cooperation. This program covers BNBR's operations in the areas of retail, savings and loans and office stationery provision. Meanwhile, in order to ensure employees' prosperity in retirement, BNBR includes all employees in the Definite Benefit Pension scheme through the Bakrie Pension Fund, which involves no employee contributions.

# CORPORATE GOVERNANCE INPLEMENTATION REDUB



The excellent implementation of Corporate Governance principles will support the Company's performance improvement through the creation of better decision-making process, operations efficiency enhancement, as well as service improvement to the Company's stakeholders.

# CORPORATE GOVERNANCE IMPLEMENTATION REPORT

With full awareness in the importance of Good Corporate Governance (GCG), BNBR is committed to continue enhancing the quality of its GCG implementation consistently and continuously in line with the Corporate values. BNBR refers to the best practices in determining the Company's business process, control and standard operating procedures.

The excellent implementation of GCG principles will propel the improvement of the Company's performance through the creation of better decision-making, operations efficiency enhancement, and service improvement to the Company's stakeholders. BNBR believes that the enforcement of high integrity through code of conduct and the Company's corporate culture will provide maximum results in achieving the Company's business objectives. GCG principles are implemented through a framework that includes relations' governance between GCG organs, relations with the shareholders and stakeholders, to ensure harmonious balance between the performance achievement and business sustainability.

# OBJECTIVES AND COMMITMENT OF CORPORATE GOVERNANCE IMPLEMENTATION

GCG implementation in BNBR is a real manifestation of the Company's compliance towards business regulations in Indonesia, namely in accordance with Good Corporate Governance regulation, stipulated in the Laws No. 40 year 2007 Regarding Limited Liability Company, Government Regulations No. 45/2006 concerning the Establishment, Management, Control, and Dissemination of State-Owned Enterprises, Regulation of SOEs State Minister No. PER-01/ MBU/2011 concerning the Implementation of Good Corporate Governance in the State-Owned Enterprises and the decree of the Ministry Secretary of State-Owned Enterprises No. SK-16/S. MBU/2012.

For the Company, Good Corporate Governance will provide real benefit and good measurement for the Company, shareholders and stakeholders. The following are the objectives of GCG implementation in the Company:

- a. To enhance and maintain the trust of investors, creditors and shareholders of the Company, through GMS, performance reporting and the Company's achievement.
- b. To optimize the Company's management, through the stipulation of work charter and to encourage work effectiveness in all the Company's elements.
- c. To clarify the duties and obligations, functions and authorities of each of the Company's Organ, to create a harmonious performance and support better decision-making.
- d. To maintain the Company's Compliance towards the prevailing laws and regulations, as a mean of the Company's awareness as a good corporate citizen.
- e. To enhance Human Resource professionalism in the Company, so as to support the company's operations competence improvement.
- f. To protect the interest of shareholders and stakeholders, by ensuring the discipline in the company's management, securing the assets and corporate values sustainably.
- g. To improve and maintain the Company's reputation, through good public communication, the fulfillment of information transparency aspects, and implementation of corporate social responsibility.

Based on the above objectives, the Company is committed to place GCG as the referral in the management of business activities. The Company also strives to place the governance as the mutual responsibility, and conformity towards governance principles to be embedded in the day-to-day conduct of all BNBR's employees.



# GOVERNANCE GUIDELINES AND STRUCTURES

GCG implementation in the company management is based on the guidelines that support business development, compliance, HR enhancement, work safety practices and environmental management, as well as the development of Corporate culture. GCG implementation in BNBR is oriented towards: Corporate values (Trimatra Bakrie: Indonesian-ness-Usefulness-Togetherness), Integrity Pacts, Guideline of Business Conduct, Board Manual, GCG Roadmap, Committee Charter, Internal Control System, Whistleblowing System, and other Company's Policies and Procedures.

The following are documentation of GCG implementation guidelines by the Company:

- Corporate Values -> Trimatra Bakries (Indonesian-ness Usefulness – Togetherness)
- 2. Company's Ethics
  - Integrity Pacts
    - Company's Code of Conduct
  - Business Conduct Policy
- 3. Corporate Governance Manual

- 4. Board Manual
- 5. Corporate Governance Implementation Policy & Procedures
- 6. Company's Risk Management System Manual; Risk Management System Policy & Procedures
- 7. Company's GCG Roadmap
- 8. GCG Assessment Participation (Internal/Independent)
- 9. Company's Policies & Procedures
- 10. Committee Charters of the Board of Directors
  - Investment Committee Charter
- 11. Committee Charters of the Board of Commissioners
  - Corporate Governance Committee Charter
  - Audit Committee Charter
  - Risk Management Committee Charter
  - Nomination & Remuneration Committee Charter
- 12. Internal Audit Charter
- 13. Compliance Charter
- 14. Whistleblowing System
  - Internal Control System

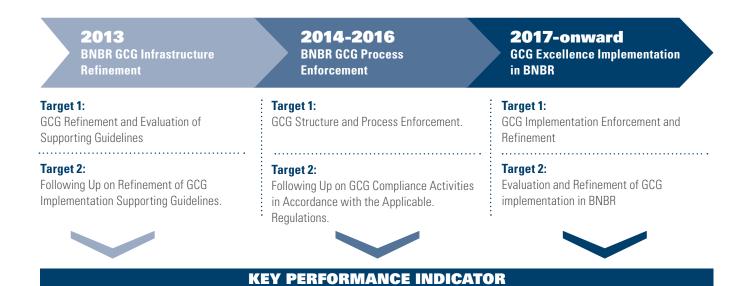
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# CORPORATE GOVERNANCE STRUCTURE

To ensure the accountability on the implementation of Corporate Governance, BNBR stipulates the following Corporate Governance Structure:

	GENERAL MEE	TING OF SHAREHOLDERS		
	BOARD	OF COMMISSIONERS		
		ident Commissioner & bendent Commissioner		on & Remuneration Committee
	Inde	pendent Commissioner	Hisk	Management Committee Audit Committee
		Commissioner	Good Cor	porate Governance Committee
	DOAL		_	
	BUAr	ID OF DIRECTORS		
	Pre	sident Director & CEO		
Corp. Internal Audit Manager				
Head of Human Capital & Office Support				Corporate Communication
	_			
Chief Investment Officer	Director & CFO	Director & CLO Independ	lent Director & CRO	Chief Strategy & Business Development Officer
_			_	
	EXECUTIVE	T MANAGEMENT TEAM		
	C	orporate Secretary		
	Corporate Governance Implementation Report			

# GCG IMPLEMENTATION ROAD MAP



To ensure sustainable and continue refinement as well as development of GCG implementation, BNBR stipulates a long term GCG roadmap of PT Bakrie & Brothers. The GCG Practices Enhancement Plan is also determined in the roadmap, as follows:

Corporate Governance Initiatives			
→ 2013 BNBR GCG INFRASTRUCTURE REFINEMENT	2014 — 2016: bnbr gcg process enforcement	2017 -> gcg excellence implementation in bnbr	
<ol> <li>Refining, stipulates and updating the GCG guidelines in accordance with the laws and regulations related to GCG:         <ul> <li>a. Corporate Governence Manual</li> <li>b. Board Manual</li> <li>c. Charters of the Board of Commissioners' Committee</li> <li>d. GCG survey guidelines</li> </ul> </li> <li>Refinement and Evaluation of the Company's Code of Conduct Documents</li> <li>Refinement and Evaluation of the Company's Business Conduct Policy Documents</li> <li>Refinement and Evaluation of Integrity Pacts Documents</li> <li>Refinement of the Company's policies and procedures</li> </ol>	<ol> <li>GCG self assessment guidelines development.</li> <li>Periodical and continuous evaluation and improvement on GCG guidelines.</li> <li>Internal Control System structure refinement.</li> <li>Uploading GCG Infrastructure into the Company's internal portal and website.</li> <li>Compliance towards laws and regulations related to GCG (obligatory and voluntary).</li> </ol>	<ol> <li>Managing and monitoring the Company's Compliance activities.</li> <li>Managing and monitoring the company's operations, which was regulated by Internal Control System.</li> <li>Managing and monitoring the Company's risk management.</li> <li>Enforcing the implementation of Whistleblowing System.</li> <li>Dissemination of GCG implementation strategies to the Company's Organs and Business Units.</li> <li>Periodical re-signing of commitment statement on the Company's GCG (Integrity Pacts, Code of Conduct, Business Conduct Policy).</li> </ol>	

	Following up and Improvement Plan of GCG Practices			
	→ 2013 BNBR GCG INFRASTRUCTURE REFINEMENT	2014 — 2016: bnbr gcg process enforcement	2017 → gcg excellence implementation in bnbr	
1. 2. 3. 4. 5.	Dissemination of GCG guidelines to all the Company's Organs. Dissemination of GCG guidelines through the Company's internal portals (intranet). Evaluating and updating GCG guidelines based on the prevailing laws and regulations (on GCG) as a mean of the Company's compliance commitment. Refinement of business process mapping to complete the Company's policies & procedures. Formulation of GCG roadmap that among others refers to Indonesia's corporate governance.	<ol> <li>Evaluation and refinement of the company's code of conduct.</li> <li>Refinement of protection strategy towards shareholders by the provision of agenda, comprehensive and detailed Annual GMS resolutions and minutes in timely manner and available in the Company's website.</li> <li>Technical development on voting in GMS by accommodating the principle of one share one vote (stated in the Articles of Association and refinement of the Company's Corporate Governance Guidelines).</li> <li>Refinement of the Company's policies &amp; procedures with anti-corruption policy.</li> <li>Evaluation and refinement of the Company's Policy and Procedures on the Goods and Services Procurement.</li> <li>Formulation of long term incentives policy for employee in a fair and transparent manner.</li> <li>Formulation of vendor capability improvement policy.</li> <li>Disclosure of fixed beneficiary of the shareholders' ownership in certain amount.</li> <li>Disclosure of certain material information through the Company's website in bilingual.</li> <li>The Company's stipulation on tenure limits of the Independent Commissioners in accordance with the IDX regulations.</li> <li>Formulation of Policy &amp; Procedures on orientation programs for new Board of Commissioners and Directors' meeting procedures in the Articles of Association and Corporate Governance Guidelines.</li> </ol>	<ol> <li>Evaluation of the Company's Internal Control System implementation.</li> <li>Evaluation of the Company's Compliance and Risk Management activities by the Board of Commissioners' Committee, Risk Management Committee.</li> <li>Ensuring the compliance and risk management implementation in every business process and business units of the Company.</li> <li>Refining an integrated internal control system framework.</li> <li>Establishing the ethics and compliance programs.</li> <li>Evaluation and improvement of Whistleblowing System.</li> <li>Dissemination and revamping regular implementation to all the Company's Organs:         <ul> <li>GCG Coaching (both from internal and external of the Company).</li> <li>Signing off the Company's Code of Conduct.</li> <li>Signing off the Business Conduct Policy.</li> </ul> </li> <li>GCG Infrastructure Refinement of the Board of Commissioners and Directors.</li> <li>Evaluation of the Company's GCG roadmap to be in accordance with the Regulator's.</li> <li>Evaluation of the Company's GCG self assessment.</li> <li>Consistent participation of the Company in GCG's independent assessment institutions.</li> <li>Establishing the corporate culture based on code of conducts as part of company's daily operations.</li> </ol>	

Following up and Improvement Plan of GCG Practices			
→ 2013 BNBR GCG INFRASTRUCTURE REFINEMENT	2014 — 2016: bnbr gcg process enforcement	2017 → gcg excellence implementation in bnbr	
	<ol> <li>Enforcement of the Board of Commissioners' Committee Charters to monitor GCG implementation (Corporate Governance Committee).</li> <li>Formulation of policy and procedures of remuneration and nomination as well as performance assessment program of members of the Board of Commissioners and Directors (As the Board or Individual).</li> <li>Formulation of the Board of Directors' succession policy.</li> <li>Evaluation and refinement of GCG Roadmap periodically.</li> </ol>	<ol> <li>Management of the company strategy with effective social responsibility.</li> <li>14. Implementing the Green Company Operational System.</li> <li>15. Periodically and continuously refining the systems, policies, and procedures that refer to GCG performance improvement and implementation.</li> </ol>	

Assessment and KPI			
→ 2013 BNBR GCG INFRASTRUCTURE REFINEMENT	2014 — 2016: bnbr gcg process enforcement	2017 → gcg excellence implementation in bnbr	
<ol> <li>Compliance on laws and regulations related to GCG (obligatory and voluntary).</li> <li>Improvement in better management compliance and control based on the results of compliance review.</li> <li>Improvement of the Company's performance in accordance with the performance assessment.</li> <li>GCG assessment results by independent institutions at 70 (IICG scales).</li> <li>Annual Report Award scores of 70.</li> </ol>	<ol> <li>Compliance on laws and regulations related to GCG (obligatory and voluntary).</li> <li>Implementation of good internal control and risk management towards Good Governed Corporation/GGC, in accordance with GCG roadmap of Kadin Indonesia.</li> <li>Improvement of the Company's performance in accordance with the performance assessment.</li> <li>Acknowleged and posses a reputation as a sound company.</li> </ol>	<ol> <li>Compliance on laws and regulations related to GCG (obligatory and voluntary).</li> <li>Become the company with good reputation and prominent and consistently conduct the corporate social responsibility towards Good Corporate Citizen/GCC, in accordance with GCG roadmap of Kadin Indonesia.</li> <li>Improvement of the Company's performance in accordance with the performance assessment.</li> <li>Become role models with the best GCG implementation reputation.</li> </ol>	

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Assessment and KPI			
→ 2013 BNBR GCG INFRASTRUCTURE REFINEMENT	2014 — 2016: bnbr gcg process enforcement	2017 -> gcg excellence implementation in bnbr	
	<ol> <li>GCG self assessment result of 80% (Scale of 100% - GCG practices is implemented successfully in the Company)</li> <li>GCG assessment results by independent institutions at 75 (IICG scales).</li> <li>Annual Report Award scores of 80.</li> </ol>	<ol> <li>Become the company of choice by jobseekers.</li> <li>Receive more than 3 awards for good reputation company in several aspects.</li> <li>GCG self assessment result of 90% (Scale of 100% - GCG practices is implemented successfully in the Company)</li> <li>GCG assessment results by independent institutions at 90 (IICG scales).</li> <li>Annual Report Award scores of 90</li> </ol>	

# GCG PRACTICES IMPLEMENTATION

The objectives of GCG implementation in PT Bakrie & Brothers are to support the achievment of vision, mission and the company's objectives effectively and in a swift manner, so as to deliver the shareholders' trust on a good and proper governance of the company to reach high and fair values. GCG practices implementation shall be based on the following five principles:

- 1. **Transparency:** The Company ensures adequate information dissemination, clear and accurate to the shareholders and stakeholders. Transparency principle is also implemented in the decision-making process, to enhance the Company's objectivity and professionalism. The following are among others the transparency practices conducted by the Company:
  - The resolution process of Shareholders through General Meeting of Shareholders (GMS) has met the Company's Articles of Association requirements.
  - The decision-making process of the Board of Commissioners with the supervisory and advisory functions to the Board of Directors has been conducted in the internal joint meeting of the Board of Commissioners and Board of Directors.
- 2. Accountability: The Company is committed to ensure the orderly and accountability of the functions, duties, and

authorities of several elements in the organization in a sound and measured manner. The following are among others the accountability practices conducted by the Company:

- The Company possess the organization structure, job descriptions for each job title, and key performance indicators assessment for the Board of Directors, Head of Work Units and all employees.
- External auditor has conducted an audit on the Company's financial report with the independent auditor's opinion of unqualified.
- The Company has been accountable and obtained ratification on the annual report in the GMS.
- **3. Responsibility:** As a form of responsibility, the Company strongly holds its compliance towards the prevailing laws and legislations. In addition, the Company also conducts responsibility towards the community and environment, to achieve long term business sustainability. The following are measures taken in this company's responsibility:
  - The signing of integrity pacts and anti-bribery by Bakrie people to comply with the stipulated Code of Conduct and business ethics.

- 4. **Independence:** The Company's organs conduct its activities independently and objectively, to avoid conflicts of interest, and are not influenced by any parties. The Company's independence are conducted through:
  - The applicable Code of Conduct and Business Conduct Policy of the Company that applied to all Bakrie people.
  - The check and balances functions done by the Board of Commissioners and Directors through formal communication such as meetings, approval/refusal of the Board of Commissioners on the Board of Directors' proposals.
- 5. Fairness and Equality: the Company strives to ensure that both majority and minority shareholders' rights and interests are fulfilled. The Company also constantly provides fair and equal treatments to all stakeholders. The Company's commitment in delivering fairness and equality are shown as follows:
  - The Company has provided equal opportunities to all employees without discrimination based on the Collective Labor Agreement (CLA) between the Company and Employees..

# **COMPLIANCE ACTIVITIES**

As part of the corporate governance activity, Corporate Risk Management (CRM) strives to monitor the company's compliance towards the prevailing laws and legislation in managing the company's business practices as well as individual's compliance in implementing responsibility of their duties, each in accordance with the code of conduct, business conduct policy, as well as the applicable internal policy and procedures of the company.

At the beginning of 2014, CRM has reviewed and advanced business

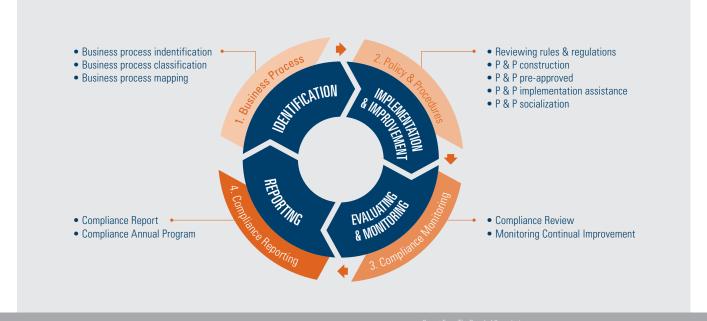
processes in every Department to ensure that the existing business processes are in accordance with the company's strategy and business models. The analysis was conducted by reviewing the Company's business activity objectivity and complexity, which can provide significant impact on the risks faced by the company.

To mitigate the operational risk, CRM has sustainably reviewed, renewed, and finalized the company's internal policy and procedures, in accordance with the Company's directives and policy. The advancement by CRM was done in regards to the new legislations informed by the Legal Division, as to ensure that every business practices of the Company is in line with the prevailing laws and legislations. A total of 271 policies and procedures were documented, in which part of them are new or revision from the existing documents and has been ratified by the Board of Directors, whereas the balance are still in review and at the advancement that are going to be implemented in stages and continuously by CRM. They are among others are compliance policy and procedures, payment system, securities trading activities, and several policy and procedures on human resource.

To measure the Company's success in the implementation of good corporate governance practices, the Company has actively organized activities to improve the compliance culture in every individual, begins from the Company's top management level trough the signing of Integrity Pacts by the Board of Commissioners and Directors, as well as employees during the GRC Day.

At the end of 2014, CRM presented annual report detailing the activities conducted by CRM as well as its activity's achievement. The report was already presented to the Risk Management Committee. In line with the presentation of the report, CRM has developed 2015 activity plan at the end of December.

These stages are in accordance with the compliance system implementation framework as illustrated below.



# BOARD MANUAL IMPLEMENTATION

PT Bakrie & Brothers Tbk has the commitment to maintain high standard in the implementation of Good Corporate Governance (GCG), as a prerequisite requirement in the business success and sustainability. PT Bakrie & Brothers Tbk upholds the ethics and professionalism standard in all level of the organisation. In general, the GCG implementation in the non-bank financial industry and investments sectors, as well as in other industry sectors in which the Company is involved, is following the prevailing laws and legislations, in particular the Financial Services Authority (FSA) Regulations, Laws of Limited Liability Company, and Capital Market Laws. The GCG implementation is also based on 5 (five) GCG basic principles, namely Transparency, Accountability, Responsibility, Independency, and Fairness. This background stipulates the development of Corporate Governance Manual – based on the GCG principles.

Board Manual is a working governance guideline of the Board of Commissioners, Boad of Directors and the Management, which elaborated the activities and working stages of the Board of Commissioners and Directors, in a structured, systematics, easy and consistent manner. This manual functions as a reference for the Commissioners and Directors as well as the Management in implementing each duty to achieve the Company's Vision and Mission.

Board Manual is intended to elaborate the relationships of the Commissioners and Directors as well as other members of the Management in duties implementation in order to create professional, transparent, efficient and effective management of the Company. Board Manual also represents the commitment of the Commissioners and Directors in implementing GCG principles.

# GCG IMPLEMENTATION ASSESSMENT

BNBR conducted the GCG implementation assessment through ratings approach by participating in the Annual Report Award. The results of this rating assessment serve as the feedback and evaluation to refine the GCG implementation in the Company.

### **ANNUAL REPORT AWARD (ARA)**

As a good corporate citizen, and the fulfillment of responsibility as the public company, BNBR published the Annual Report detailing comprehensive information regarding the company's performance that has been widely publicised and presented to the authorized regulators.

The Company's Annual Report was included in the Annual Report Award (ARA) event, which was held and developed by Ministry of State-Owned Enterprises (SOEs), Bank Indonesia (BI), Directorate General of Tax, Indonesia Accounting Institution (IAI), Financial Services Authority (FSA), Indonesian Stock Exchange (IDX), and Governance Policy National Committee (KNKG).

ARA assessment results contain a comprehensive evaluation on the Company's Annual Report contents from each subject. The comprehensiveness and transparency of information in the Annual Report serve as real implementation of GCG.

Assessment Result of BNBR 2014 Annual Report by ARA			
Criteria	Weight	Score	
I. General	2%	2.00	
II. Financial Highlights	5%	3.91	
III. The Board of Commissioners and Directors' Report	3%	2.20	
IV. Company Profile	8%	5.00	
V. Management Discussion and Analysis on the Company Performance	22%	10.46	
VI. Good Corporate Governance	35%	25.83	
VII. Financial Information	20%	18.25	
VIII. Others	5%	0	
Scores (Maximum 100) 100% 67.64			

### **CORPORATE GOVERNANCE PERCEPTION INDEX (CGPI) AWARD**

Various activities of CGPI Award 2015, which perspective was value creation, have positively contributed to GCG implementation as Company's added value creation activities, assessment process was carried out by IICG (Indonesian Institute Corporate Governance) Team and SWA magazine, as a result the Company earned award as "Fair Trusted Company" based on the survey conducted among Company's stakeholders, presentation of paper discussing Company's value creation implementation process, and direct observation on the Company conducted by CGPI Team.

The CGPI Award assessment also covers filing of documents related with Company's value creation and other proofs as reference to optimum result achieved by the Company as well as periodical and independent evaluation from external party.

This achievement proved that the Company is capable of giving positive result to implementation of GCG practices in general, and value creation practices in particular, therefore enabling the Company to compete in business world with motivation from stakeholders' trust and full commitment to the Company.

# GENERAL MEETING OF SHAREHOLDERS

General Meeting of Shareholders (GMS) is the highest organ in the corporate governance structure, as a forum for the shareholders in decision-making, and exercising its rights and authorities. GMS has the authority that cannot be delegated to the Board of Commissioners or Directors in accordance with the limits stipulated in the Articles of Association and legislations. The following are authorities of GMS of PT Bakrie & Brothers:

- 1. Amendment of the Company's Articles of Association.
- 2. To determine the Company's capital amount.
- 3. To regulate the use of the Company's net profits.
- 4. To appoint and terminate members of the Board of Directors and the Board of Commissioners, and to evaluate the performance of members of the Board of Commissioners and Directors.
- 5. To consolidate, merge or divest the Company, and
- 6. Authority on transactions exceeding certain value.

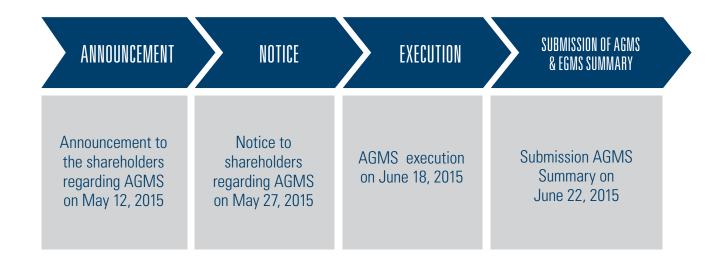
GMS shall be held at least once a year, namely Annual GMS. Apart from the Annual GMS, Extraordinary GMS can be organized. In 2015, the Company held 1 time Annual GMS, and did not held any Extraordinary GMS.

# EXECUTION OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

Pursuant to the Articles of Association, the Company has held the Annual GMS for fiscal year 2014 on June 18, 2015, in Royal Kuningan Hotel, Jakarta. Based on the regulations, prior to the GMS the Company has informed the Plan Notice to the Financial Services Authority, through Directors' Letter No. 037/BNBR/CS-0JK/V/15 dated May 4, 2015, and announced the Meeting Plan on May 12, 2015 through Company website, Indonesia Stock Exchange website and an Indonesian daily newspapers, namely Investor Daily.

The Company also announced the Invitation of Annual General Meeting of Shareholders on May 27, 2015 through Company website, Indonesia Stock Exchange website and an Indonesian newspapers, namely Kontan.

Annual GMS on June 18, 2015 was attended by shareholders that represent 55,110,759,295 shares or 58.8% from the total shareholders. Thereby the meeting was announced as quorum and has been in accordance with the Company's Articles of Association.



PT BAKRIE & BROTHERS TBK

Corporate Profile

Main Highlights

rt From The Board of Comn & The Board of Director

## **ANNUAL GMS AGENDA**

Pursuant to the Meeting Invitation announced in the above News Papers, the following are the agenda of Annual GMS:

- 1. Approval of the Board of Directors' Accountability Report on the management of the Company for Fiscal Year ended 31 December 2014.
- 2. Approval and ratification of the Company's Balance Sheet and Profit/Loss Account for Fiscal Year ended 31 December 2014.
- 3. Determination and approval of the use of the Company's profits for the Fiscal Year ended 31 December 2014.
- 4. Appointment and assignment of Public Accounting Firm to audit the Company's Financial Report for Fiscal Year ended 31 December 2014.
- 5. Approval of the Company's management composition changes.

	Annual GMS Agenda Discussion and Resolutions	Voting Result	Follow Up
1. First Agenda	The Company's Board of Directors elaborated the First Meeting Agenda that was presented by the Company's President Director. The meeting resolution on First Agenda was: Appropriately accepted and approved the Board of Directors' Accountability Report on the management of the Company for Fiscal Year ended 31 December 2014.	Agree: 55.109.559.295 (99,998%) Disagree: 1.200.000 (0,002%) Abstain: 0 (0%)	-
2. Second Agenda	The Company's Board of Directors elaborated the Second Meeting Agenda that was presented by the Company's President Director. The meeting resolution on Second Agenda was: Approved and ratified the Balance Sheet and Profit/Loss Account for Fiscal Year ended 31 December 2014 and provided acquittal and fuly discharge of responsibility (acquit et decharge) to the members of the Board of Directors and the Board of Commissioners of the Company, for the management and Supervisory duties implemented during Fiscal Year ended 31 December 2014, in which the management and monitoring actions are reflected in the Balance Sheet and Profit/Loss Account as well as Public Accountant's Report on Fiscal Year ended 31 December 2014.	<b>Agree</b> : 55.071.610.295 (99,93%) <b>Disagree:</b> 34.149.000 (0,07%) <b>Abstain:</b> 0 (0%)	-
3. Third Agenda	The Company's Board of Directors elaborated the Third Meeting Agenda that was presented by the Company's President Director. The meeting resolution on Third Agenda was: Approved the Company for not distributing dividends and Company's proposal of earnings usage for Fiscal Year ended 31 December 2014.	Agree: 54.958.755.295 (99,72%) Disagree: 152.004.000 (0,28%) Abstain: 0 (0%)	Dividend distribution for Fiscal Year ended December 31, 2014 was not executed.
4. Fourth Agenda	The Company's Board of Directors elaborated the Fourth Meeting Agenda that was presented by the Company's President Director. The meeting resolution on Fourth Agenda was: Approved full authority to the Company's Board of Directors following the approval of the Company's Board of Commissioners to appoint and assign the Public Accounting Firm to audit the Company's Financial Report for Fiscal Year ended 31 December 2015, in which are fulfilling the determined criteria and to set the honorarium.	<b>Agree</b> : 46.284.081.295 (83,98%) <b>Disagree:</b> 8.826.678.000 (16,02%) <b>Abstain:</b> 0 (0%)	Board of Directors has appointed Public Accounting Firm Handoko Tomo Samuel Gunawan & Rekan members of Morres Rowland CPAs through letter no. P059/XII/BNBR/15/H after gaining approval from Board of Commissioners as stated in letter dated October 27, 2015.

	Annual GMS Agenda Discu	ssion and Resolutions	Voting Result	Follow Up
5. Fifth Agenda	The Company's Board of Direct that was presented by the Corresolutions on Fifth Agenda wa • Approved the composition of of Directors and members of Company, as follows: Board of Directors President Director Director Director Independent Director Board of Commissioners President Commissioner & Independent Commissioner Commissioner Commissioner	ors elaborated the Fifth Meeting Agenda pany's President Director. The meeting	Voting Result Agree: 52.056.221.795 (94,46%) Disagree: 3.054.537.500 (5,54%) Abstain: 8,750,000,000 (15,88%) Abstain vote is included in the majority vote, therefore voting result of Agree became	Follow Up Deed on Decision statement of Annual GMS of PT Bakrie & Brothers Tbk No. 140 dated September 30, 2015
	<ul> <li>up to the third year of next I shareholders' rights to term prevailing regulations.</li> <li>Delegate authority and pow to the Company's Board of I necessary actions in implem form of Notary deed, thereb deeds and/or letters and to on the amendment of article</li> </ul>	Meeting in 2017, without reducing the inate at anytime in accordance with the er of attorney with substitution rights Directors in jointly or individually to take thenting the Meeting resolutions in the y to meet the Notary to sign the necessary obtain approval from the authorized party es of association, and to take necessary ing the said goals, no action is excluded.	52,056,221,795 (94.46%)	

## **EXECUTION OF EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS**

Pursuant to the Articles of Association, the Company has held the Annual GMS for fiscal year 2014 on June 18, 2015, in Royal Kuningan Hotel, Jakarta. Based on the regulations, prior to the GMS the Company has informed the Plan Notice to the Financial Services Authority, through Directors' Letter No. 037/BNBR/CS-0JK/V/15 dated May 4, 2015, and announced the Meeting Plan on May 12, 2015 through Company website, Indonesia Stock Exchange website and an Indonesian daily newspapers, namely Investor Daily.

The Company also announced the Invitation of Annual General Meeting of Shareholders on May 27, 2015 through Company website, Indonesia Stock Exchange website and an Indonesian newspapers, namely Kontan.

Extraordinary GMS on June 18, 2015 was attended by shareholders that represent 62,489,411,227 shares or 66.68% from the total shareholders. Thereby the meeting was announced as quorum and has been in accordance with the Company's Articles of Association.

ANNOUNCEMENT	NOTICE	EXECUTION	SUBMISSION OF AGMS & EGMS SUMMARY
Announcement to the shareholders regarding EGMS on May 12, 2015	Notice to shareholders regarding EGMS on May 27, 2015	EGMS execution on June 18, 2015	SubmissionEGMS Summary on June 22, 2015

## **EXTRAORDINARY GMS AGENDA**

Pursuant to the Meeting Invitation announced in the above News Papers, the following are the agenda of Extraordinary GMS. Approval to amendment of Company's Articles of Association in relation with:

- Adjustment of Company's Articles of Association to Financial Service Authority Rule No. 32/POJK.04/2014 concerning Planning and Execution of Listed Company General Meeting of Shareholders;
- Adjustment of Company's Articles of Association to Financial Service Authority Rule No. 33/POJK.04/2014 concerning Board of Directors and Board of Commissioners of Issuer or Public Company; and
- 3. Amendment of several stipulations in the Company's Articles of Association.

E	xtraordinary GMS Agenda Discussion and Resolutions	Voting Result	Follow Up
1. First Agenda	The Company's Board of Directors elaborated the First Meeting Agenda that was presented by the Company's President Director. The meeting resolution on First Agenda was: Appropriately accepted and approved the amendment of Company's Articles of Association in order to fulfill stipulation of Financial Service Authority (OJK) Rule No.32/POJK.04/2014 dated 8 December 2014 concerning Planning and Conducting of General Meetings of Shareholders and OJK Rule No. 33/POJK.04/2014 dated 8 December 2014 concerning Board of Directors and Board of Commissioners of Issuers or Public Companies, as well as Amendment of several stipulations in Company's Articles of Association.	<b>Agree</b> : 61.079.913.127 (97,74%) <b>Disagree:</b> 1.409.498.100 (2,26%) <b>Abstain:</b> 0 (0%)	Deed on Decision statement of Extraordinary GMS of PT Bakrie & Brothers Tbk No. 141 dated September 30, 2015

## **BOARD OF COMMISSIONERS**

In accordance with the Articles of Association, the Board of Commissioners represents the Company's organ with main functions to supervise the management of the Company by the Board of Directors and its management. The Board of Commissioners provides opinions, recommendations and directives to the Board of Directors related to the policies and actions taken by the Board of Directors, so as to fulfill good corporate governance principles, and in accordance with the Company's Articles of Association as well as the Laws and Legislations. In implementing its duties, the Board of Commissioners is assisted by the Audit Committee, Risk Management Committee, Nomination & Remuneration Committee, as well as Corporate Governance Committee.

### **BOARD OF COMMISSIONERS CHARTER**

In performing its duties and responsibilities of monitoring the company in a professional, transparent, efficient and effective manner, the Board of Commissioners have stipulated a working guideline (Board of Commissioners Charter) which became a part of Company's Board Manual.

The followings are the outline of Board of Commissioners Charter in the Board Manual:

- 1. Requirement and Composition of BOC
- 2. Responsibilities of BOC
- 3. Duties and Responsibilities of BOC
- 4. Authorities of BOC
- 5. Rights of BOC
- 6. Profession Ethics
- 7. Decision Making Process
- 8. Meetings of BOC
- 9. Performance Evaluation of BOC
- 10. Supporting Organs of BOC (BOC Committees)

## **DUTIES AND RESPONSIBILITIES**

The following are the Board of Commissioners' Duties and Responsibilities:

- Supervision on the Company's policy and management, general management of the Company and provides advisory duty to the Board of Directors including analysing and reviewing the annual Financial Report, supervising the development of annual budget, business plan and business strategy of the Company.
- 2. Supervising the implementation of the Company's GCG and risk management conducted by the Board of Directors.
- 3. Ensuring the effectiveness of Internal Control System, duties implementation of External and Internal Auditors.
- 4. Ensuring the compliance on the Company's Business Ethics and Corporate Culture.
- 5. Conducting the performance assessment of the Board of Directors.
- Providing the proposal of Nomination procedures and Remuneration system for the Board of Commissioners and Board of Directors to the Shareholders for the GMS' approval.

## SEGREGATION OF DUTIES OF THE BOARD OF COMMISSIONERS

The following are the roles based on the position of the Board of Comissioners:

Jabatan	Hasil Pemungutan Suara
President Commissioner & Independent Commissioner	To monitor and supervise the Audit Committee's activity.
Independent Commissioner	To monitor and supervise the activity of Risk Management Committee in managing the company's risks. In addition, to monitor and supervise the activity of Corporate Governance Committee.
Commissioner	To conduct functions and responsibilities as member of Risk Management Committee.

## **BOARD OF COMMISSIONERS COMPOSITION**

Pursuant to the resolutions of Annual General Meeting of Shareholders dated June 18, 2015, the composition and appointment of the Board of Commissioners up to the end of 2017, are as follows:

Com	position				
Position	Name	General Meeting of Shareholders	Documents	Ratifications	Focus of Monitoring Areas
President Commissioner & Independent Commisisoner	Irwan Sjarkawi	24 June 2004	Deed dated 6 July 2004 No. 21	C-UM.02.01.8737, dated 23 July 2004	Supervise and monitor the activities of Audit Committee and Nomination and Remuneration Committee
Commissioner	Nugroho I Purbowinoto	30 June 2009	Deed dated 7 July 2009 No. 33	AHU- AH.01.10-12847, dated 12 August 2009	Supervise and monitor the activities of Risk Management Committee and Corporate Governance Committee
Commissioner	Armansyah Yamin	30 June 2009	Deed dated 7 July 2009 No. 33	AHU- AH.01.10-12847, dated 12 August 2009	As a member of Risk Management Committee

With regards to Mohamad Ikhsan's resignation from Independent Commissioner post as conveyed in written through letter dated June 1, 2015, therefore in the Company's AGMS that was held on June 18, 2015 the new composition of Board of Commissioners which consists of 1 (one) President Commissioner held concurrently with Independent Commissioner and 2 (two) Commisioners as described in the table above were approved.

#### **DELEGATION OF AUTHORITY**

A member of Board of Commissioners may delegate his/her authorities to another member of Board of Commissioners by issuing a written proxy made specifically for the occasion with adherence to the Board Manual. During 2015 there was no delegation of authority among Board of Commissioners members to attend meeting.

#### INDEPENDENT COMMISSIONERS

Pursuant to the Financial Services Authority Regulation Number 33/ POJK.04/2014, stating that the Independent Commissioners shall be constituted as member of the Board of Commissioners, assigned from external party Public Companies, and meeting the requirement as Commissioner.

The Independent Commissioners shall not have any financial, management, ownership and/or familial relations up to the second degree with other members of the Board of Commissioners, Board of Directors and/or controlling shareholders or any relations with the Company that may influence its capabilities to act independently. The main duties of Independent Commissioners are to supervise and maintain the fulfillment of rights and obligations of the minority shareholders.

The requirements of Independent Commissioners shall meet the following criteria:

 a. does not work nor constitute any authorities and responsibilities to plan, lead, control, or supervise the activity of the Public Companies in the last 6 (six) month, except the re-appointment as the Independent Commissioners of the Issuers or Listed Companies for the next period;

- b. does not have any direct or indirect shares in the Public Companies;
- c. does not have Affiliated relations with the Public Companies, members of the Board of Commissioners, members of the Board of Directors, or majority shareholders of the Public Companies; and
- d. does not have direct or indirect business associations that related to the business activity of the Public Companies.

Until June 18, 2015 the Company has 2 (two) Independent Commissioners, namely Irwan Sjarkawi and Mohamad Ikhsan; both have fully declared their independence to the Company's GMS. With regards to Mohamad Ikhsan's resignation from Independent Commissioner post as conveyed in written through letter dated June 1, 2015, therefore in the Company's AGMS that was held on June 18, 2015 the new composition of Board of Commissioners which consists of 1 (one) President Commissioner held concurrently with Independent Commissioner and 2 (two) Commissioners were approved. The Independent Commissioners post is held by Irwan Sjarkawi who also serves as President Commissioner. Other position held by Independent Commissioner is the Chairman of Audit Committee and Chairman of Nomination and Remuneration Committee.



## **CONCURRENT POSITION OF MEMBERS OF THE BOARD OF COMMISSIONERS**

The Regulation of Financial Services Authority Number 33/POJK.04/2014 concerning the Board of Directors and the Board of Commissioners of Issuers or Listed Companies, stipulated that Members of the Board of Commissioners can hold concurrent position as:

- a. member of the Board of Directors at maximum 2 (two) other Issuers or Public Companies; and
- b. member of the Board of Commissioners at maximum 2 (two) other Issuers or Public Companies.

The following are the Board of Commissioners' description on concurrent position in 2015:

Name	Company	Position
Irwan Sjarkawi	-	-
Nugroho I Purbowinoto	PT Bakrieland Development	Commissioner
Armansyah Yamin	-	-

#### SHARES OWNERSHIP OF MEMBERS OF THE BOARD OF COMMISSIONERS

The Company also requests that member of the Board of Commissioners shall disclose the shares ownership both in the Company as well as other companies, domiciled both in Indonesia and overseas, in which report must be renewed annually.

The following are the Board of Commissioners' shares ownership in the Company in 2015:

Name	Position	Shares Ownership (units)	Ownership Percentage
Irwan Sjarkawi	President Commissioner	0	0
Nugroho I Purbowinoto	Commissioner	8.000	0
Armansyah Yamin	Commissioner	167.989	0

#### INDUCTION PROGRAM FOR THE BOARD OF COMMISSIONERS

Induction Program implementation is vital considering the variety of background of Board of Commissioners member. Induction Program can be carried out in the form of presentation, meeting, or visit to Company facilities. Induction Program can also be in the form of other programs deemed necessary by the Company. The Induction Program procedures cover the following matters:

- 1. Induction Program about the Company must be presented to Board of Commissioners members in their first time of serving as Company Board of Commissioners.
- President Commissioner holds the responsibility of Induction Program implementation. If the President Commissioner is absent or he/she is a participant of the Induction Program, the responsibility is held by the Board of Directors.
- 3. The Induction Program topic includes introductory to Company's business activities, financial and operational performance, short term and long term work plan, Good Corporate Governance principles, authorities that are permitted to be delegated, internal and external audit, Internal Control System, the Board of Commissioners Supporting Committees, duties and responsibilities of the Board of Commissioners and Board of Directors, and other strategic issues.

#### THE BOARD OF COMMISSIONERS COMPETENCE DEVELOPMENT PROGRAM

The Company holds the development and training programs for the Board of Commissioners, which were relevant to the main functions of the Board of Commissioners, including topics related to the Company's business strategy, regulations and legislations, as well as information and guideline on industries and economics issues that can provide future business direction for the Company. In 2015 the Board of Commissioners did not attend any development and training activities held by external party.

## **MEETINGS OF THE BOARD OF COMMISSIONERS**

The Board of Commissioners holds the Board of Commissioners' meeting, or attends the meeting held by the Committees under the Board of Commissioners, or attends the joint meeting with the Board of Directors and other company's organs.

# COMMISSIONERS ATTENDANCE AT THE BOARD OF COMMISSIONERS INTERNAL MEETING

The Company's Articles of Association stipulates the Board of Commissioners to hold an internal meeting at least 6 (six) times per year. During 2015, the Board of Commissioners meeting attendance is as follows:

N -	Data	Anorda		B	DC	
No	Date	Agenda	IS	МІ	AY	NIP
1.	14 Jan 2015	2015 Kick Off Meeting	1	1	1	1
2.	18 Feb 2015	Review of Corporate Internal Audit report	1	1	1	1
3.	6 Mar 2015	Review of Board of Commissioners report and Committees reports for Annual Report 2014	1	1	1	1
4.	9 Mar 2015	Meeting with Risk Management Department	1	1	1	1
5.	23 Mar 2015	Discussion concerning audit result of 2014 Financial Statement	1	1	1	1
6.	28 Apr 2015	Discussion concerning 1st quarter 2015 Financial Statement	1	1	1	1
7.	16 Jun 2015	Preparation for AGMS	1	1	1	1
8.	15 Jul 2015	Stipulation of amendment of Audit Committee and Nomination and Remuneration Committee	1	-	1	1
9.	24 Aug 2015	Discussion concerning 2 <sup>nd</sup> quarter 2015 Financial Statement	1	-	1	1
10.	22 Sep 2015	Stipulation of amendment of GCG Committee and Risk Management Committee	1	-	1	1
11.	22 Oct 2015	Discussion concerning 3rd quarter 2015 Financial Statement	1	-	1	1
12.	8 Dec 2015	Internal meeting with Board of Commissioners Committees	1	-	1	1
		TOTAL:	12	7	11	12

Note:

IS: Irwan Sjarkawi MI: Mohamad Ikhsan AY: Armansyah Yamin NIP: Nugroho I. Purbowinoto

\*) Mohamad Ikhsan (MI) holds the position of Independent Commissioner until General Meeting of Shareholders in June 18, 2015

## WORKING RELATIONS OF THE BOARD OF COMMISSIONERS AND DIRECTORS

The Board of Commissioners has the responsibility to supervise the Company's management by the Board of Directors and its management. To that end, the Board of Commissioners and Directors shall maintain a harmonious and synergic working relations, in accordance with the Company's Articles of Association. The Board of Commissioners and Board of Directors are stipulated by the Company's Articles of Association to hold a joint meeting at least 3 (three) times per year. During 2015, the Board of Commissioners and Board of Directors held 34 (thirty four) Joint Meetings, with the following detailed agenda and attendance:



No	Date	e Agenda -		B	DC		BOD				
NO	Date	Адепиа	IS	МІ	AY	NIP	BGU	ES	AAP	DTW	YS
1.	14 Jan 2015	BNBR 2015 Kick Off Meeting	1	1	1	1	1	1	-	1	1
2.	10 Feb 2015	BOD report to BOC concerning Projects and Performances of BNBR Subsidiaries	1	-	1	1	1	1	-	1	1
3.	23 Mar 2015	BOD report to BOC concerning PT Bakrie & Brothers Tbk Consolidated Financial Statement per December 31, 2014	1	-	1	1	1	1	-	1	1
4.	27 Apr 2015	Presentation of 1 <sup>st</sup> Quarter 2015 Performance and 2015 Outlook of PT Bakrie Metal Industries	1	-	-	1	1	1	-	1	1
5.	27 Apr 2015	Presentation of 1 <sup>st</sup> Quarter 2015 Performance and 2015 Outlook of PT Bakrie Building Industries	1	-	-	1	1	1	-	1	1
6.	27 Apr 2015	Presentation of 1 <sup>st</sup> Quarter 2015 Performance and 2015 Outlook of PT Bakrie Indo Infrastructure	1	-	-	1	1	1	-	1	1
7.	27 Apr 2015	Presentation of 1 <sup>st</sup> Quarter 2015 Performance and 2015 Outlook of PT Bakrie Autoparts and PT Bakrie Steel Industries	1	-	-	1	1	1	-	1	1
8.	28 Apr 2015	Presentation of 1 <sup>st</sup> Quarter 2015 Performance and 2015 Outlook of PT Bakrie Solusi Strategis	1	-	-	1	1	-	-	1	1
9.	28 Apr 2015	BOD presentation to BOC concerning PT Bakrie & Brothers Tbk Financial Statement per March 31, 2015	1	-	-	1	1	-	-	1	1

				В	0C				BOD		
No	Date	Agenda	IS	МІ	AY	NIP	BGU	ES	AAP	DTW	YS
10.	12 May 2015	Presentation of 1 <sup>st</sup> Quarter 2015 Performance and 2015 Outlook of PT Multi Kontrol Nusantara	1	-		1	1	-	-	1	1
11.	16 Jun 2015	Preparation of AGMS and EGMS of BNBR	1	-	1	1	1	1	-	1	1
12.	26 Aug 2015	Presentation of 1 <sup>st</sup> Semester 2015 Operational and Financial Performance of PT Bakrie Metal Industries	1	-	1	1	1	-	1	1	1
13.	26 Aug 2015	Presentation of 1 <sup>st</sup> Semester 2015 Operational and Financial Performance of PT Bakrie Autoparts and PT Bakrie Steel Industries	1	-	1	1	1	-	1	1	1
14.	26 Aug 2015	Presentation of 1 <sup>st</sup> Semester 2015 Operational and Financial Performance of PT Multi Kontrol Nusantara	1	-	1	1	1	-	1	1	1
15.	26 Aug 2015	Presentation of 1 <sup>st</sup> Semester 2015 Operational and Financial Performance of Bakrie Energy International Pte Ltd.	1	-	1	1	1	-	1	1	1
16.	27 Aug 2015	Presentation of 1 <sup>st</sup> Semester 2015 Operational and Financial Performance of PT Bakrie Building Industries	1	-	1	1	1	-	1	1	1
17	27 Aug 2015	Presentation of 1 <sup>st</sup> Semester 2015 Operational and Financial Performance of PT Bakrie Indo Infrastructure	1	-	1	1	1	-	1	1	1
18.	27 Aug 2015	Presentation of 1 <sup>st</sup> Semester 2015 Operational and Financial Performance of PT Bakrie Solusi Strategis	1	-	1	1	1	-	1	1	1
19.	27 Aug 2015	BOD report to BOC concerning PT Bakrie & Brothers Tbk Mid-Year Financial Statement per June 30, 2015	1	-	1	1	1	-	1	1	1
20.	12 Oct 2015	Presentation of 3 <sup>rd</sup> Quarter 2015 Operational and Financial Performance of PT Bakrie Indo Infrastructure	1	-	1	1	1	-	1	1	1
21.	12 Oct 2015	Presentation of 3 <sup>rd</sup> Quarter 2015 Operational and Financial Performance of PT Bakrie Autoparts and PT Bakrie Steel Industries	1	-	1	1	1	-	1	1	1
22.	12 Oct 2015	Presentation of 3 <sup>rd</sup> Quarter 2015 Operational and Financial Performance of PT Bakrie Building Industries	1	-	1	1	1	-	1	1	1
23.	13 Oct 2015	Presentation of 3 <sup>rd</sup> Quarter 2015 Operational and Financial Performance of PT Bakrie Metal Industries	1	-	1	1	1	-	1	1	1
24.	13 Oct 2015	Presentation of 3 <sup>rd</sup> Quarter 2015 Operational and Financial Performance of PT Multi Kontrol Nusantara	1	-	1	1	1	-	1	1	1
25.	13 Oct 2015	Presentation of 3 <sup>rd</sup> Quarter 2015 Operational and Financial Performance of PT Bakrie Solusi Strategis	1	-	1	1	1	-	1	1	1

	D	e Agenda -	BOC						BOD					
No	Date		IS	МІ	AY	NIP	BGU	ES	AAP	DTW	YS			
26.	22 Oct 2015	BOD report to BOC concerning PT Bakrie & Brothers Tbk Financial Statement per September 30, 2015	1	-	1	1	1	-	1	1	1			
27.	27 Oct 2015	CGPI Presentation	1	-	1	1	1	-	1	1	1			
28.	30 Nov 2015	Presentation of 2016 Budget and 2017-2020 Strategic Plan of PT Bakrie Autoparts and PT Bakrie Steel Industries	1	-	1	1	1	-	1	1	1			
29.	30 Nov 2015	Presentation of 2016 Budget and 2017-2020 Strategic Plan of PT Bakrie Building Industries	1	-	1	1	1	-	1	1	1			
30.	30 Nov 2015	Presentation of 2016 Budget and 2017-2020 Strategic Plan of Bakrie Energy International Pte Ltd	1	-	-	1	1	-	1	1	1			
31.	1 Dec 2015	Presentation of 2016 Budget and 2017-2020 Strategic Plan of PT Bakrie Metal Industries	1	-	-	1	1	-	1	1	1			
32.	1 Dec 2015	Presentation of 2016 Budget and 2017-2020 Strategic Plan of PT Bakrie Indo Infrastructure	1	-	-	1	1	-	1	1	1			
33.	1 Dec 2015	Presentation of 2016 Budget and 2017-2020 Strategic Plan of PT Multi Kontrol Nusantara	1	-	-	1	1	-	1	1	1			
34.	1 Dec 2015	Presentation of 2016 Budget and 2017-2020 Strategic Plan of PT Bakrie Solusi Strategis	1	-	-	1	1		1	1	1			
		TOTAL:	34	1	23	34	34	9	23	33	34			
MI: M AY: A NIP: f	van Sjarkawi Iohamad Ikhsan rmansyah Yamin Nugroho I. Purbowi	BGU: Bobby Gafur S. Umar ES: Eddy Soeparno AAP: A. Amri Aswono Putro DTW: Dody Taufiq Wijaya YS: R.A. Sri Dharmayanti I) holds the position of Independent Commissioner and Eddy S		(FQ) beld		ition of D								

General Meeting of Shareholders in June 18, 2015

\*\* A. Amri Aswono Putro (AAP) began his tenure as Director as stipulated by the decision of General Meeting of Shareholders in June 18, 2015

## COMMISSIONERS ATTENDANCE IN BOC-BOD JOINT MEETING

Percentage of Commissioners' attendance in the Board of Commissioners and Directors Joint Meetings are as follow:

Name	Total of Meetings Held in a Year	Attendance	Percentage of Attendance in Meeting		
Irwan Sjarkawi	34	34	100%		
Armansyah Yamin	34	1	3%		
Nugroho I. Purbowinoto	34	23	68%		
Mohamad Ikhsan *	34	34	100%		
* ceased on June 18, 2015					

## **BOARD OF COMMISSIONERS APPROVALS FOR TRANSACTIONS UNDER THE AUTHORITIES OF BOARD OF DIRECTORS**

Board of Directors has the authorities to perform the following transactions only after gaining written approval from the Board of Commissioners.

- 1. Accepting financing from other party or giving commitment related to such financing to other party, if the financing amount exceeds the amount specified in the annual budget approved by the Board of Commissioners.
- 2. Giving financial loans to anyone, except for or not including loans directly related to trading business activities.
- 3. Binding the Company as guarantor.
- 4. Hypothecating Company's assets.
- 5. Selling or releasing and/or buying or acquiring immovable goods owned by the Company, including the rights on land.
- 6. Conducting sharing and/or releasing the sharing in other Company.
- 7. Proposing to issue the shares in the Company.
- 8. Deciding the annual budget, business plans and preparing the business strategy of the Company.
- 9. Deciding and/or making alteration to the Company's management structure, including appointment of the Chief Executive Officer.

On condition that such action having the value equal to or higher than 20% (twenty percent) of the Company's equity, based on Company Financial Statement, is within 1 (one) or more transactions, whether the transactions are related to each other or not.

### THE BOARD OF COMMISSIONERS PERFORMANCE ASSESSMENT

The Board of Commissioners performance assessment is conducted with self-assessment methods, assisted by the committees under the Board of Commissioners and accountable to the GMS.

## **BOARD OF COMMISSIONERS KPI**

The performance indicators for Board of Commissioners is formulated according to Duties and Responsibilities of Board of Commissioners which was stipulated based on Company's Articles of Association and prevailing rules and regulations.

## THE BOARD OF COMMISSIONERS REMUNERATION

The Company regulates the remuneration stipulations of the Board of Commissioners in 2015, as follows:

Position	2015	2014		
Board of Commissioners	Rp 11.572.920.922,-	Rp 11.173.878.818,-		

## THE BOARD OF COMMISSIONERS ALLOWANCES AND FACILITIES

The Company regulates the allowances and facilities stipulations of the Board of Commissioners in 2015, as follows:

No	Allowances & Facilities	Member of Board of Comminissioners					
1.	Religious Allowance	Paid for 1 (one) month salary.					
2.	Vehicles Allowance Conform to prevailing Company policy.						
3. Communication Allowance Conform to prevailing Company policy.							
4.Health FacilityPaid as much as 85% from total expense.							
5.	Transportation Facility	Conform to prevailing Company policy.					
6.	BPJS Worker and Health	Conform to UU RI No.40 year 2004 concerning National Social Security System and UU RI No.24 year 2011 concerning Social Security Administrative Body.					
7.	Tenure Appreciations	Reward is given for every 5 years of job tenure.					
8. Out of Town Duty Allowance Conform to prevailing Company policy.							
9.	Executive Club Membership	Conform to prevailing Company policy.					
10.	Leave Days Allowance	Paid as much as 1 (one) month salary after 12 months of tenure.					



The Board of Directors is the Company's organ with full authority and responsibility on the Company's management for the interest of the Company, in accordance with the Company's objectives. The duties of the Board of Directors inlcude representing the Company both both within and outside of the court in accordance with the Articles of Association.

## **BOARD OF DIRECTORS CHARTER**

In performing its duties and responsibilities of monitoring the company in a professional, transparent, efficient and effective manner, the Board of Directors have stipulated a working guideline (Board of Directors Charter) which became a part of Company's Board Manual.

The followings are the outline of Board of Directors Charter in the Board Manual:

- 1. Functions of BOD
- 2. Duties and Authorities of BOD
- 3. Rights and Obligations of BOD
- 4. Requirements of BOD Member
- 5. Appointment Procedures
- 6. Tenure
- 7. Composition and Segregation of Duties of BOD
- 8. Profession Ethics of BOD
- 9. Meetings of BOD
- 10. Performance Evaluation of BOD
- 11. Supporting Organs of BOD (Senior Management and Committee)

#### **SEGREGATION OF DUTIES OF THE BOARD OF DIRECTORS**

Whereas, the division of the Board of Directors duties in accordance with its functions and positions are as follows:

#### **President Director & Chief Executive Officer (CEO)**

Assigns to formulate the Company's strategic and general policies, coordinates the Company management and supervision with all members of the Board of Directors, including the implementation and execution of business strategy, formulates the portfolio strategy and investment transactions, or to review the strategic alliance of mutual benefits with other parties.

The President Director is responsible on the implementation of the Company internal control system and risk management effectiveness, as well as the performance evaluation of members of the Board of Directors that comprising of Chief Financial Officer (CFO), Chief Legal Officer (CLO), and Chief Risk Officer (CRO), as well as Chief Investment Officer (CIO), Chief Strategic Business Development Officer (CSBDO), and Chief Corporate Communication (CCC) in the Executive Management Team composition.

## DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

BNBR's Board of Directors holds several main duties in the management of the Company, which are:

- 1. Ensuring the effectiveness of the Company's management.
- 2. Stipulating the Company's annual business plan and budget.
- 3. Formulating business strategy as a reference of the Company's operational development.
- 4. Preparing the Company's Five year Long Term Plans.
- 5. Providing advice and inputs as well as approving the Company's business portfolio strategy formula and investments.
- 6. Providing the approval on the Company's investment plans.
- 7. Stipulating and validating the Company's values, code of conduct and busines ethics.
- 8. Ensuring the implementation of Corporate Social Responsibility programs by the Company.

#### **Director & Chief of Financial Officer (CFO)**

Assigns to formulate the strategic policy, management and operational of the company's finance, as well as acts for and on behalf of the President Director & CEO or the Board of Directors in conduting its duties of leading the activities and implementation governance of overall Finance Division.

The duties of CFO include preparing and coordinating the Company's Work and Budget Plan development, as well as the Company's financial management, so as to maintain the Company's liquidity and solvency. CFO is responsible to develop and implement the Accounting System and Procedures, including to analyze and evaluate the Company's Financial Statements. CFO also has the duties to manage the Company's financing requirements, including to design optimum financing structures as required for the Company's operations and investments.

#### **Director & Chief Legal Officer (CLO)**

Assigns to formulate, develop and implement the strategic policy and the Company's operational in legal fields, as well as to coordinate all activities and implementation governance of Legal Division, including to develop Legal Dision Work and Budget Plan.

CLO is responsible to develop all administrations, systems and information of the Company's Legal Division, as well as providing legal considerations in every measure conducted by the Company. CLO periodically provided activity report of Legal Division to the CEO.

#### **Director & Chief Risk Officer (CRO)**

Assigns to assist the CEO or the Board of Directors in the overall implementation of the Company's risk management, through the implementation of Enterprise Risk Management program in accordance with international standards.

CRO is responsible to stipulate the Company standard operating procedures, and to cooperate with the Chief Investment Officer and Investment Committee in conducting risk management process, as well as implementing the compliance frameworks. CRO is periodically provided report to the CEO and coordinated with the Risk Management Committee.

## **BOARD OF DIRECTORS COMPOSITION**

BNBR is led by the President Director/Chief Executive Officer and assisted by the members of the Board of Directors, of whom are selected, appointed, and terminated through GMS. Pursuant to the resolutions of Annual General Meeting of Shareholders dated June 18, 2015, the composition and appointment of the Board of Directors up to the end of 2017, are as follows:

Comp	osition	First Appointment							
Position	Name	General Meeting of Shareholders	Documents	Ratification					
President Director & Chief Executive Officer	Bobby Gafur S. Umar	25 June 2010	Deed dated 25 June 2010 No. 149	AHU-AH.01.10-20381, dated 9 August 2010					
Director & Chief Legal Officer	R.A. Sri Dharmayanti	26 June 2008	Deed dated 9 July 2008 No. 15	AHU-49901.AH.01.02.Year 2008, dated 11 August 2008					
Independent Director & Chief Risk Officer Dody Taufiq Wijaya		19 June 2014	Deed dated 19 June 2014 No. 102	AHU-20154.40.22.2014, dated 16 July 2014					
Director & Chief A. Amri Aswono Financial Officer Putro		18 June 2015	Deed dated 30 September 2015 No. 140	AHU-AH.01.03-0968773, dated 1 October 2015					

With regards to Eddy Soeparno's resignation from Independent Commissioner post as conveyed in written through letter dated March 31, 2015, therefore in the Company's AGMS that was held on June 18, 2015 the new composition of Board of Directors as described in the table above were approved.

## **DELEGATION OF AUTHORITY**

A member of Board of Directors may delegate his/her authorities to another member of Board of Directors by issuing a written proxy made specifically for the occasion with adherence to the Board Manual.

During 2015 there was no delegation of authority among Board of Directors members to attend meeting.

#### **INDEPENDENT DIRECTOR**

Pursuant to Rule Number I-A Decision of the Board of Directors of The Indonesia Stock Exchange Inc Number Kep-00001/BEI/01-2014 stating that Listed Company must have at least 1 (one) Independent Director in its Board of Directors composition who can be firstly appointed in GMS held prior to Listing and shall be as Independent Director effective after the shares of the company are listed.

Independent Director must meets the following conditions:

- Does not have any affiliate relation with the Listed Company Controller at least 6 (six) months prior to the appointment as the Independent Director;
- 2. Does not have any affiliate relation with any Commissioners or Board of Directors of the Prospective Listed Company;
- 3. Does not have any position as a member of Board of Directors in other company;
- 4. Has not been an Insider in the Capital Market Supporting Institution or Profession whose service is utilized by the Prospective Listed Company for 6 (six) months prior to the appointment as the Director.

Since June 19, 2014 the Company has 1 (one) Independent Director, namely Dody Taufiq Wijaya; he has fully declared his independence to the Company's GMS.



#### **CONCURRENT POSITION OF MEMBERS OF THE BOARD OF COMMISSIONERS**

The Regulation of Financial Services Authority Number 33/POJK.04/2014 concerning the Board of Directors and the Board of Commissioners of Issuers or Listed Companies, stipulated that Members of the Board of Directors can hold concurrent position as:

- 1. member of the Board of Directors at maximum 1 (one) other Issuers or Public Companies;
- 2. member of the Board of Commissioners at maximum 3 (three) other Issuers or Public Companies; and/or
- 3. member of committee at maximum 5 (five) committees in Issuers or Public Companies in which the aforementioned also holds the position as member of Board of Directors or Board of Commissioners.

The following are the Board of Directors' description on concurrent position in 2015:

Name	Company	Position
Bobby Gafur S. Umar	PT Bakrie Telecom Tbk PT Bakrie Sumatra Plantations Tbk	Vice President Commissioner Vice President Commissioner
A. Amri Aswono Putro	-	-
Dody Taufiq Wijaya	-	-
R.A. Sri Dharmayanti	PT Bumi Resources Tbk	Director

# SHARES OWNERSHIP OF MEMBERS OF THE BOARD OF DIRECTORS

The Company also requests that member of the Board of Directors shall disclose the shares ownership both in the Company as well as other companies, domiciled both in Indonesia and overseas, in which report must be renewed annually.

There was no shares ownership by the Board of Directors during 2015.

#### INDUCTION PROGRAM FOR THE BOARD OF DIRECTORS

Induction Program implementation is vital considering the variety of background of Board of Directors member. Induction Program can be carried out in the form of presentation, meeting, or visit to Company facilities. Induction Program can also be in the form of other programs deemed necessary by the Company. The Induction Program procedures cover the following matters:

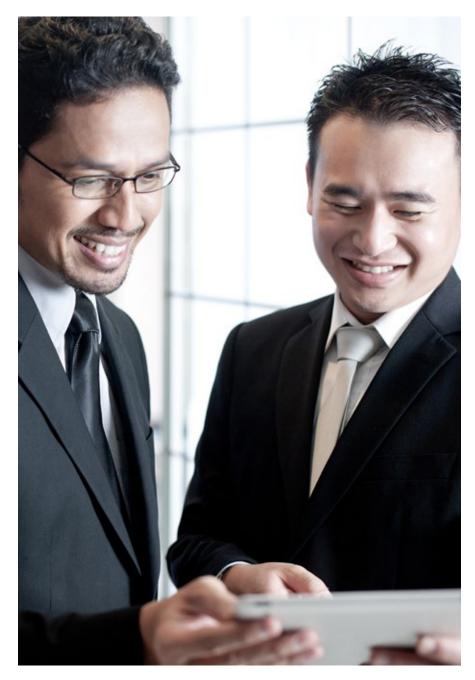
- Induction Program about the Company must be presented to Board of Directors members in their first time of serving as Company Board of Directors.
- President Director holds the responsibility of Induction Program implementation. If the President Director is absent or he/she is a participant of the Induction Program, the responsibility is held by other members of the Board of Directors.
- 3. The Induction Program topic includes introductory to Company's business activities, financial and operational performance, short term and long term work plan, Good Corporate Governance principles, authorities that are permitted to be delegated, internal and external audit, Internal Control System, the Board of Directors Supporting Functions, duties and responsibilities of the Board of Commissioners and Board of Directors, and other strategic issues.

In 2015 the Induction Program was presented by President Director to the new Board of Directors member, A. Amri Aswono Putro who was appointed as Director in the Annual GMS on June 18, 2015.

#### THE BOARD OF DIRECTORS COMPETENCE DEVELOPMENT PROGRAM

The Board of Directors has continuous education which is combined in self-study and participation in special education, training, workshops, seminars and conferences that are useful in improving Board of Directors' function effectiveness.

In 2015 the Board of Commissioners did not attend any development and training activities held by external party.



## **BOARD OF DIRECTORS MEETINGS**

The Board of Directors holds the Board of Directors' meeting, or attends the meeting held by the Committees under the Board of Directors, or attends the joint meeting with the Board of Commissioners and other company's organs.

## DIRECTORS ATTENDANCE IN BOARD OF DIRECTORS INTERNAL MEETING

The Company's Articles of Association stipulates the Board of Directors to hold an internal meeting at least 12 (twelve) times per year. The Board of Directors holds 29 (twenty nine) meetings during 2015, with the following details:

			BOD							
No	Date	Agenda	BGU	ES*	AAP*	DTW	YS			
1.	5 Jan 2015	Discussion concerning BNBR 2014 Performance	1	1	-	1	1			
2.	12 Jan 2015	Discussion concerning BNBR 2015 Budget	1	1	-	1	1			
3.	15 Jan 2015	Discussion concerning Annual Report of Fiscal Year 2014	1	1	-	1	1			
4.	16 Jan 2015	Discussion concerning BNBR Strategy and Performance	-	1	-	1	1			
5.	29 Jan 2015	Discussion concerning Subsidiaries Projects	1	1	-	1	1			
6.	9 Feb 2015	BOD Monthly Meeting	1	1	-	1	1			
7.	10 Feb 2015	Discussion concerning BNBR Subsidiaries	1	1	-	1	1			
8.	6 Mar 2015	BOD Monthly Meeting	1	1	-	1	1			
9.	16 Mar 2015	Update on Company's Recent Situation	1	1	-	1	1			
10.	17 Mar 2015	Discussion concerning Draft of PT Bakrie & Brothers Tbk Consolidated Financial Statement per December 31, 2014 - Continuation	1	1	-	1	1			
11.	23 Mar 2015	Discussion concerning PT Bakrie & Brothers Tbk Consolidated Financial Statement per December 31, 2014	1	1	-	1	1			
12.	9 Apr 2015	Discussion concerning Subsidiaries Divestment and Investment Plan	1	1	-	1	1			
13.	28 Apr 2015	Discussion concerning PT Bakrie & Brothers Tbk Financial Statement per March 31, 2014	1	1	-	1	1			
14.	11 Jun 2015	Preparation of AGMS and EGMS of BNBR	1	1	-	1	1			
15.	26 Jun 2015	Discussion concerning BNBR Divestment and Investment Plan	1	-	-	1	1			
16.	10 Jul 2015	BOD Monthly Meeting	1	-	-	1	1			
17.	28 Jul 2015	Discussion concerning BNBR Subsidiaries	1	-	-	1	1			
18.	26 Aug 2015	Discussion concerning PT Bakrie & Brothers Tbk Mid-Year Financial Statement per June 30, 2015	1	-	-	1	1			
19.	2 Sep 2015	BOD Monthly Meeting	1	-	-	1	1			
20.	14 Sep 2015	Discussion concerning BNBR Going Forward Strategies	1	-	1	1	1			

	D. (				BOD		
No	Date	Agenda	BGU	ES*	AAP*	DTW	YS
21.	16 Sep 2015	Discussion concerning BNBR Going Forward Strategies - Continuation	1	-	1	1	1
22.	21 Sep 2015	Discussion concerning BNBR Performance	1	-	1	1	1
23.	23 Sep 2015	Discussion concerning BNBR Subsidiaries	1	-	1	1	1
24.	29 Sep 2015	Discussion concerning BNBR Subsidiaries - Continuation	1	-	1	1	1
25.	9 Oct 2015	BOD Monthly Meeting	1	-	1	1	1
26.	15 Oct 2015	Update on Company's Recent Situation	-	-	-	1	1
27.	22 Oct 2015	Discussion concerning PT Bakrie & Brothers Tbk Financial Statement per September 30, 2015	1	-	1	1	1
28.	1 Dec 2015	BOD Monthly Meeting	1	-	1	1	1
29.	3 Dec 2015	Preparation for Annual Public Expose	1	-	1	1	1
		TOTAL:	28	14	14	30	30
		PERCENTAGE OF ATTENDANCE	93%	47%	47%	100%	100%
ES: E AAP: DTW	: Bobby Gafur S. Un ddy Soeparno A. Amri Aswono P : Dody Taufiq Wija .A. Sri Dharmayan	utro ya		1		1	

\*) Eddy Soeparno (ES) holds the position of Director until General Meeting of Shareholders in June 18, 2015

\*\*) A. Amri Aswono Putro (AAP) began his tenure as Director as stipulated by the decision of General Meeting of Shareholders in June 18, 2015.

## DIRECTORS ATTENDANCE IN BOC-BOD JOINT MEETING

During 2015, the Board of Commissioners and Board of Directors held 34 (thirty four) Joint Meetings, with detailed agenda and attendance as described in this Annual Report page 114-116.

Percentage of Directors' attendance in the Board of Commissioners and Directors Joint Meetings are as follow:

Name	Total of Meetings Held in a Year	Attendance	Percentage of Attendance in Meeting		
Bobby Gafur S. Umar	34	34	100%		
Eddy Soeparno*)	34	9	26%		
Dody Taufiq Wijaya	34	33	97%		
R. A. Sri Dharmayanti	34	34	100%		
A. Amri Aswono Putro**)	34	23	68%		
*) ceased on June 18, 2015 **) joined on June 18, 2015	1	1	1		

#### BOARD OF DIRECTORS PERFORMANCE ASSESSMENT

Performance Assessment of every Director is done individually based on achievement of Key Performance Indicator which has been agreed in the beginning of every year. The assessment process is implemented through selfassessment approach and formal oneon-one meeting with President Director twice a year.

In general, the Board of Directors' KPI was stipulated based on the following 2 parameters:

- 1. Quantitative Parameter, is a parameter related to the Company's financial performance measurement, which consists of:
  - a. Management Point of view
  - b. Leaders point of view
  - c. Shareholders point of view
- 2. Qualitative Parameter, is a parameter related to the managerials capacity and leadership of the Board of Directors, which consists of:
  - a. Leadership
  - b. Integrity
  - c. Credibility

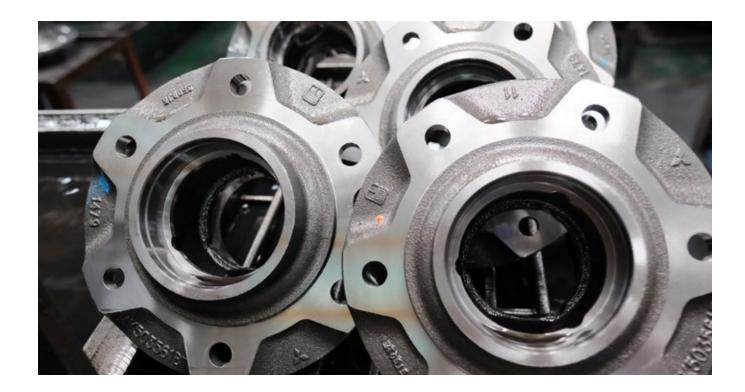
The Company's Board of Directors' KPI was formulated by assessing performance through evaluations of Corporate's achievement of the above two parameters (Corporate's KPI), which was then derived into functionals and individuals KPI; details as follow:

Board of Directors KPI Table								
Parameter	КРІ	Weighted Indicator						
	Quantitative							
A. Management Point of View	<ul> <li>Revenue Achievement</li> <li>Production Yield</li> <li>Capacity Utilization</li> <li>Cost Improvement</li> <li>Gross Margin Ratio</li> <li>EBITDA Ratio</li> <li>EBITDA compare to Last Year</li> <li>Inventory Turn Over</li> <li>Assets Turnover</li> <li>Account Receivables days</li> <li>Human Resources Effectiveness</li> <li>Return On Assets</li> <li>NIBT Compare to Last Year</li> </ul>	15 2,5 2,5 7,5 5 5 2,5 2,5 2,5 2,5 2,5 5 5						
B. Owners Point of View	<ul><li>Net Operating Cash Flow</li><li>Earning per Shares</li><li>Management Fee</li></ul>	2,5 2,5 15						
C. Lenders Point of View	<ul> <li>Current Ratio</li> <li>Debt to Equity</li> <li>Long Term Debt to EBITDA</li> </ul>	5 5						
	Sub Total	90						
	Qualitative							
	<ul> <li>Leadership</li> <li>Integrity</li> <li>Professionalism</li> <li>Accountability</li> <li>Reporting &amp; Control System</li> </ul>	2 2 2 2 2 2						
	Sub Total	10						
	TOTAL	100						

## THE BOARD OF DIRECTORS REMUNERATION

The Company regulates the remuneration stipulations of the Board of Directors in 2015, as follows:

Position	2015	2014			
Board of Directors	Rp 27.211.835.780	Rp 15.999.685.952			



## THE BOARD OF DIRECTORS ALLOWANCES AND FACILITIES

The Company regulates the allowances and facilities stipulations of the Board of Directors in 2015, as follows:

No.	Allowances & Facilities	Board of Directors				
1.	Religious Allowance	Paid for 1 (one) month salary.				
2.	lousing Allowance Conform to prevailing Company policy.					
3.	Vehicles Allowance	Conform to prevailing Company policy.				
4. Communication Allowance Paid at cost.						
5.Health FacilityPaid as much as 85% from total expense.						
6.	Transportation Facility	Conform to prevailing Company policy.				
7.	BPJS Worker and Health	Conform to UU RI No.40 year 2004 concerning National Social Security System and UU RI No.24 year 2011 concerning Social Security Administrative Body.				
8.	Pension Fund	Monthly premium: 7.95% of gross salary.				
9.	Tenure Appreciations	Reward is given for every 5 years of job tenure				
10.	Out of Town Duty Allowance	Conform to prevailing Company policy.				
11.	Executive Club Membership	Conform to prevailing Company policy.				
12.	Leave Days Allowance	Paid as much as 1 (one) month salary after 12 months of tenure.				

## AFFILIATED RELATIONS OF THE BOARD OF COMMISSIONERS AND DIRECTORS

BNBR's Board of Commissioners and Directors do not hold concurrent position as members of the Board of Commissioners and Directors of the Controling Shareholders, and do not have familial relations nor financial relations with members of the Directors and or Board of Commissioners and or the Controling Shareholders.

With this independent status, BNBR's Board of Directors strives to act independently, in which are not posses any conflicts of interest that may disrupt its capabilities to implement duties independently and critically, both in the relations between the Board or towards the Board of Commissioners.

Board of		Familial Relations With							nancial Re	elations W	Description on familial		
Commissioners &	Board of Commissioners		Directors		Controling Shareholders		Board of Commissioners		Directors		Controling Shareholders		Description on familial relations and/or financial
Directors	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	relations
Irwan Sjarkawi		✓		~		✓		✓		✓		✓	-
Armansyah Yamin		~		~		~		~		✓		✓	-
Nugroho I.Purbowinoto		~		~		~		~		✓		✓	_
Bobby Gafur S. Umar		~		✓		~		✓		~		✓	-
A. Amri Aswono Putro		~		✓		~		✓		~		✓	-
Dody Taufiq Wijaya		✓		✓		✓		~		~		✓	_
R.A. Sri Dharmayanti		~		~		~		~		✓		✓	-

#### DIVERSIFICATION POLICY ON THE BOARD OF COMMISSIONERS AND DIRECTORS COMPOSITION

The Company presents the opportunity and chance for the best and selected Bakrie people to serve the position and authority as the Director, or Commissioner, with equality in age and gender, as well as educational background. The Company, yet, shall provides firm consideration on the candidates experience background and milestones.

All BNBR's Board of Directors and Commissioners shall conducts and passes the Fit and Proper test, both internally as well as by the Regulations from the relevant Regulators/Institutions.

The following are the diversity in BNBR's Board of Commissioners and Directors composition in 2015.

Diversity Based on Age						
	30 – 40 th	40 – 50 th	50 – 60 th	60 th<		
Board of Commissioners	_	_	_	3		
Board of Directors	_	2	2	_		

Diversity Based on Gender					
	Male	Female			
Board of Commissioners	3	_			
Board of Directors	3	1			

Diversity Based on Experience with Equal Position of Directors and or Commissioners							
	5– 10 th	10 – 15 th	15 – 20 th	20 th<			
Board of Commissioners	_	_	_	3			
Board of Directors	_	1	3	_			

Diversity Based on Education						
	Graduates Post Graduates Honorary Degree I		Honorary Member			
Board of Commissioners	2	1	_	1		
Board of Directors	_	4	_	2		

#### FUNCTIONS SUPPORTING THE BOARD OF COMMISSIONERS

Supporting organs of Board of Commissioners of PT Bakrie & Brothers Tbk consist of Secretary to BOC, Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, and Corporate Governance Committee.

## THE SECRETARY TO THE BOARD OF COMMISSIONERS

The Secretary to the Board of Commissioners is appointed by and responsible to the Board of Commissioners. The responsibilities of Secretary to the BOC are to manage the administration and the implementation of Good Corporate Governance in assisting the BOC to conduct an effective supervision function.



#### **Brief Profile of Secretary to the Board of Commissioners**

#### Lifransyah Gumay, SE Ak. MM. CA

Lifransyah Gumay, 54 years old. Began his career in 1986 with the Public Accounting Firm Drs. Santoso Harsokusumo (member of Arthur Young International). Appointed as the Company's Audit Committee's member since December 2013. He has served as manager level and board of directors in several companies as well as consultant in the General Election, Business Competition Supervisory Commission and expert staff of Parliament of RI and Audit Committee's Member of SOEs' Banks. He earned a Bachelor of Economics degree majoring in Accounting from the University of Indonesia in 1986 and Master degree in Management from the School of Management LPMI in 2003.

## THE BOARD OF COMMISSIONERS SUPPORTING COMMITTEES

In implementing its supervisory functions on the company's management, the Board of Commissioners establishes supporting committees chaired by one of the Independent Commissioner.

#### Audit Committee

Audit Committee is established by and responsible to the Board of Commissioners. The Committee's duties are to assist the Board of Commissioners in conducting supervisory functions on matters pertaining to the financial information, internal control, risk management and compliance towards the applicable legislations. The company's Audit Charter and BAPEPAM regulation number IX.I.5 concerning the Establishment and Audit Committee Implementation Guidelines directs the implementation of Audit Committee's duties. The Audit Charter elaborates the duties, roles and functions of the Committee comprehensively.

#### **Duties and Responsibilities of Audit Committee**

As stipulated in the Audit Charter, the Audit Committee's duties are to assist the Board of Commissioners in its supervisory functions in accordance with the implementation of Good Corporate Governance. The Audit Committee acts independently in implementing its duties and responsibilities. The Audit Committee's Duties and Responsibilities are regulated as follows:

- Reviewing the financial information, which will be published by the company such as financial reports, projections, and other reports on the company's financial information;
- Reviewing the compliance towards regulations related to the company's activity;
- Providing independent opinions in the event of disagreements between the management and the External Auditor on the tendered services;
- Providing recommendations to the Board of Commissioners on the appointment of External Auditor based on independency, scope of works, and fees;
- Reviewing the auditing works of the internal auditor and follow-up actions by the Board of Directors on the internal auditor's findings;
- Reviewing the implementation of risk management conducted by the Board of Directors, if the Company does not have a risk oversight function under the Board of Commissioners;
- Reviewing the whistleblowing related to the company's accounting process and financial reporting;
- Reviewing and providing advice to the Board of Commissioners pertaining to the potential of conflicts of interest in the company;
- 9. Maintaining the confidentiality of the company's documents, data and information.

## Audit Committee's Members Qualifications

 In order to conduct proper duties, the Audit Committee's members shall have the competency and expertise in auditing, and be independent. The following are qualifications and requirements of the Company's Audit Committee: High Integrity, adequate expertise, knowledge, and experience, as well as good communication skills.

- 2. Good understanding on the financial reports, company's business, audit process, risk management, and has the adequate knowledge on Capital Market laws as well as other related legislations.
- 3. At least one of the Audit Committee's members has the education background and expertise in accounting or finance.
- 4. Compliance to the Company's Audit Committee code of conduct.
- 5. Continuously enhance its competence through education and trainings.
- Not a representative of Accounting Firm, Legal Consultant Firm, or other parties that provide attestation and non-attestation services, and/or other consultancy services to the Issuers or Listed Companies in the last 6 (six) month.
- 7. Does not have direct or indirect shares in the Company.
- In the event of direct or indirect ownership by the members of Audit Committee due to legal actions, he/she therefore shall transferring its shares within 6 (six) month after the ownership to the other parties.
- 9. Does not have affiliated relations with the Company, Commissioners, Directors, or the Company's Majority Shareholders.
- 10. Does not have a direct or indirect business relations related to the Company's business activity.
- Does not have other relations that may influence its ability to act independently.

#### Audit Committee Independence

All members of Audit Committee have fully fulfilled the independence criteria, as stipulated in the Audit Charter and able to assure independency in every duty and decision-making.

## Audit Committee Membership Composition

The Audit Committee is appointed by the Board of Commissioners with the professional qualifications to support objectives approach. The Audit Committee members' tenure may not be longer than the tenure of the Board of Commissioners as stipulated in the articles of association and can be re-elected for the next 1 (one) period after the periodical review by the Board of Commissioners.

The composition of Audit Committee for the period of 2014 to 2016 was stipulated based on the Board of Commissioners Decree No. 01/SK-DEKOM/BNBR/X/2014 dated October 8, 2014 with the following composition:

1.	Chairman	: Mohamad Ikhsan
2.	Member	: Nugroho I. Purbowinoto
3.	Member	: Lifransyah Gumay

Based on the Board of Commissioners' Decree No. 32/SK-DEKOM/BNBR/VII/2015, as of August 3, 2015, the Audit Committee's composition for the period of 2015-2016 is as follows:

1.	Chairman	: Irwan Sjarkawi
2.	Member	: Nugroho I. Purbowinoto
3.	Member	: Lifransyah Gumay

4. Member : Arief A. Dhani

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Corporate Governance Implementation Report

Corporate Social Responsibility

Additional Informatio

#### **Profile of Audit Committee Member**

- 1. Irwan Sjarkawi (see profile of Board of Commissioners)
- 2. Nugroho I. Purbowinoto (see profile of Board of Commissioners)
- 3. Lifransyah Gumay (see profile of Board of Commissioners)
- 4. Arief A. Dhani, SE, MM, CPA, CA



Arief A. Dhani began his career as an auditor in Public Accounting Firm Drs Hadi Sutanto & Partners / Pricewaterhouse Coopers. He then served as Partner in Public Accounting Firm RSM AAJ Associates, and then Partner in the Public Accounting Firm Arman Dhani & Partners. Currently he serves as audit committee in other listed companies, and lecturer in the Economy Faculty of the University of Indonesia. He earned an Economics degree majoring in Accounting from the University of Indonesia and Master of Management degree in finance from the University of Pelita Harapan.

#### **Audit Committee Duties Implementation**

In fulfilling its duties, Audit Committee's daily activities are to assist BOC in doing its monitoring function towards BOD and Company's management in the following matters:

- 1. Reliability of Company's Financial Report and its internal control.
- 2. Compliance to prevailing law and regulations including all of Company's policies and code of ethics.
- 3. Qualification, independence, and performance of Company's Independent Auditor.
- 4. All processes related with risk management and internal control systems.
- 5. Process and performance of Corporate Internal Audit.

#### Audit Committee Members Meeting and Attendance

During 2015, in its duties implementation, Audit Committee holds the committee meetings as well as the meeting with the Board of Commissioners, Directors and other organs of the company.

The following are detailed of the Audit Committee Meeting and Attendance in 2015:

N			Audit Committee					
No	Date	Agenda	IS	MI*	NIP	LG	AD	
1.	18 Feb 2015	Discussion concerning audit plan and Internal Audit report	1	1	1	1	-	
2.	6 Mar 2015	Discussion concerning Audit Committee report	1	1	1	1	-	
3.	23 Mar 2015	Discussion concerning Public Accounting Firm audit result on 2014 Financial Statement	1	1	1	1	-	
4.	15 Jun 2015	Amendment to Audit Committee composition	1	1	1	1	-	

Corporate Profile

Main Highlights

5.	28 Aug 2015	5 Discussion concerning Public Accounting Firm audit result on Financial Statement per June 2015		-	1	1	1	
6.	10 Sep 2015	Discussion concerning Internal Audit monitoring result semester 1 year 2015		-	1	1	1	
7.	21 Dec 2015	Discussion concerning Internal Audit monitoring result semester 2 year 2015		-	1	1	1	
	TOTAL: 7 4 7 7 3							
IS: Irv MI: N	Note:       IS: Irwan Sjarkawi     LG: Lifransyah Gumay       MI: Mohamad Ikhsan     AD: Arief Dhani       NIP: Nugroho I. Purbowinoto       *) Mohamad Ikhsan (MI) holds the position of Independent Commissioner until General Meeting of Shareholders in June 18, 2015							

#### **Nomination and Remuneration Committee**

As stipulated in the Company's Articles of Association and Financial Services Authority Regulation No. 34/POJK.04/2014, the management of remuneration and nomination of the Board of Commissioners and Directors is ratified by the GMS to be implemented by the Board of Commissioners. In its implementation, aligned with GCG implementation, the Board of Commissioners is assisted by the Nomination and Remuneration Committee.

## Duties and Responsibilities of Nomination and Remuneration Committee

The following are among others the duties and responsibilities of Nomination and Remuneration Committee:

- Providing direction in leadership and succession plan of key positions as well as the appointment of the members of BOC/ BOD, including matters related to the re-appointment and remunerations.
- 2. Ensuring a transparent remuneration system in the Company, such as salaries or honorarium, fixed benefits and facilities including tantiem and variables incentives.

- 3. Reviewing the appropriateness of remuneration system for the Board of Directors and the Board of Commissioners, as well as to recommend any necessary adjustment by taking into account the relations between awarded remuneration levels with the set performance achievements.
- 4. Providing recommendations on nomination system, transparent remuneration evaluations for the Board of Commissioners, Directors and one-down executives under the Directors for further recommendation to the Board of Commissioners.
- Reviewing the appropriateness of rewarding policies and the usage of available facilities for the Board of Commissioners, Directors and one-down executives under the Directors, and to provide recommendation on necessary improvements/ amendments.
- 6. Stipulating the policies in the formulation of salary system and benefits rewarding as well as reviewing and recommending the performance achievement, incentives rewarding, pension and compensation systems in the event of employees reduction.
- 7. Developing the selection criteria and nomination procedures of the members of the Board of Commissioners and Directors, and other executives, and providing recommendation on the number of the Board of Directors and Commissioners.

#### **Nomination and Remuneration Committee Independence**

The members of Nomination and Remuneration Committee independently act and able to guarantee its independency in every duties and decision-making.

#### Nomination and Remuneration Committee Membership Composition

The composition of Nomination and Remuneration Committee for the period of 2015 to 2016 was stipulated based on the Board of Commissioners Decree No. 33/SK-DEKOM/BNBR/VII/2015 dated August 3, 2015 with the following composition:

- 1. Chairman: Irwan Sjarkawi
- 2. Member: Nugroho I. Purbowinoto
- 3. Member: Okder Pendrian

#### **Profile of Nomination and Remuneration Committee Member**

- 1. Irwan Sjarkawi (see profile of Board of Commissioners)
- 2. Nugroho I. Purbowinoto (see profile of Board of Commissioners)
- 3. Okder Pendrian



Okder Pendrian started his career in the human capital field as trainee at PT Unilever Indonesia Tbk, Surabaya in 1996. Joined PT Bakrie & Brothers Tbk in 1997 and currently holds the position of Head of Human Capital & Office Support, he also holds the position of Director & CEO of PT Bakrie Strategic Solutions. During his tenure in the Company, he has been posted at several business units: as Chief Human Resources & Organization of PT Bakrie Metal Industries and as HR Advisor of PT Darma Henwa Tbk. He earned his Bachelor degree in Agriculture Industry Technology major from Bogor Agricultural University (IPB) and MBA degree in General Management major from IPMI Business School, Jakarta.

#### Nomination and Remuneration Committee Duties Implementation

In implementing its duties, the Nomination and Remuneration Committees daily activities are to assist the Board of Commissioners in the following matters:

- Formulate and provide guidance about leadership and succession plan for every key positions and nomination as members of BOC or BOD, as well as other matters related with reappointment and its remuneration.
- 2. Conduct review and nominates candidate for BOC or BOD member to be appointed and ratified in GMS.
- 3. Periodically assess the eligibility of a retiring BOC or BOD member for reappointment in GMS.
- 4. Nominate candidate for C-level executives (CIO, CCC, CSBDO and other Chiefs).
- 5. Suggest remuneration package for BOC, BOD and C-level executives.

## Nomination and Remuneration Committee Members Meeting and Attendance

No	Data	Anondo		NR Committee		
No	Date	Agenda	IS	BGU	NIP	OP
1.	9 Mar 2015	Evaluation of Company's Executives performance year 2015	1	1	-	-
2.	15 Jul 2015	Planning of performance improvement of Company's Executives	1	1	-	-
3.	22 Sep 2015	Stipulation of amendment to Nomination and Remuneration Committee	1	-	1	1
4.	12 Nov 2015	Review of reorganization program of Subsidiaries	1	-	1	1
		4	2	2	2	

#### Note:

- IS: Irwan Sjarkawi BGU: Bobby Gafur S. Umar
- NIP: Nugroho I. Purbowinoto

OP: Okder Pendrian

Pursuant to Financial Services Authority Regulation No. 34/POJK.04/2014 concerning Nomination and Remuneration Committee, Bobby Gafur S. Umar (President Director & CEO) was replaced by Okder Pendrian and this replacement was stipulated based on the Board of Commissioners Decree No. 33/SK-DEKOM/ BNBR/VII/2015 dated August 3, 2015.

#### **Policies on Board of Directors Succession**

Policy on Company's Board of Directors succession is stipulated in Human Resources policy concerning Career Development and Succession Program. In its implementation, Nomination and Remuneration Committee is responsible to lead the succession planning process of Board of Directors, although appointment of a Director must gain approval from GMS. The Company has a policy to do internal promotion wherever possible. Internal candidates for a leader position can be identified and groomed through human resources development program managed by Human Resources division and Bakrie Learning Center.

#### **Risk Management Committee**

The Risk Management Committee was established to develop, implement and regulate the risk management policies in the Company. The Committee duties also include supervisory on major risk aspects and for the assurance of risks anticipation and mitigation.

In implementing its duties, the Risk Management Committee cooperates with the Committees of the Board of Commissioners, Internal Audits and related operational units of the Company.

#### **Duties and Responsibilities of Risk Management Committee**

Risk Management Committee has the duty of assisting Board of Commissioners in monitoring the Board of Directors and Company management in the following matters:

- Ensuring implementation of comprehensive company risk management ranging from formulation of policies, provision of resources and facilities, completeness of procedures and application practices, implemented efficiently and effectively in accordance with international standard and prevailing law.
- Conducting evaluation on risk management policies and assess the risk appetite and risk tolerance stipulated by Board of Directors.
- Conducting evaluation on adequacy of facilities, infrastructures, resources and competencies to implement Enterprise Risk Management (ERM).
- 4. Ensuring implementation of ERM program is in accordance with internationally acknowledged ERM standards.
- 5. Requesting and collecting reports in a periodic basis from BOD concerning business risks encountered.
- Conducting discussion, evaluation, verification and recommendation on risk management reports from BOD and delivers the result to BOC.
- 7. If deemed necessary the committee may request inputs and recommendations from experts on risk management implementation.

#### **Risk Management Committee Independence**

Risk Management Committee is in an independent position to the Company, and is established to help the Board of Commissioners perform its duty of supervision over the management, especially the risk control management at every level in order to achieve the target and outcome that are aligned and consistent with the vision, mission, objectives and strategic planning of the Company.

#### **Risk Management Committee Membership Composition**

The composition of Risk Management Committee for the period of 2014 to 2016 was stipulated based on the Board of Commissioners Decree No. 02/SK-DEKOM/BNBR/X/2014 dated October 8, 2014 with the following composition:

- 1. Chairman: Irwan Sjarkawi
- 2. Member: Armansyah Yamin
- 3. Member: Arief A. Dhani
- 4. Member: Lifransyah Gumay

#### **Profile of Risk Management Committee Member**

- 1. Irwan Sjarkawi (see profile of Board of Commissioners)
- 2. Armansyah Yamin (see profile of Board of Commissioners)
- 3. Arief A. Dhani (see profile of Audit Committee Member)
- 4. Lifransyah Gumay (see profile of Secretary to the Board of Commissioners)

#### **Risk Management Committee Duties Implementation**

The Risk Management Committee assist the Board of Commissioners in conducting its supervision function over the Board of Directors, especially in conducting review, recommendation and assessment to the adequacy, completeness and effectiveness of risk management for the company's activities, including project proposal and implementation.

In executing its function, the Risk Management Committee gain support from the Board of Directors assisted by Corporate Risk Management (CRM) Division by giving access to source of information including documents required and sufficient facility in performing its function.

## **Risk Management Committee Members Meeting and Attendance**

N -	Data	A words		RM Cor	nmittee	
No	Date	Agenda	IS	AY	LG	AD
1.	9 Mar 2015	Discussion concerning implementation of risk management in 2014	1	1	1	1
2.	28 Apr 2015	Joint meeting of Committees to discuss Financial Statement 1 <sup>st</sup> quarter 2015	1	1	1	1
3.	15 Jul 2015	Internal meeting to optimize Risk Management Committee	1	-	1	1
4.	21 Aug 2015	Discussion concerning implementation of risk management in 1 <sup>st</sup> semester 2015	1	1	1	1
5.	22 Sep 2015	Internal meeting of Risk Management Committee with various agendas	1	1	1	1
6.	22 Oct 2015	Discussion concerning Financial Statement 3rd quarter 2015	1	1	1	1
7.	4 Nov 2015	Stipulation of amendment to Risk Management Committee	1	1	1	1
		TOTAL:	7	6	7	7
AY: A LG: Li	: wan Sjarkawi rmansyah Yamin ifransyah Gumay Arief Dhani				1	

#### **Corporate Governance Committee**

The Corporate Governance Committee (GCG) is established to assist the Board of Commissioners' functions in the management and assurance of effectiveness of GCG practices implementation in the Company. The Committee monitors and supports the implementation of GCG principles in accordance with the prevailing legislations and industry standards, as well as ethical norms in the community.

### Duties and Responsibilities of Corporate Governance Committee

- Assist the Board of Commissioners in supervisory and monitoring function, especially regarding effectiveness of GCG practices implementation in the Company as an effort to increase Shareholders value.
- 2. Provide recommendations on improvement of GCG implementation in the Company, in accordance with GCG principles.
- 3. Increase Stakeholders' confidence that the Company is managed in a prudent, professional and reliable manner.
- Ensure that the implementation of Corporate Governance (CG) principles and sound corporate practices have been carried out in accordance with the demand of rules and regulations, prevailing industry standard, and ethical norms practiced by society.

- Assist the Board of Commissioners in comprehensively assessing GCG policies formulated by the Board of Directors and Management as well evaluate the consistency of its implementation, including those that are related with business ethics and corporate social responsibility (CSR).
- Ensure adequacy of structure and process for company organs and company supporting organs have been well fulfilled and carried out in accordance with the demand of prevailing rules and regulations (among others are UU No.40/2007 concerning Limited Liability Company and UU No.8/1995 concerning Capital Market).
- 7. Ensure, monitor and evaluate implementation of Compliance and Ethics Program including Whistleblowing System have been carried out well.
- 8. Ensure, monitor and evaluate implementation of reliable internal control system has been carried out in all level of organization and company operation.
- Ensure, monitor and evaluate as well as provide recommendations on declaration of PT Bakrie & Brothers Tbk Integrity Pact can be implemented gradually according to Company development and needs.
- 10. If deemed necessary, the CG Committee with approval from the Board of Commissioners may invite independent parties to assess CG implementation.
- 11. Conduct discussion, evaluation, verification and provide recommendations on results of CG Committee duties

implementation with related parties and deliver the result to Board of Commissioners.

- 12. If deemed necessary, CG Committee may communicate with other Committees regarding general implementation of CG.
- Perform other tasks mandated by the Board of Commissioners providing the tasks are still within Board of Commissioners duties and responsibilities scope according to prevailing rules and regulations.

### Corporate Governance Committee Independency

Corporate Governance Committee member possess a professional attitude and have a sense of independency, meaning that independence and professionalism are reflected in situation when dealing with the influences and pressures that may come from various interests which are feared would interfere with the implementation of duties.

### Corporate Governance Committee Membership Composition

The composition of Corporate Governance Committee for the period of 2015 to 2016 was stipulated based on the Board of Commissioners Decree No. 048/SK-DEKOM/ BNBR/XI/2015 dated 4 November 2015 with the following composition:

- 1. **Chairman:** Nugroho I. Purbowinoto
- 2. Member: Irwan Sjarkawi
- 3. Member: Dody Taufiq Wijaya

#### Profile of Corporate Governance Management Committee Member

- 1. Nugroho I. Purbowinoto (see profile of Board of Commissioners)
- 2. Irwan Sjarkawi (see profile of Board of Commissioners)
- 3. Dody Taufiq Wijaya (see profile of Board of Directors)

#### **Corporate Governance Committee Duties Implementation**

The Risk Management Committee assist the Board of Commissioners in ensuring that the principles of Good Corporate Governance is followed and utilized as well as comply to the prevailing regulations and meet the Company's objectives.

In performing its duties, the Corporate Governance Committee perform the following activities:

- Communicate with Corporate Secretary, Internal Audit Department and Human Capital Division concerning compliance to prevailing Capital Market regulations and other related regulations, internal control system in accordance with COSO description, as well ass implementation of Compliance and Ethics program including Whistleblowing System (WBS).
- 2. 2. Directly monitor effectiveness of implementation of Corporate Governance program and communicate with the person in charge.
- 3. 3. With approval from the Board of Commissioners, the committee may seek assistance from external experts.

## **Corporate Governance Committee Members Meeting and Attendance**

No	Date	Anondo	CG Commit			1
No	Date	Agenda	NIP	IS	DTW	MI*
1.	9 Mar 2015	Review of GCG implementation in 2014	1	1	1	1
2.	28 Apr 2015	Annual Report review	1	1	1	1
3.	15 Jul 2015	Internal meeting to optimize Corporate Governance Committee	1	1	1	-
4.	22 Sep 2015	Internal meeting of Corporate Governance Committee with various agendas	1	1	1	-
5.	4 Nov 2015	Stipulation of amendment to Corporate Governance Committee	1	1	1	-
		5	5	5	2	

#### Note:

NIP: Nugroho I. Purbowinoto

IS: Irwan Sjarkawi

DTW: Dody Taufiq Wijaya

MI: Mohamad Ikhsan

\*) Mohamad Ikhsan (MI) holds the position of Independent Commissioner until General Meeting of

Shareholders in June 18, 2015

## FUNCTIONS SUPPORTING THE BOARD OF DIRECTORS

## **CORPORATE SECRETARY**

Corporate Secretary is a function who acts as liaison officer between Financial Service Authority (OJK), Indonesia Stock Exchange and other regulators, as well as with public in order to reinforce transparency principles in company's information and communication management. Therefore the Corporate Secretary acts as the organizer of Board of Commissioners and Board of Directors daily activities. Corporate Secretary is responsible to the Board of Directors through Director & CLO.

In 2015 there is a replacement of Corporate Secretary official, starting June 5, 2015 the Corporate Secretary official of PT Bakrie & Brothers Tbk is Christofer A. Uktolseja, who replaced previous official namely R.A. Sri Dharmayanti. The appointment of Christofer A. Uktolseja as Corporate Secretary was ratified by the Decision Letter of Board of Directors No.003/SK-BOD-BNBR/VI/15 dated June 5, 2015, and has been informed to OJK through letter No.046/BNBR/ CS-0JK/VI/15 dated June 8, 2015.

#### **Corporate Secretary Duties**

The Corporate Secretary duties cover the following:

- 1. A liaison between the Company with OJK, Shareholders, Self Regulatory Organization (SRO), other Institutions, and public.
- 2. Provide suggestion to the Board of Directors on the compliance towards relevant regulations, and to hold firmly on the Company's standard of ethics.
- 3. Prepare and disseminate accurate and complete information regarding the Company's performance to the Capital Market community and other stakeholders.
- 4. Assist the Board of Directors in:
  - a. Information dissemination to the Board of Directors regarding the requirement of the Board of Commissioners, OJK, SRO and other Institutions.
  - b. Ensuring the Company's fulfillment in its obligations to reporting and information transparency in timely and accurate manners.
- 5. Documenting several activities and information on the Company as well as to publish it on time in accordance with the Company's policy.

- Conducting update on the Capital Market industry development, specifically the prevailing regulations in the Capital Market, as well as GCG practices so as to provide whenever neccessary any information required by the Board of Commissioners, Directors, and internal parties.
- 7. Maintain and enhance the Company's positive image, both nationally and internationally.

#### **Brief Profile of Corporate Secretary**



#### **Christofer Alexander Uktolseja**

Christofer Alexander Uktolseja was born in Prabumulih in 1973 and earned a Bachelor degree in Law from Parahyangan Catholic University, Bandung. He has held the position of Corporate Secretary since June 2015 and also holds the position of Head of Corporate Legal since 2011. He joined the Company in 1999 in Corporate Legal Department as a Legal Advisor. Prior to joining the Company, he has joined with one of the largest Oil & Gas company in Indonesia namely Total E&P Indonesie (previously Total Indonesie).

Main Highlights

## **Corporate Secretary Competence Development Program**

Corporate Secretary has continuous education which is combined in self-study and participation in special education, training, workshops, seminars and conferences that are useful in its function effectiveness.

During 2015 Corporate Secretary has attended the following development program:

No	Date	Agenda	Organizer	Location
1.	29 Jan 2015	Socialization of OJK Rule	ICSA	Ruang Seminar BEI Lt.1
2.	4 Feb 2015	Socialization of KSEI Rule concerning Inspection, Sanction and AKSes from KSEI	KSEI	Financial Hall, Grha Niaga
3.	11 Feb 2015	Socialization of OJK Rule Number 32, 33, 34, 35, 36 and 38	OJK	Hotel Borobudur
4.	3-4 Aug 2015	Corporate Governance Training	OJK	Menara Merdeka
5.	10 Sep 2015	ESOP/MSOP Training	ICSA	SCTV Tower

#### **Corporate Secretary Duties Implementation in 2015**

The Corporate Secretary activities in 2015 are as follows:

- 2015 Annual GMS preparation and implementation
- Held the Public Expose
- Conducted communication with the regulators and relevant institutions

#### **BNBR Information Dissemination to the Regulators in 2015**

No	Date	Addressed To	Subject	Regulation
1.	7 Jan 15	IDX	Monthly Report on Share Registrar Per December 2014	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
2.	8 Jan 15	FSA	Submission of Debts/Liabilities Data in Foreign Exchange Per December 2014	Circular Letter from Chairman of Bapepam and LK No. SE-02/BL/2009 dated March 10, 2009
3.	13 Jan 15	IDX	Respond to Request of Explanation Concerning Mass Media News	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
4.	16 Jan 15	FSA	Information Disclosure	Bapepam Rule No. X.K.1 Concerning Disclosure of Information that Must Be Made Public Immediately
5.	16 Jan 15	IDX	Information Disclosure	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
6.	22 Jan 15	FSA	Information Disclosure	Bapepam Rule No. X.K.1 Concerning Disclosure of Information that Must Be Made Public Immediately
7.	27 Jan 15	IDX	Respond to Request of Explanation	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
8.	4 Feb 15	IDX	Monthly Report on Share Registrar Per January 2015	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission

No	Date	Addressed To	Subject	Regulation
9.	5 Feb 15	FSA	Submission of Debts/Liabilities Data in Foreign Exchange Per January 2015	Circular Letter from Chairman of Bapepam and LK No. SE-02/BL/2009 dated March 10, 2009
10.	5 Mar 15	IDX	Monthly Report on Share Registrar Per February 2015	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
11.	9 Mar 15	FSA	Submission of Debts/Liabilities Data in Foreign Exchange Per February 2015	Circular Letter from Chairman of Bapepam and LK No. SE-02/BL/2009 dated March 10, 2009
12.	25 Mar 15	FSA	Submission of BNBR Annual Financial Statement December 31, 2014	Bapepam Rule No. X.K.2 Concerning Obligation to Submit Periodic Financial Statement
13.	25 Mar 15	FSA	Submission of Advertisement Proof for BNBR Annual Financial Statement December 31, 2014	Bapepam Rule No. X.K.2 Concerning Obligation to Submit Periodic Financial Statement
14.	1 Apr 15	IDX	Respond to Request of Explanation Concerning Mass Media News	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
15.	7 Apr 15	FSA	Submission of Debts/Liabilities Data in Foreign Exchange Per March 2015	Circular Letter from Chairman of Bapepam and LK No. SE-02/BL/2009 dated March 10, 2009
16.	7 Apr 15	IDX	Monthly Report on Share Registrar Per March 2015	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
17.	30 Apr 15	IDX	Consolidated Interim Financial Statement PT Bakrie & Brothers Tbk and Subsidiaries Per March 31, 2015	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
18.	30 Apr 15	FSA	Submission of PT Bakrie & Brothers Tbk Annual Report Fiscal Year 2014	Bapepam Rule No. X.K.6 Concerning Obligation to Submit Annual Report for Issuers or Public Companies
19.	30 Apr 15	IDX	Submission of PT Bakrie & Brothers Tbk Annual Report Fiscal Year 2014	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
20.	4 May 15	FSA	Announcement of BNBR Annual and Extraordinary General Meeting of Shareholders Plan	Financial Service Authority Regulation No. 32/POJK.04/2014 Concerning Planning and Conducting of General Meeting of Shareholders of Public Companies
21.	5 May 15	IDX	Monthly Report on Share Registrar Per April 2015	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
22.	7 May 15	FSA	Submission of Debts/Liabilities Data in Foreign Exchange Per April 2015	Circular Letter from Chairman of Bapepam and LK No. SE-02/BL/2009 dated March 10, 2009
23.	11 May 15	IDX	Respond to Request of Explanation Concerning Volatility of Stock Transaction	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
24.	12 May 15	FSA	Submission of Advertisement Proof for BNBR Annual and Extraordinary General Meeting of Shareholders Announcement	Financial Service Authority Regulation No. 32/POJK.04/2014 Concerning Planning and Conducting of General Meeting of Shareholders of Public Companies
25.	27 May 15	FSA	Submission of Advertisement Proof for BNBR Annual and Extraordinary General Meeting of Shareholders Invitation	Financial Service Authority Regulation No. 32/POJK.04/2014 Concerning Planning and Conducting of General Meeting of Shareholders of Public Companies
26.	8 Jun 15	FSA	Change of Corporate Secretary	Financial Service Authority Regulation No. 35/ POJK.04/2014 Concerning Corporate Secretary of Issuers or Public Companies
27.	9 Jun 15	FSA	Submission of Debts/Liabilities Data in Foreign Exchange Per May 2015	Circular Letter from Chairman of Bapepam and LK No. SE-02/BL/2009 dated March 10, 2009

No	Date	Addressed To	Subject	Regulation
28.	9 Jun 15	IDX	Monthly Report on Share Registrar Per May 2015	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
29.	22 Jun 15	FSA	Submission of BNBR Annual and Extraordinary General Meeting of Shareholders Resolution	Financial Service Authority Regulation No. 32/POJK.04/2014 Concerning Planning and Conducting of General Meeting of Shareholders of Public Companies
30.	22 Jun 15	FSA	Submission of Advertisement Proof for BNBR Annual and Extraordinary General Meeting of Shareholders Resolution	Financial Service Authority Regulation No. 32/POJK.04/2014 Concerning Planning and Conducting of General Meeting of Shareholders of Public Companies
31.	24 Jun 15	IDX	Respond to Request of Explanation Concerning Mass Media News	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
32.	6 Jul 15	IDX	Monthly Report on Share Registrar Per June 2015	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
33.	10 Jul 15	FSA	Submission of Debts/Liabilities Data in Foreign Exchange Per May 2015	Circular Letter from Chairman of Bapepam and LK No. SE-02/BL/2009 dated March 10, 2009
34.	13 Jul 15	FSA	Submission of Minutes of PT Bakrie & Brothers Tbk General Meeting of Shareholders	Financial Service Authority Regulation No. 32/POJK.04/2014 Concerning Planning and Conducting of General Meeting of Shareholders of Public Companies
35.	15 Jul 15	FSA	Information Disclosure	Bapepam Rule No. X.K.1 Concerning Disclosure of Information that Must Be Made Public Immediately
36.	28 Jul 15	FSA	Submission of Consolidated Mid-Year Financial Statement (Limited Review) of PT Bakrie & Brothers Tbk and Subsidiaries Per June 30, 2015	Bapepam Rule No. X.K.1 Concerning Disclosure of Information that Must Be Made Public Immediately
37.	7 Aug 15	FSA	Submission of Debts/Liabilities Data in Foreign Exchange Per July 2015	Circular Letter from Chairman of Bapepam and LK No. SE-02/BL/2009 dated March 10, 2009
38.	7 Aug 15	IDX	Monthly Report on Share Registrar Per July 2015	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
39.	24 Aug 15	FSA	Information Disclosure	Bapepam Rule No. X.K.1 Concerning Disclosure of Information that Must Be Made Public Immediately
40.	24 Aug 15	FSA	Confirmation to Request of Explanation on Information Disclosure of PT Bakrie & Brothers Tbk	Bapepam Rule No. X.K.1 Concerning Disclosure of Information that Must Be Made Public Immediately
41.	28 Aug 15	FSA	Submission of Consolidated Mid-Year Financial Statement of PT Bakrie & Brothers Tbk and Subsidiaries Per June 30, 2015	Bapepam Rule No. X.K.2 Concerning Obligation to Submit Periodic Financial Statement
42.	28 Aug 15	FSA	Submission of Advertisement Proof of Consolidated Mid-Year Financial Statement of PT Bakrie & Brothers Tbk and Subsidiaries Per June 30, 2015	Bapepam Rule No. X.K.2 Concerning Obligation to Submit Periodic Financial Statement
43.	4 Sep 15	IDX	Monthly Report on Share Registrar Per August 2015	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
44.	8 Sep 15	FSA	Submission of Debts/Liabilities Data in Foreign Exchange Per August 2015	Circular Letter from Chairman of Bapepam and LK No. SE-02/BL/2009 dated March 10, 2009

No	Date	Addressed To	Subject	Regulation
45.	7 Oct 15	IDX	Monthly Report on Share Registrar Per September 2015	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
46.	9 Oct 15	FSA	Submission of Debts/Liabilities Data in Foreign Exchange Per September 2015	Circular Letter from Chairman of Bapepam and LK No. SE-02/BL/2009 dated March 10, 2009
47.	23 Oct 15	IDX	Submission of Consolidated Interim Financial Statement of PT Bakrie & Brothers Tbk and Subsidiaries Per September 30, 2015	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
48.	6 Nov 15	IDX	Monthly Report on Share Registrar Per October 2015	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
49.	6 Nov 15	FSA	Submission of Debts/Liabilities Data in Foreign Exchange Per October 2015	Circular Letter from Chairman of Bapepam and LK No. SE-02/BL/2009 dated March 10, 2009
50.	13 Nov 15	FSA	Respond to Assessment of BNBR Financial Statement Per June 30, 2015	Bapepam Rule No. X.K.1 Concerning Disclosure of Information that Must Be Made Public Immediately
51.	20 Nov 15	IDX	Announcement of BNBR Annual Public Expose Plan	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
52.	26 Nov 15	IDX	Submission of Revision to Consolidated Interim Financial Statement of PT Bakrie & Brothers Tbk and Subsidiaries Per September 30, 2015	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
53.	1 Dec 15	IDX	Submission of Public Expose Material	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
54.	8 Dec 15	IDX	Monthly Report on Share Registrar Per November 2015	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission
55.	8 Dec 15	FSA	Submission of Debts/Liabilities Data in Foreign Exchange Per November 2015	Circular Letter from Chairman of Bapepam and LK No. SE-02/BL/2009 dated March 10, 2009
56.	10 Dec 15	IDX	Report on BNBR Annual Public Expose Execution	Indonesia Stock Exchange Rule Number I-E Concerning The Obligation of Information Submission

## **Investor Relations**

The Company's information communication activity is also supported by the Investor Relations function with the focus on financial aspects, investments and the Company's business strategy. The Investor Relations Officer holds the roles to conduct efficient and effective communication with the investors, shareholders and capital market communities, as well as relevant institutions in accordance with the Company's plans and strategies as well as investment polices. The Company's information dissemination presented by the Investor Relations, among others are:

- 1. Financial Performances
- 2. Investment Performances (including the Company's portfolio)
- 3. Share prices movements
- 4. The Company's frameworks
- 5. The Company's other strategic activity.

Chief Investor Relations Officer leads the Investor Relations. The Company appointed Indra Ginting as the Chief of Investor Relations Officer since February 2011, and he concurrently serves as Chief Strategic Business Development Officer since July 2012.

Profile of Indra Ginting can be seen in profile of Senior Management.

Corporate Profile

Main Highlights

#### **INVESTMENT COMMITTEE**

The Investment Committee is a supporting committee of the Board of Directors that established to assist in the evaluations, assessments and decisions on the Company's investment activity. The establishment of the Investment Committee is stipulated with the Investment Committee Charter, which regulated the following matters:

- Functions and Objectives of the Investment Committee.
- Duties and Authorities of the Investment Committee.
- Composition and position requirements of the Investment Committee.
- Reporting of the Investment Committee.
- Review of the Investment Committee's implementation guidelines and performance evaluations.
- Meetings mechanism and decision-making of the Investment Committee.
- Tenure and compensation of the members of the Investment Committee.
- Operational costs of the Investment Committee.
- Code of conduct of the Investment Committee.

#### **Duties and Responsibilities**

The Investment Committee's duties and responsibilities is based on the Investment Committee Charter ratified by the Board Manual on July 2012. The duties of Investment Committee are to assist and/or represent the Board of Directors in reviewing and assessing the investment transactions, divestments and financing aspects, with the following details:

- Reviewing the investment, divestment, and financing proposals, as well as extending the approval or decision to following-up or rejecting the proposals.
- 2. Extending the decisions on transaction limits and objectives.
- 3. Extending the decisions and stipulations on policies and directions/guidelines in managing the capital resources efficiently and effectively to be implemented by the Board of Directors and Chief Investment Officer (CIO).

- 4. In extending the decisions on investment/divestment/financing, the Investment Committee considers the strategic risk, reputation risk, financial risk, and operational risk on the investment, divestment, and financing activity plans.
- 5. Providing periodical and/or on request reports to the Board of Directors, and only upon request to the Board of Commissioners.

#### **Investment Committee Qualifications**

The Investment Committee consists of individuals with integrity and commitment in the implementation of its duties, with adequate knowledge and expertise specifically on the investment management, finance, and prevailing investments system.

In addition, members of the Investment Committee shall have the supporting characters, as follows:

- Capability in strategic and comprehensive thinking
- Capability in elaborating the Company's vision and mission, as well as strategic policy in planning and investment/financing activity.
- Capability in analyzing and logical thingking.
- Adequate creativities and problem-solving orientations.

Members of the Investment Committee also shall have the professionalism and strongly hold the independence from any influences and pressures derived from several interests that may disturbed its duties implementation. Members of the Investment Committee shall not have personal interests/relations that may cause negative impacts and conflicts of interest towards the investment/financing decisions.

#### **Investment Committee Membership Composition**

Investment Committee membership consists of at least 3 (three) permanent members, namely President Director & CEO as Chairman and Chief Financial Officer and Chief Investment Officer as members. The following are membership composition of Investment Committee as of December 31, 2015:

- 1. Chairman: Bobby Gafur S. Umar
- 2. Member: A. Amri Aswono Putro
- 3. Member: Anandh R. Haridh

#### **Profile of Investment Committee Member**

- 1. Bobby Gafur S. Umar (see profile of Board of Directors)
- 2. A. Amri Aswono Putro (see profile of Board of Directors)
- 3. Anandh R. Haridh (see profile of Senior Management)

No	Date	Agenda
1.	29 Jan 2015	Discussion on subsidiaries' projects
2.	26 Jun 2015 Discussion on BNBR divestment and investment plan	
3.	16 Sep 2015	Discussion on BNBR strategy going forward

## **INTERNAL CONTROL SYSTEM**

BNBR has implemented the control functions in its operational activities in order to manifest the implementation of GCG in the Company. By referring to the General Guidelines of Indonesia Good Corporate Governance published by KNKG in 2006, the Company continuously strives to develop the Internal Control System by the application of COSO (Committee of Sponsoring Organizations of The Treadway Commissions) approach to secure the Company's investments and assets.

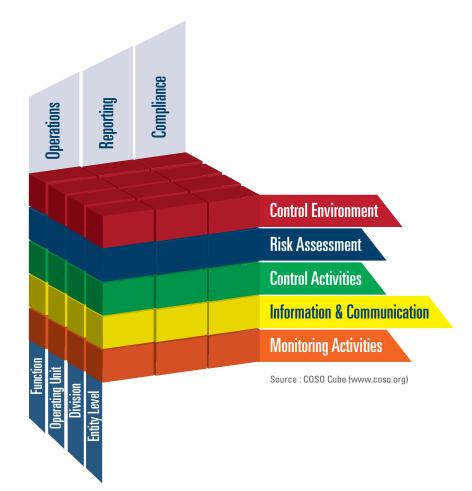
The BNBR's Internal Control System and quality assurance implementation has complied with the internal control framework validated internationally (COSO), including control environment, risk assessment, control activities, information & communication and monitoring activities.

#### **Internal Control Objectives**

The implementation of internal control functions in all aspects of the Company is continuously assured by the Board of Directors as the Company's top executvies organs responsible on the Company's operations and management. Through the Audit Committee, the Board of Commissioners directly monitors the internal control implementation. In general, the Company's Internal Control System is conducted through the application of the Corporate values, ethics, and employees integrity, as reflected in the Company's Code of Conduct, Business Conduct Policy, and Integrity Pacts. The Internal Control System management also conducted through the company's organization structure with clarity in division of duties, responsibilities and authorities of the Board of Commissioners and Directors that reflected in the Board Manual.

The objectives of the Company's Internal Control:

- Financial reporting realibility.
- Operational effectiveness and efficiency. · Compliance on prevailing laws and
- 4.
- regulations.



Internal Control System is also responsible to manage comprehensive risk management, from policy formulations, procurements and utilization of resources and infrastructures, adequacy of policies and procedures as well as its implementation practices, so as to achieve efficient and effective application in accordance with the international standards and prevailing regulations, including the effective information and communication systems.

#### **Guidelines of Internal Control System and Risk Management Implementation**

Based on the Corporate Governance Guidelines of PT Bakrie & Brothers Tbk, the Board of Commissioners and Directors are responsible in the implementation of Internal Control System and risk management in BNBR.

The guidelines of BNBR's Internal Control System and risk management implementation are as follows:

- Consistent implementation by the Board of Directors and active supervision by the Board 1. of Commissioners
- 2. Adequacy in policies, procedures and stipulations of implementation scopes
- 3. Adequacy in risk identification process, measurements/assessments, mitigations, monitoring and control
- Comprehensive internal control system
- 5. Adequate internal control information system and risk management.

#### **Internal Control Principles**

#### 1. Control Environment

The control environment consists of actions, policies and procedures that reflected the standpoint of all Company's Organs towards control and its importance to the company. Several factors that influenced the control environment among others are: integrity and ethics values, commitment towards competency, the Board of Commissioners, Directors, Audit Committee, management stances, operational approaches, organization structure, delegation of authorities and responsibilities as well as practices and polices in Human Resources ("HC").

#### 2. Risk Assessment

Risk assessment covers risk identifications, analysis, and management that can minimize the risk impacts and presence.

#### 3. Control Activities

Control activities are the policy and procedures to ensure the implementation of management directives.

#### 4. Information & Communication

Information and communication system enables the Company's internal parties to obtain information that requires in managing, implementing, and controlling the Company's operational activities.

#### 5. Monitoring Activities

Monitoring activities are the process that determines the internal control performance quality at all times. The monitoring covers the determination of internal control design and implementation in a timely manner and any necessary corrections. The process is implemented through periodically and continuously monitoring activity, as well as separate evaluations, or of both combinations.

#### Monitoring and Control Activity in 2015

BNBR's Internal Control System has conducted the following monitoring and control activity in 2015:

- 1. Conducted periodical and continuous evaluations and updates on the organization structure including principal duties, functions and authorities of the Board of Commissioners and Directors, as stipulated in the Board Manual.
- Assisted the Objective Settings of the Board of Commissioners, Directors, and Employees for the next 1 (one) year, Annual Performance Apparaisal of the Board of Commissioners, Directors and Employees, and rewarding programs on the employees performances and tenures.
- 3. The Company has designed the Objective Settings of the Board of Commissioners, Directors, and Employees for the next 1 (one) year, Annual Performance Apparaisal of the Board

of Commissioners, Directors and Employees, and rewarding programs on the employees performances and tenures.

- 4. Facilitated the risk owners to identify, assess, analyze, and manage the risk and then present it in the reports and documents published weekly, monthly, and annually by the CRM Division, namely the Weekly Market and Industry Outlook (Weekly MIO), Risk Outlook, Market Risk Assessment (MRA) reports, Financial Risk Report, risk assessment for a project or transaction (RARS), risk registrar, as well as to refine the Company's documents on Policies and Procedures. The reports are submitted to the Risk Management Committee, the Board of Directors and risk owner.
- 5. Handled and managed Whistleblowing system by the Evaluations Team of Whistleblowing System Cases.
- 6. Conducted evaluation, reviews and monitoring of the audit findings by the Company's Internal Audit, one of it by the Audit Committee.
- 7. Conducted evaluation, reviews and monitoring of the effectiveness of Internal Control System application by the Audit Committee and External Auditor.

#### **INTERNAL AUDIT**

The Internal Audit is the assurance and consultation activities that independently and objectively gives added value and improves the operations of organization. This activity supports the organization in reaching its objectives through discipline and systematic approaches to evaluate and enhance the effectiveness of risk management process, control and governance.

The Internal Audit activity of PT Bakrie & Brothers Tbk was intended to deliver added value and improve the organization's operations. The means and scopes of internal audit are assurance and consultation in the area of risk management process, control and organization's governance. The Company's commitment to implement good corporate govenance and standard is strongly seen since the inception of Corporate Internal Audit ("CIA").

#### Position of the Internal Audit Unit in Company Structure

Corporate Internal Audit (CIA) is led by a Head of Corporate Internal Audit who in implementing its duties is responsible to President Director.



#### Qualification of Internal Audit

The following are minimum requirements of an Internal Auditor at BNBR:

- Possess high integrity and professional, independent, trustworthy, discipline and objective behavior in performing its duties.
- 2. Possess knowledge and experience on audit technic and other subjects relevant with its scope of work.
- 3. Possess knowledge about capital market and other related rules and regulations.
- 4. Have the ability to interact and effectively communicate in both verbal and written manner.
- 5. Must adhere to profession standard as issued by Internal Audit Association.
- 6. Must obey Intenal Audit ethics.
- Must protect confidentiality of corporate information and/ or data in relation with its implementation of duties and responsibilities as Internal Audit unless obligated by law or court order.
- 8. Understand principles of good corporate governance and risk management.
- 9. Willing to continuously improve his/her profession knowledge, skills and abilities.

#### **Duties Implementation of Internal Audit**

CIA has become a significant function to assist the President Director in the supervision of financial and operational, both in the Company and subsidiary in order to achieve the company's objectives and going concern, through:

- 1. Reviewing and assessing the appropriateness and accuracy of accounting control, finance and operations implementation.
- 2. Analyzing the implementation that shall be in accordance with the set policies, plans and procedures.
- 3. Analyzing whether the company/organization treasuries are appropriately accountable and securely conducted towards every possibilities of risk losses.

- 4. Ensuring the accounting trust levels and other manners that are developed in the organization.
- 5. Assessing the quality of duties implementation and responsibilities.

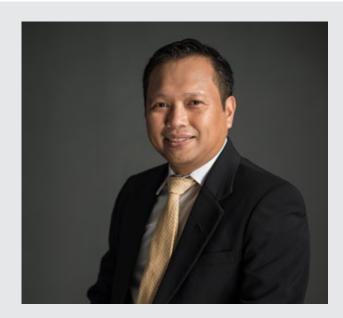
The Internal Audit scopes of work covers the following duties:

- 1. Develop and implement annual internal audit plans.
- 2. Analyze and evaluates the internal control implementation from the risk management system in accordance with the company's policy.
- 3. Investigate and assess the efficiency and effectiveness of finance, accounting, operational, human resources, marketing, information technology and other activities.
- 4. Provide advices on objectives improvement and information on the audited activities in all level of management.
- 5. Prepare the audit results report and present it to the President Director & CEO as well as the Board of Commissioners.
- 6. Monitors, analysis, and report the recommended in follow up implementation.
- 7. Cooperate with the Audit Committee.
- 8. Develop the program to evaluate the quality of internal audit activity.
- 9. Conduct specific investigations whenever necessary.

#### Internal Audit Duties Implementation Report in 2015

The Annual General Audit schedule plan is developed based on the risk analysis results reported and approved by the President Director and Chairman of Audit Committee. The Annual General Audit Plan can be adjusted in accordance with the business risk dynamics in the organization in the relevant years. In 2015 the Company conducted two general audits with follow up measures at two subsidiaries: PT Bakrie Autoparts and PT Bakrie Building Industries. The Internal Audit also can conduct specific audits or audit investigations if requested by the Company's management. In 2015 Internal Audit was specially assigned to do a review on Bakrie Pension Fund.

porate Profile



#### **Profile of Head of Internal Audit**

#### Jaka Ferdiyanto

Born in Subang on 4 Feruary 1972 and earned a D3 from State College of Accounting and holds a Bachelor of Economics degree majoring in Accounting from the Faculty of Economics Extensions, University of Indonesia. He joined the Internal Audit Unit of PT Bakrie & Brothers Tbk since July 2012. Prior to this position, he began his career as the auditors in the Directorate General of Tax.

#### **EXTERNAL AUDITORS**

As a public company, BNBR is obliged to publish the financial statements audited by the External Auditors. External Auditors is the third party responsible to audit and ensure the presentation of BNBR Financial Statements to be in accordance with the prevailing accounting standards. The audit by the External Auditors is implemented in accordance with prevailing audit standards with the end results in a means of auditor opinions on BNBR Financial Statements. In the event of corporate actions, BNBR also can publish the financial statements on certain periods.

Based on the 2015 Annual GMS resolutions, the Board of Directors has the authority to appoint the Public Accounting Firm (KAP) Handoko Tomo Samuel Gunawan & Rekan members of Moores Rowland CPAs as the auditor of the Company Financial Statements fiscal year December 31, 2015. The Board of Commissioners has approved the appointment after taking into account the recommendation of Audit Committee.

2015 is the first year of Public Accounting Firm (KAP) Handoko Tomo Samuel Gunawan & Rekan members of Moores Rowland CPAs in conducting the audit of the Company's Financial Statements. During 2015, the Public Accounting Firm (KAP) Handoko Tomo Samuel Gunawan & Rekan does not provide other services to the Company apart from the audit services, thus there was no conflicts of interest in the audit process implementation.

DESCRIPTION	2015	2014	2013	2012	2011
KAP NAME	Handoko Tomo Samuel Gunawan & Rekan (Moores Rowland)	Samuel Gunawan (Moores Rowland)	Tjiendradjaja & Handoko Tomo (Mazars)	Tjiendradjaja & Handoko Tomo (Mazars)	Tjiendradjaja & Handoko Tomo (Mazars)
AUDIT FEE	Rp 2,135,000	Rp 1,494,000,000	USD 256,755	USD 186,912	USD 102,000

#### **Assignment Period and Fee of External Auditors**

#### **RISK MANAGEMENT**

#### **Solid Foundation of Risk Management**

While presenting opportunities, the demand of changes and company's capability improvement also presents risks. These risks may disrupt the Company from achieving its goal and mission if not addressed properly. Company's failure in achieving its goal and mission may cause public distrust towards the Company, wherein at its worst state such distrust may halts its business activity.

Risk management is therefore a strategic requirement and it plays an important part in improving PT Bakrie & Brothers Tbk's performance. Risk management is needed to optimize the Company's limited resources to achieve specified targets and to fulfill the Company's vision and mission. Allocation of resources is decided based on risk priorities, with the utmost attention paid to the most critical risk. Furthermore, management of existing risks is periodically reviewed along with improving its reliability.

Risks can be mitigated by lowering the probability of risk occurrence and/or reducing effects caused by such risk. Risk Management at BNBR is expected to be able to anticipate rapid changes, to improve corporate governance, and to secure Company's resources and assets. These reasons form the base of BNBR's commitment to continuously implement solid risk management for the fulfillment of Company's goals.

The creation of a Risk Management team in 2003 marked the beginning of formal implementation of risk management at PT Bakrie & Brothers Tbk, wherein at that time the Risk Management team was responsible to supervise the implementation of Company's business revitalization blue-print post debt restructuring program. This Risk Management team also implemented basic risk management principles across the Company in accordance with international standards.

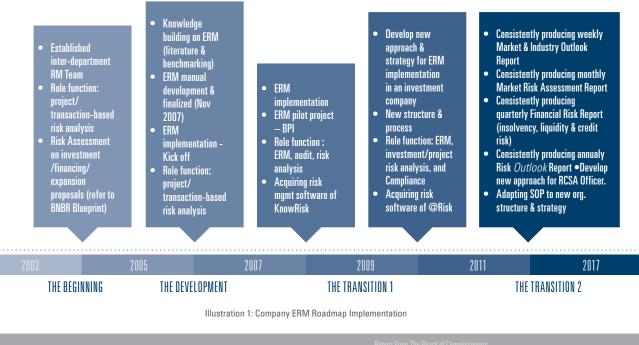
#### **Corporate Risk Management System**

#### **ERM Implementation Roadmap**

As part of continuous efforts, the Company has systematically laid out the foundations of risk management to form the basis of a good corporate governance infrastructure. The formal implementation of risk management began with the creation of the Risk Management Team as stipulated by PT Bakrie & Brothers Tbk Directors' Decree No.BGU-109/Presdir-BB/III/03, dated March 11, 2003, which was later amended by Decree No.BGU-739/Presdir-BB/XII/05, dated Dec.6, 2005, with the task of coordinating the entire business development plans and strategic decisions to ensure optimal results, by mitigating the business risks, and ensuring cost efficiency while acting as achievement and milestone monitoring function as well.

The duty of this team later was reaffirmed by the Policy & Procedure No. 004/BNBR/II/2010, dated Feb. 20, 2010, on the Implementation of Enterprise Risk Management and no. 005/BNBR/II/2010, dated Feb. 25, 2010, on the Evaluation of Transaction-Based Risk, as well as several other policies and procedures linked to the evaluation of market risk, credit risk and liquidity risk.

By end of 2015, Risk Management Implementation has entered into the second Transition stage as outlined in the Roadmap depicted in the following illustration, with periodic risk evaluation at the level of both the holding and the Subsidiaries.



PT BAKRIE & BROTHERS TBK

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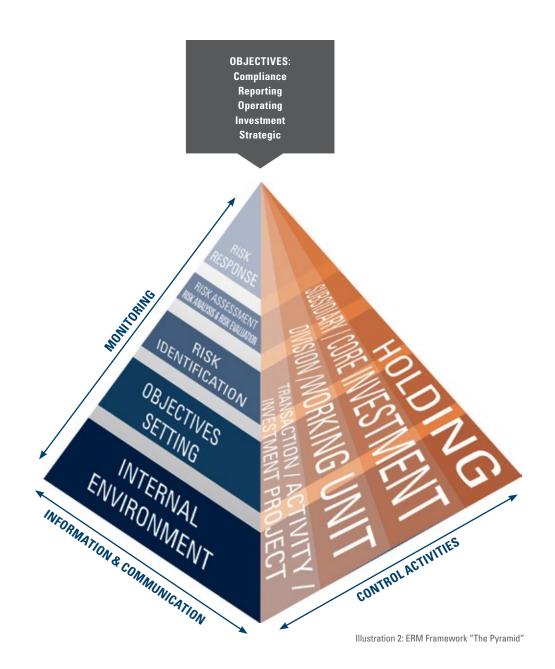
& The Board of Directors

#### **Enterprise Risk Management (ERM) Framework**

In 2015, the Company generally, and specifically the Corporate Risk Management Division (CRM), continued to improve the risk management systems by employing a framework that is in line with the ISO 31000 on Risk Management.

Such framework, the BNBR's Enterprise Risk Management framework, titled The Pyramid as shown in Illustration 2, is the main framework used by the CRM Division for implementating risk management process across the Company. The Pyramid embodies the framework of ISO 31000 about Risk Management. The risk management processes use transaction-based approaches such as the ones covering investment, financial, and other transactions, and continuous approaches conducted by every functions and structures within the Company (Continuous ERM).

In the continuous ERM process, each risk owner is expected to carry out its own risk evaluation, starting from the risk identification and evaluation to the risk control and mitigation, a process that is also known as risk and control self-assessment (RCSA). The main goal is to minimize potential loss and at higher stake, is to maximize the achievement of goals in each Company's functions and structures.



#### A. PRELIMINARY PROCESS: (LEVELS 1 AND 2 FROM THE BOTTOM OF THE PYRAMID)

- "Internal Environment", aiming to prepare condusive internal corporate environment for effective and efficient risk management process implementation. This stage consists of preparation of framework, policies, systems and procedures, resources, organization, implementation strategy and other tools.
- "Goal Setting", acting as the Company's directional reference in achieving its short, medium and long term goals.

#### B. CORE PROCESS: (LEVELS 3, 4 AND 5 FROM THE BOTTOM OF THE PYRAMID)

- "Risk identification", in all Company's business processes, functions and structures, as well as transactions/activities/ projects/investments currently being implemented or to be carried out by the Company.
- "Risk assessment", conducted by weighing the risks in terms of their probability/likelihood and impact.
- "Risk responses" as follow-up measures to mitigate.

#### C. SUPPORTING PROCESSES: (THE BASE AND THE HEIGHT FACES OF THE PYRAMID)

- "Control Activities" are policies and procedures to ensure that all risk mitigation processes and measures have been carried out properly.
- "Communication and Information Provision Activities" intend to communicate the results of risk management to all related stakeholders.
- "Monitoring Activities" aim to evaluate and to ensure that all risk management systems have been implemented effectively and efficiently.

#### D. SCOPE OF COMPANY RISK MANAGEMENT (THE RIGHT FACE OF THE PYRAMID)

- The scope of risk management set by PT Bakrie & Brothers Tbk includes all activities and process within the holding company and subsidiaries as follows:
  - Holding company level.
  - Subsidiary level, which constitutes the non-listed companies whose financial reports are consolidated to BNBR.
  - Business unit level, functions, or activities at the holding and the subsidiary levels.
- Implementation of Risk Management Systems at the level of holding company and non-listed subsidiaries whose financial reports are consolidated to BNBR must be coordinated with the Risk Management Committee and the holding company level through the office of the President Director and the CRM.
- Implementation of Risk Management Systems at the level of business units/ functions/ activities at holding company or subsidiaries included in the risk management scope is carried out by the Risk and Control Self Assessment (RCSA) Officer. The RCSA Officer is appointed by Risk Owners from relevant business units/functions/activities. RCSA at the holding company level is the responsibility of the CRM.

#### PROCESS AND RESULT OF THE CORPORATE RISK MANAGEMENT SYSTEMS

#### **Corporate Risk Management Activities**

The following expositions explain the activities carried out as part of the risk management system implementation within the Company, specifically at the level of the holding company and consolidated subsidiaries, as well as compliance and Good Corporate Governance (GCG) activities.

#### 1. **ERM-Based Risk Implementation**

The activities carried out as part of Company Risk Management in 2015 include:

a. Governance – Risk – Compliance (GRC) Day The GRC Day 2014 event had the theme of 'GRC's Role in The Oil and Gas Industry in Indonesia', with Mr Amien Sunaryadi, AK, MPA, CISA, Chairman of Satuan Kerja Khusus Minyak dan Gas (SKK Migas), as speaker. During GRC Day 2015 event, formal dissemination of the Company's Policies and Procedures was also conducted. In addition, a "sharing session" about 'ISO 31000: ERM Fundamental' was given.

The GRC Day 2015 was attended by the Board of Commissioners, Board of Directors and all of the Company's employees, as well as some representatives from the Company's subsidiaries: the President Directors/CEOs and the staffs in charge of governance – risk – compliance in each Company's subsidiaries. The subsidiaries that were present in the event include PT Bakrie Metal Industries, PT Bakrie Pipe Industries, PT Bakrie Building Industries, PT Bakrie Autoparts and PT Bakrie Solusi Strategis.

#### b. Appointment of Risk and Control Self-Assessment (RCSA) Officers

The commitment of the Board of Directors and all BNBR employees to Enterprise Risk Management (ERM) implementation is reflected through the appointment of the BNBR Risk & Control Self Assessment (RCSA) Officer. Through RCSA, all divisions/departments as Process Owners and Risk Owners are obliged to carry out the Risk Management System in intensive and sustainable manner with an independent risk control and evaluation concept. To facilitate coordination and cooperation for processes of evaluation, mitigation control and management of risks, some BNBR employees, whose job ranks are at least Manager, are appointed as RCSA Officer in each division. The RCSA Officers subsequently report to each Risk Owner and coordinate regularly with the CRM Division. RCSA Officers' tasks and responsibilities are:

- Disseminating and keeping up with the ERM System's Procedure and Policy in the respective work unit or risk-owner in an entity within their scope of duties.
- Ensuring completion of the ERM Standard Work Papers in the respective entity.
- Collecting and summarizing risk registers of the entity within their scope of duties.
- Collecting the Risk Mitigation Plans and Risk Mitigation Progress Status Reports from the entity within their scope of duties, as well as reporting to the related unit head if there is any risk that has not been dealt with.
- Informing the CRM Division if any business entity within their scope of duties is exposed to a risk whose level is beyond the organization's tolerance limit.
- Carrying out annual evaluation of ERM system application in the entity within their scope of duties.
- Facilitating Risk Evaluation Meetings in the entity within their scope of duties.
- Supporting the entity within their scope of duties in educating the topics of risk management to all of its employees and related parties.
- Motivating, driving and maintaining risk awareness culture in the entity within their scope of duties.

In carrying out their tasks and responsibilities, the RCSA Officers are supported by the CRM Division which acts as a facilitator and mediator, especially in disseminating relevant Policies and Procedures as well as the transfer of theoretical and practical risk management knowledge. This is implemented through continuous review of Company business processes and detection of potential risks which are ranked from extreme to low, which in turn, are used to formulate Policies and Procedures as operational risks mitigation. The transfer of risk management knowledge is carried out through regular RCSA meetings, with the agenda of updating the list of risks that could affect each entity.

The Company's Board of Directors has appointed 12 (twelve) people from various divisions and offices to act as RCSA officers who are responsible for coordinating all risk owners to carry out their own risk management, starting from identification and assessment to control and mitigation. RCSA Officers at subsidiary level have also been nominated and performed their duties well, furthermore they were appointed through a formal Directors' decree from respective subsidiaries.

#### 2. Risk Assessment and Monitoring

Risk assessment and monitoring, written in the form of reports produced by the CRM Division constitute a form of the corporate risk management implementation. The following table lists the types of such reports.

#### **Reports Produced by the Company's Corporate Risk Management Division**

Type of Activity and/or Report	Number of Reports	Description
Risk Outlook 2015	1 (annual)	<ul> <li>stock ownership</li> <li>investment budget</li> <li>dividend growth</li> <li>subsidiary revenue</li> <li>market risk analysis</li> <li>financial risk analysis</li> <li>operational risk analysis</li> <li>macro-economic conditions</li> </ul>
Market and Industry Outlook (MIO)	52 (weekly)	<ul> <li>Macro economic conditions including inflation, Bank Indonesia interest rates, foreign exchanges reserves, exchange rates.</li> <li>Capital Market, formed of the Composite Index (JCI), average fluctuation and volatility.</li> <li>Commodities.</li> <li>Market Performance of portfolio stocks held by the Company, including share price, volatility, risk level, trade volume and value and fluctuation comparisons between the stock portfolio and the JCI.</li> <li>Industry news related to the Company's portfolio.</li> </ul>
Market Risk Assessment(MRA)	12 (monthly)	<ul> <li>macroeconomic conditions</li> <li>commodities</li> <li>core portfolio market risk analysis</li> <li>risk evaluation</li> <li>forecasting</li> <li>risk mitigation</li> </ul>
Financial Risk Report and Asset and Liability Management Position Monitoring	4 (quarterly)	Company and Subsidiary financial performance review reports explain the results of the Z-Score analysis test, Internal Credit Rating and Liquidity Analysis. Weekly monitoring of Company asset positions as reflected through stock price in the market and ownership portion at every core portfolio and Company's debt position as reflected through principal, interest rates, payment terms, top-up positions and due dates.
Transaction-Based Risk Evaluation	13	Reports on identification, evaluation and recommended mitigation of transaction-based risks at Company and Subsidiary level. These reports cover: financing, investment, and operational transactions, reporting and compliance and investment proposals from subsidiaries, requiring the agreement of the Investment Committee, Board of Directors and/or Board of Commissioners.

#### 3. Cooperation and Capacity Building

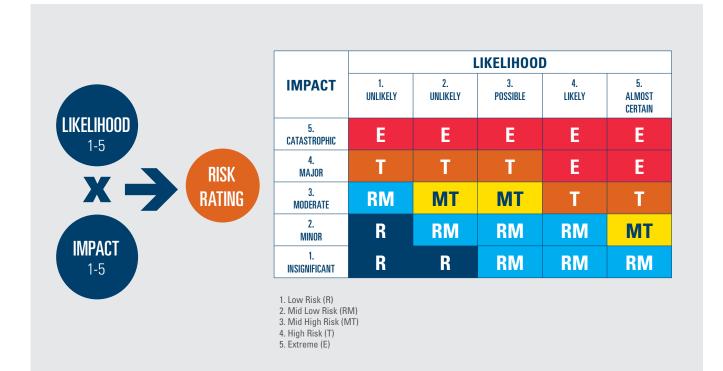
As part of professional risk management efforts, CRM needs to be actively involved as an association member and to cooperate with other professionals in the field of risk management. The Company's Board of Directors and CRM Division members are registered as members of GARP and PRMIA, as well as the Practicing Risk Manager Forum (PRMF). The Company's CRM Division has been invited as speakers at the Workshop ISO 31000: International Risk Management Standard event, and has also carried out a Benchmarking & Sharing Session with Risk Management Teams of several public companies. Some CRM Division members hold CIA (Certified Internal Audit) and FRM (Financial Risk Management) certificates. Furthermore, the CRM Division have also attended various training programs and seminars held by other reputable associations and agencies; with the goal of those efforts is to enhance CRM staff's abilities, knowledge and insight in the field of risk management.

#### 4. Corporate Risk Evaluation Matrix

Cross-division risk management activities arepart of CRM division's task and responsibility as representative of the Board of Directors to support and supervise Company operational activities, including carrying out of compliance duties to minimize risk of failure to achieve Company goals and targets as well as potential loss in the Company's operational activities. These activities are project-based and temporary in nature. In 2015, the CRM Division was active in three cross-divisional activities: Governance – Risk – Compliance (GRC) Day, the construction of the 2014 Annual Report, 2014 Sustainability Report and financial report studies in every financial reporting period.

#### **Corporate Risk Evaluation Matrix**

The risk evaluation matrix serves as a reference for PT Bakrie & Brothers Tbk to evaluate risks, classified by their likelihood, impact and risk rating, as shown in the following illustration.



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#### **Operational Risk Evaluation Per Department within the Company**

Risk evaluation is carried out annually by each Department. In the fourth quarter of every year, 12 (twelve) RCSA Officers of the Company formulate and update the risk register in working papers for each Department. Table 2 shows the results of risk registration in the fourth quarters of 2014 and 2015.

#### **Operational Risk Level per Company's Department**

	Denstrant	2014						2015					
No	Department	E	т	МТ	RM	R	Total	E	т	МТ	RM	R	Total
1.	Corporate Communication	-	-	9	-	-	9		-	-	7	-	7
2.	Investment	-	2	-	-	-	2	-	2	-	-	-	2
3.	Corporate Finance	4	1	3	3	-	11	4	1	3	2	-	10
4.	Accounting - 6 <b>6</b>		-	10	2	-	-	12					
5.	Тах	1	1	-	-	-	2	1	1	-	-	-	2
6.	Corporate Secretary	-	3	-	-	-	3	-	4	-	-	-	4
7.	Human Capital	-	-	-	1	-	1		-	3	1	-	4
8.	Internal Audit	-	-	7	2	-	9		-	7	2	-	9
9.	Investor Relations	2	2	-	-	-	4	2	1	-	-	-	3
10.	Information Technology	-	3	-	-	-	3		4	-	-	-	4
11.	Legal	-	-	4	1	-	5		-	4	1	-	5
12.	Office Service & Support	1	2	2	-	1	6		2	2	-	1	6
	TOTAL	8	20	25	7	1	61	8	25	21	13	1	68

#### Note:

E = Extreme T = High MT = Mid High RM = Mid Low R = Low

The operational risk level per department shows some changes, with a number of risks in each risk category in 2015 has increased compared with that of in 2014. This was a result of Company's encouragement to RCSA Officers to perform a more detailed risk assessment.

Report From The Board of Commissioners & The Board of Directors

#### **Operational Risk Evaluation in Subsidiaries**

Operational Risk Evaluation in subsidiaries is carried out annually by RCSA Officers in each Business Unit. RCSA Officers formulate and update risk registers using working papers for each Department. The following table shows the results of risk registration in 2014 and 2015.

#### **Operational Risk Level in Subsidiaries**

	Demotionent	2014				2015							
No	Department	E	т	МТ	RM	R	Total	E	т	МТ	RM	R	Total
1.	Procurement		3	2	-	-	6		-	1	6	-	7
2.	Production	-	2	3	2	-	7	-	2	4	4	1	11
3.	Transportation	-	1	1	2	3	7	-	1	1	2	3	7
4.	Human Resources	-	-	1	-	2	3	-	1	-	1	6	8
5.	Commercial	3	2	1	1	-	7	3	2	1	1	-	7
6.	Warehousing	1	-	-	3	3	7	1	-	-	3	3	7
7.	Maintenance	-	-	1	3	2	6	-	-	1	3	2	6
8.	8. Information Technology		-	-	-	-	1	1	2	5	6	1	14
	TOTAL	6	8	9	11	10	44	4	8	13	26	16	67

Note:

E = Extreme T = High MT = Mid High RM = Mid Low R = Low

The table above shows that at subsidiary level number of operational risks increased in 2015 compared to 2014. This was a result of Company's encouragement to Subsidiaries RCSA Officers to perform a more detailed risk assessment.

#### Company's Evaluation on the Effectiveness of Risk Management Systems

The Company's evaluation on the effectiveness of risk management systems is one of the tasks of the Risk Management Committee whose aforementioned evaluation is as follow:

- a. The Risk Management Committee accepted well the results of the risk management program implementation carried out by CRM. In 2015, the CRM Division published 52 Market & Industry Outlook (MIO) reports, carried out transaction-based risk assessment which resulted in six BNBR Financing report, two BNBR Investment reports and five Investee Proposal reports. The Risk Management Committee was therefore able to see that the risk mitigation efforts had already been carried out by the Board of Directors, and that the results of the risk assessment had been used as reference in the decision-making process by the management. The Risk Management Committee also advised the CRM Division to implement steps in order to maintain and increase risk awareness at every subsidiary of the Company.
- b. The Risk Management Committee has evaluated the CRM Division's efforts to ensure compliance at the levels of Business Process, Policy & Procedure, Compliance Monitoring and Compliance Reporting activities. The Risk Management Committee appreciates the Compliance Department's implementation of Compliance tests. The Risk Management Committee requests summaries of each Compliance test carried out by the Compliance Department and special risk assessment reports for risks related to the achievement of PT Bakrie Autoparts business plan and budget to be made.

c. The Risk Management Committee advises the CRM Division to constantly monitor the managements mitigation efforts to maintain positive sentiment toward Bakrie Group shares, which are ensuring Good Corporate Governance (GCG) both internally and externally, through transparent disclosure to regulators, investors and the media; carrying out corporate actions directly related to investment in the real sector, so as to ensure positive sentiment toward Bakrie Group; resolving due debt; and finding new sources of funding for investment projects in infrastructure and other areas.

#### **Risks at Holding Level and Subsidiary Level**

#### A. Risk at Holding Level

CRM classifies Holding Level risks into seven types, namely:

- 1. Strategic Risk
- 2. Market Risk
- 3. Liquidity Risk
- 4. Insolvency Risk
- 5. Credit Risk
- 6. Mismatch Risk
- 7. Operational Risk

The following table details the seven risk classifications.

#### **Explanation of Risks Encountered by the Company**

No.	Risk Classifications	Risk Register
1.	Strategic Risk	<ul> <li>A shortfall of revenues at the Company and/or consolidated subsidiaries level in a fiscal year.</li> <li>Increased sovereign risk of the Republic of Indonesia (country risk) which can be caused by deteriorating macroeconomic conditions leading to a less economic stability required for business growth. Negative changes to the world/global economy will also affect the Indonesian economy and/or performance of the Company. The Company is strongly affected by the volatility of the Indonesian economy and/or the global economy.</li> <li>The deterioration of the Company's reputation can be affected by the same issue experienced by other Bakrie Group Companies.</li> <li>Changes in the composition of the Company's investment portfolio that may be less optimal due to unfulfilled macroeconomic condition assumptions.</li> <li>Changes in the composition of financing constrained by the prevailing laws and regulations.</li> <li>Failure to achieve synergy in marketing, finance, human resources and/or operational.</li> <li>Inadequate good corporate governance practices, and/or</li> <li>Unexpected changes to government policies and regulations, related to certain industries or to financial systems or fiscal or monetary policy of the country.</li> </ul>

2.	Market Risk	<ul> <li>Movements that are against the Company's expectation in:</li> <li>stock price of assets,</li> <li>interest rate of the financing,</li> <li>exchange rate, and/or</li> <li>commodity prices affecting the Company's business.</li> <li>Increased volatility associated to increased uncertainty in terms of:</li> <li>stock price of the assets,</li> <li>interest rate of the financing,</li> <li>exchange rate,</li> <li>commodity prices affecting the Company's business.</li> </ul>
3.	Liquidity Risk	<ul> <li>Asset liquidity risk, i.e. the risk arising from factors affecting the market price of assets (stocks), such as the size of asset transaction volume, discrepancy between bid prices and market demand and total market value in circulation.</li> <li>Cash flow risk, such as those that are due to lack of cash in the Company to pay the due principal or interest or other cash obligations.</li> </ul>
4.	Insolvency Risk	• Risk that Company asset value is insufficient to meet all claims received by the Company, including long- term claims.
5.	Credit Risk	<ul> <li>Risk of failure of all or part of the cash flow promised from loans and securities held by the Company sourced from investment and non-investment activities through the use of the Company's loans facilities in banks or other financial institutions, and/or fund provision for liquidity requirements, working capital, debt restructuring and/or investment projects with certain yield levels in line with business/investment deals between related parties.</li> </ul>
6.	Mismatch Risk	<ul> <li>Refinancing risk, in which the cost of refinancing in the future increases and exceeds the returns of the Company's investment activities, and</li> <li>Reinvestment risk, in which returns to be reinvested shrunk below the cost of funds.</li> </ul>
7.	Operational Risk	<ul> <li>Risk of negligence, error and/or fraud in internal business management related to Policies and Procedures, Human Resources, stock trading activity management, financial liabilities and asset management systems and other supporting systems (assets and working tools), as well as such aforementioned risks that are related to laws and regulations and other legal aspects.</li> <li>Tax risk linked to the possibility of differing conclusions on tax regulations between relevant authorities, in which the Company has decided to respect and comply with all prevailing regulations.</li> <li>Risk of poor decision-making or poor coordination between functions and structure within the Company.</li> </ul>

#### **B. Risks at Subsidiaries Level**

The following narration is a description of the specific risk factors affecting the manufacturing business units of PT Bakrie & Brothers Tbk, namely PT Bakrie Metal Industries (BMI), PT Bakrie Pipe Industries (BPI), PT Bakrie Autoparts (BA) and PT Bakrie Building Industries (BBI).

#### **Operational Risk in Subsidiaries**

No.	Risk Type	Register of Operational Risk in Subsidiaries
1.	Procurement	<ul> <li>Below target subcontractor's performance: Delays in material procurement and sub-standard amount or type of goods, as well as late delivery resulting in project completion delay.</li> <li>Foreign exchange rates.</li> </ul>
2.	Production	<ul> <li>Errors in the design process/technical drawing as well as lack of innovations in execution, causing unmet targets and increased reject goods.</li> <li>Increase of production cost, causing uncompetitive price.</li> <li>Lack of socialization of safety working procedures, causing work hazard risk.</li> </ul>
3.	Transportation	<ul> <li>Increase of transportation cost and lack of alternatives of transportation modes, causing increase of distribution cost.</li> <li>Lack of discipline and driver's fatigue factor, causing increase of transportation cost and accident risk.</li> <li>Lack of maintenance of transportation fleet, including violation of maximum load weight.</li> <li>Delay of inter-island shipping/delivery of goods caused by violation of designated routes by driver as well as unfavorable intercity roads condition.</li> </ul>
4.	Human Resources and General Affairs	<ul> <li>Uneven competence of employees causing disproportionate work load distribution among employees.</li> <li>Low awareness of HSE aspect, causing increase of work hazard risk.</li> </ul>
5.	Commercial	<ul> <li>Low competitiveness compared to similar products.</li> <li>Decrease of customer buying power.</li> <li>Unfulfilled customer order causing increase of complaint regarding product quality and sales return case.</li> <li>Customer implement multisource of its order.</li> </ul>
6.	Warehousing	<ul> <li>Unsynchronized production planning with sales demand causing overcapacity or shortage of finished goods, raw materials, spareparts.</li> <li>Material handling and distribution practice that does not meet safety standard and stock opname accuracy, causing risk of spareparts and raw materials shortage.</li> </ul>
7.	Maintenance	<ul> <li>Malfunctioning production machine caused by insufficient periodical maintenance due to high usage as well as rare critical spareparts causing high production stoppage.</li> <li>Old machinery with rare and expensive spareparts.</li> </ul>
8.	Information Technology	• Loss of transaction data stored in server.

#### **Risk Management Programs**

The parent company and subsidiaries carry out some programs to mitigate the risks described in the previous section.

#### A. Risk Management Programs at the Holding Company Level

At the level of the holding company, risk mitigation is divided into seven risk categories, with regular assessment conducted on the mitigation steps taken, as detailed in the following table.

#### **Risk Management Efforts at the Holding Company Level**

No.	Risk Type	Risk Mitigation
1.	Strategic Risk	<ul> <li>Risk identification and evaluation, with recommendations given to the Board of Directors and Risk Management Committee on all investment plans, especially those related to changes to the investment portfolio or other strategic corporate steps.</li> <li>Conducting discussions and carrying out assessment through the Investment, Finance, Risk &amp; Legal Working Group (IFRL-WG) to ensure the successful implementation of projects and transaction, operational supervision and the achievement of revenue targets.</li> <li>Consciously striving to develop the Bakrie &amp; Brothers brand in a unique and positive way among the Bakrie Group, building a better reputation within the Group by developing professional and intensive collaboration with related parties, including creditors, print and digital media, regulators, analysts and investors.</li> </ul>
2.	Market Risk	<ul> <li>Periodically assessing the potential of hedging processes for certain risk factors, if such processes are considered beneficial for the Company.</li> <li>Deliberating hedging processes based on risk limits applied using risk ratings based on price volatility, beta value range, acceptable risk exposure value range and market object / asset / product price value range.</li> <li>Gradually reducing Company debt backed by shares (share-based financing), which is very vulnerable to market fluctuations.</li> </ul>
3.	Liquidity Risk	<ul> <li>Liquidity risk mitigation efforts are largely determined by market risk mitigation efforts.</li> <li>Periodical assessment using quantitative methods and Cash Flow at Risk (CFAR), especially for cash flow reserve risks.</li> <li>Periodical investment portfolio stress-testing processes for certain scenarios in order to anticipate liquidity risk in advance.</li> </ul>
4.	Insolvency Risk	<ul> <li>Improving financial and operational performance, thus regenerating investor confidence in Bakrie Group.</li> <li>Implementing Good Corporate Governance practices both internally and externally through disclosures to regulators, investors and the media.</li> <li>Corporate actions related to investment activities in the real sectors, thus regenerating positive market sentiment in Bakrie Group.</li> <li>Resolution of default debt and attainment of new funding sources for investment projects in infrastructure field and others.</li> </ul>
5.	Credit Risk	<ul> <li>Credit risk mitigation begins with assessment of:</li> <li>Credit goals and sources of funding.</li> <li>Latest risk profiles of prospective debtors.</li> <li>Sufficiency and quality of collateral/guarantees.</li> <li>Repayment ability analysis.</li> <li>Internal business and benchmarking capacity analysis.</li> <li>Mitigation plans in case of debtor default. The process of credit risk management includes the CRM Division setting risk limits as a reference for investment and non-investment transaction management within the credit risk category.</li> </ul>

6.	Mismatch Risk	• Reprofiling investment and funding portfolios in order to reduce mismatch and continue similar risk mitigation efforts in the future.
7.	Operational Risk	<ul> <li>Application of sanctions for violation of the system.</li> <li>ERM framework implementation within the Company.</li> <li>The Company's Compliance Office plays an active role alongside the Legal Division in monitoring Company compliance with laws and regulations and other legal aspects related to the Company's activities.</li> <li>Periodic risk-profiling in each Division within the Company</li> </ul>

#### B. Risk Management Programs within Subsidiaries

Risk mitigation measures are taken following risk identification and evaluation in order to minimize the effects of any risk that occurs.

Mitigation measures taken by Subsidiaries by end of 2014 are described in the following table.

#### **Risk Management Efforts within Subsidiaries**

No.	Risk Type	Risk Mitigation				
1.	Procurement	Periodic evaluation of vendor/subcontractor performance Self-management by internal corporate teams to speed up the completion of work Ensuring the punctual attainment of FEED from Engineering, followed by intensive monitoring of supplier performance Cooperation with Finance teams to reduce exchange rate risk by renegotiating more favorable terms of payment Carrying out audits of suppliers; physical checks of received materials; application of material standard specifications Negotiation of commercial and legal aspects to strengthen the Company's position in order to reduce potential losses.				
2.	Production	<ul> <li>Strengthening the Engineering team, improving work performance and increasing work supervision to ensure accordance with approved technical drawings.</li> <li>Optimizing utilization of existing machineries.</li> <li>Review of all production processes and increase cooperation on product development.</li> <li>Review of cost structure details and analysis of material usage composition to increase material cost efficiency.</li> <li>Carrying out work and project in the correct order while taking into account Risk Assessment, SOP, Job Safety Analysis and others.</li> <li>Increasing supervision of production processes.</li> </ul>				

No.	Risk Type	Risk Mitigation
3.	Transportation	<ul> <li>Benchmarking analysis of transportation cost to ensure transportation fees remain competitive.</li> <li>Coordinated transportation planning with the expedition section to ensure long-term cooperation and the constant availability of transportation.</li> <li>Installing GPS devices to transportation vehicles and establishing weight limits according to the type of vehicle.</li> <li>Implementing rotation of drivers schedule and promoting safety including routine vehicle maintenance.</li> <li>Ensuring a detailed schedule for inter-island transportation and tight cooperation with distributors regarding truck schedules to minimize shipping delay risk.</li> <li>Finding alternative shipping routes to maintain market share in areas whose normal route is blocked or disconnected.</li> </ul>
4.	Human Resources and General Affairs	<ul> <li>Conducting internal and external training programs to improve employee competence.</li> <li>Planning work according to employee capabilities to maximize output.</li> <li>Installing safety boards in each area, especially in areas with a high risk of accidents.</li> <li>Punishing all safety violations.</li> </ul>
5.	Commercial	<ul> <li>Distribution and transportation cost efficiency.</li> <li>Benchmarking of competitors' prices and cross-subsidies according to area and price.</li> <li>Regular coordination with the PPIC on dispatch and checking schedules.</li> <li>Deliver the best possible services for customers, supervision of product quality and analysis of competitors and market conditions.</li> <li>Provision of back-up warehouses.</li> <li>Increasing supervision of handling and transportation.</li> </ul>
6.	Warehousing	<ul> <li>Optimizing warehouse space and moving unused goods to other places.</li> <li>Warehouse relayout.</li> <li>Updating min-max stock, weekly coordination on delivery schedules with the Procurement Division, daily updating of stock position data and delivery schedules.</li> <li>Addition of equipment such as hand lifts and forklifts to improve handling safety.</li> <li>Modification of charging with card numbers, bill approval tightening, socialization and coordination with operational sections on bill filing methods.</li> <li>Regular coordination between the SCM, Commercial and Production team to ensure an optimum amount of finished goods stock in line with market movements; implementation of the Day of Inventory concept.</li> <li>Application of Maximum and Minimum Stock based on each item's historical data.</li> </ul>
7.	Maintenance	<ul> <li>Regular service of production machines, identification of machines requiring new or replacement parts and identification of vendors selling the needed parts.</li> <li>Intensifying coordination with procurement and finance for the punctual procurement of critical parts.</li> <li>Application of preventive schedules with the PPIC according to PPIC machine requirements and targets.</li> <li>Formulation of gradual servicing schedules, ensuring that machine performance quality is maintained at an optimum level.</li> <li>Creating vendor lists and comparing prices between vendors to acquire production machine spare parts that are inexpensive and of good quality.</li> </ul>
8.	Information Technology	• Formulation of a Disaster Recovery Plan with backup servers outside the office to reduce the risk of data loss.

#### Business Development Risk and Mitigation in the Infrastructure Sector through PT Bakrie Indo Infrastructure (BIIN)

BIIN has a number of greenfield projects currently ongoing, including the Cimanggis-Cibitung Toll Road, the Tanjung Jati A Power Plant and the Kalimantan-Java pipeline.

Risk in this sector includes aspects related to land acquisition, licensing and damage from natural disasters. These risks can be mitigated through compliance with existing laws and regulations, managing licenses through effective procedures, carrying out feasibility studies and designing construction that is able to withstand natural disasters.

#### **IMPORTANT LEGAL CASES**

In 2015, the Company, Board of Commissioners, Directors and employees of BNBR are not involved in any legal or taxes cases.

#### ACCESS TO COMPANY INFORMATION AND DATA

As a public company, BNBR strives to disseminate clear, comprehensive and on time information to the stakeholders, as the manifestation of its commitment towards accountability and information transparency principles related to the Company's performance and operations.

For easy access to the public on BNBR information, the Company provides several official contacts information on the Company, including performance reports, announcements, and BNBR business activities, through:

Corporate Secretary or Investor Relations PT Bakrie & Brothers Tbk Bakrie Tower 35-37 Floor Rasuna Epicentrum JI H.R. Rasuna Said Jakarta 12940, Indonesia Telephone : (62 21) 2991 2222 Facsimile: (62 21) 2991 2333 Email : bnbr.corcomm@bakrie.co.id ir@bakrie.co.id Website : www.bakrie-brothers.com

#### FUNDS PROVISION FOR SOCIAL AND POLITICS ACTIVITY

The Company is aware that assest funds and/or company's profits is inappropriately meant for political grant interests. This political grant includes; donation to political parties, legislations candidates, and community group in litigation, group/institutions/foundations under one party.

To that end, the company does not involved in any political activities and does not in the position to grant donation for political interests. The Company put more focused on fund allocation to activities with highest care towards the social and environmental issues, as the manifestation of the Corporate social responsibily to the community. The Company reports in detailed the 2015 corporate social responsibility in the Chapter of Corporate Social Responsibility in this Annual Report.

#### **CORPORATE CODE OF ETHICS AND CODE OF CONDUCT**

BNBR continues to strive in building organization supported by people with honesty, integrity, and loyalty, to achieve business sustainability. This effort is embodied by the development of Code of Conduct and Business Conduct Policy. By the implementation of code of conduct, professionalism is expected to be elevated in the management level and all employees of PT Bakrie & Brothers Tbk including subsidiary.

#### **Code of Conduct Implementation**

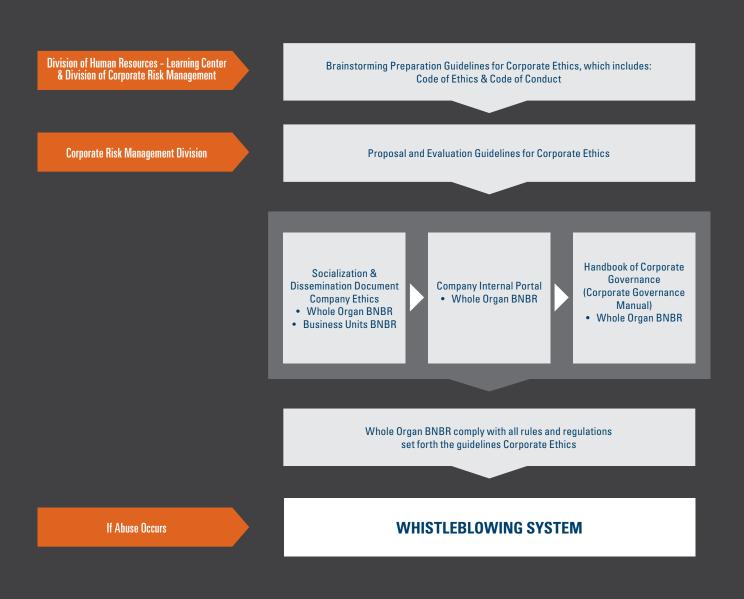
The code of conduct and business conduct policy contains full principles of the Company and covers the values and standard of manners of PT Bakrie & Brothers Tbk. Both conducts are applicable to all BNBR people in all level of Company's organization, and shall be used in day-to-day activities. These conducts enabled the best choices and acted in the highest integrity by following the Company's principles.

The implementation and enforcement of Code of Conduct and Business Conduct Policy of PT Bakrie & Brothers Tbk is stipulated in:

- Corporate Governance Guidelines
- Board Manual
- Conflicts of Interest Guidelines
- Integrity Pacts
- Corporate Culture

#### **Code of Conduct Dissemination Mechanism**

The Company's Code of Conduct Dissemination Mechanism is illustrated as below:



#### **Code of Ethics**

PT Bakrie & Brothers Code of Ethics represents the employees' code of conduct in conducting their works. Every employee of PT Bakrie & Brothers Tbk is responsible to understand and implement this code in all daily activities. The Code of Ethics of PT Bakrie & Brothes Tbk consists of standard of manners in interact with the stakeholders, such as illicit activity, compliance on the Company's laws and policies, recordings and appropriate assets utilization, compensations for agents and others, prohibition of conflicts of interest, prohibition in granting and entertain the stakeholders, honesty in reporting perdiem, disclosure of the Company's confidentiality with permission, protection on the Company's interests, prohibition to act that may caused any loss to the Company, prohibition to violate the Company's Code of Ethics, compliance on the Company's Regulations, and good cooperation with the auditors and legal counsels.

Human Capital Managemer

Additional Informa

#### **Code of Ethics Socialization**

The socialization and dissemination of Code of Ethics Document and Business Conduct Policy is periodically conducted every year in the event holds by the Corporate Risk Management (CRM) Division, namely Governance-Risk-Compliance (GRC) Day. This event is attended by all Company's organs and business units. The signing of Code of Ethics document and Business Conduct Policy is done by all Company's employees and business units collectively. In addition, the Company disseminated the Code of Ethics through the Corporate Governance Guidelines and company's internal portals.

#### **Business Conduct Policy**

The Business Conduct Policy of PT Bakrie & Brothers Tbk is a compilation of norms and rules that become the platform of ethics and code of conduct in every actions or expressions regarding matters that are obliged, prohibited, or inappropriate to be performed by employees of PT Bakrie & Brothers Tbk.

The Business Conduct Policy is intended to support an ethical performance effectiveness based on laws. In general, Business Conduct Policy consists of policies on financial recording, inappropriateness, receipt of payment, entertainment and business, conflicts of interest, and annual questionnaires.

#### **Enforcement and Violation Sanctions**

The efforts of the Company in the enforcement of code of conduct among others are through the signing of Code of Ethics document and Business Conduct Policy. All employees are also mandated to sign the working agreement, which included the agreement on compliance towards the company's regulations. For several types of violations, the Company stipulated sanctions through reprimand, warning letters as well as termination of employment.

#### **CORPORATE CULTURE STATEMENTS**

The Company has the cultural foundation that reflects the organization conduct and ethics communicated in writing and as the guidelines for all Company's employees. The corporate culture rooted in noble values that become the platform of the Company's management. In BNBR, the corporate culture is stated in Trimatra Bakrie statements.

# BASIC VALUE **INSTRUMENTAL VALUE INDONESIAN-NESS INTEGRITY** Bakrie People's perspective, motive and attitude that is proud to be of Indonesian nationality, has global worldview and contributes to global society. **USEFULNESS** PROFESSIONALISM Bakrie People's perspective, motive and attitude that prioritizes the effectiveness and efficiency of resources to enhance the quality of life. procedure, respecting the TOGETHERNESS Bakrie People's perspective, motive and attitude that promotes synergy in diversity.

PT BAKRIE & BROTHERS TBK

Corporate Profile

Main Highlights

& The Board of Dire

#### WHISTLEBLOWING SYSTEM

BNBR has developed and implemented Whistleblowing System through the Policies and Procedures No. 258/BNBR/III/2012 concerning the Implementation of Whistleblowing System. The Whistleblowing System is intended to build loyality to the Company and create conducive working environment, by supporting the whistleblowing towards matters that may cause financial or nonfinancial losses to the Company, including matters which may damage the Company's good name and image..

#### Whistleblowing Policy

Whistleblowing System is a manifestation of good Corporate Governance principles enforcement, related with the business operations of transparent, accountable, and responsible. Whistleblowing System is expected to place the roles as prevention function and detections towars whistleblowing potentials. The Company provides this system as the facility to BNBR employees, subsidiaries, and or external parties, in disseminating feedbacks, complaints and reports on matters, events, or actions that are inappropriate towards the Company's conduct, community norms, prevailing laws and legislations. Whistleblowing System is considered as one of the most secure, effective and efficient in prevention, reporting, collective of evidence and following up actions on the violations by the Company's employees or management. This system protects the whistleblowers' identity and rights to support conducive follow up.

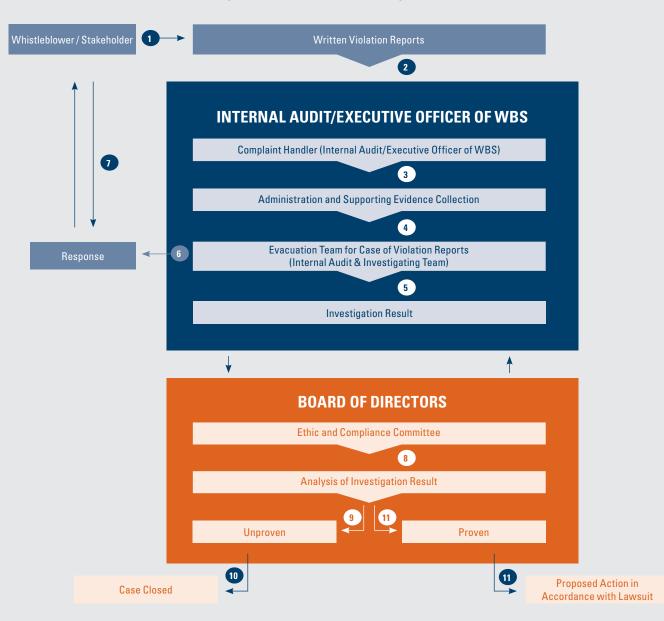
#### **Whistleblowing Management**

The Company's Whistleblowing System is managed professionally by the Ethics & Compliance Committee, assisted by Whistleblowing System Administration Management. The Ethics & Compliance Committee is a committee appointed and established by the Board of Directors to support the Directors in providing dirctions, decisionmaking and supervision on the Company's adherence/compliance and/or the Board of Commissioners, Dirctors and employees as well as executives of the Company towards ethics and conduct polies or prevailing laws and regulations. The Ethics & Compliance Committee guarantees protection to every Whistleblower. The Ethics & Compliance Committee and Whistleblowing System Officer guarantee the confidentiality of the Whistleblowers' identity that provide their personal data and information for communication purposes; including guarantee of confidentiality of the Whistleblowers' identity to the Investigations Team. The Whistleblowing System Officer/ WBS Manager consists of the Corporate Internal Audit ("CIA"), and in implementing its duties, the CIA establishes and coordinates the Investigations Team, which members are comprising of Legal Department, Enterprise Risk Management (ERM) Department, Compliance Department, and Human Capital (HC) Function, whereby the duties and responsibilities of Investigations team are to assist the WBS Manager in analyzing the whistleblowing system cases.

#### Reporting Management On Alleged Violations by the Employees

In general the following are procedures of whistleblowing system management of PT Bakrie & Brothers Tbk:

- Whistleblowers aware and have the initial evidences that relevant with the violations indications done by the offenders (Reported) and submit it to the WBS Manager through hotlines or emails.
- WBS Manager conducts prescreening on the initial evidences towards its relevancy with the initial indication reports presented by the Whistleblowers. WBS manager finds the other supporting evidences relevant and sanction that related to the whistleblowing.
- WBS Manager forms the Investigations Team to assist the Internal Audit Unit (IAU) in analyzing the violations cases. Based on the investigations results, Ethics & Compliance Committee will audit and analyze the investigations results as a base of decision-making.
- 4. In the proven of violations:
  - Ethics & Compliance Committee stipulates sanctions and issued the Decree of Whistleblowing Sanctions to the Offenders.
  - Ethics & Compliance Committee submits to the HC Functions for following up the Decree of Whistleblowing Sanctions.
  - Ethics & Compliance Committee can submits to the Corporate Legal Department for every violations towards laws and regulations for follow up to the authorities.



The following are whistleblowing system procedures conducted by the employees as illustrated below:

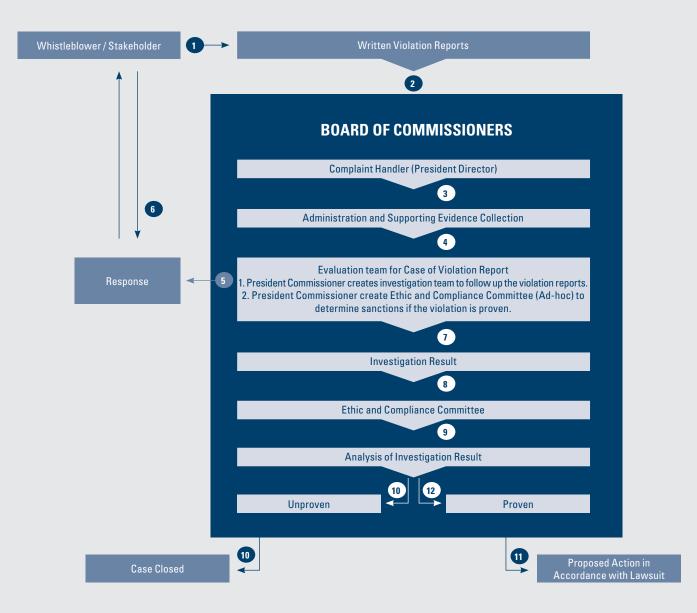
#### Reporting Management on Alleged Violations by the Board of Commissioners or Directors or WBS Managers

The following are procedures for the whistleblowing system by the Board of Commissioners/ Directors/ WBS Managers:

- The Whistleblowrs aware and has the initial evidences on violations indications conducted by the Board of Commissioners/ Directors/ WBS Managers. If the Offenders are the Board of Commissioners and/or WBS Managers, the Whistleblowers submit the violation indication reports through e-mails addressed to the President Director. If the Offenders are the Board of Directors, the Whistleblowers submit the violations indication through e-mails addressed to the President Commissioner.
- 2. The President Commissioner/ President Director conducts prescreening on the submitted initial evidences, for its relevancy with the violations indication presented by the Whistleblower by completing the Whistleblowing Forms.
- 3. The Commissioner/ President Director forms the internal Investigations Team and/or can request assistance from an independent external party for the following up of the violations. If the violations indications are done by the Board of Directos, Presient Commissioner forms the ad-hoc Ethics & Compliance Committee to set the sanctions to the Offenders if he/she proven guilty.

- 4. In the proven of violations:
  - Ethics & Compliance Committee stipulates sanctions and issued the Decree of Whistleblowing Sanctions to the Offenders.
  - Ethics & Compliance Committee submits to the President Commissioner/ President Director for following up the Decree of Whistleblowing Sanctions.
  - Ethics & Compliance Committee can submits to the Corporate Legal Department for every violations towards laws and regulations for follow up to the authorities.

The following are whistleblowing system procedures of violations done by the Board of Directors as illustrated below:





#### **Whistleblowing System Socialization**

The Regulation and Implementation on Whistleblowing System is disseminated and evaluated sustainably to all employees of PT Bakrie & Brothers Tbk, and periodically conducted the Whistleblowing System advancement/refinement for sustainability in accordance with the Company's business development. The following are steps taken by the Company:

- 1. The Company conducts socialization, implementation and evaluation on Whistleblowing System continuously.
- 2. The socialization activity is done sustainably towards the Company's internal or external parties. The socialization for internal party will be focusing on the understanding, awareness and requirements to implement consistent GCG. The socialization to the external party is intended to provide understanding on the Company's applicable frameworks in accordance with GCG principles.
- 3. Whistleblowing System is consistently implemented with full commitment from all elements of PT Bakrie & Brothers Tbk and supported by the others stakeholders.
- 4. The Company evaluates the Whistleblowing System. The evaluation is intended to aknowledge and measures the appropriateness of Whistleblowing System with the Company's needs as well as the effectiveness of implementation programs. Based on evaluation results, improvement and development of Whistleblowing System and its implementation programs will be conducted sustainably.

#### **Whistleblower Protection**

To maintain stability and conducive environment, Whistleblowing System shall provide whistleblower protection to the Whistlebowers. The protection to the whistleblowers cover the following:

- 1. Independent, free and confidential reporting facilities;
- 2. Whistleblowers' identity confidentiality guarantee;
- Protection against retaliation from the Offenders or the Company as well as the other protections within the ability of the Company;
- 4. Protection guarantee provided by the Company's Ethics & Compliance Committee to the Whistleblowers.

The protection on the retaliation from the Offenders as well as other protections within the Company's ability.

#### **Violations During 2015**

Since the policies and procedures of Whistleblowing System was developed and disseminated in March 2012 up to 31 December 2015, the Company has not received any violation report.

# ADAPTATION TO CORPORATE GOVERNANCE GUIDELINE OF PUBLIC COMPANY - OJK

			A	DAPTATIC	)N		
No.		PRINCIPLES & RECOMMENDATIONS		Partial	Not Yet	Descriptions	
А	Rela	tionship of Public Company with the Sharehold	ers in Ensi	uring the S	hareholde	rs' Rights	
1.	Impr	oving the Value of General Meeting of Sharehol	ders (GMS	) Conventi	on		
	1.1	Public Company has technical procedures for opened or closed voting that promote independency and shareholders' interest.	~			Has been stipulated in Company's Articles of Association and Corporate Governance Manual.	
	1.2	All members of the Board of Directors and Board of Commissioners are present at Annual GMS.		~		Mohamad Ikhsan (Independent Commissioner) was represented by other members of Board of Commissioners in the AGMS June 15, 2015.	
	1.3	Summary of GMS Minutes is available on Public Company's Website for no less than 1 (one) year.	~			Deed of Meeting Summary No.140 is available on Company's website since November 26, 2015	
2.	Impr	oving Communication Quality of Public Compan	y with Sha	reholders	or Investor	'S	
	2.1	Public Company has a communication policy with shareholders or investors.	~			The Company has stipulated and applied Policy & Procedure No. 015/ BNBR/II/2010 concerning Information Disclosure to Capital Market Community	
	2.2	Public Company discloses its communication policy with shareholders or investors on its Website.	V			The Company has uploaded Policy & Procedure No. 15/BNBR/II/2010 concerning Information Disclosure to Capital Market Community to Company's website.	
В	Boar	d of Commissioners' Function and Role					
3.	Stre	ngthening the Membership and Composition of	Board of C	ommission	ers		
	3.1	Determination of number of Board of Commissioners' member shall consider the condition of Public Company.	~			Determination of total members of Board of Commissioners has complied with POJK No. 33/POJK.04/2014.	
	3.2	Determination of Composition of Board of Commissioners' member considers the variety of expertise, knowledge, and experiences required.	~			Determination of Board of Commissioners members' composition diversity has been stipulated in Company's Articles of Association and Board Manual.	
4.	Impr	oving the Quality of Job and Responsibility Perf	ormance o	f Board of	Commissio	oners	
	4.1	Board of Commissioners has self-assessment policy to assess the performance of Board of Commissioners.		v		Board of Commissioners has enacted self-assessment policy which implementation is supported by committees under Board of Commissioners.	
	4.2	Self-assessment policy to assess the performance of Board of Commissioners is disclosed in Annual Report of Public Company.	~			Has been disclosed in 2015 Annual Report book page 117.	

			A	DAPTATIO	N	
No.		PRINCIPLES & RECOMMENDATIONS	Full	Partial	Not Yet	Descriptions
	4.3	Board of Commissioners has a policy with respect to the resignation of the member of the Board of Commissioners if such member involved in financial crime.		~		Has been disclosed in Board Manual
	4.4	Board of Commissioners or Committee that conduct Nomination and Remuneration function arrange succession policy in Nomination process of Board of Directors member.		*		The Company has put Nomination and Remuneration Committee into effect according to POJK No. 34/ POJK.04/2014.Nomination and Remuneration Committee has formulated succession policy for Board of Directors member.
C	Boar	d of Directors' Function and Role				
5.	Strei	ngthening the Membership and Composition of t	the Board	of Director	s	
	5.1	Determination of number of Board of Directors' member considers the condition of Public Company and the effectiveness of decision- making.	~			Determination of total members of Board of Directors has complied with POJK No. 33/POJK.04/2014.
	5.2	Determination of composition of Board of Directors' member considers the variety of expertise, knowledge, and experiences required.	~			Determination of Board of Directors members' composition diversity has been stipulated in Company's Articles of Association and Board Manual.
	5.3	Member of Board of Directors who is liable for accounting or finance has accounting expertise and/or knowledge.	~			The Company has instated a Director who also holds the position of Chief Financial Officer and has capabilities in accounting field.
6.	Impr	oving the Quality of Job and Responsibility Perf	ormance o	of Board of	Directors	
	6.1	Board of Directors has self-assessment policy to assess performance of Board of Directors.	V			The Company has stipulated and applied Policy & Procedure which regulates employees performance appraisal as described in Policy & Procedure No. 034/ BNBR/XII/2012 concerning Position Evaluation.
	6.2	Self-assessment policy to assess the performance of Board of Directors is disclosed in Annual Report of Public Company.	~			Has been disclosed in 2015 Annual Report book page 125.
	6.3	Board of Directors has a policy with respect to the resignation of the member of the Board of Directors if such member involved in financial crime.		~		Has been disclosed in Board Manual.
D	Parti	cipation of Stakeholders				
7.	Impr	oving Corporate Governance Aspect through Pa	articipatio	n of Stakeh	olders	
	7.1	Public Company has a policy to prevent insider trading.	~			The Company has stipulated and applied Policy & Procedure No. 254/BNBR/ XII/2014 concerning Stock Trading Activity.

			A	DAPTATIO	N	
No.		PRINCIPLES & RECOMMENDATIONS	Full	Partial	Not Yet	Descriptions
	7.2	Public Company has anti-corruption and anti- fraud policy.	~			The Company has stipulated and applied Policy & Procedure No. 264/ BNBR/I/2016 concerning Anti-Fraud and Report of Gratuities Receiving.
	7.3	Public Company has policies concerning selection and capability improvement of suppliers and vendors.		~		The Company has stipulated and applied Policy & Procedure No. 076/BNBR/ XII/2015 concerning Goods and Services Procurement.
	7.4	Public Company has a policy concerning the fulfillment of creditor's right.		v		The Company has stipulated and applied Risk Valuation Policy & Procedure towards Ioan undertaken by Company, described in Policy & Procedure No. 086/ BNBR/IV/2015 concerning Fund Raising.
	7.5	Public Company has a policy of whistleblowing system.	~			The Company has stipulated and applied Policy & Procedure No. 258/BNBR/ III/2012 concerning Whistleblowing System.
	7.6	Public Company has long-term incentive policy for Board of Directors and employees.				The Company has formulated a share- based long-term incentive policy for Board of Directors and employees which will be carried out according to the stipulations of Company's Articles of Associations and Indonesia's Capital Market regulations.
E	Infor	mation Disclosure				
8.	Impr	oving the Implementation of Information Disclos	sure	_	_	
	8.1	Public Company takes benefit from the application of a broader information technology other than Website as information disclosure media.	~			The Company has executed Information Disclosure through Company's website, IDX website, OJK website (not for public consumption), and Newspaper with nationwide circulation (for certain Information Disclosure according to prevailing Capital Market Regulations).
	8.2	Annual Report of Public Company discloses beneficial owner in share ownership of Public Company of at least 5% (five percent), other than disclosure of beneficial owner in share ownership of Public Company through major and controlling shareholders.	~			The Company has disclosed its beneficial owner by disclosing ownership of at least 5% (five percent) of Public Company shares but only until custody and/or securities level according to Share Registrar received through third party such as KSEI and Securities Administration Agency.

# CORPORATE SOCIA RESPONSIBILITY



Through the implementation of planned, structured and sustainable CSR activities, the Company expects that the presence of BNBR and its Subsidiaries will benefit all stakeholders, including the shareholders, as the company's majority stakeholders.

# CORPORATE SOCIAL RESPONSIBILITY

BNBR is fully aware that sustainable business organization involves a commitment to development oriented toward enhancing added value in line with the Company's Philosophy and Basic Values, moral and ethical principles inscribed in the Business Conduct Guidelines as well as prevailing laws and regulations. Based on a spirit and a commitment to ensuring sustainability for all related stakeholders, the Company continues to drive the implementation of Corporate Social Responsibility in all subsidiaries. Through the implementation of planned, structured and sustainable CSR activities, the Company expects that the presence of BNBR and its Subsidiaries will benefit all stakeholders, including the shareholders, as the company's majority stakeholders.

## COMPANY CSR VISION AND MISSION

The implementation of CSR at BNBR and its subsidiaries is guided by the "*Bakrie Untuk Negeri*" philosophy and core values outlined in "*Trimatra Bakrie*", all stipulated in the Bakrie Charter. In order to ensure that this philosophy and these core values are observed and socialized to all Bakrie Group employees, including this Company, the Management Board for Bakrie Untuk Negeri (BP BUN) has been established. The Company sustains this board as a manifestation of its corporate social responsibility.

The Company's philosophy refers to the "Bakrie Untuk Negeri" core philosophy, which constitutes a modern interpretation of the mandate of the founder of Bakrie Group, H. Ahmad Bakrie (1916-1988), namely "Every rupiah earned by Bakrie must be beneficial to many people". This core philosophy is illustrated in the Company's logo, which represents the landscape of the earth and seven stars. This logo illustrates the Company's efforts to reach the highest possible aspiration with its feet firmly planted. No matter how grand, great and high its aspiration is, Bakrie will never forget where it was founded and must remain strongly standing.

The "*Trimatra Bakrie*" core values consist of three dimensions, namely "Indonesian-ness", "Usefulness" and "Togetherness". Indonesianness is point of view, motivation and attitude of all Bakrie employees who are proud to be an Indonesian nation, with global insights and contributions to world society. Usefulness is point of view, motivation and attitude of all Bakrie employees who prioritize effectiveness and efficiency of resources to enhance better quality of life. Togetherness is point of view, motivation and attitude of all Bakrie employees who emphasize synergy in diversity.



# 174 EMERGING POTENTIAL

In order to ensure its business sustainability, BNBR strives to ensure that all its business and operational decision have a positive effect on all stakeholders, from shareholders to wider community, whether directly or indirectly. In the Company's opinion, this is the essence of CSR. As such, the Company has ratified the agreements stipulated at the Bakrie CSR Conference on 10 June 2011, in Bandung, as a basic reference for all CSR implementation within PT Bakrie & Brothers Tbk.

The main agreement of the Bakrie CSR Conference was stipulated the implementation of Bakrie Group Corporate Social Responsibility, which is made up of business and non-business entities, will refer to the ISO 26000 SR standard.

## **IMPLEMENTATION OF ISO 26000**

ISO 26000 focuses on seven core subjects: "Organizational Governance", "Human Rights", "Labour Practices", "The Environment", "Fair Operating Practices", "Consumer Issues" and "Community Involvement and Development". The Company's interaction within these seven aspects is as follows:



Source: www.iso.org

With the determination of ISO 26000 SR as CSR basic reference, CSR fulfillment is inseparable from the Company's business activities. The first and most important aspect is related to organizational govermance, followed by the communityrelated issues, in line with the seven core subjects of ISO 26000 SR.

Given that in this Annual Report, the organizational governance aspect has a separate dedicated chapter, this social responsibility chapter will only discuss aspects related to the environment, labour practices, social and community development, as well as responsibility to consumer.

BNBR's charity-based CSR activities are carried out by subsidiaries as well as channeled through BP BUN. This board was established on 17 August 2007, and in a number of ways carries out synergy functions in companies within the Bakrie Group, including BNBR. CSR activities carried out by BNBR and its subsidiaries adapted the programs implemented by BP BUN as briefly described in the following CSR expenditure table.

Corpo	rate Social Responsibility Expenditure		
CSR Program	Description	Expenditure (in Rupiah)	
Peduli Untuk Negeri	Social and religious sector	908,190,881	
Cerdas Untuk Negeri	Formal and non-formal education sector	225,015,498	
Hijau Untuk Negeri	Environmental sector	6,000,000	
Sehat Untuk Negeri	Health sector	7,609,000	
Kemitraan Untuk Negeri	Community development sector	209,649,967	
TOTAL		1,356,465,346	

## SOCIAL RESPONSIBILITY TOWARDS ENVIRONMENT

# POLICY OF IMPLEMENTATION OF SOCIAL RESPONSIBILITY TOWARDS ENVIRONMENT

CSR implementation in the environment sector has became an integral part of BNBR and its subsidiaries' way of doing business with reference to Government Regulation UU No.32 year 2009 concerning Environment Conservation and Management which stated that management of environment is an integrated effort in utilizing, organizing, conservating, monitoring, controlling, restoring and developing environment with the principle of preserving environment capability in supporting sustainable development for human welfare improvement.

#### **USAGE OF RECYCLABLE MATERIAL**

BNBR manufacturing subsidiaries have begun using recyclable material in some part of their production process. Bakrie Autoparts uses recycled material in the form of scrap from its machining process which is later utilized as raw material for its forging process. While Bakrie Building Industries operates its brick machine by using clean up excess and scrap from its main production process as raw material.

#### WASTE MANAGEMENT

BNBR and its subsidiaries manage waste created from the manufacturing process as well as that from supporting activities based on the 3R (Reduce, Reuse and Recycle) principle while also performing safe disposal. BNBR group differentiates its waste into two main categories, Toxic and Hazardous (B3) Waste and Non-Toxic and Non-Hazardous (Non-B3) Waste. These two categories of waste are handled differently.

BNBR and it subsidiaries implement standard operating procedures as part of its oversight of every stage of solid and liquid B3 waste management. This oversight and management is comprehensive from collecting, storing and transporting for further processing by waste management partners.

#### WASTEWATER MANAGEMENT

BNBR manufacturing subsidiaries manage wastewater or liquid waste produced by manufacturing production process by performing suitable packaging for each type of waste for further processing by waste management partners; Bakrie Building Industries also utilizes Wastewater Treatment Installations (IPAL) with circulation or sedimentation to tanks (sludge retrieval) in processing both its industrial and domestic wastewater.

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The Company always maintains the thresholds for wastewater quality and complies with quality standards set by the government prior to discharging the water into bodies of water.

#### **AIR QUALITY MANAGEMENT**

Various management efforts have been applied by BNBR group to reduce effects of air quality decrease due to its industrial operation activities. Some of those efforts are installation of dust collector exhaust fan, ventilation and chimney equipped with filter, as well as planting trees in open space area in the factory site. The Company also performs emission test on its operational machinery and vehicles at least once every six months.

#### **ENVIRONMENTAL CERTIFICATION**

The following are environmental certifications obtained by BNBR subsidiaries.



**ISO 14001:2004** April 2014 – April 2017

Environmental Management System Certificate; ISO 14001:2004 (TÜV SÜD PSB) for fabrication and construction services Manufacture of Casted and Machined Parts for Brake Drum, Fly Wheel, Disc Brake, Hub, Parking Brake Drum, and Bracket Generator was obtained by PT Bakrie Autoparts (known at the time as PT Bakrie Tosanjaya) on April 9, 2014. This certificate is valid until April 8, 2017.



#### **GREEN LISTING** *February 2015*

Green Listing Indonesia Label (Architectural Space Center, Green Building Council Indonesia) was obtained by PT Bakrie Building Industries for the products Versa Wood and Versa Board on the February 12, 2015. The Label verifies that the products are environmentally friendly

and free from hazardous materials.



## ISO 14001:2004

June 2015 – May 2018

Environmental Management Certificate; ISO 14001:2004 (BSI, ANAB, IAF) for design and manufacture of fibre cement product (Harflex and Versa) of building materials was obtained by PT Bakrie Building Industries on June 1, 2015. This certificate is valid until May 31, 2018.



#### ISO 14001:2004

January 2014 – January 2017

Environmental Management System Certificate; ISO 14001:2004 (Bureau Veritas Certification) for fabrication and construction services for oil & gas onshore/offshore facilities, and mining that was obtained by PT Bakrie Construction on January 6, 2011. This certificate is recertified and is valid from January 6, 2014 until January 5, 2017.

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# **ISO 14001: 2004**

May 2015 – April 2018

Environmental Management System Certificate; ISO 14001:2004 (AJA Registrars) was obtained by PT Bakrie Metal Industries. This certificate is valid from May 19, 2015 until April 17, 2018.



## SERTIFIKASI RAMAH LINGKUNGAN

June 2015

Environmentally Friendly Certificate (Government of Serang) for the efforts that has been executed in managing living environment obtained by PT Bakrie Construction on June 10, 2015.

# SOCIAL RESPONSIBILITY TOWARDS LABOR AND OCCUPATIONAL HEALTH AND SAFETY

#### POLICY OF IMPLEMENTATION OF SOCIAL RESPONSIBILITY TOWARDS LABOR AND OCCUPATIONAL HEALTH AND SAFETY

One of BNBR's main responsibilities realizations towards its employees is implemented through Occupational Health and Safety (OHS) programs based on the OHS Management Program. Company's policy concerning labor has been elaborated in this Annual Reports' Human Capital chapter.

BNBR's OHS policies are referred to the Company Health and Safety Policy, which was issued on 25 January 2013, and forms a guide to the creation of a safe and healthy workplace, as well as ensuring that Company activities caused the least negative effect on the environment. The implementation of this policy aims to allow the Company to reach ideal OHS indicators, as follows:

- Identification and evaluation of OHS aspects and threats, as well as control of risk and its effects in an acceptable level.
- Commitment to obey laws, regulations and other legal aspects.
- Prevention of workplace accidents, injuries, illnesses and pollution.
- Reduction of waste and the consumption of energy.
- Recording and socialization of OHS performance.
- Ensuring control of unsafe conditions and behavior which may cause occupational accidents or injuries.
- Continued improvement of OHSAS implementation.

#### **INDUSTRIAL RELATIONS**

BNBR seeks to ensure mutally respectful industrial relations, balance between fulfilling rights and meeting responsibilities through intensive communications and the involvement of both the Company and employees to achieve the Company's objectives. Therefore BNBR supports the activities of the Labor Union and ensures communications between management and the Labor Union are regularly held.

These constructive relations are formulated in the form of agreed points and regulations described in the Collective Labor Agreement (CLA) which are reviewed and renewed periodically.

#### **GENDER AND WORK OPPORTUNITY EQUALITY**

As part of its Corporate Human Capital management policy, BNBR also implements a performance-oriented policy supported by remuneration and reward schemes designed to demonstrate recognition of positive performance among BNBR employees.

In accordance with Law No. 13 2003 on Employment, the Company applies a minimum age limit of 18 years old. The Company offers equal opportunities for every person to be employed, receive training and develop their career according to their competencies and performance.

The Company also provides equal opportunities for all employees to develop their career according to business area, qualifications and knowledge. Employees with the relevant qualifications for a certain post may apply and take a series of tests through internal selection. Vacancies are opened and advertised through internal Company media as well as external media, including certain daily newspapers.

#### **EMPLOYEE TURNOVER**

BNBR applies the principle of equal opportunity in the recruitment process. Therefore recruitment of BNBR and its subsidiaries' employee is basically open for everyone. To obtain high quality and talented candidate employees to fill certain positions, BNBR applies the following recruitment method:

- Internal recruitment, to accelerate employee career paths.
- External recruitment.

During 2015 BNBR has employed 195 new employees. However a total of 593 people left the company, most of these people are outsourced employees.

#### **OCCUPATIONAL HEALTH AND SAFETY**

In addition to preventing workplace accidents, BNBR is also fully commited to maintain the health of its employees. This commitment is demonstrated through the availability of health services for its employees, which are health facilities, medical cost as well as medical check-up. Other activities include health related topic socialization, especially those concerning serious illness.

BNBR and its subsidiaries are also commited to continuously provide a safe working environment for its employees. This commitment is demonstrated through routine inspection and repairment of factory facilities and working area of employees if needed. The Company is also diligent in promoting OHS culture to its employees through routine OHS related training and socialization.

#### **OCCUPATIONAL HEALTH AND SAFETY RELATED CERTIFICATION**

The following are OHS related certifications obtained by BNBR subsidiaries.



**OHSAS 18001:2007** *April 2012 – April 2015* 

Occupational Health and Safety Management System Certificate OHSAS 18001:2007 (TÜV SÜD PSB) for Manufacture of Casted and Machined Parts was obtained by PT Bakrie Autoparts (known at the time as PT Bakrie Tosanjaya) on April 10, 2012. This certificate is valid until April 9, 2015.

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**OHSAS 18001:2007** June 2015 – May 2018

Occupational Health and Safety Management System Certificate OHSAS 18001:2007 (BSI, ANAB) for for design and manufacture of fibre cement product (Harflex and Versa) of building materials was obtained by PT Bakrie Building Industries on June 1, 2015. This certificate is valid until May 31, 2018.



#### OHSAS 18001:2007

January 2014 – January 2017

Occupational, Health and Safety Management System Certificate; OHSAS 18001:2007 (Bureau Veritas Certification) for fabrication and construction services for oil & gas onshore/offshore facilities, and mining that was obtained by PT Bakrie Construction on January 6, 2011. This certificate is recertified and is valid from January 6, 2014 until January 5, 2017.



## SERTIFIKAT VHSE-MS

May 2014 – May 2015

Vendor Health, Safety, & Environment Certificate; VHSE-MS (HCML) Pre Qualification phase to be used in huskycnooc madura Itd's area obtained by PT Bakrie Construction. This certificate is valid from May 20, 2014 until May 20, 2015.



#### **OHSAS 18001:2007**

May 2015 – April 2018

Occupational Health and Safety Management System; OHSAS 18001:2007 (AJA Registrars) was obtained by PT Bakrie Metal Industries. This certificate is valid from May 19, 2015 until April 17, 2018.



#### CONTRACTOR'S SAFETY MANAGEMENT SYSTEM

September 2015 – September 2017

Contractor's Safety Management System Certificate (MSMS PT Pertamina) for refinery unit VI Balongan was obtained by PT Bakrie Construction on September 25, 2015. The certificate is valid until September 23, 2017.



#### OHSAS 18001:2007

May 2013 – April 2016

Occupational, Health and Safety Management System Certificate; OHSAS 18001:2007 (ABS Quality Evaluations) for Manufacture of Fabricated Steel Pipes that was obtained by PT Bakrie Pipe Industries on April 2, 2007. This certificate is recertified and is valid from May 28, 2013 until April 1, 2016.



#### **OHSAS 18001:2007** December 2013 – October 2016

Occupational, Health and Safety Management System Certificate; OHSAS 18001:2007 (ABS Quality Evaluations) for Manufacture of Fabricated Steel Pipes that was obtained by PT South East Asia Pipe Industries on October 15, 2010. This certificate is recertified and is valid from December 2, 2015 until October 14, 2016.

#### **OCCUPATIONAL HEALTH AND SAFETY RELATED AWARDS**

The following are OHS related awards obtained by BNBR subsidiaries.



#### ZERO ACCIDENT AWARD

August 2015

Zero Accident Award Certificate (Kementerian Ketenagakerjaan Republik Indonesia) for 9,669,494 working hours for the period January 1, 2011 until December 31, 2014. The award was obtained by PT Bakrie Autoparts on August 31, 2015.



#### **ZERO ACCIDENT AWARD** *August 2015*

Zero Accident Award Certificate (Kementerian Ketenagakerjaan Republik Indonesia) for 4,828,617 working hours for the period January 1, 2011 until December 31, 2014. The award was obtained by PT Bakrie Pipe Industries on August 31, 2015.



# SOCIAL RESPONSIBILITY TOWARDS SOCIAL AND COMMUNITY DEVELOPMENT

#### POLICY OF IMPLEMENTATION OF SOCIAL RESPONSIBILITY TOWARDS SOCIAL AND COMMUNITY DEVELOPMENT

The social and community development part of BNBR group's CSR activities is carried out through the "*Cerdas Untuk Negeri*", "*Sehat Untuk Negeri*", "*Peduli Untuk Negeri*" as well as "K*emitraan Untuk Negeri*" programs. Through these programs, BNBR and its subsidiaries strive to enhance the quality of life of the community in terms of health, education and the economy.

#### **EMPOWERMENT OF SURROUNDING COMMUNITY**

BNBR and its subsidiaries consider human development and quality of life improvement of Indonesian people as a vital point.

In health sector, internally BNBR group supports healthy lifestyle of its employees by providing sports facility for employees in the holding level, while BNBR subsidiaries carry out weekly sport session. For its surrounding community, BNBR group has implemented various activities such as health counselling in areas nearby BPI, blood donation in areas nearby BA and mass circumcision for 1,500 boys at Al-Bakrie Mosque in Jakarta. Total disbursement for "*Sehat Untuk Negeri*" program along 2015 is Rp 7.6 million.

The Company believes education is an essential tool to empower Indonesian people in achieving its independency and excellency. Some of the activities carried out in the education sector are provision of working experience through internship program at BPI for university and highschool students, support for education facilities and infrastructure development at Ar-Risalah Islamic Boarding School in Tangerang by BBI, as well as provision of sponsorship for Grand Prix Junior Marching Band contest at Islamic Elementary School Tugasku in Jakarta by BNBR. Total disbursement for "*Cerdas Untuk Negeri*" program along 2015 is Rp 225 million.

# RENOVATION OF SOCIAL FACILITIES AND INFRASTRUCTURES

As a manifestion of empathy, various activities have been carried out as a real form of concern and care for others, and also to maintain good relationship with surrounding community of BNBR group business location.

In social and religious sector, BNBR group routinely participate in various activities carried out by BP BUN, as well as supporting construction of places of worship, celebration of religious holy days, and providing administrative facilities and infrastructures for people around its manufacturing sites. Total disbursement for "*Peduli Untuk Negeri*" program along 2015 is Rp 908 million.

#### PARTNERSHIP WITH SURROUNDING COMMUNITY

The Company continuously supports people empowerment to reach independency through development of people economy.

Some of the activities carried out by BNBR group that are related with this theme are collaboration with local people in BPI area to manage waste and supply of employee daily catering at BCons site. Total disbursement for "*Kemitraan Untuk Negeri*" program along 2015 is Rp 209 million.

#### **RESPONSIBILITY TOWARDS CUSTOMER**

BNBR considers customer satisfaction to be a fundamental and important service. This is based on the belief that customers are one group of stakeholders that have a critical role in ensuring business sustainability through purchase of Company's products and services; as such customers are main partners in developing business in the future.

Consumer protection policy within each business unit of the Company uses its own mechanism according to the types of consumer group served by the respective business unit; however responsibility towards customer manifestation in BNBR group can be broadly described as follows.

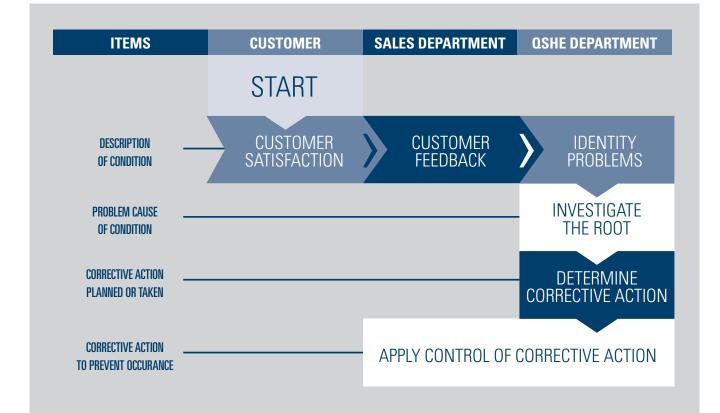
#### INFORMATION AND RESPONSIBILITY OF PRODUCTS AND SERVICES

Information of products and services provided by BNBR group can be accessed at any time on BNBR website and respective subsidiaries website. BNBR's manufacturing subsidiaries also provide brochure and/or company profile that briefly describe its business, and if deemed necessary the Company also participates in exhibitions of related industry in order to introduce products and services offered to potential customer.

BNBR and its subsidiaries provide dedicated email address and hotline number as means of communication with customers, moreoever the Commercial and Quality Control Team also carry out customers' visit to directly discuss their complaints or needs.

#### **CUSTOMER COMPLAINT HANDLING**

Customer complaint handling procedure is broadly illustrated below.



Addition

#### CUSTOMER SERVICE CHANNELS

BNBR, through its subsidiaries, provides customer service channels which consists of a website, a call center and an email address, as detailed below:

#### **BAKRIE AUTOPARTS**

Website : http://www.bakrie-autoparts.com

Call center : (+62 21) 8897 6601

Email : info@bakrie-autoparts.com / commercial@bakrie-autoparts.com

#### **BAKRIE BUILDING INDUSTRIES**

Website : http://www.bakrie-building.com

Call center : (+62 21) 619 0208

Email : sales@bakrie-building.com

#### **BAKRIE CONSTRUCTION**

Website : http://www.bakrieconstruction.com Call center : (+62 21) 2991 2120 Email : info\_bcon@bakrieconstruction.com

**BAKRIE METAL INDUSTRIES** 

Website : http://www.bakrie-metal.com Call center : (+62 21) 2991 2120 Email : info@bakriemetal.co.id

#### **BAKRIE PIPE INDUSTRIES**

Website : www.bakrie-pipe.com Call center : (+ 62 21) 2994 1270 Email : commercial@bakrie-pipe.com



#### PT BAKRIE & BROTHERS TBK

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# ADDITIONAL INFORMATION



#### ADDRESS OF SUBSIDIARIES AND BUSINESS UNITS

#### **BAKRIE METAL INDUSTRIES**

#### **PT Bakrie Metal Industries**

Head Office Bakrie Tower 35th Floor, JI HR Rasuna Said, Jakarta Selatan, Jakarta 12940 Phone :+62 21 2991 2120 Fax :+62 21 2991 2211 www.bakrie-metal.com

#### Factory

JI. Raya Kaliabang Bungur No. 86, RT. 004 RW. 02, Kelurahan Harapan Jaya. Kecamatan Bekasi Utara - 17124 Phone : +62 21 8895 8673 Fax : +62 21 88960684 / 88958586 www.bakrie-metal.com

#### **PT Bakrie Construction**

**Factory / Yard** Desa Sumuranja, Kec. Pulo Ampel, Kab. Serang Banten Indonesia. Phone :+62 254 5750351 Fax :+62 254 5750357 www.bakrie-construction.com

#### PT Bakrie Pipe Industries Head Office

Bakrie Tower 7th Floor, JI H.R Rasuna Said, Jakarta Selatan, 12940 Indonesia Phone : + 62 21 2994 1270 Fax : +62 21 2994 1267–68–69 www.bakrie-pipe.com

#### **PT Bakrie Pipe Industries**

Factory

JI. Raya Pejuang, Medan Satria, Kota Bekasi-17131 Phone : +62 21 887 1135 Fax : +62 21 8897 6606 www.bakrie-pipe.com

#### **PT South East Asia Pipe Industries**

Bakauheni, Kec. Ketapang, Kabupaten Lampung Selatan, Provinsi Lampung 35592, Indonesia Phone : +62 727 331 234 Fax : +62 727 331 348 www.seapi.co.id

#### **BAKRIE AUTOPARTS**

#### **PT Bakrie Autoparts**

Head Office / Factory JI. Raya Bekasi KM.27 Pondok Ungu, Bekasi 17132, Indonesia Phone : +62 21 8897 6601 Fax : +62 21 88976607 www.bakrie-autoparts.com

#### PT Braja Mukti Cakra

JI.Desa Harapan Kita NO. 4 Harapan Jaya Bekasi Utara 17124 Jawa Barat Indonesia Phone : +62 21 8871836 Fax : +62 21 8878949 www.bmc.co.id

#### PT Bina Usaha Mandiri Mizusawa

JI. Kh. Mz. Mutaqiem Kecamatan Jati Uwung, Kabupaten Tangerang, Provinsi Banten Phone : +62 21 5902488 Fax : +62 21 5900627

#### **BAKRIE BUILDING INDUSTRIES**

#### **PT Bakrie Building Industries**

Head Office / Factory JI. Daan Mogot Km 17,3 Jakarta 11850 – Indonesia Phone : +62 21 619 0208 Fax : +62 21 619 2950 http://www.bakrie-building.com

#### **Marketing Office**

Rasuna Office Park, Ground Floor 02, Kawasan Rasuna Epicentrum, Jl. HR Rasuna Said Jakarta Phone: +62 21 83797126 Fax :+62 21 83707770 http://www.bakrie-building.com

#### **PT BAKRIE INDO INFRASTRUCTURE**

#### **PT Bakrie Indo Infrastructure**

**Head Office** Bakrie Tower 34th Floor Rasuna Epicentrum JI. HR. Rasuna Said, Jakarta 12940 Phone: +62 21 299 12345 Fax: +62 21 299 41955 www.bakrie-brothers.com/businessunit/infrastructure

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#### CAPITAL MARKET SUPPORTING AGENCY AND PROFESSION

#### **SECURITIES ADMINISTRATION BUREAU**

#### **PT EDI INDONESIA**

Divisi Biro Administrasi Efek Wisma SMR, 10th Floor JI. Yos Sudarso Kav. 89, Jakarta 14350 Phone :+62 21 650 5829; +62 21 652 1010 Fax :+62 21 650 5987

#### **PUBLIC ACCOUNTANT**

#### HANDOKO TOMO, SAMUEL GUNAWAN & REKAN (Members of Moores Rowland CPAs)

Marccus Building 3rd Floor Jl. Majapahit No. 10, Jakarta 10160 Phone :+62 21 720 2605 ;+62 21 3483 0789 Fax :+62 21 727 2606;+62 21 3483 0982

#### NOTARY

#### HUMBERG LIE, SH, SE, MKN

Jl. Raya Pluit Selatan 103, Jakarta 14450 Phone : +62 21 6669 7171/7272/7315/7316 Fax : 62 21 667 8527

#### LEGAL COUNSELLOR

#### HADIPUTRANTO, HADINOTO & PARTNERS

The Indonesia Stock Exchange Building Tower II, 21st Floor Sudirman Central Business District JI. Jend. Sudirman Kav. 52 53, Jakarta 12190 Phone : 62 21 2960 8888 Fax : 62 21 2960 8999



#### **SENIOR EXECUTIVES PROFILE**

## INDRA GINTING chief strategic business development officer

Indra Ginting was born in 1966. He earned a degree in Chemical Engineering from Bandung Institute of Technology in December 1989 and then obtained a Master's degree in International Management from University of Indonesia in October 1994.

He joined the Company since the beginning of 2011, initially as the Chief Investor Relations Officer. In January 2013, he was appointed as the Chief Strategic Business Development Officer until now. Previously, he held the position of Director of Investor Relations and Corporate Secretary for PT International Nickel Indonesia Tbk (now PT Vale Indonesia Tbk) in 2003 to early 2011, as President Director and Principal Fund Manager of PT MLC Investment Indonesia, Jakarta in 1999 until 2003. Prior to that role, Indra had experienced as stock analyst for five years at two different domestic securities companies. He started his career as Manufacturing Engineer as soon as he earned the Bachelor's degree in Chemical Engineering.

The works of Bakrie will always remain in this country, in line with Indonesia's development plans, in order to build a better future.

#### PT BAKRIE & BROTHERS TBK

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Anand Haridh joined Bakrie & Brothers in August 2010. He holds an MBA from The Wharton School, University of Pennsylvania, M.S. in Chemical Engineering from Oklahoma State University and B.E. (Hons) in Chemical Engineering from B.I.T.S., Pilani, India.

He has two decades of global financial markets experience, split between New York, London and Singapore, to BNBR. He started his finance career on the derivatives trading desk at Merrill Lynch and subsequently held several positions within capital markets at Merrill Lynch, most recently running equity and equity linked capital markets for part of Asia. He was also a portfolio manager at a New York based hedge fund. Prior to his career in finance, he worked as a consulting engineer to oil companies in the Los Angeles region.

For more than 70 years, the history of Bakrie & Brothers diversified portfolio has realized the Company as one of the leading conglomerate in Indonesia. With full awareness in the importance of Good Corporate Governance (GCG), BNBR is committed to continue enhancing the quality of its GCG implementation consistently and continuously in line with the Corporate values.

BNBR refers to the best practices in determining the Company's business process, control and standard operating procedures. Bayu Bimo Nimpuno Head of Corporate Communications

**Ruddyar** Head of Group Accounting

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**Christofer A Uktolseja** Head of Corporate Secretary & Corporate Legal

Edwin Ridwan Head of Equity Trading

> Okder Pendrian Head of Human Capital & Office Support

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SENIOR MANAGEMENT OF BUSINESS UNIT: PT Bakrie Autoparts

PT Bakrie Autoparts (BA) was established in 1975 under the name PT Bakrie Tubemakers which produced malleable pipe; the Company then changed its name to PT Bakrie Tosanjaya (BTJ). In 1983 BTJ expand its capacity by producing automotive component for vehicle and heavy duty equipment. The Company continuously enhance its production expertise and capacity, succeeding in achieving partnership with global player in automotive industry and started its export to several overseas market in 2003. In 2014 BTJ transformed to become an integrated manufacturer of auto component as PT Bakrie Autoparts.

Bambang Indra Maryono Chief Strategic Business Development Officer

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Mila Wijaya Kusuma Chief Financial Officer

Boy Andoko Purnadie Director & CEO

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SENIOR MANAGEMENT OF BUSINESS UNIT: PT Bakrie Building Industries

Established as a Joint Venture with an Australian company in 1976, PT Bakrie **Building Industries (BBI)** is currently one of the pioneers of building materials manufacturers in Indonesia which delivers "Total Building Solution" for domestic and international market. Today BBI is well known as producer of high quality building materials such as fiber cement roofing, ceiling and partition, as well as wood substitution products. Supported by experts in building material industry and a vast network of 80 loyal distributors, BBI is set to be a forefront solution company in innovation, energy efficiency and environmental protection.

Jisman Hutasoit Chief of Technology & Operation Officer

PT BAKRIE & BROTHERS TBK

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Management's Discussion & Analysis

**Erti Sri Santi** General Manager Finance

> Yayan Primayanto Apandi General Manager Commercial

Yogi Pratomo Widhiarto Chief Executive Officer

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SENIOR MANAGEMENT OF BUSINESS UNIT: PT Bakrie Indo Infrastructure

Bakrie Indo Infrastructure (BIIN), a wholly owned subsidiary of Bakrie & Brothers, was established in 2008 as the development of Infrastructure Division.

As a holding company with diverse infrastructure assets in Indonesia, BIIN capitalizes on its vast infrastructure experience and regional expertise. Its objective is to invest in lucrative, high-growth toll road, power, oil & gas, port, and telecommunication infrastructure projects. The current Government of Indonesia plans to spend up to USD408 billion in the next four years on infrastructure projects. As a result, BIIN presents a compelling and unique opportunity to invest in Indonesia's burgeoning economy across a diverse array of infrastructure projects.

Ali Herman President Director of Bakrie Power

Bambang Banyudoyo Director of Bakrie Oil & Gas Infrastructure

Corporate Profile

Main Highlights

& The Board of Director

Krisnaraga Syarfuan Director of Bakrie Indo Infrastructure

AD Erlangga Director of Bakrie Indo Infrastructure

> Chandra Devi Muharam Head of Legal & Admin Bakrie Indo Infrastructure

luman Capital Managemen

orporate Governance Implementation Repo

Corporate Social Respons

**SENIOR MANAGEMENT OF BUSINESS UNIT:** PT Bakrie Metal Industries

> Adwin Abdurachman Chief Operations Officer

Achmad **Muchtasyar** Chief Business **Development Officer** 

Enda Marina **Chief Corporate** Affairs Officer

Bakrie Metal Industries (BMI) started its steel pipe manufacturing business in 1959 under the name "Talang Tirta", it originally produces conduit pipe for general use. In 1984 the company expand its business to fabrication service, which specialty is in corrugated steel and bridge. In 1985 BMI established its EPC business with the operation of its heavy industrial steel fabrication facility in Sumunraja, Banten. Today BMI is well known for its high quality steel pipes (oil & gas and general purposes) and nation wide acclaimed EPC and fabrication expertise.

Report From The Board of Commissioners & The Board of Directors Management's Discussion & Analysis

Hendi Kariawan Chief Finance Officer

> Rachmat Harimurti Chief Commercial Officer

Mas Wigrantoro Direktur Utama

Human Capital Managemer

orporate Governance Implementation Report

Corporate Social Responsibili

Additional Informa

nancial Report

SENIOR MANAGEMENT OF BUSINESS UNIT: PT Bakrie Pipe Industries

> Indra P Jacobalis Chief Human Resources & Administration Officer

Rusdiar Darma Chief Logistic Officer

Ira Wibisono Chief Financial Officer

> **R. Atok Hendrayanto** Chief Executive Officer

PT BAKRIE & BROTHERS TBK

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Main Highligh

ort From The Board of Commi & The Board of Directors

Management's Discussion & Analysis

**Deddy Kurnia** Chief Operations Officer

> Arief Djoko P Chief Commercial Officer

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Mas Wigrantoro President Director As one of the subsidiary company of PT Bakrie & Brothers Tbk, which is established in 1981, PT Bakrie Pipe Industries (BPI) became the largest and most prominent steel pipe manufacturer in Indonesia.

BPI produces various steel pipes and has established a coating plant in 2013 to strengthen its position as the leader of steel pipe business in South East Asia. The application of the latest technology and highly motivated professionals are the strong points of this new facility.

Experienced in manufacturing process for more than 54 years, with efficient and effective management team along with creative, innovative, reliable professionals and full integrity; these qualities have earned BPI its customers confidence in doing repeat order and long term contracts.

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rate Governance Implementation Report

Corporate Social Respons

Additional Inform

# ANNUAL RFDUR 20150K<u>CBUSS</u> REFERENCE

### 2015 OJK CROSS REFERENCE

	CRITERIA	EXPLANATION	PAGE
1		GENERAL	
1.	The annual report is presented in proper Bahasa Indonesia and is recommended to also be presented in English.		$\checkmark$
2.	The annual report is printed on brightly colored paper for readability and clarity		$\checkmark$
3.	The annual report clearly publishes the company's identity.	<ul> <li>The Name of Company and Year of Annual Report are displayed on the:</li> <li>Cover</li> <li>Side</li> <li>Back Cover; and</li> <li>Every Page</li> </ul>	$\checkmark$
4.	Annual report is displayed on the Company's website.	Covering the current and previous year's annual reports.	$\checkmark$
11		IMPORTANT FINANCIAL HIGHLIGHT	
1.	Information on Company's results of operations in the form of three (3) years comparison or from the start of business, if the Company has conducted business activities for less than 3 (three) years.	<ul> <li>Information includes, among others:</li> <li>1. Sales / revenue</li> <li>2. Income (loss)</li> <li>3. Total comprehensive income (loss)</li> <li>4. Earnings (loss) per share</li> </ul>	24
2.	Information on Company's financial position in the form of three (3) years comparison or from the start of business, if the Company has conducted business activities for less than 3 (three) years.	<ul> <li>Information includes, among others:</li> <li>1. Total investments in associates and/or joint ventures</li> <li>2. Total Assets</li> <li>3. Total Liabilities, and</li> <li>4. Total equity</li> </ul>	24
3.	Financial ratio in the form of three (3) years comparison or from the start of business, if the Company has conducted business activities for less than 3 (three) years.	Information includes five (5) financial ratios that are general and relevant to the company.	24
4.	Stock price information in tables and charts.	<ol> <li>Information with tables and charts which expose:         <ul> <li>Total shares outstanding;</li> <li>Market Capitalization;</li> <li>Highest, lowest, and closing price of stock; and</li> <li>Quarterly trading volume for the last 2 (two) financial years (when available)</li> </ul> </li> <li>Information in the form of graphs that contains at least the closing</li> </ol>	26
		price and trading volume of the stock.	

	CRITERIA	EXPLANATION	PAGE
5.	Information on outstanding bonds, sukuk or convertible bonds in the last two (2) financial years	<ol> <li>The information includes:</li> <li>Total of bonds/sukuk/convertible bonds outstanding.</li> <li>Interest Rate/Return</li> <li>Expiry date</li> <li>Bonds/sukuk rating</li> </ol>	N/A
	REPORT OF T	HE BOARD OF COMISSIONERS AND BOARD OF DIRECTORS	
1.	Report of the Board of Commissioners	Includes the following:	
		<ol> <li>Assessment on the Board of Directors' Performance in Managing the Company;</li> </ol>	40
		2. View on the Company's business prospect prepared by the Board of Directors	41
		3. Assesment on the performance of committees under the Board of Commissioners; and	40
		<ol> <li>Changes in the Board of Commissioners' composition and its reasons (when available)</li> </ol>	40-41
2.	Report of the Board of Directors	<ol> <li>The Company's performance that include strategic policy, achieved results to target ratio, obstacles that the Company faced.</li> </ol>	50
		2. Description on business prospects	53
		3. Implementation of good corporate governance	51
		<ol> <li>Changes in the Board of Directors' composition and its reasons (when available)</li> </ol>	53
3.	Signatures of the Board of Directors and	Include the following:	
	Board of Commissioners	1. Signatures are placed in a separate page	60-61
		2. A statement that the Board of Directors and Board of Commissioners are fully responsible for the accuracy of the Annual Report's content.	
		3. Signed by all members of the Board of Commissioners and the Board of Directors, with name and title	
		4. Written explanation in a separate letter in by any member of the Board of Commissioners or Directors who did not sign the annual report, or, written explanation in a separate letter by the other members should the written explanation is not available.	
IV		COMPANY PROFILE	
1.	The Company's name and full address	Information which contain name and address, zip code, telephone & fax number, email, and website	6
2.	A brief history of the Company	Including: date/year of establishment, name, and change(s) to the Company's name (if any).	6-7
		Note: please disclose if the company has never conducted the company name changes	
3.	Business	<ul> <li>Descriptions on, among others:</li> <li>1. The Company's business activities according to the latest Articles of Association;</li> <li>2. Business activities; and</li> <li>3. Description of products and/or services;</li> </ul>	6

	CRITERIA	EXPLANATION	PAGE
4.	Organizational structure	With chart, including the name and position of at least up to one level below the Board of Directors	12-13
5.	Company's vision and mission	<ol> <li>Includes:</li> <li>The Company's vision;</li> <li>The Company's mission; and</li> <li>A statement declaring that the vision and mission has been approved by the Board of Directors/Board of Commissioners</li> </ol>	10
6.	Brief background information of the Board of Commissioners	Information includes, among others:1. Name2. Positions (including position(s) in other companies or institutions)3. Age4. Education5. Working experience6. Date of first appointment as a member of the Board of Commissioners	44-46
7.	Brief background information of the Board of Directors	Information includes, among others:1. Name2. Positions (including position(s) in other companies or institutions)3. Age4. Education5. Working experience	56-59
8.	Number of Employees (2 years comparison) and a description of competence development (eg. Employees' education and training)	<ol> <li>Date of first appointment as a member of the Board of Directors</li> <li>Information includes, among others:         <ol> <li>The number of employees for each level of the organization</li> <li>The number of employees for each level of education</li> <li>The number of employees based on employment status;</li> <li>Employee trainings that have been conducted to reflect equal opportunities to all employees</li> <li>Incurred costs.</li> </ol> </li> </ol>	120 89 89 89 92 92
9.	Composition of Shareholders	<ul> <li>Includes, among others:</li> <li>Names of shareholders with 5% or more shares</li> <li>Directors and Commissioners who own shares; <ul> <li>a. Shareholders' name with 5% shares ownership</li> <li>b. Commissioners and Directors' name with ownership, and</li> <li>c. Group of public shareholders with less than 5% ownership</li> </ul> </li> <li>Groups of community stakeholders share ownership of less than 5% each, along with the ownership percentages</li> </ul>	27 27 27 27 27 27

	CRITERIA	EXPLANATION	PAGE
10.	List of Subsidiaries and/or Associates	Information includes, among others:	16
		1. Name of Subsidiaries and/or Associates	
		2. Percentage of share ownership	
		3. Description of the Subsidiaries and/or Associates' business	
		4. Information on Subsidiaries and/or Associates operational status (has	
		yet operated or not)	
11.	Company's group structure	Company's group structure which describes the structure of subsidiaries,	14-15
		associates, joint ventures and special purpose vehicle (SPV), or a statement of no ownership of group.	
10	Chara Listing Chronology		20
12.	Share Listing Chronology	Includes the following:	28
		1. Listing chronology of other securities	
		2. Types of corporate actions that prompt changes in the number of other securities	
		3. Changes of other total securities from the beginning of listing to the	
		end of fiscal year	
		4. Names of stock markets where the the securities are listed	
13.	Listing chronology of other securities	Includes the following:	N/A
		1. Listing chronology of other securities	
		<ol><li>Types of corporate actions that prompt changes in the number of other securities</li></ol>	
		3. Changes of other total securities from the beginning of listing to the end of fiscal year	
		4. Names of stock markets where the the securities are listed	
		5. Securities rating	
14.	Name and address of capital market	Includes the following:	187
	institutions and/or professionals	1. Name and address of the Securities Administration Agency	
		2. Name and address of the Public Accounting Firm	
		3. Name and address of rating agency	
15.	Awards and/or certification received,	Includes the following:	29-33
	both national and international	1. Name of awards and/or certificates	
		2. Year received	
		<ol> <li>Award and/or certification issuer</li> </ol>	
		4. Validity period (for certification)	
16.	Name and address of subsidiaries and/or	Covering information among others:	186
	branches or representative (if any)		
		1. Name and address of subsidiary; and	
		2. Name and address of branch offices/representatives	
V		ISCUSSION AND ANALYSIS ON THE COMPANY'S PERFORMANCE	
1.	Review of operations per operational	Contains a description of:	64-65
	segment	1. Production/operations;	
		2. Profitability; of each business segments, ie:	65-68
		a. Sales / revenue;	
		<ul> <li>b. The increase/decrease in production capacity.</li> </ul>	

	CRITERIA	EXPLANATION	PAGE
2.	Description of the Company's financial performance	Financial performance analysis that includes a comparison between the financial performance of the relevant year and with previous years (both in narrative and tables), which covers the following:	
		1. Current assets, non-current assets, and total assets;	71
		2. Short-term liabilities, long term liabilities and total liabilities	72
		3. Equity	72
		4. Sales/revenues, expenses, and net income (loss), other comprehensive income, and total Comprehensive Income (loss)	68-71
		5. Cash Flow	74
3.	Discussion and analysis of the	With details on:	
	Company's solvability and receivable	1. Short and long term solvability	74
	collectability level, by presenting the calculation of relevant ratios.	2. Receivable Collectability Level	75
4.	Discussion on capital structure and	With details on:	76
	capital structure policy	1. Capital structure,	
		2. Capital structure policies	
5.	Discussion on capital goods investment material commitment	Explanation on:	76
		1. The purpose of the commitment	
		2. Expected source of fund to fulfil the respective commitments	
		3. Currency of denomination	
		4. Steps taken by the company to protect the risk against related foreign currency position.	
		Note: Should be disclosed if the company has no material ties in investments in capital goods.	
6.	Discussion of capital investments that	Explanation on:	76
	were realized in the last financial year	1. Types of capital investments;	
		2. The objectives of capital investments; and	
		3. The value of capital investments incurred in the last financial year.	
		Note: please disclose if there is no realization on capital goods investments.	
7.	Comparative information between	Information discloses, as follows:	76-77
	target at the beginning of fiscal year with realization, and target or projection	1. Comparison between target at the beginning of fiscal year with the	
	for next one year regarding revenue,	realization	
	income, capital structure, or other	2. Implemented target or projection in the next one year	
	aspects considered significant for the		
0	Company Material Information and facts		77
8.	Material Information and facts subsequent to the accountant's reporting date	Description regarding significant events subsequent the accountant's reporting date, including their impact on future business performance and risks.	77
		Note: Should be disclosed if there is no significant subsequent event after accountant's reporting date.	

	CRITERIA	EXPLANATION	PAGE
9.	Description on Company's business prospect	Description on Company's business prospect related with industry and economy in general, supported with supporting quantitative data from accountable data sources.	77-79
10.	Marketing aspect description	Information regarding the marketing aspect of the company's products and services, namely marketing and market share strategy	79
11.	Description regarding the dividend policy as well as date and amount of cash dividend per share and amount of dividend per year as announced or paid during the past two (2) years	<ul> <li>Contains information on:</li> <li>Policy of dividend payout</li> <li>Amount of dividend</li> <li>Amount of cash dividend per share</li> <li>Payout ratio</li> <li>Date of announcement and cash dividend payout</li> <li>Note: if there is no dividend payment, the reasons should be disclosed</li> </ul>	79
12.	Share Ownership by Employees Program, and/or management conducted by the company (ESOP/MSOP)	<ul> <li>Contains information on:</li> <li>Amount of ESOP/MSOP shares and its realization;</li> <li>Time frame;</li> <li>Requirement for the rights of employee and/or management; and</li> <li>Exercise price.</li> </ul>	79
13.	IPO Proceeds realization (regarding the Company is obligated to disclose IPO proceeds realization report)	<ul> <li>Contains information on:</li> <li>1. Total funds acquired.</li> <li>2. IPO Proceeds plan.</li> <li>3. Details of IPO Proceeds</li> <li>4. Exercise price</li> <li>5. Outstanding Proceeds</li> <li>6. Date of GMS Approval on IPO Proceeds amendment (if any)</li> </ul>	80
14.	Material information, regarding investment, expansion, divestment, acquisition, debt/capital restructuring.	<ul> <li>Contains information on:</li> <li>1. The purpose of respective transaction;</li> <li>2. The transactions value or amount of fund restructurized;</li> <li>3. Source of funds.</li> <li>Note: if there are no such transactions, should be disclosed</li> </ul>	80
15.	Information on material transactions with conflict of interest and/or transactions with related parties.	<ol> <li>Contains information on:</li> <li>Name of person performing the transaction and the nature of affiliated transaction;</li> <li>Transaction fairness statement</li> <li>Reason of the transaction</li> <li>Transaction realization in current period</li> <li>Company's policy related with transaction review mechanism;</li> <li>Compliance with regulation and related provision</li> <li>Note: if there is no respective transaction, should be disclosed</li> </ol>	80-81
16.	Explanation regarding changes in regulation that holds significant impact to the company	Description should contain, among others: any changes in regulation and its impact on the Company Note: If there is no change in regulation which have a significant effect, should be disclosed	81

	CRITERIA	EXPLANATION	PAGE
17.	Explanation regarding changes in accounting policy applied by the Company on the last fiscal year	Description should contain among others: changes in accounting policy as well as its reason and impact to the financial statement	82-83
		Note: if there is no change in accounting policy, should be disclosed	
VI		GOOD CORPORATE GOVERNANCE	
1.	Board of Commissioners description	Description includes, as follows: 1. Description of the Board of Directors' duties	110
		2. Remuneration policy disclosure	118
		3. Remuneration structure indicating remuneration component for every Board of Commissioners member and per component nominal value for each Board of Commissioners member	117
		4. Board of Commissioners meeting frequency and attendance level in the meetin	113
		5. Training program to enhance Board of Commissioners' competency	113
		6. Disclosure of the Board Charter (Board of Commissioners Manual) disclosure	110
2.	Information on Independent Commissioners	Includes the following: 1. Criteria for the assignment of an independent commissioner; and	111
		2. Statement of independence of each Independent Commissioner.	
3.	Board of Directors description	<ul><li>Description includes:</li><li>1. Scope of works and responsibilities of each member of the Board of Directors</li></ul>	119-120
		<ol> <li>Meeting frequency and Board of Directors attendance level in the Board of Directors meeting;</li> </ol>	123-124
		3. Meeting frequency and Board of Directors attendance level in the joint meeting of Board of Directors and Commissioners;	114-116,124
		<ol> <li>Training program to enhance Board of Directors' competency or orientation program for new Directors;</li> </ol>	122
		5. Disclosure of the Board Charter (Board of Directors Manual); and Policy on Directors' succession	119
4.	Board of Commissioners and/or Board of Directors members assessment	<ul> <li>The information should include:</li> <li>Board of Commissioners and/or Board of Directors members' performance assessment implementation process.</li> </ul>	117 118,125
		2. Criteria used in carrying the assessment of Board of Commissioners and/or Board of Directors' members' performance.	125
		3. Related party who performed the assessment	117, 125
5.	Board of Directors remuneration policy	Description includes, as follows: 1. Remuneration policy disclosure	125
		<ol> <li>Remuneration structure indicating short-term remuneration, post employment and/other long term Remuneration type and amount for every member of Board of Directors</li> </ol>	125-126
		3. Key performance indicators disclosure to assess Board of Directors' performance	125

	CRITERIA	EXPLANATION	PAGE
6.	Information regarding majority and controlling Shareholders both directly or indirecty, to individual ownership	In diagram or chart, except for the SOEs that fully owned by the government	14
7.	Disclosure of affiliated relationship between members Board of Directors, members of Board of Commissioners	<ul><li>Includes the following:</li><li>Affiliated relationship between Board of Directors and Board of Commissioners members</li></ul>	127
	and/or Majority/Controlling Shareholders	<ol> <li>Affiliated relationship between Board of Directors members with Majority and/or Controlling Shareholders</li> </ol>	
		3. Affiliated relationship between Board of Commissioners members	
		<ol> <li>Affiliated relationship between Board of Commissioners members with Majority/Controlling Shareholders</li> </ol>	
		5. Affiliated relations between members of the Board of Commissioners with the Major Shareholders and/or Controlling Shareholders	
		Note: should be disclosed if there is no respective affiliated relationship.	
8.	Audit Committee	Includes the following:	
		1. Name and position of Audit Committee members	129-130
		<ol> <li>Educational qualification and employment history of Audit Committee members</li> </ol>	130
		3. Audit committee members independency	129
		4. Duties and responsibilities description	128-129
		5. Audit committee duties implementation report	130
		6. Meeting frequency and attendance of audit committee	130-131
9.	Nomination and Remuneration Committee	<ul><li>Includes the following:</li><li>Name, position, and brief profile of Nomination and/or Remuneration Committee members</li></ul>	131-134
		2. Nomination and/or remuneration committee members' independency	131
		3. Description of duties and responsibilities	131
		<ol> <li>Nomination and/or remuneration committee duties implementation report</li> </ol>	132
		<ol> <li>Nomination and/or remuneration committee meeting frequency and attendance level</li> </ol>	132
		6. The Board of Directors' succession policy	133
10.	Other committees under the Board of Commissioners	Includes the following: 1. Name, title, and brief profile of the members of the committees	133-135
		2. Independency of other committees' members	
		3. Duties and responsibilities description	
		4. Other committees' duties implementation report	
		5. Other committees' meeting frequency and attendance level.	
11.	Corporate Secretary duties and function	Includes the following:	
	description	1. Name and brief profile of Corporate Secretary officer	136
		2. Corporate Secretary duties implementation report	136
		3. Training program for competence development of corporate secretary	137

	CRITERIA	EXPLANATION	PAGE
12.	Description of the previous year's General Meeting of Shareholders (GMS)	<ol> <li>Includes, among others:</li> <li>The previous year's GMS resolution;</li> <li>Realization of the GMS in fiscal year; and</li> <li>Reasons for any decisions of GMS that has not yet been realized.</li> </ol>	107-109
13.	Description regarding internal audit unit in the Company	<ol> <li>Includes among others:</li> <li>Name of the Head of internal audit</li> <li>Number of internal audit employees</li> <li>Qualification/certification as an internal audit professional</li> <li>Organizational structure or position of the internal audit</li> <li>Duties implementation report</li> <li>Respective party that appoints or dismisses the Head of Internal Audit</li> </ol>	143-145
14.	Corporate accountant	<ol> <li>Information discloses, as follows:</li> <li>Number of audit periods that the accountant has audited the Company's financial statements.</li> <li>Total period of Public Accounting Firm in conducting the audit of annual financial report</li> <li>The amount of audit or other attestation fee</li> <li>Other service provided by the accountant apart from financial audit service</li> <li>Notes: if there is no other service, should be disclosed</li> </ol>	145
15.	Description regarding the Company's Risk Management	<ol> <li>Includes the following:</li> <li>Explanation on Risk Management System</li> <li>Explanation on Evaluation of Risk Management Processes</li> <li>Explanation of the risks faced by the company</li> <li>Efforts to manage those risks</li> </ol>	146-148 149-150 151-156 157-160
16	Explanation on Internal Controlling System	<ul> <li>Includes the following:</li> <li>Brief explanation regarding internal audit system, including operational and financial audit</li> <li>Explanation of internal audit system conformity with international recognized framework/COSO (control environment, risk assessment, control activities, information and communication, and monitoring activities)</li> <li>Explanation regarding evaluation on internal audit system effectiveness</li> </ul>	142 142 142-143
17.	Description regarding Corporate Social Responsibility on environment.	<ol> <li>Information should include:</li> <li>Policy determined by the management</li> <li>Activities performed related to the environmental program that related with Company's operational, such as environmentally friendly and recyclable materials and energy utilization, Company's waste management system; environmental aspect consideration in giving credit to customer and so forth.</li> <li>Certification on environmental sector (if any)</li> </ol>	173-174 175 176

	CRITERIA	EXPLANATION	PAGE
18.	Description regarding corporate social responsibility on labour and occupational health and safety.	<ol> <li>Information should include:</li> <li>Policy determined by the management;</li> <li>Activities performed</li> <li>related to employment practice, occupational health and safety such as gender and work opportunity equality, occupational infrastructure and safety, employee turnover rate, occupational accident rate and so forth.</li> </ol>	177 177-179
19.	Description regarding corporate social responsibility on social and community development.	<ol> <li>Information should include:</li> <li>Policy determined by the management</li> <li>Activities performed</li> <li>Costs incurred related to social and community empowerment activities such as employment of locals, surrounding community empowerment, social infrastructure improvement, donations and so forth.</li> </ol>	180 180 180
20.	Description regarding corporate social responsibility to consumer.	<ol> <li>Information should include:</li> <li>Policy determined by the management</li> <li>Activities performed</li> <li>related to product responsibility, consumer's health and safety, product information, facility, numbers of and response to consumer's complaints, and so forth.</li> </ol>	181 181
21.	Litigation or legal cases faced by the Company, subsidiaries, members of Board of Directors and/or Board of Commissioners serving on the Annual Report period	<ol> <li>Information should include:</li> <li>Description of case/litigation</li> <li>Case/litigation settlement status</li> <li>Impacts on the Company's financial condition</li> <li>Administration sanctions that have been applied to the entity, Board of Commissioners, Board of Directors, by relevant authorities (capital market, banking, or others) on the last fiscal year (or a statement of no administration sanction applied)</li> </ol>	160
22.	Information access and corporate data	Notes: Should be disclosed if there's no litigations occurred Description on access to corporate information and data to the public, for example through website, mass media, mailing list, bulletin etc	160
23.	Discussion on the Company's Code of Conduct	<ul> <li>Containing descriptions, as follows:</li> <li>Code of Conduct content</li> <li>Disclosure that the Code of Conduct's is applicable for all organizational level</li> <li>Dissemination of Code of Conduct</li> <li>Code of Conduct enforcement effort and sanction on the violations of the code of ethics</li> <li>Corporate Culture statement</li> </ul>	160 160 161-162 162 162
24.	Disclosures of the whistleblowing system	<ul> <li>Includes the whistleblowing system mechanism of:</li> <li>Violation reporting</li> <li>Protection for the whistleblower</li> <li>Report handling</li> <li>Report management</li> <li>Result of report handling and report being processed at the last fiscal year and its follow-up</li> </ul>	163-165 166 163-165 163-165 166

	CRITERIA	EXPLANATION	PAGE
25.	Composition diversity of the Board of Commissioners and the Board of Directors	Description of the company policy on the composition diveristy of the Board of Commissioners and the Board of Directors in education (field study), working experience, age, and gender.	127-128
		Note: if there is no policy as stated above, pease disclose the reasons and considerations	
VII		FINANCIAL INFORMATION	
1.	Board of Directors' statement regarding responsibility on the financial statement	Financial Statement compliance with related regulation	221
2.	Independent auditor's opinion on the financialstatement.		224
3.	Independent auditor's opinion on the financial statement.	<ol> <li>The description should contain:</li> <li>Name and signature</li> <li>Audit Report Date</li> <li>Public Accountant Office and Individual Public Accountant license number</li> </ol>	223-225
4.	Comprehensive financial statements	<ul> <li>Covering a comprehensive financial report materials:</li> <li>1. Financial position (balance sheet) report</li> <li>2. Comprehensive income statement</li> <li>3. Changes in Equity Report</li> <li>4. Cash Flow Report</li> <li>5. Notes on Financial Statements</li> <li>6. Comparative Financial Position report at the beginning of period, presented when the respective entity implements particular accounting policy retrospectively or restates the financial report posts, or when the entity reclassifies the posts in their financial statement (if considered relevant)</li> </ul>	226 231 233 235 237 375-377
5.	Profitability ratio comparison	Comparison of current year's profit/loss with previous year	232
6.	Cash flow report	<ol> <li>Should comply with the following provisions:         <ol> <li>Categorization of three activities: operating, investing, and financing activities</li> <li>Using direct method to present cash flow from operating activity</li> <li>Separating the presentation between cash acquisition and or cash expenses on operating, investing and financing activities in current year</li> <li>Activity disclosure has to be presented in financial statement notes</li> </ol> </li> </ol>	235-236
7.	Accounting policy highlights	<ol> <li>Should include at least:</li> <li>Compliance with FAS</li> <li>Financial statement measurement and preparation foundation</li> <li>Income and expense recognition</li> <li>Fixed Asset</li> <li>Financial Instrument.</li> </ol>	247 247 331-333 333 357-360
8.	Affiliated Party transaction disclosure	<ol> <li>Several aspects disclosed, as follows:</li> <li>Name of the affiliated parties, as well as the nature and relationship with the affiliated parties</li> <li>Value of the transaction and the percentage on total related income or expenses</li> <li>Total balance and the percentage towards total asset or liabilities.</li> </ol>	349-350 344-349 344-349

	CRITERIA	EXPLANATION	PAGE
9.	Disclosure on any aspects related with Taxes	Several aspects that shall be disclosed, as follows: 1. Fiscal reconciliation and calculation of current tax	269-270
		2. Statement on the relation between Tax expense (income) and accounting income	
		3. Taxable Profit as calculated through reconciliation is in accordance with the Tax Return statement	
		4. Details of deferred tax assets and liabilities presented in the balance sheet in each period of presentation, and amount of deferred tax expense (income) recognized in the profit loss statement if the said amount is not evident in the asset or liability of deferred tax recognized in the financial position report	334-339
		5. Tax dispute disclosure or lack thereof.	
10.	Disclosure related to fixed assets	Must include disclosures on: 1. Depreciation method used	261-263
		2. Description of the accounting policies selected between the model and the cost model revaluation	
		<ol> <li>Methods and significant assumptions used in estimating the fair value of fixed assets (revaluation model) or disclosure of the fair value of fixed assets (for the cost model)</li> </ol>	
		<ol> <li>A reconciliation of the gross carrying amount and accumulated depreciation of fixed assets at the beginning and end of the period that featuring: addition, subtraction and reclassification.</li> </ol>	297-300
11.	Disclosure related to segments of	Must include disclosures on:	350-352
	operations	<ol> <li>General information which includes the factors used to identify the reported segments</li> </ol>	
		<ol> <li>Information on profit and loss, assets, and the liabilities of the reported segments</li> </ol>	
		<ol> <li>Reconciliation of the segments' total revenues, reported segments' profit and loss, assets, liabilities, and other materials towards relevant amount within the entity</li> </ol>	
		<ol> <li>Disclosure in entity level, which covers information on product and/or services, geographical location, and major customers.</li> </ol>	
12.	Disclosure regarding the Financial Instruments	<ul> <li>Should disclose the following:</li> <li>Accounting policy, requirement and condition for every financial instrument group</li> </ul>	357-360
		2. Financial instrument classification	
		3. Fair value for every financial instrument group	
		<ol> <li>Explanation of financial instrument inherent risk: market risk, credit risk and liquidity risk</li> </ol>	
		5. Quantitative analysis on every risk related to financial instrument.	
13.	Issuance of Financial Statements	Several aspects shall be disclosed, as follows:	
		1. Date of financial statements issuance	222
		2. Responsible parties in authorizing financial statements.	



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# FINANCIAL BEPORT



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Laporan Keuangan Konsolidasian Beserta Laporan Auditor Independen Untuk Tahun yang Berakhir Pada Tanggal 31 Desember 2015 Consolidated Financial Statements With Independent Auditors' Report For the Year Ended December 31, 2015

### PT BAKRIE & BROTHERS Tbk DAN ENTITAS ANAK

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES

#### Daftar Isi

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#### SURAT PERNYATAAN DIREKSI / STATEMENT LETTER OF DIRECTORS TENTANG / CONCERNING TANGGUNG JAWAB ATAS LAPORAN KEUANGAN KONSOLIDASIAN RESPONSIBILITY UPON CONSOLIDATED FINANCIAL STATEMENTS PERIODE 31 Desember 2015 PERIOD 31 December 2015 PT BAKRIE & BROTHERS Tbk DAN ENTITAS ANAK PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES

Guna memenuhi ketentuan Bapepam yang diatur dalam Lampiran Keputusan Ketua Bapepam Nomor: Kep-40/PM/2003 tanggal 22 Desember 2003 tentang Peraturan Nomor VIII.G.11: Tanggung Jawab Direksi Atas Laporan Keuangan, maka Kami yang bertanda tangan di bawah ini/*In order to fulfili the Bapepam Regulation stipulated in The Enclosure of Bapepam's Chairman Decision under Number Kep-40/PM/2003 dated December 22, 2003, concerning Regulation Number VIII.G.11: Responsibility of Directors Upon Financial Statements, We the undersigned:* 

1. Nama/Name Alamat Kantor/Office Address

> Alamat Domisili Address of Domicile

Nomor Telepon/Telephone Number Jabatan/Position

 Nama/Name Alamat Kantor/Office Address

> Alamat Domisili Address of Domicile

Nomor Telepon/Telephone Number Jabatan/Position Ir. Gafur Sulistyo Umar, MBA
Bakrie Tower, Lt. 36, Jl. H. R. Rasuna Said, Jakarta 12940
Jl. Brawijaya XII No. 3 RT/RW : 005/003, Pulo, Kebayoran Baru, Jakarta Selatan
021 – 2991 2222
Direktur Utama / President Director

Ir. A. Amri Aswono Putro
Bakrie Tower, Lt. 36, Jl. H. R. Rasuna Said, Jakarta 12940
Perum Lb. Bulus Riveria No. 12 RT/RW : 008/002, Lebak Bulus, Cilandak, Jakarta Selatan
021 – 2991 2222
Direktur Keuangan/*Finance Director*

#### PT Bakrie & Brothers Tbk

Bakrie Tower 35, 36, 37 floor Rasuna Epicentrum JL, H.R. Rasuna Said Jakarta 12940, Indonesia P.O. Box 6600 JKTM Telephone : (62 21) 2991 2222 Facsimile : (62 21) 2991 2333 Web : www.bakrie-brothers.com

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menyatakan bahwa/state that :

- Bertanggung jawab atas penyusunan dan penyajian laporan keuangan konsolidasian PT Bakrie & Brothers Tbk ("Perusahaan") dan Entitas Anak; / to take responsibility upon the composing and presenting of the consolidated financial statements of PT Bakrie & Brother Tbk (the "Company") and Subsidiaries;
- Laporan keuangan konsolidasian Perusahaan dan Entitas Anak telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia; /The consolidated financial statements of the Company and Subsidiaries has been composed and presented in accordance with Indonesian Financial Accounting Standard;
- 3. a. Semua informasi dalam laporan keuangan konsolidasian Perusahaan dan Entitas Anak telah dimuat secara lengkap dan benar; *I all information in the consolidated financial statements of the Company and Subsidiaries has been composed completely and correctly;* 
  - b. Laporan keuangan konsolidasian Perusahaan dan Entitas Anak tidak mengandung informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material; / the consolidated financial statements of the Company and Subsidiaries does not contain of any misstatement and does not eliminate any material information;
- 4. Bertanggung jawab atas sistem pengendalian intern dalam Perusahaan. / to take responsibility upon internal control system in the Company.

Demikian pernyataan ini dibuat dengan sebenarnya/This statement has been made in good faith.

Jakarta, 23 Maret 2016 / 23 March 2016 PT Bakrie & Brothers Tbk

FERAL APEL 39ADF248186

Ir. Gafur Sulistyo Umar, MBA Direktur Utama/ President Director

Ir. A. Amri Aswono Putro Direktur Keuangan/ Finance Director





#### Laporan Auditor Independen

#### Laporan No. 2016/HT-3/III.23.01

Pemegang Saham, Dewan Komisaris dan Direksi PT Bakrie & Brothers Tbk

Kami telah mengaudit laporan keuangan konsolidasian PT Bakrie & Brothers Tbk dan entitas anaknya terlampir, yang terdiri dari laporan posisi keuangan konsolidasian tanggal 31 Desember 2015, serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas konsolidasian untuk tahun yang berakhir pada tanggal tersebut, dan suatu ikhtisar kebijakan akuntansi signifikan dan informasi penjelasan lainnya.

# Tanggung jawab manajemen atas laporan keuangan

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan konsolidasian tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan konsolidasian yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

#### Tanggung jawab auditor

Tanggung jawab kami adalah untuk menyatakan suatu opini atas laporan keuangan konsolidasian tersebut berdasarkan audit kami. Kami melaksanakan audit berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami untuk mematuhi ketentuan etika serta merencanakan dan audit untuk melaksanakan memperoleh keyakinan memadai tentang apakah laporan keuangan konsolidasian tersebut bebas dari kesalahan penyajian material.

#### Independent Auditors' Report

#### Report No. 2016/HT-3/III.23.01

The Shareholders, Boards of Commissioners and Directors PT Bakrie & Brothers Tbk

We have audited the accompanying consolidated financial statements of PT Bakrie & Brothers Tbk and its subsidiaries, which comprise the consolidated statement of financial position as of December 31, 2015, and the consolidated statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

# Management's responsibility for the financial statements

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

#### Auditors' responsibility

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

# Handoko Tomo Samuel Gunawan & Rekan

Registered Public Accountants - Licence Number : 993/KM.1/2014

Member of Moores Rowland CPAs. Moores Rowland CPAs is a member of Praxity. www.moores-rowland.com Marccus Building, 3<sup>rd</sup> Fl, Jl. Majapahit No.10, Jakarta 10160, Tel: +62 21 720 2605; +62 21 3483 0789 – Fax: +62 21 720 2606; +62 21 3483 0982



Suatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit tentang angkaangka dan pengungkapan dalam laporan keuangan. Prosedur yang dipilih bergantung pada pertimbangan auditor, termasuk penilaian atas risiko kesalahan penyajian material dalam laporan keuangan, baik yang disebabkan oleh kecurangan maupun kesalahan. Dalam melakukan penilaian risiko tersebut, auditor mempertimbangkan pengendalian internal yang relevan dengan penyusunan dan penyajian wajar laporan keuangan entitas untuk merancang prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektivitasan pengendalian internal entitas. Suatu audit juga mencakup pengevaluasian atas ketepatan kebijakan akuntansi yang digunakan dan kewajaran estimasi akuntansi yang dibuat oleh manajemen, serta pengevaluasian atas penyajian laporan keuangan secara keseluruhan.

Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

#### Opini

Menurut opini kami, laporan keuangan konsolidasian terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan konsolidasian PT Bakrie & Brothers Tbk dan entitas anaknya tanggal 31 Desember 2015, serta kinerja keuangan dan arus kas konsolidasiannya untuk tahun yang berakhir pada tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Kantor Akuntan Publik HTSGR Samuel Gunawan & Rekan

Licence Number : 993/KM.1/2014

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

#### Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of PT Bakrie & Brothers Tbk and its subsidiaries as of December 31, 2015 and their consolidated financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.



#### Penekanan suatu hal

Sebagaimana yang diungkapkan dalam Catatan 45 atas laporan keuangan konsolidasian terlampir, Perusahaan menyajikan kembali laporan keuangan konsolidasiannya tanggal 31 Desember 2014 dan untuk tahun yang berakhir pada tanggal tersebut serta laporan posisi keuangan konsolidasian tanggal 1 Januari 2014/31 Desember 2013 sebagaimana yang dipersyaratkan dalam Standar Akuntansi Keuangan di Indonesia. Opini kami tidak dimodifikasi sehubungan dengan hal tersebut.

Tanpa menyatakan pengecualian atas pendapat kami, kami membawa perhatian pada Catatan 42 atas laporan keuangan konsolidasian yang mengindikasikan posisi defisiensi modal sebesar Rp3,94 triliun pada tanggal 31 Desember 2015. Kondisi tersebut, bersama dengan hal-hal lain sebagaimana dijelaskan dalam Catatan 42, mengindikasikan adanya suatu ketidakpastian material yang dapat menyebabkan keraguan signifikan atas kemampuan Perusahaan untuk mempertahankan kelangsungan usahanya. Catatan 42 juga mengungkapkan rencana manajemen untuk mengatasi kondisi tersebut.

#### Emphasis of matter

As disclosed in Note 45 to the accompanying consolidated financial statements, the Company restated the consolidated financial statements as of December 31, 2014 and for the year then ended, and the consolidated statement of financial position as of January 1, 2014/December 31, 2013 as required by Indonesian Financial Accounting Standards. Our opinion is not modified in respect of this matter.

Without qualifying our opinion, we draw attention to Note 42 to the consolidated financial statements which indicates a capital deficiency position amounting to Rp3.94 trillion as of December 31, 2015. These conditions, along with other matters as set forth in Note 42, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Note 42 also describes management's plans in regard to these matters.

#### HANDOKO TOMO SAMUEL GUNAWAN & REKAN

Handoko Tomo Registrasi Akuntan Publik / Public Accountant Registration No. AP.0597

23 Maret 2016 / March 23, 2016

#### **PT BAKRIE & BROTHERS Tbk** AND SUBSIDIARIES CONSOLIDATED STATEMENT OF FINANCIAL POSITION **DECEMBER 31, 2015** (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

	Catatan /	31 Desember/D	ecember 31.	1 Januari/ January 1, 2014/ 31 Desember/ December 31,	
	Notes	2015	2014 *)	2013 *)	
ASET					ASSETS
ASET LANCAR					CURRENT ASSETS
Kas dan setara kas	2d,5,38	418.099.972	279.176.797	172.026.509	Cash and cash equivalents
Investasi jangka pendek - setelah dikurang penyisihan kerugian atas penurunan nilai investasi sebesar Rp900,1 miliar pada 31 Desember 2015, dan nihil	-				Short-term investments - net of allowance for impairment losses of Rp900.1 billion as of December 31, 2015 and nil as of
pada 31 Desember 2014 dan 2013 Piutang usaha	2e,2f,6,38	438.680.465	2.588.926.554	2.967.439.102	December 31, 2014 and 2013 Trade receivables
Pihak ketiga - setelah dikurangi penyisihan kerugian atas penurunan nilai sebesar Rp40,2 miliar pada 31 Desember 201 Rp37,4 miliar pada 31 Desember	5,				Third parties - net of allowance for impairment losses of Rp40.2 billion as of December 31, 2015, Rp37.4 billion as of December 31, 2014
2014 dan Rp1,0 triliun pada					and Rp1.0 trillion as of
31 Desember 2013	2e,7,38	1.128.861.171	1.535.955.042	2.690.089.903	December 31, 2013
Pihak berelasi - setelah dikurangi penyisihan kerugian atas penurunan nilai sebesar Rp0,9 miliar pada 31 Desember 2015 nihil pada 31 Desember 2014 dan Rp2,4 miliar pada 31 Desember 2013	5, 2e,2f,7,33d,38	32.775.850	43.981.312	64.921.201	Related parties - net of allowance for impairment losses of Rp0.9 billion as of December 31, 2015, nil as of December 31, 2014 and Rp2.4 billion as of December 31, 2013
Piutang lain-lain Pihak ketiga - setelah dikurangi penyisihan kerugian atas penurunan nilai sebesar Rp8,8 miliar pada 31 Desember 2014 Rp9,8 miliar pada 31 Desember 2014 dan Rp9,9 miliar pada	j,	52.775.850	45.561.512	04.921.201	Other receivables Other receivables Third parties - net of allowance impairment losses of Rp8.8 billion as of December 31, 2015, Rp9.8 billion as of December 31,2014, and Rp9.9 billion as of
31 Desember 2013 Persediaan - setelah dikurangi penyisihan persediaan usang sebesar Rp17,6 juta pada 31 Desember 2015, Rp1,9 miliar pada 31 Desember 2014 dan Rp2,0 miliar pada	2e,8,38	309.753.825	51.047.506	223.410.547	December 31, 2013 Inventories - net of allowance for inventory obsolescence of Rp17.6 million as of December 31, 2015, Rp1.9 billion as of December 31, 2014 and Rp2.0 billion as of
31 Desember 2013 Uang muka dan biaya dibayar dimuka	2g,9	629.595.019	911.627.233	885.790.293	December 31, 2013
Pajak dibayar dimuka	2h,10 2v,30a	157.919.219 101.392.279	140.087.847 36.461.827	230.688.601 69.291.763	Advances and prepaid expenses Prepaid taxes
Total Aset Lancar	-	3.217.077.800	5.587.264.118	7.303.657.919	Total Current Assets

\*) Telah disajikan kembali (Catatan 45).

\*) Restated (Note 45).

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES CONSOLIDATED STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

Pittang pihak berelasi - setelah dikurangi penyisihan kerugian atas penurunan nilai sebesar Rp23,7 miliar pada 31 Desember 2015, Rp23,6 miliar pada 31 Desember 2013 a c_2,2,f,3c_38 setelah dikurangi penyisihan entitas pengendalian bersama - setelah dikurangi penyisihan kerugian atas penurunan nilai sebesar nihil pada 31 Desember 2015 dan 2014 dan Rp19 pita pada 31 Desember 2013 a c_2,1,11 Desember 2015 Aset tetap - setelah dikurangi dengan akumulasi penyisutan sebesar Rp1,5 triliun pada 31 Desember 2014, dan 2014 dan 2014 dan 2014 Rp15 Pittinu pada 31 Desember 2015 Aset tetap - setelah dikurangi dengan akumulasi penyisutan sebesar Binya pengembangan proyek - dikurangi penyisihan kerugian atas setelah dikurangi dengian akumulasi penyisutan sebesar Binya pengembangan proyek - dikurangi benyisuta sebesar fulta pada 31 Desember 2013 a c_1,11 Desember 2013 Aset pajak tangguhan - neto a 2v,30d Binya pengembangan proyek - dikurangi benyisuta sebesar Polisa Aset pengembangan proyek - dikurangi benyisuta abebear Rp1,5 triliun pada 31 Desember 2015 carboner 2013 a 2v,30d Binya pengembangan proyek - dikurangi benyisuta abebear Rp3.3 pitting pada 31 Desember 2013 a 2v,30d Binya pengembangan proyek - dikurangi benyisuta abebear Aset tetap - setelah dikurangi dengan akumulasi benyisutan sebesar Binya pengembangan proyek - dikurangi benyisutan abebear Rp3.3 pitting pada 31 Desember 2013 a 2v,30d Binya pengembangan proyek - dikurangi benyisuta abebear Binya pengembangan proyek - dikurangi benyisuta abebear Binya pengembangan proyek - dikurangi benyisuta abebear Binya pengembangan anortisasi sebesar Rp3.3, pittir pada 31 Desember 2013 a 2p,15 2,0,14 2,0,14 2,0,15 2,0,14 2,0,15 2,0,2,04 2,0,16 2,0,					1 Januari/ <i>January 1,</i> 2014/ 31 Desember/	
ASET TIDAK LANCAR Piutang pihak berelasi - setelah dikurangi penyishan kerugian atas penuranan nlia sebesar Rp32,7 miliar pada 31 Desember 2014 dan Rp220,9 miliar pada 31 Desember 2013 2 e.2f,33 e.38 2 26.157.503 365.655.147 340.727.078 December 31, 2 Investatis pada entitas asosiais dan entitas pengendalian bersama - setelah dikurangi penyishan kurangi penyishan entitas pengendalian bersama - setelah dikurangi penyishan atas penuranan nliai sebesar nihil pada 31 Desember 2015 Aset tetap - setelah dikurangi dengan akumulasi penyustan sebesar Aast tetap - setelah dikurangi dengan akumulasi penyustan sebesar atan Rp1.27 tiliun pada 31 Desember 2013 2 v,30d 8 1.542.288 31 Desember 2013 2 v,30d 8 1.542.28 31 Desember 2013 2 v,30d 8 1.54						
Pittang pihak berelasi - setelah dikurangi penyisihan kerugian atas penurunan nilai sebesar Rp23,7 miliar pada 31 Desember 2015, Rp23,6 miliar pada 31 Desember 2013 a c_2,2,f,3c_38 setelah dikurangi penyisihan entitas pengendalian bersama - setelah dikurangi penyisihan kerugian atas penurunan nilai sebesar nihil pada 31 Desember 2015 dan 2014 dan Rp19 pita pada 31 Desember 2013 a c_2,1,11 Desember 2015 Aset tetap - setelah dikurangi dengan akumulasi penyisutan sebesar Rp1,5 triliun pada 31 Desember 2014, dan 2014 dan 2014 dan 2014 Rp15 Pittinu pada 31 Desember 2015 Aset tetap - setelah dikurangi dengan akumulasi penyisutan sebesar Binya pengembangan proyek - dikurangi penyisihan kerugian atas setelah dikurangi dengian akumulasi penyisutan sebesar Binya pengembangan proyek - dikurangi benyisuta sebesar fulta pada 31 Desember 2013 a c_1,11 Desember 2013 Aset pajak tangguhan - neto a 2v,30d Binya pengembangan proyek - dikurangi benyisuta sebesar Polisa Aset pengembangan proyek - dikurangi benyisuta abebear Rp1,5 triliun pada 31 Desember 2015 carboner 2013 a 2v,30d Binya pengembangan proyek - dikurangi benyisuta abebear Rp3.3 pitting pada 31 Desember 2013 a 2v,30d Binya pengembangan proyek - dikurangi benyisuta abebear Aset tetap - setelah dikurangi dengan akumulasi benyisutan sebesar Binya pengembangan proyek - dikurangi benyisutan abebear Rp3.3 pitting pada 31 Desember 2013 a 2v,30d Binya pengembangan proyek - dikurangi benyisuta abebear Binya pengembangan proyek - dikurangi benyisuta abebear Binya pengembangan proyek - dikurangi benyisuta abebear Binya pengembangan anortisasi sebesar Rp3.3, pittir pada 31 Desember 2013 a 2p,15 2,0,14 2,0,14 2,0,15 2,0,14 2,0,15 2,0,2,04 2,0,16 2,0,		Troles	2013	2014 )	2013 )	-
dikurangi penyisihan kerugian atas penurunan nilai sebesar kp23,7 miliar pada 1) Desember 2015, kp23,6 miliar pada 3) Desember 2014 dan Rp220,9 miliar pada 3) Desember 2013 2e,2f,3s,38 2						NON-CURRENT ASSETS
Investasi pada entitas asosiasi dan entitas pengendalian bersama - setelah dikurangi penyisihan dan 2014 dan Rp519 juta pada 31 Desember 2013 akumulasi penyusutan sebesar akumulasi penyusutan sebesar (An Rp1, 5 triliun pada 31 Desember 2015, Rp1, 5 triliun pada 31 Desember 2014 dan Rp1, 2 triliun pada 31 Desember 2015, Rp1, 5 triliun pada 31 Desember 2013 (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan sebesar (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan sebesar (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan sebesar (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan sebesar (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan sebesar (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan sebesar (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan sebesar (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan sebesar (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan sebesar (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan sebesar (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan sebesar (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan sebesar (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan sebesar (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan sebesar (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan sebesar (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan sebesar (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan sebesar (Aset pajak tangguhan - neto 2 v, 30d 8 testelah dikurangi penyusutan penyusutan neto 	dikurangi penyisihan kerugian atas penurunan nilai sebesar Rp23,7 miliar pada 31 Desember 2015 Rp23,6 miliar pada 31 Desember 2014 dan Rp220,9 miliar pada	-	226,157,503	365,655,147		Due from related parties - net of allowance for impairment losses of Rp23.7 billion as of December 31, 2015, Rp23.6 billion as of December 31, 2014 and Rp220.9 billion as of December 31, 2013
setelah dikurangi penyisihanfor impairment losses 0, as of December 31, 2sebesar ihili pada 31 Desember 20132i, 112.557.529.8341.637.506.575994.786.616December 31, 2Investasi jangka panjang lain-lain2j, 12153.286.009128.907.748133.180.292Other long-term invesAset tetap - setelah dikurangi denganas of December 31, 2153.286.009128.907.748133.180.292Other long-term invesAset tetap - setelah dikurangi denganas of December 31, 2Rp1.3 trillun ada 31 Desember 2015,Rp1.3 trillun ada 31 Desember 2015,Rp1.3 trillun as of December 31, 2Rp1,3 trillun pada 31 Desember 20132k,21,2m,2n,132.418.723.0202.569.316.6402.578.292.713December 31, 2Aset pajak tangguhan - neto2v,30d81.542.28876.643.82340.753.759Deferred tax assetBiaya pengembangan proyek -setelah dikurangi akumulasi amortisasiand Rp29.42 miliarand Rp29.42 miliarag 237.9 miliar pada 31 Desember 201320,14222.113.786259.917.221201.532.756December 31, 2015 and 2Biaya ditangguhkan - setelahand Rp29.42 miliarand Rp29.42 billion aGDecember 31, 2015 and 2Deferred charges31 Desember 2015, Rp33.9 miliar pada20,14222.113.786259.917.221201.532.756December 31, 2015 and 2Biaya ditanguhkan - setelahand Rp29.42 miliarand Rp29.42 billion aGDecember 31, 2014 and Rp30, 1al Desember 2015, Rp33.9 miliar pada2015, Rp32.2 miliar padaDecember 31, 2014 and Rp30, 131 Desember 20132		, , ,				Investments in associated and jointly controlled entities - net of allowance
Investasi jangka panjang lain-lain2j,12153.286.009128.907.748133.180.292Other long-term investiveAset tetap - setelah dikurangi dengan akumulasi penyusutan sebesarAset tetap - setelah dikurangi dengan akumulasi penyusutan sebesar133.180.292Other long-term investiveRp1,5 triliun pada 31 Desember 2015, Rp1,3 triliun pada 31 Desember 20132k,21,2m,2n,132.418.723.0202.569.316.6402.578.292.713December 31, 2014 and Rp1.2 trillion as of December 31, 2014 and Rp1.2 trillion as of December 31, 2014 and Rp1.2 trillion as of Project development costs - allowance for impairment to of Rp237.9 miliar pada 31 Desember 2015 dan 2014, dan Rp294,2 miliar pada 31 Desember 20132o,14222.113.786259.917.221201.532.756December 31, 2015 and 21 and Rp294.2 miliar pada 31 Desember 2015, Rp32,2 miliar pada 31 Desember 2014 an Rp30,1 miliar pada 31 Desember 20132p,152.923.0346.634.1337.578.022billion as of December 31, 2014 and Rp3.2Biaya ditangguhkan - setelah dikurangi akumulasi amortisasi sebesar Rp33,9 miliar pada 31 Desember 2014 an Rp30,1 miliar pada 31 Desember 20132p,152.923.0346.634.1337.578.022billion as of December 31, 2014 and Rp3.2Goodwill2c,16-3.763.3673.763.367GodGodAset tidak lancar lainnya17307.038.824678.885.781274.096.738Other non-current	setelah dikurangi penyisihan kerugian atas penurunan nilai sebesar nihil pada 31 Desember 2015					for impairment losses of nil as of December 31, 2015 and 2014 and Rp519 million as of
Aset tetap - setelah dikurangi dengan akumulasi penyusutan sebesarFixed assets - net of accum depreciation of Rp1.5 tril as of December 31, 2014 and Rp1.2 trillion pada 31 Desember 2013Fixed assets - net of accum depreciation of Rp1.5 tril as of December 31, 2014 and Rp1.2 trillion as of December 31, 2014 and Rp2.2 trillion as of December 31, 2014 and Rp2.2 trillion as of December 31, 2015 and 2014, and Rp294, 2 miliar pada 31 Desember 2013 at target akting akumulasi amortisasi sebesar Rp33, 9 miliar pada 31 Desember 2015 dikurangi akumulasi amortisasi sebesar Rp33, 9 miliar pada 31 Desember 2013 at Desember 2013 at December 31, 2014 and Rp29, 2 miliar pada at December 31, 2014 and Rp29, 2 miliar pada at Desember 2014 an Rp30, 1 miliar pada 31 Desember 2013 co,14 2 c,16 co,16 co,16Fixed assets - net of accum depreciation of Rp1.5 trillion as of December 31, 2014 and Rp294, 2 billion as of December 31, 2015 and Rp23, 2 billion as of December 31, 2015 and Rp23, 2 billion as of December 31, 2015 and Rp32, 2 billion as of December 31, 2014 and Rp	1	,				December 31, 2013
31 Desember 20132k,2l,2m,2n,132.418.723.0202.569.316.6402.578.292.713December 31, 2Aset pajak tangguhan - neto2v,30d81.542.28876.643.82340.753.759Deferred tax assetBiaya pengembangan proyek - dikurangi penyisihan kerugian atas setelah penurunan nilai sebesar Rp237,9 miliar pada 31 Desember 2015 dan 2014, dan Rp294,2 miliar pada 31 Desember 201320,14222.113.786259.917.221201.532.756Deferred tax asset allowance for impairment lo of Rp237.9 billion a December 31, 2015 and 2V and Rp294.2 billion a December 31, 2015 and 2V and Rp294.2 billion a Deferred tax asset allowance for impairment lo of Rp237.9 billion a December 31, 2015 and 2V and Rp294.2 billion a Deferred tax asset December 31, 2015 and 2V and Rp294.2 billion a December 31, 2015 and 2V and Rp294.2 billion a December 31, 2015 and 2V Deferred tax asset Deferred tax asset December 31, 2015 and 2V and Rp294.2 billion a December 31, 2015 and 2V and Rp32.756Biaya ditangguhkan - setelah dikurangi akumulasi amortisasi sebesar Rp33,9 miliar pada 31 Desember 2015, Rp32,2 miliar pada 31 Desember 2014 dan Rp30,1 miliar pada 31 Desember 20132p,15 2.923.0342.923.034 6.634.1336.634.133 7.578.0227.578.022 billion as of December 31, 2014 and Rp3 Go GoGoodwill2c,16 3.763.3673.763.367 3.763.3673.763.367 3.763.367Other non-current	Aset tetap - setelah dikurangi dengan akumulasi penyusutan sebesar Rp1,5 triliun pada 31 Desember 2015, Rp1,3 triliun pada 31 Desember 2014	2j,12	153.286.009	128.907.748	133.180.292	Other long-term investments Fixed assets - net of accumulated depreciation of Rp1.5 trillion as of December 31, 2015, Rp1.3 trillion as of December 31, 2014 and Rp1.2 trillion as of
Biaya pengembangan proyek - dikurangi penyisihan kerugian atas setelah penurunan nilai sebesar Rp237,9 miliar pada 31 Desember 2015 dan 2014, dan Rp294,2 miliar pada 31 Desember 2013Project development costs - allowance for impairment lo of Rp237.9 billion a December 31, 2015 and 20 and Rp294.2 billion a December 31, 2015 and 20 December 31, 2016 and Rp294.2 billion as Of December 31, 2016 and Rp30, 100000000000000000000000000000000000		2k,21,2m,2n,13	2.418.723.020	2.569.316.640	2.578.292.713	December 31, 2013
Biaya ditangguhkan - setelah dikurangi akumulasi amortisasi sebesar Rp33,9 miliar pada 31 Desember 2015, Rp32,2 miliar pada 31 Desember 2014 dan Rp30,1 miliar pada 31 Desember 2013Deferred charges - accumulated amortization 2015, Rp32,2 billion as of December 2015, Rp32,2 billion as December 31, 2014 and Rp30 pada 31 Desember 2013Deferred charges - accumulated amortization December 31, 2016, Rp32,2 billion as December 31, 2014 and Rp30 pada 31 Desember 2013Goodwill2c,16-3.763.3673.763.367GoAset tidak lancar lainnya17307.038.824678.885.781274.096.738Other non-current	Biaya pengembangan proyek - dikurangi penyisihan kerugian atas setelah penurunan nilai sebesar Rp237,9 miliar pada 31 Desember 201 dan 2014, dan Rp294,2 miliar	,	81.542.288	76.643.823	40.753.759	Deferred tax assets - net Project development costs - net of allowance for impairment losses of Rp237.9 billion as of December 31, 2015 and 2014, and Rp294.2 billion as of
Goodwill         2c,16         -         3.763.367         3.763.367         Go           Aset tidak lancar lainnya         17         307.038.824         678.885.781         274.096.738         Other non-current	Biaya ditangguhkan - setelah dikurangi akumulasi amortisasi sebesar Rp33,9 miliar pada 31 Desember 2015, Rp32,2 miliar pada 31 Desember 2014 dan Rp30,1 miliar	1				December 31, 2013 Deferred charges - net of accumulated amortization of Rp33.9 billion as of December 31, 2015, Rp32.2 billion as of December 31, 2014 and Rp30.1
Aset tidak lancar lainnya         17         307.038.824         678.885.781         274.096.738         Other non-current	1		2.923.034			billion as of December 31, 2013
		,	-			Goodwill Other non-current assets
10/ul	Total Aset Tidak Lancar	1 /	5.969.314.298	5.727.230.435	4.574.711.341	Total Non-Current Assets
TOTAL ASET         9.186.392.098         11.314.494.553         11.878.369.260         TOTAL ASET	TOTAL ASET		9.186.392.098	11.314.494.553	11.878.369.260	- TOTAL ASSETS

\*) Telah disajikan kembali (Catatan 45).

\*) Restated (Note 45).

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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

Additional Information

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES CONSOLIDATED STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

	Catatan /	31 Desember//	December 31,	1 Januari/ January 1, 2014/ 31 Desember/ December 31,	
	Notes	2015	2014 *)	2013 *)	
LIABILITAS DAN EKUITAS					LIABILITIES AND EQUITY
LIABILITAS JANGKA PENDEK					SHORT-TERM LIABILITIES
Pinjaman jangka pendek	2e,18,38	2.290.237.001	3.584.651.697	4.279.299.954	Short-term loans
Utang usaha					Trade payables
Pihak ketiga	2e,19,38	486.793.803	1.027.176.508	1.003.772.460	Third parties
Pihak berelasi	2e,2f,19,33h,38	2.407.915	2.682.865	24.110.230	Related parties
Utang lain-lain	• •				Other payables
Pihak ketiga	38	93.321.288	88.554.557	71.624.987	Third parties
Pihak berelasi	2e,2f,33e,38	28.678.360	8.456.268	14.790.466	Related parties
Beban masih harus dibayar	2s,20,38	1.468.015.807	1.000.455.000	1.453.315.180	Accrued expenses
Uang muka pelanggan dan	2s	33.871.733	200 015 219	71 ((( )))	Customer deposits and unearned revenues
pendapatan ditangguhkan Utang pajak	2s 2v.30b	97.195.515	290.915.318 160.326.010	71.666.233 193.604.326	unearnea revenues Taxes pavable
Liabilitas derivatif	20,300 2e,36,38	4.244.382.330	3.383.980.473	2.774.157.407	Derivative liabilities
Utang jangka panjang yang	20,50,58	4.244.382.330	5.565.760.475	2.774.137.407	Current maturities of
jatuh tempo dalam satu tahun :					long-term liabilities :
Pinjaman jangka panjang	2e,21,38	2.880.413.326	2.263.865.218	159,133,318	Long-term loans
Utang sewa pembiayaan	2e,2m,22,38	1.807.754	2.153.420	689.742	Obligation under financing lease
Total Liabilitas Jangka Pendek	20,2111,22,30	11.627.124.832	11.813.217.334	10.046.164.303	Total Short-Term Liabilities
LIABILITAS JANGKA PANJANG					LONG-TERM LIABILITIES
Liabilitas pajak tangguhan - neto	2v,30d	148.301.727	141.356.367	136.241.815	Deferred tax liabilities - net
Liabilitas imbalan kerja - neto	2t,31	269.895.253	270.669.585	215.227.015	Employee benefits liabilities - net
Utang pihak yang berelasi	2e,2f,33f,38	204.750.100	128.969.653	231.595.060	Due to related parties
Utang jangka panjang - setelah dikurangi bagian yang jatuh tempo dalam satu tahun :					Long-term liabilities - net of current maturities :
Pinjaman jangka panjang	2e,21,38	870.707.383	1.143.914.068	3.339.288.836	Long-term loans
Utang sewa pembiayaan	2e,2m,22,38	731.804	1.927.589	3.388.884	Obligation under financing lease
Total Liabilitas Jangka Panjang		1.494.386.267	1.686.837.262	3.925.741.610	Total Long-Term Liabilities
Total Liabilitas		13.121.511.099	13.500.054.596	13.971.905.913	Total Liabilities

\*) Telah disajikan kembali (Catatan 45).

\*) Restated (Note 45).

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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

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#### **PT BAKRIE & BROTHERS Tbk** AND SUBSIDIARIES CONSOLIDATED STATEMENT OF FINANCIAL POSITION **DECEMBER 31, 2015** (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

				1 Januari/ <i>January 1,</i> 2014/ 31 Desember/	
	Catatan /	31 Desember/I	December 31,	December 31,	
	Notes	2015	2014 *)	2013 *)	
EKUITAS					EQUITY
Ekuitas yang dapat diatribusikan					Equity attributtable to owners of
kepada pemilik entitas induk					the Parent
Modal saham - nilai nominal Rp2.850,					Share capital - Rp2,850, Rp399 and
Rp399 dan Rp114 pada 31 Desember 2	2015,				Rp114 par value as of December 31,
31 Desember 2014 dan 31 Desember					2015, December 31, 2014 and
2013 untuk masing-masing saham					December 31, 2013 for each A Series,
Seri A, Seri B dan Seri C					B Series and C Series shares
Modal dasar					Authorized
372.196.588.000 saham					372,196,588,000 shares
Modal ditempatkan dan disetor					Issued and fully paid
penuh 93.721.717.528 saham					93,721,717,528 shares as of
pada 31 Desember 2015,					December 31, 2015,
31 Desember 2014 dan					December 31, 2014 and
31 Desember 2013	1b,23	12.263.548.350	12.263.548.350	12.263.548.350	December 31, 2013
Tambahan modal disetor:					Additional paid-in capital:
Selisih penerimaan dari penerbitan	24	(1 202 021	(1 222 021	(1.707.071	Paid-in capital
saham atas nilai nominal	24	61.727.871	61.727.871	61.727.871	in excess of par value
Selisih nilai transaksi restrukturisasi	2 24	(2 (21 572 2(()	(2,442,225,2(9))	(2 447 274 100)	Difference in restructuring of
entitas sepengendali	2q,24	(2.621.572.266)	(2.442.325.368)	(2.447.374.188)	
Selisih kurs penjabaran	2	201 220 (11	120.0(4.(70	120 (12 712	Exchange differences due to financial statements translation
laporan keuangan Kemerian inggatan inggan dala	2u	291.220.611	120.864.679	120.612.712	5
Kerugian investasi jangka pendek yang belum terealisasi	2-6		(40 172 956)		Unrealized loss on short-term investments
	2e,6	-	(40.173.856)	-	
Kerugian aktuarial atas liabilitas imbalan kerja - neto	24 21	(78.576.861)	(80.004.202)	(55.394.609)	Actuarial losses on employee benefits liabilities - net
Defisit (Defisit sebesar	2t, 31	(/8.3/0.801)	(89.994.293)	(55.394.009)	Deficit (Deficit of Rp27.7 trillion
Rp27,7 triliun pada 30 Juni 2011					as of June 30, 2011 was
telah dieliminasi melalui					as of June 30, 2011 was eliminated in connection with
kuasi-reorganisasi - Catatan 41)	2aa	(13.823.577.069)	(12.078.460.677)	(12.233.565.627)	
Kuasi-reorganisasi - Catatan 41)	244			(12.235.303.027)	quasi-reorganization - Note 41)
Sub-total		(3.907.229.364)	(2.204.813.294)	(2.290.445.491)	Sub-total
Kepentingan non-pengendali	2b,25	(27.889.637)	19.253.251	196.908.838	Non-controlling interest
Defisiensi Modal - Neto		(3.935.119.001)	(2.185.560.043)	(2.093.536.653)	Capital Deficiency - Net
TOTAL LIABILITAS					TOTAL LIABILITIES
DAN EKUITAS		9.186.392.098	11.314.494.553	11.878.369.260	AND EQUITY

\*) Telah disajikan kembali (Catatan 45).

\*) Restated (Note 45).

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

integral part of these consolidated financial statements.

The accompanying notes to the consolidated financial statements are an



#### PT BAKRIE & BROTHERS Tbk DAN ENTITAS ANAK LAPORAN LABA RUGI DAN PENGHASILAN KOMPREHENSIF LAIN KONSOLIDASIAN UNTUK TAHUN YANG BERAKHIR PADA TANGGAL 31 DESEMBER 2015 (Angka dalam tabel disajikan dalam ribuan Rupiah, kecuali dinyatakan lain)

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

	Catatan/ <i>Notes</i>	2015 **)	2014 *)	
PENDAPATAN NETO	2s,2u,26	4.661.923.517	6.378.952.754	NET REVENUES
BEBAN	2s			EXPENSES
Beban pokok pendapatan Penyisihan penurunan nilai	27	(2.711.114.210)	(3.856.405.391)	Cost of revenues Provision for impairment
investasi	6	(968.098.807)	-	in investment value
Rugi selisih kurs - neto	2u	(722.172.482)	(162.760.918)	Loss on foreign exchange - net
Beban bunga dan keuangan Perubahan nilai wajar	29	(543.537.809)	(598.987.903)	Interest and financial expenses Fair value changes of
derivatif - neto	36	(462.841.034)	(540.515.297)	derivatives - net General and administrative
Beban umum dan administrasi	28	(306.271.662)	(331.455.495)	expenses
Beban karyawan Rugi yang direalisasi atas	28	(253.848.963)	(288.149.157)	Personnel expenses Realized loss on
perubahan nilai wajar investasi				fair value changes of
saham yang diperdagangkan		(137.782.352)	-	trading investment
Beban penjualan	28	(118.257.783)	(246.597.375)	Selling expenses
Rugi atas pelepasan investasi Beban penghapusan dan penyisihan	L	-	(72.809.564)	Loss on disposal of investment Write-off and provision for
kerugian atas penurunan nilai		(65.157.200)	(1.020.671)	impairment losses
Beban pajak	2v	(13.565.877)	(12.117.807)	Tax expenses
Lain-lain		(6.684.898)	<u> </u>	Others
Total Beban		(6.309.333.077)	(6.110.819.578)	Total Expenses
LABA (RUGI) SEBELUM MANFAAT (BEBAN) PAJAK				INCOME (LOSS) BEFORE INCOME TAX
PENGHASILAN		(1.647.409.560)	268.133.176	BENEFIT (EXPENSE)
MANFAAT (BEBAN) PAJAK PENGHASILAN	2v,30c			INCOME TAX BENEFIT (EXPENSE)
Kini		(74.557.509)	(144.257.960)	Current
Tangguhan		2.597.898	27.881.530	Deferred
Beban Pajak Penghasilan - Neto		(71.959.611)	(116.376.430)	Income Tax Expense - Net
LABA (RUGI) NETO		(1.719.369.171)	151.756.746	NET INCOME (LOSS)

\*) Telah disajikan kembali (Catatan 45).

- \*\*) Tidak termasuk PT Bakrie Communication dan Entitas Anak yang telah didekonsolidasi sejak tanggal 31 Desember 2014.
- \*) Restated (Note 45).
- \*\*) Excluding the accounts of PT Bakrie Communication and Subsidiaries that have been deconsolidated since December 31, 2014.

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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

Profile

ain Highlights

#### PT BAKRIE & BROTHERS Tbk DAN ENTITAS ANAK LAPORAN LABA RUGI DAN PENGHASILAN KOMPREHENSIF LAIN KONSOLIDASIAN UNTUK TAHUN YANG BERAKHIR PADA TANGGAL 31 DESEMBER 2015 (Angka dalam tabel disajikan dalam ribuan Rupiah, kecuali dinyatakan lain)

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

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-	Catatan/ <i>Notes</i>	2015 **)	2014 *)	
PENGHASILAN				<b>OTHER COMPREHENSIVE</b>
KOMPREHENSIF LAIN				INCOME
Pos-pos yang akan				Items that will be
direklasifikasi ke laba rugi				reclassified to profit or loss
				Exchange differences due to
Selisih kurs karena penjabaran				financial statements
laporan keuangan	2u	96.136.955	50.334.677	translation
Aset keuangan tersedia untuk				Available-for-sale
dijual	2e,6	40.173.856	(40.173.856)	securities
Pos-pos yang tidak akan direklasifikasi ke laba rugi				Items that will not be reclassified to profit or loss
Selisih nilai transaksi restrukturisasi entitas				Difference in value from restructuring transaction of entities
sepengendali	2q,24	(179.246.898)	5.048.820	under common control
Keuntungan (kerugian) aktuarial liabilitas imbalan				Actuarial gain (losses) on employee benefits
kerja - neto	2t,31	15.054.950	(45.396.635)	liabilities - net
Pajak penghasilan terkait pos-pos				Income tax on items in other
penghasilan komprehensif lain		(2.130.816)	9.283.085	comprehensive income
PENGHASILAN KOMPREHEN	SIF			
LAIN - SETELAH DIKURANGI				OTHER COMPREHENSIVE
PAJAK		(30.011.953)	(20.903.909)	INCOME - NET OF TAX
PENGHASILAN				COMPREHENSIVE
KOMPREHENSIF - NETO		(1.749.381.124)	130.852.837	INCOME - NET

\*) Telah disajikan kembali (Catatan 45).

\*\*) Tidak termasuk PT Bakrie Communication dan Entitas Anak yang telah didekonsolidasi sejak tanggal 31 Desember 2014.

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara

\*) Restated (Note 45).

\*\*) Excluding the accounts of PT Bakrie Communication and Subsidiaries that have been deconsolidated since December 31, 2014.

keseluruhan.

integral part of these consolidated financial statements.

Additional Information

The accompanying notes to the consolidated financial statements are an

#### PT BAKRIE & BROTHERS Tbk DAN ENTITAS ANAK LAPORAN LABA RUGI DAN PENGHASILAN KOMPREHENSIF LAIN KONSOLIDASIAN UNTUK TAHUN YANG BERAKHIR PADA TANGGAL 31 DESEMBER 2015 (Angka dalam tabel disajikan dalam ribuan Rupiah, kecuali dinyatakan lain)

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

	Catatan/ <i>Notes</i>	2015 **)	2014 *)	
LABA (RUGI) YANG DAPAT DIATRIBUSIKAN KEPADA Pemilik entitas induk		(1.745.116.392)	155,104,950	<b>PROFIT (LOSS)</b> <b>ATTRIBUTABLE TO</b> Owners of parent
Kepentingan non-pengendali	25	25.747.221	(3.348.204)	Non-controlling interest
Total		(1.719.369.171)	151.756.746	Total
TOTAL PENGHASILAN	A 75			TOT IL COMPREHENSIVE
KOMPREHENSIF YANG DAP. DIATRIBUSIKAN KEPADA	AI			TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO
Pemilik entitas induk Kepentingan non-pengendali	25	(1.702.312.926) (47.068.198)	106.678.905 24.173.932	Owners of parent Non-controlling interest
Total		(1.749.381.124)	130.852.837	Total
LABA (RUGI) NETO PER SAHAM DASAR DIATIBUSIKAN KEPADA PEMILIK ENTITAS INDUK				BASIC EARNINGS (LOSS) PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE PARENT
(Angka penuh)	2x,32	(18,62)	1,65	(Full amount)
LABA (RUGI) NETO PER SAHAM DILUSIAN DIATIBUSIKAN KEPADA PEMILIK ENTITAS INDUK				DILUTED EARNINGS (LOSS) PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE PARENT
(Angka penuh)	2x,32	(18,38)	1,65	(Full amount)

\*) Telah disajikan kembali (Catatan 45).

\*\*) Tidak termasuk PT Bakrie Communication dan Entitas Anak yang telah didekonsolidasi sejak tanggal 31 Desember 2014. \*) Restated (Note 45).

\*\*) Excluding the accounts of PT Bakrie Communication and Subsidiaries that have been deconsolidated since December 31, 2014.

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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

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PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

Balance as of December 31, 2014	(2.185.560.043)	19.253.251	(2.204.813.294)	(12.078.460.677)	(89.994.293)	(40.173.856)	120.864.679	(2.442.325.368)	61.727.871	12.263.548.350	Saldo 31 Desember 2014
Deconsolidation of subsidiary	(222.876.227)	(201.829.519)	(21.046.708)				(21.046.708)				Dekonsolidasi entitas anak
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	(31.064.730)	(1.513.866)	(29.550.864)		(34.599.684)		·	5.048.820	,	,	Penghasilan komprehensif lain yang tidak direklasifikasikan menjadi laba atau rugi pada periode berikumya
Other comprehensive income to be reclassified to profit or loss in subsequent periods	10.160.821	29.036.002	(18.875.181)			(40.173.856)	21.298.675				Penghasilan komprehensif lain yang direklasifikasikan menjadi laba atau rugi pada periode berikutnya
Net income (loss) for the year	151.756.746	(3.348.204)	155.104.950	155.104.950							Laba (rugi) tahun berjalan
Balance as of January 1, 2014, as restated	(2.093.536.653)	196.908.838	(2.290.445.491)	(12.233.565.627)	(55.394.609)		120.612.712	(2.447.374.188)	61.727.871	12.263.548.350	Saldo I Januari 2014, disajikan kembali
Restatements (Note 45)	(69.415.077)	(8.531.009)	(60.884.068)	(5.245.645)	(55.394.609)		(243.814)				Penyajian kembali (Catatan 45)
Balance as of January 1, 2014, as previously reported	(2.024.121.576)	205.439.847	(2.229.561.423)	(12.228.319.982)			120.856.526	(2.447.374.188)	61.727.871	12.263.548.350	Saldo 1 Januari 2014, dilaporkan sebelumnya
	Defisiensi Modal - Neto/ Capital Deficiency - Net	Kepentingan Nonpengendali/ <i>Non-controlling</i> <i>Interest</i>	Ekuitas yang dapat Diatribusikan Kepada Pennilik Entitas Induk/ <i>Equity</i> Atributable to Owners the Parent	/ Defisit/ Deficit	Keuntungan (Kerugian) Aktuarial atas Liabilitas Imbalan Kerja - Neto/ <i>Actuarial</i> <i>Gain (Loss) on</i> <i>Employee Benefits</i> <i>Liability - Net</i>	Kerugian Investasi Jangka Pendek yang Belund yang Belund yang Belund Terealisasi Umrealized Loss on Short-term Investments	Selisih Kurs Penjabaran Laporan Keuanggal <i>Exchange</i> <i>Differences</i> <i>due to Financial</i> <i>Statementi</i>	Tambahan Modal Disetor/ Additional Puid-In Capital Selisih Nilai Transaksi selisih Restrukturisasi enerbitan Sepengendali amatas Difference in Anoninal Restructuring in Capital Restructuring of Entities Scress of Under Common Yalue Control	Tambahan A Additional P Selisih Penerimaan dari Penerbitan Saham atas Saham atas Nilai Nominal Paid-in Capital in Excess of Par Value	Modal Saham/ Share Capital	

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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

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(Angka dalam tabel disajikan dalam ribuan Rupiah, kecuali dinyatakan lain)
UNTUK TAHUN YANG BERAKHIR PADA TANGGAL 31 DESEMBER 2015
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN
DAN ENTITAS ANAK
PT BAKRIE & BROTHERS Tbk

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated) FOR THE YEAR ENDED DECEMBER 31, 2015

Saldo 31 Desember 2015	Dekonsolidasi entitas anak	Penghasilan komprehensif lain yang tidak direklasifikasikan menjadi laba atau rugi pada periode berikutnya	Penghasilan komprehensif lain yang direklasifikasikan menjadi laba atau rugi pada periode berikutnya	Laba (rugi) tahun berjalan	Saldo 1 Januari 2015, disajikan kembali	
12.263.548.350			l laba ya -	ı	12.263.548.350	Modal Saham/ Share Capital
61.727.871					61.727.871	Tambahan V Additional P Selisih Penerimaan dari Penerbitan Saham atas Nila Nominal Paili-in Capital in Excess of Par Value
(2.621.572.266)		(179.246.898)			(2.442.325.368)	Tambahan Modal Disetor/ Additional Paid-in Capital Selisih Nilai Transaksi erimaan E-nitras 'enerbitan Sepengendali/ 'enerbitan Sepengendali/ nominal/ <i>Restructuring</i> 'n Capital of Eutities 'n Capital of Eutities 'xcess of Under Common Yalue Control
291.220.611		ŗ	170.355.932		120.864.679	Selisih Kurs Penjabaran Laporan Kewangan/ Exchange Differences due to Financial Statements Translation
		ı	40.173.856		(40.173.856)	Kerugian Investasi Jangka Pendek yang Belum Terealisasi I Unrealized Loss on Short-term Investments
(78.576.861)	(103.144)	11.520.576	,	,	(89.994.293)	Keuntungan (Kerugian) Aktuarial atas Liabilitas Imbalan Kerja - Neto/ Imbalan Kerja - Neto/ Imbalan Kerja - Neto/ <i>Actuarial</i> <i>Gain (Lass) on</i> <i>Employee Benefits</i> <i>Liability - Net</i>
(13.823.577.069)			1	(1.745.116.392)	(12.078.460.677)	Defisit/ Deficit
(3.907.229.364)	(103.144)	(167.726.322)	210.529.788	(1.745.116.392)	(2.204.813.294)	Ekuitas Yang dapat Diatribusikan Kepada Pemilik Entitas Induk/ Equity Atributable to Owners the Parent
(27.889.637)	(74.690)	1.403.558	(74.218.977)	25.747.221	19.253.251	Kepentingan Nonpengendali/ Non-controlling Interest
(3.935.119.001)	(177.834)	(166.322.764)	136.310.811	(1.719.369.171)	(2.185.560.043)	Defisiensi Modal - Neto/ <i>Capital</i> Deficiency - Net
Balance as of December 31, 2015	Deconsolidation of subsidiary	Other comprehensive income not to be reclassified to profit or loss in subsequent periods	Other comprehensive income to be reclassified to profit or loss in subsequent periods	Net income (loss) for the year	Balance as of January 1, 2015, as restated	

EMERGING POTENTIAL LAPORAN TAHUNAN 2015

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keuangan konsolidasian secara keseluruhan.

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan

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

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PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

	Catatan/ <i>Notes</i>	2015	2014	
ARUS KAS DARI AKTIVITAS OPERASI				CASH FLOWS FROM OPERATING ACTIVITES
Penerimaan kas dari pelanggan Pembayaran kas untuk pemasok dan karyawan		2.773.352.732 (2.916.879.985)	6.303.046.705 (5.165.790.678)	Cash receipt from customers Payments to suppliers and employees
			· · · · ·	
Kas yang dihasilkan operasi Penerimaan dari:		(143.527.253)	1.137.256.027	Cash from operating activities
Bunga		10.962.690	8.697.507	Cash received from: Interest income
Restitusi pajak		10.902.090	4.963.560	Tax refund
Pembayaran untuk:			1.905.500	Cash paid for:
Bunga		(53.741.646)	(91.479.561)	Interest expense
Pajak		(210.821.356)	(188.593.899)	Taxes
Pembayaran untuk				Payment for other
aktivitas operasi lainnya		(18.044.465)	(10.674.620)	operating activities
Kas Neto yang Diperoleh dari (Digunakan untuk)				Net Cash Flows Provided by (Used in)
Aktivitas Operasi		(415.172.030)	860.169.014	Operating Activities
ARUS KAS DARI				CASH FLOWS FROM
AKTIVITAS INVESTASI				INVESTING ACTIVITIES
Penerimaan dari:				Receipts from:
Penjualan investasi		555.050.000	14.000	Sale of investments
Penjualan aset tetap	13	53.771.616	619.159	Sale of fixed assets
Jaminan		-	6.890.123	Security deposits
Pembayaran untuk:				Payments for:
Investasi jangka pendek		(356.804.162)	(1.507.400)	Short term investment
Penambahan aset tetap	13	(122.095.037)	(325.929.918)	Acquisition of fixed assets
Uang muka investasi		(50.000.000)	-	Advances for investment
Biaya pengembangan proyek		(830.616)	(5.635.684)	Project development costs
Kas neto Entitas Anak yang didekonsolidasi		(252 567)	(6 642 800)	Net cash of deconsolidated Subsidiaries
Penerimaan (pembayaran) untuk as	et	(253.567)	(6.642.809)	Receipts (payments) for other
tidak lancar lainnya		(3.539.224)	(5.748.935)	non-current assets
2		(3.337.224)	(3.750.755)	
Kas Neto yang Diperoleh dari (Digunakan untuk)				Net Cash Flows Provided by (Used in)
untuk Aktivitas Investasi		75.299.010	(337.941.464)	in Investing Activities

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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

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#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

	Catatan/ <i>Notes</i>	2015	2014	
				CASH FLOWS FROM
ARUS KAS DARI Aktivitas dendanaan				CASH FLOWS FROM FINANCING ACTIVITIES
AKTIVITAS PENDANAAN				
Penerimaan dari:		102 (22 72)	196 425 272	Proceeds from:
Utang jangka pendek		183.633.726	186.425.272	Short-term loans
Utang jangka panjang		87.419.237	175.761.552	Long-term loans
Transaksi dengan pihak berelasi		27.975.499	359.170.974	Transaction with related parties
Pembayaran untuk:		21.913.499	559.170.974	Payments for:
Utang jangka pendek		(197.110.070)	(402.298.025)	Short-term loans
Utang jangka panjang		(87.650.912)	(402.298.023) (97.922.860)	Long-term loans
Transaksi dengan		(87.050.912)	(97.922.800)	Transaction with
pihak berelasi		(1.424.281)	(218.245.130)	related parties
plilak berelasi		(1.424.201)	(210.245.150)	Obligation under
Utang sewa pembiayaan		(1.541.451)	(5.749.211)	finance lease
Beban keuangan lainnya		(1.0 11.101)	(0.719.211)	Other financing charges
sehubungan dengan				in connection with
pendanaan kembali		-	(3.057.639)	refinancing
Penarikan (setoran) kas di bank			(5.007.005))	Withdrawal (placements)
yang dibatasi				of restricted
penggunaannya - neto		438.005.954	(415.421.084)	cash in banks - net
			(110.1211001)	
Kas Neto yang Diperoleh dari				Net Cash Flows
(Digunakan untuk)		440 207 702	(401 00( 151)	Provided by (Used in)
Aktivitas Pendanaan		449.307.702	(421.336.151)	Financing Activities
KENAIKAN (PENURUNAN)			į	NET INCREASE (DECREASE)
NETO KAS DAN			1	IN CASH AND
SETARA KAS		109.434.682	100.891.399	CASH EQUIVALENTS
SETAKA KAS		109.434.082	100.891.399	CASH EQUIVALENTS
DAMPAK PERUBAHAN				EFFECT OF EXCHANGE
SELISIH KURS TERHADAP				RATE CHANGES ON CASH
KAS DAN SETARA KAS		29,488,493	6.258.889	AND CASH EQUIVALENTS
KAS DAN SETAKA KAS		27.400.475	0.250.007	
				CASH AND
KAS DAN SETARA KAS				CASH EQUIVALENTS AT
AWAL TAHUN	5	279.176.797	172.026.509	BEGINNING OF YEAR
	2	277.110.171	1,2.020.009	
				CASH AND
KAS DAN SETARA KAS	_			CASH EQUIVALENTS AT
AKHIR TAHUN	5	418.099.972	279.176.797	END OF YEAR

Lihat Catatan 43 atas laporan keuangan konsolidasian untuk informasi tambahan arus kas.

See Note 43 to the consolidated financial statement for the supplementary cash flows information.

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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

Main Highlights

#### 1. UMUM

#### a. Pendirian Perusahaan

PT Bakrie & Brothers Tbk ("Perusahaan") didirikan di Republik Indonesia berdasarkan Akta Notaris No. 55 tanggal 13 Maret 1951 dari Notaris Sie Khwan Djioe dengan nama "N.V. Bakrie & Brothers". Akta Pendirian tersebut telah mendapatkan persetujuan dari Menteri Kehakiman Republik Indonesia melalui Surat Keputusan No. J.A.8/81/6 tanggal 25 Agustus 1951. Anggaran Dasar Perusahaan telah mengalami beberapa kali perubahan, terakhir berdasarkan Akta Notaris No. 141 tanggal 30 September 2015 oleh Humberg Lie, S.H., S.E., M.Kn. mengenai antara lain, menyetujui perubahan dan penegasan kembali Anggaran Dasar Perseroan dalam rangka memenuhi ketentuan Peraturan Otoritas Jasa Keuangan (OJK) No. 32/POJK.04/2014 tanggal 8 Desember 2014 tentang Rencana dan Penyelenggaraan Rapat Umum Pemegang Saham Perusahaan Terbuka dan Peraturan OJK No. 33/POJK.04/2014 tanggal 8 Desember 2014 tentang Direksi dan Dewan Komisaris Emiten atau Perusahaan Publik serta Perubahan beberapa ketentuan pada Anggaran Dasar Perseroan dan Penerimaan Pemberitahuan Perubahan Anggaran Dasar Perusahaan tersebut telah diterima dan dicatat di dalam database Sistem Administrasi Badan Hukum Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat No. AHU-AH.01.03-0968778 tanggal 1 Oktober 2015.

Sesuai dengan Pasal 3 Anggaran Dasar Perusahaan, ruang lingkup kegiatan Perusahaan antara lain meliputi perdagangan umum, jasa konstruksi, pertanian, pertambangan, industri, terutama produksi pipa baja, bahan bangunan dan bahan konstruksi lainnya, sistem telekomunikasi, barang elektronik dan elektrik serta investasi termasuk penyertaan modal pada perusahaan lain.

Perusahaan berdomisili di Jakarta Selatan, dengan kantor pusat berlokasi di Bakrie Tower, Lantai 35-37, Komplek Rasuna Epicentrum, Jalan H.R. Rasuna Said, Jakarta Selatan. Perusahaan beroperasi secara komersial mulai tahun 1951.

Perusahaan tergabung dalam Kelompok Usaha Bakrie.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 1. GENERAL

#### a. Company's Establishment

PT Bakrie & Brothers Tbk (the "Company") was established in the Republic of Indonesia on March 13, 1951 based on notarial Deed No. 55 of Sie Khwan Djioe under the name of "N.V. Bakrie & Brothers". The Deed of Establishment was approved by the Ministry of Justice of the Republic of Indonesia per its Decision Letter No. J.A.8/81/6 dated August 25, 1951. The Articles of Association have been amended several times, the most recent being based on Notarial Deed No. 141 dated September 30, 2015 by Humberg Lie, S.H., S.E., M.Kn. about among others, approve the amendment and affirmation of the Articles of Association in order to comply with the provisions of Financial Services Authority (OJK) Regulation No. 32/POJK.04/2014 dated December 8, 2014 regarding "Planning and Conducting of General Meetings of the Shareholders of Publicly-listed Companies" and OJK Regulation No. 33/POJK.04/ 2014 dated December 8, 2014 regarding the new rule on Board of Directors and Board of Commissioners of Publicly-listed Companies as well as amendment to some provisions in the Article of Association of the Company and the notification of the Company's data changes have been received and recorded in the Administration Systems database of the Ministry of Law and Human Rights of the Republic of Indonesia per its Letter No. AHU-AH.01.03-0968778 dated October 1, 2015.

According to Article 3 of the Articles of Association, the scope of the Company's activities comprises general trading, construction, agriculture, mining, industry, especially steel pipe manufacturing, building materials and other construction products, telecommunication systems, electronic and electrical goods and investment including equity investment in other companies.

The Company is domiciled in South Jakarta, with the head office is located at Bakrie Tower, 35<sup>th</sup>-37<sup>th</sup> Floor, Rasuna Epicentrum Complex, Jalan H.R. Rasuna Said, South Jakarta. The Company started its commercial operations in 1951.

The Company is part of the Bakrie Group.

#### 1. UMUM (Lanjutan)

## b. Penawaran Umum dan Pencatatan Saham dan Obligasi Perusahaan di Bursa Efek

Pada tanggal 28 Agustus 1989, Perusahaan melakukan Penawaran Umum Saham Perdana kepada masyarakat atas sejumlah saham Perusahaan sebanyak 2.850.000 saham dengan nilai nominal sebesar Rp1.000 per saham. Seluruh saham Perusahaan tersebut dicatatkan di Bursa Efek Jakarta (BEJ) sekarang dikenal dengan Bursa Efek Indonesia (BEI).

Pada tanggal 9 Maret 1990, Perusahaan melakukan pencatatan atas saham-saham para pendiri Perusahaan dalam bentuk *company listing* di BEI dan Bursa Efek Surabaya (BES). Saham-saham yang dicatatkan dalam *company listing* ini merupakan saham-saham yang telah ditempatkan dan disetor penuh oleh para pendiri Perusahaan sejumlah 16.150.000 saham biasa atas nama yang terdiri dari 7.600.000 saham yang belum dicatatkan di bursa dan 8.550.000 saham yang dicatatkan kembali pada bursa dengan nilai nominal sebesar Rp1.000 per saham. Dengan dicatatnya saham-saham ini, maka jumlah saham Perusahaan yang telah tercatat di Bursa Efek seluruhnya menjadi 19.000.000 saham.

Sesuai dengan persetujuan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB), tanggal 22 November 1991 Perusahaan melakukan pencatatan atas sejumlah saham Perusahaan melalui sistem *private placement*. Perusahaan menawarkan 978.969 saham biasa yang memiliki nilai nominal sebesar Rp1.000 per saham. Seluruh saham dicatatkan di BEI pada tanggal 27 November 1991, sehingga jumlah saham Perusahaan yang dicatatkan di Bursa Efek pada saat itu seluruhnya menjadi 19.978.969 saham.

Sesuai dengan persetujuan RUPSLB, sebagaimana tercantum dalam Akta Notaris Amrul Partomuan Pohan, S.H., LLM., No. 39 tanggal 12 Desember 1991, pada tanggal 10 Januari 1992, Perusahaan mencatatkan lagi sejumlah saham Perusahaan di BEJ melalui sistem *private placement*. Perusahaan mencatatkan sebanyak 1.031 saham biasa dengan nilai nominal sebesar Rp1.000 per saham, sehingga jumlah saham Perusahaan yang dicatatkan di Bursa Efek menjadi 19.980.000 saham.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 1. GENERAL (Continued)

#### b. Public Offering and Company's Listing of Shares and Bonds at the Stock Exchange

On August 28, 1989, the Company conducted an Initial Public Offering of 2,850,000 shares at a par value of Rp1,000 per share. All the Company's shares were listed on the Jakarta Stock Exchange (JSX) now known as the Indonesia Stock Exchange (IDX).

On March 9, 1990, the Company listed the Company's founders' shares in the form of company listing on the IDX and Surabaya Stock Exchange (SSX). The shares listed in this company listing represent issued and fully paid shares of the Company's founders of 16,150,000 registered common shares, consisting of 7,600,000 unlisted shares and 8,550,000 reissued shares with par value of Rp1,000 per share. With respect to the share listing, the Company's shares listed on the Stock Exchange became 19,000,000 shares.

In accordance with the resolution of the Company's Extraordinary General Meeting of Shareholders (EGMS) on November 22, 1991, the Company listed its shares through a private placement system. The Company offered 978,969 registered common shares with par value of Rp1,000 per share. All shares were listed on the IDX on November 27, 1991, which raised the total listing shares of the Company on the Stock Exchange to 19,978,969 shares.

In line with the approval of the EGMS, based on Notarial Deed of Amrul Partomuan Pohan, S.H., LLM., No. 39 dated December 12, 1991, the Company listed its shares on the JSX through a private placement system on January 10, 1992. The Company listed 1,031 registered common shares with par value of Rp1,000 per share, which raised the Company's total listing on the Stock Exchange to 19,980,000 shares.

#### 1. UMUM (Lanjutan)

Selanjutnya, Perusahaan melakukan Penawaran Umum Terbatas I (PUT I) pada tanggal 27 April 1993 dalam rangka akuisisi 52,5% saham PT Bakrie Sumatera Plantations Tbk. Dalam PUT I ini, Perusahaan menerbitkan 1.080.000 saham biasa atas nama dengan nilai nominal sebesar Rp1.000 per saham, yang memiliki hak yang sama dengan sahamsaham yang telah diterbitkan sebelumnya. Saham biasa atas nama dalam PUT I ini ditawarkan dengan harga penawaran sebesar Rp6.000 per saham dan seluruhnya dicatatkan di BEI pada tanggal 4 Juni 1993. Jumlah seluruh saham Perusahaan yang tercatat di Bursa Efek sesudah PUT I ini menjadi 21.060.000 saham.

Berdasarkan persetujuan RUPSLB tanggal 19 April 1993, sebagaimana tertuang dalam Akta Notaris Amrul Partomuan Pohan, S.H., LLM., No.32, Perusahaan melakukan Penawaran Umum "Obligasi Bakrie & Brothers I Tahun 1993 dengan Tingkat Bunga Tetap dan Mengambang". Obligasi tersebut ditawarkan dengan nilai nominal Rp50,0 miliar dan seluruhnya dicatatkan pada BEI pada tanggal 27 September 1993.

Sesuai dengan persetujuan RUPSLB tanggal 28 April 1994, Perusahaan melakukan pencatatan 31.590.000 saham dalam bentuk saham bonus di BEI dan BES masing-masing pada tanggal 22 Juni 1994 dan 24 Juni 1994. Berkenaan dengan pencatatan ini, Perusahaan memberikan hak kepada setiap pemilik 2 saham Perusahaan untuk memperoleh 3 saham bonus. Saham-saham yang dicatatkan merupakan saham biasa atas nama dengan nilai nominal sebesar Rp1.000 per saham. Dengan dicatatkannya sahamsaham ini, maka jumlah saham Perusahaan yang telah tercatat di Bursa Efek seluruhnya menjadi 52.650.000 saham.

Sesuai dengan persetujuan RUPSLB tanggal 31 Mei 1994, Perusahaan melakukan Penawaran Umum Terbatas (PUT II) dengan menerbitkan 189.540.000 saham biasa atas nama dengan nilai nominal sebesar Rp1.000 per saham, yang memiliki hak yang sama dengan saham-saham Perusahaan yang telah diterbitkan sebelumnya. Saham-saham tersebut dicatatkan di BEI dan BES masing-masing pada tanggal 14 Juli 1994 dan 11 Juli 1994. Dengan diterbitkannya saham-saham tersebut, maka jumlah saham Perusahaan yang telah tercatat di Bursa Efek menjadi sebanyak 242.190.000 saham. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 1. GENERAL (Continued)

Furthermore, the Company conducted a Limited Public Offering I (LPO I) on April 27, 1993 in relation to the acquisition of 52.5% ownership of PT Bakrie Sumatera Plantations Tbk. In this LPO I, the Company issued 1,080,000 registered common shares with a par value of Rp1,000 per share, with the same rights as the previously issued shares. Registered common shares in this LPO I were offered at Rp6,000 per share and listed on the IDX on June 4, 1993. The Company's total listing on the Stock Exchange after this LPO I increased to 21,060,000 shares.

Based on the resolution of EGMS dated April 19, 1993 as notarized by Notarial Deed of Amrul Partomuan Pohan, S.H., LLM., No.32, the Company conducted a Public Offering of "Bakrie & Brothers I year 1993 Bonds with Fixed and Floating Interest". The bonds were offered at a nominal value of Rp50.0 billion and listed on the IDX on September 27, 1993.

In accordance with the resolution of EGMS on April 28, 1994, the Company listed 31,590,000 shares in the form of bonus shares on the IDX and SSX on June 22, 1994 and June 24, 1994, respectively. With respect to this listing, the Company gave owners of 2 Company shares the right to receive 3 bonus shares. The listed shares were registered common shares with par value of Rp1,000 per share. After this listing, the total number of Company shares that had been registered on the Stock Exchange increased to 52,650,000 shares.

In accordance with the resolution of the EGMS dated May 31, 1994, the Company issued 189,540,000 registered common shares with a par value of Rp1,000 per share through the Limited Public Offering II (LPO II) mechanism, with the same rights as the previously issued shares. These shares were listed on the IDX and SSX on July 14, 1994 and July 11, 1994, respectively. With respect to these issued shares, the total number of Company shares that had been listed on the Stock Exchange became 242,190,000 shares.

#### 1. UMUM (Lanjutan)

Berdasarkan persetujuan RUPSLB pada tanggal 23 Mei 1995, Perusahaan melakukan pemecahan atas nilai nominal saham dengan rasio pemecahan sebesar 1:2, sehingga setiap satu saham lama Perusahaan yang memiliki nilai nominal Rp1.000 per saham dipecah menjadi 2 saham baru dengan nilai nominal sebesar Rp500 per saham. Dengan dilakukannya pemecahan atas saham-saham tersebut, maka jumlah saham Perusahaan yang tercatat di Bursa Efek menjadi sebanyak 484.380.000 saham.

Sesuai dengan persetujuan RUPSLB tanggal 8 November 1996, Perusahaan melakukan pencatatan atas sejumlah 1.453.140.000 saham biasa atas nama, berupa saham bonus yang dibagikan kepada para pemegang saham Perusahaan. Saham-saham bonus tersebut berasal dari kapitalisasi agio saham hasil PUT II, yang memberikan hak kepada setiap pemilik 1 saham Perusahaan untuk memperoleh 3 saham bonus dengan nilai nominal sebesar Rp500 per saham. Dengan dicatatnya saham-saham tersebut, maka jumlah saham Perusahaan yang telah tercatat di Bursa Efek pada saat itu seluruhnya menjadi 1.937.520.000 lembar saham.

Pada tanggal 24 Januari 2001, Perusahaan telah mengadakan RUPSLB yang menyetujui adanya peningkatan modal dasar serta perubahan modal yang ditempatkan dan disetor Perusahaan. Perubahan tersebut telah dilaksanakan sesuai dengan Peraturan No. IX D.4, Lampiran Keputusan Ketua Badan Pengawas Pasar Modal dan Lembaga Keuangan (dahulu Badan Pengawas Pasar Modal) (Bapepam-LK) No. Kep 44/PM/1998 tanggal 14 Agustus 1998, tentang Penambahan Modal Tanpa Hak Memesan Efek Terlebih Dahulu (HMETD). Sehubungan dengan perubahan tersebut, Anggaran Dasar Perusahaan telah diubah berdasarkan Akta No. 154 tanggal 31 Agustus 2001 dari Notaris Agus Madjid, S.H., mengenai perubahan modal yang ditempatkan dan disetor penuh Perusahaan. Perubahan Anggaran Dasar tersebut telah disahkan oleh Menteri Kehakiman dan Hak Asasi Manusia (sebelumnya Menteri Kehakiman) Republik Indonesia melalui Surat Keputusan No. C-09904 HT.01.04.TH.2001 tanggal 4 Oktober 2001.

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 1. GENERAL (Continued)

In accordance with the resolution of the EGMS dated May 23, 1995, the Company conducted a stock split in the ratio of 1:2, whereby each of the Company's old shares of Rp1,000 par value per share was split into 2 new shares with par value of Rp500 per share. With respect to this split, the total number of the Company shares that had been registered on the Stock Exchange became 484,380,000 shares.

In accordance with the resolution of the EGMS dated November 8, 1996, the Company listed 1,453,140,000 registered common shares, by giving bonus shares to the Company's shareholders. These bonus shares came from capitalizing the additional paid-in capital of LPO II, which gave the owner of 1 Company share the right to receive 3 bonus shares at the par value of Rp500 per share. Due to this listing, the total number of Company shares that had been listed on the Stock Exchange became 1,937,520,000 shares.

On January 24, 2001, the Company conducted an EGMS that approved the increase in shares of capital stock and shares of issued and paid-in capital stock. This change was implemented in accordance with Regulation No. IX D.4, Attachment of Decision of Chairman of the Capital Market and Financial Institution Supervisory Agency's (formerly Capital Market Supervisory Agency) (Bapepam-LK) No. Kep 44/PM/1998 dated August 14, 1998, regarding the Additional Shares of Capital Stock without Pre-emptive Rights. In relation to this decision, the Company's Articles of Association were amended based on Notarial Deed No. 154 of Agus Madjid, S.H., dated August 31, 2001 regarding the change of the issued and fully paid share capital. The amendment was approved by the Minister of Justice and Human Rights (formerly the Minister of Law) of the Republic of Indonesia per Decision Letter No. C-09904.HT.01.04.TH.2001 dated October 4, 2001.

#### 1. UMUM (Lanjutan)

Pada tanggal 25 Oktober 2001, Perusahaan melakukan Penambahan Modal Tanpa HMETD sehubungan dengan pelaksanaan restrukturisasi utang dengan menerbitkan 36.812.880.000 saham Seri B dengan nilai nominal sebesar Rp70 per saham, yang memiliki hak yang sama dengan saham Seri A yang telah diterbitkan sebelumnya. Saham Seri B tersebut dicatatkan di BEJ pada tanggal 25 Oktober 2001 dan di BES pada tanggal 31 Oktober 2001. Dengan demikian, maka pada tanggal 31 Desember 2001, seluruh saham Perusahaan yang tercatat di Bursa Efek menjadi sebanyak 38.750.400.000 saham.

Berdasarkan persetujuan RUPSLB yang diadakan pada tanggal 28 Februari 2005, sebagaimana dinyatakan dalam Akta Notaris Agus Madjid, S.H., No. 1 tanggal 1 Maret 2005, dan telah dilaporkan dan disahkan oleh Menteri Kehakiman dan Hak Asasi Manusia sesuai dengan Surat Keputusan No. C-05619HT.01.04.TH.2005 pada tanggal 3 Maret 2005, Perusahaan melakukan perubahan atas nilai nominal saham yang diakibatkan oleh adanya penggabungan saham yang dilaksanakan dengan rasio 5:1. Setiap 5 saham Perusahaan digabung menjadi 1 saham baru, sehingga sejak tanggal 17 Maret 2005, seluruh saham Perusahaan yang tercatat di Bursa Efek adalah 7.750.080.000 saham.

keputusan RUPSLB Berdasarkan tanggal 29 April 2005, sebagaimana tertuang dalam Akta Notaris Agus Madjid, S.H., No. 1 tanggal 2 Mei 2005, pemegang saham memberikan persetujuan atas perubahan Anggaran Dasar Perusahaan berkenaan dengan peningkatan modal ditempatkan dan disetor penuh. Pemegang Saham juga memberikan persetujuan atas penerbitan 19.220.198.400 saham baru (Seri C) melalui mekanisme Penawaran Umum Terbatas III (PUT III) dengan Hak Memesan Efek Terlebih Dahulu (HMETD). Saham Seri C tersebut merupakan saham biasa dengan nilai nominal Rp100 per saham yang memiliki hak yang sama dengan saham-saham Perusahaan yang telah diterbitkan sebelumnya. Dengan dicatatkannya saham baru ini, jumlah saham Perusahaan yang tercatat di Bursa Efek menjadi sebanyak 26.970.278.400 saham.

Berdasarkan keputusan RUPSLB tanggal 6 Juni 2007, sebagaimana tertuang dalam Akta Notaris Agus Madjid, S.H., No. 26 tanggal 15 Juni 2007, pemegang saham memberikan persetujuan atas peningkatan modal disetor penuh melalui *Employee Stock Option Program (ESOP)* dan *Management Stock Option Program (MSOP)*. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 1. GENERAL (Continued)

On October 25, 2001, the Company conducted Addition of Shares of Capital Stock without Preemptive Rights in accordance with debt restructuring by issuing 36,812,880,000 Series B shares with par value of Rp70 per share, which have the same rights as the Series A shares that had been previously issued. The Series B shares were listed on the JSX on October 25, 2001 and on the SSX on October 31, 2001. Therefore, on December 31, 2001, the total number of the Company shares listed on the Stock Exchange was 38,750,400,000 shares.

Based on the resolution of the EGMS on February 28, 2005, as notarized by Notarial Deed of Agus Madjid, S.H., No. 1 dated March 1, 2005, and approved by the Minister of Law and Human Rights of the Republic of Indonesia per Decision Letter No. C-05619HT.01.04.TH.2005 dated March 3, 2005, the Company amended the par value per share by reversing stocks in the ratio of 5:1. Each 5 Company shares will be combined into 1 new share, therefore as of March 17, 2005, the total Company shares listed on the Stock Exchange became 7,750,080,000 shares.

In accordance with the resolution of the EGMS on April 29, 2005, as notarized by Notarial Deed No. 1 dated May 2, 2005 of Agus Madjid, S.H., the shareholders ratified the amendment to the Company's Articles of Association regarding the changes in share capital issued and fully paid. Additionally, the shareholders approved the Limited Public Offering III (LPO III) through Pre-emptive Rights to issue 19,220,198,400 of a new series of share (Series C), which have the same rights as the previously issued shares with par value of Rp100 per share. Hence, the total shares listed on the Stock Exchange became 26,970,278,400 shares.

In accordance with the resolution of the EGMS on June 6, 2007, as notarized by Notarial Deed No. 26 dated June 15, 2007 of Agus Madjid S.H., the shareholders approved the additional fully paid capital stock through Employee Stock Option Program (ESOP) and Management Stock Option Program (MSOP).

#### 1. UMUM (Lanjutan)

Berdasarkan RUPSLB yang telah diaktakan dengan Akta Notaris Robert Purba, S.H., No. 45 tanggal 21 Februari 2008, para pemegang saham Perusahaan memberikan persetujuan peningkatan nilai nominal saham Perusahaan melalui pengurangan jumlah saham (reverse stock) dan perubahan Anggaran Dasar Perusahaan sehubungan dengan peningkatan nilai nominal saham tersebut. Selanjutnya, berdasarkan pernyataan keputusan rapat Perusahaan yang telah diaktakan dengan Akta Notaris Robert Purba, S.H., No. 52 tanggal 26 Februari 2008, para pemegang saham Perusahaan memberikan persetujuan peningkatan modal dasar Perusahaan dari semula Rp10 triliun yang terdiri dari 44.393.176.000 lembar saham sebelum reverse stock menjadi 22.196.588.000 lembar saham menjadi Rp80 triliun terdiri dari 372.196.588.000 lembar saham yang merupakan prasyarat untuk rencana Penawaran Umum Terbatas IV. Perubahan Anggaran Dasar tersebut telah memperoleh persetujuan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia melalui Surat Keputusan No. AHU-09414.AH.01.02. Tahun 2008 tanggal 26 Februari 2008.

Berdasarkan RUPSLB yang dilaksanakan pada tanggal 17 Maret 2008, sebagaimana tertuang dalam Akta Notaris Robert Purba, S.H., No. 49 tanggal 17 Maret 2008, para pemegang saham Perusahaan menyetujui PUT IV dengan menerbitkan saham baru (Seri C) sejumlah 80.236.578.240 lembar melalui Hak Memesan Efek Terlebih Dahulu (HMETD) dengan harga pelaksanaan Rp500 per lembar saham dan menyetujui perubahan Anggaran Dasar Perusahaan dalam rangka Peningkatan Modal yang Ditempatkan dan Disetor Perusahaan sehubungan dengan pelaksanaan HMETD.

Berkenaan dengan PUT IV, Perusahaan juga menerbitkan Waran Seri I, dimana setiap 17 saham hasil pelaksanaan HMETD tersebut melekat 1 waran yang diberikan sebagai insentif bagi pemegang saham Perusahaan dan/atau pemegang HMETD yang melaksanakan haknya dengan jumlah waran sebanyak 4.719.798.720 dengan Harga Pelaksanaan Rp620. Hingga periode pelaksanaan waran tanggal 1 April 2011, jumlah waran yang telah dieksekusi menjadi saham adalah sebanyak 88 lembar.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 1. GENERAL (Continued)

Based on EGMS as notarized by Notarial Deed No. 45 dated February 21, 2008 of Robert Purba, S.H., the shareholders approved the increase in the nominal value per share through reverse stock and amending the Articles of Association in relation to the increase of nominal value per share. Furthermore, based on the minutes of meeting of the Company, which was notarized in Notarial Deed No. 52 dated February 26, 2008, by Robert Purba, S.H., the shareholders approved the increase of the Company's authorized capital from Rp10 trillion consisting of 44,393,176,000 shares before reverse stock to 22,196,588,000 shares, to Rp80 trillion consisting of 372,196,588,000 shares as a condition of the Company's plan to conduct Limited Public Offering IV through Pre-emptive Rights. Such changes to the Company's Articles of Association were approved by the Minister of Law and Human Rights of the Republic of Indonesia per Decision Letter No. AHU-09414.AH.01.02 Year 2008 dated February 26, 2008.

Based on EGMS dated March 17, 2008, as stated in Notarial Deed No. 49 dated March 17, 2008 of Robert Purba, S.H., the shareholders approved LPO IV by issuing 80,236,578,240 new shares (Series C) with Pre-emptive Right at the exercise price of Rp500 per share and approved the changes to the Company's Articles of Association for increasing the authorized and issued capital in relation to the preemptive right.

With regards to LPO IV, the Company also issued Warrant Series I wherein for each 17 shares from Pre-emptive Rights included 1 Warrant issued as an incentive for the Company's shareholders and/or pre-emptive rights holders to exercise their rights with total warrant of 4,719,798,720 at an Exercise Price of Rp620. Up to the end of warrants exercise date, April 1, 2011, the total warrants exercised were 88 shares.

#### 1. UMUM (Lanjutan)

#### c. Struktur Perusahaan dan Entitas Anak

Perusahaan mempunyai kepemilikan saham secara langsung maupun tidak langsung pada Entitas Anak (selanjutnya secara bersama-sama disebut sebagai "Kelompok Usaha"): PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 1. GENERAL (Continued)

#### c. Structure of the Company and Subsidiaries

The Company has direct and indirect share ownership in the following Subsidiaries (together with the Company hereinafter referred to as the "Group"):

Nama Entitas Anak/	Domisili/	Kegiatan Usaha Utama/ Principal Activity	Operasi Komersial - Year of Establishment/ Commercial	Persentase Kepemilikan/ Percentage of Ownership 2015 2014		Jumlah Aset Sebelum Eliminasi (Dalam Jutaan)/ Total Assets Before Elimination (In Million)	
Name of Subsidiaries	Domicile		Operations	2013 (%)	(%)	2015	2014
Kepemilikan secara langsung/ <u>Direct Ownership</u>							
PT Bakrie Building Industries (BBI)	Jakarta	Industri produk dari fiber semen / Fiber cement building products	1974	99,99	99,99	918.473	827.928
PT Bakrie Metal Industries (BMI)	Bekasi	Pabrikasi baja bergelombang dan "multiplate" / Corrugated metal products and multiplate	1982	99,99	99,99	2.301.503	3.421.225
PT Bakrie Autoparts (BA) (dahulu / formerly PT Bakrie Tosanjaya (BTJ))	Bekasi	Pabrikasi besi cor dan komponen otomotif / Foundry and automotive component	1976	99,99	99,99	825.697	820.774
Bakrie International Finance Company BV (BIFC)	Belanda / Netherlands	Jasa pendanaan / Financial services	1996	100,00	100,00	57	57
PT Bakrie Harper (BHP) (dahulu / <i>formerly</i> PT Bakrie Harper Corporation (BHC) )	Jakarta	Konstruksi baja / Steel Construction	1996	70,00	70,00	664	664
Bestday Assets Limited (BAL)	Mauritius	Investasi / Investment	2001	100,00	100,00	1.380	1.244
Blue Cape BV (BlueCape)	Belanda / Netherlands	Jasa pendanaan / Financial services	2006	100,00	100,00	1.037	1.042
Infrastructure Capital International Limited (ICIL)	British Virgin Islands	Jasa pendanaan / Financial services	2007	100,00	100,00	118.557	106.911
PT Bakrie Indo Infrastructure (BIIN)	Jakarta	Pembangunan dan jasa / Development and services	2008	99,96	99,96	1.343.448	943.600
Bakrie Fund Pte. Ltd. (BF)	Singapura / Singapore	Investasi / Investment	2008	100,00	100,00	423	381
Bakrie Investment Pte. Ltd. (BI)	Singapura / Singapore	Investasi / Investment	2008	100,00	100,00	-	-
Sebastopol Inc. (SI)	Cayman Islands	Investasi / Investment	2008	100,00	100,00	357.558	915.184
Bakrie Energy International Pte. Ltd. (dahulu / <i>formerly</i> Orange Assets Pte. Ltd.)	Singapura / Singapore	Perdagangan / Trading	2009	100,00	100,00	1.846.069	1.265.150
Helix Investment Holding Ltd. (Helix)	British Virgin Island	Investasi / Investment	2009	100,00	100,00	-	-
PT Bakrie Solusi Strategis (BSS) (dahulu / <i>formerly</i> PT Bakrie & Brothers Services (BNBS))	Jakarta	Perdagangan, Jasa, Industri / Trading, Services, Industry	2010	99,99	99,99	4.508	3.737
PT Kreasindo Jaya Utama (KJU)	Jakarta	Perdagangan / Trading	2009	99,99	99,99	-	-
Asia Asset Manager Ltd. (AAM)	Cayman Islands	Investasi / Investment	2012	100,00	100,00	-	-
PT Bakrie Steel Industries (BSI)	Jakarta	Industri dan perdagangan / Industries and trading	2007	-	99,99	-	8.281
PT Cimanggis Cibitung Tollways (CCTW) *)	Jakarta	Pembangunan dan pengelolaan jalan tol/ Development and maintenance operation of toll road	2008	5,00	85,00	-	95.873

1. UMUM (Lanjutan)

#### PT BAKRIE & BROTHERS Tbk DAN ENTITAS ANAK CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN UNTUK TAHUN YANG BERAKHIR PADA TANGGAL 31 DESEMBER 2015 (Angka dalam tabel disajikan dalam ribuan Rupiah, kecuali dinyatakan lain)

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 1. GENERAL (Continued)

Nama Entitas Anak/ Name of Subsidiaries	Domisili/ Domicile	Kegiatan Usaha Utama/ Principal Activity	Tahun Pendirian/ Operasi Komersial - Year of Establishment/ Commercial	Persentase Kepemilikan/ Percentage of Ownership 2015 2014		Jumlah Aset Sebelum Eliminasi (Dalam Jutaan)/ Total Assets Before Elimination (In Million)	
Kepemilikan secara tidak langsung /	Domicue		Operation	(%)	(%)	2015	2014
Indirect Ownership							
<u>Melalui BMI / Through BMI</u> PT Bakrie Pipe Industries (BPI)	Jakarta	Pabrikasi pipa baja / Steel pipe manufacturer	1979	99,99	99,99	1.714.676	2.909.780
PT Bakrie Construction (BCons)	Jakarta	Konstruksi baja / Steel Construction	1986	97,57	97,57	375.356	476.085
PT Bina Inspeksi Ujiprima (BIU)	Jakarta	Laboratorium / Laboratory service	2014	60,00	60,00	-	-
PT Bina Proteksiprima Pipabaja (BPP)	Jakarta	Jasa Pelapisan / Coating Plant	2014	60,00	60,00	-	-
Melalui BIIN / Through BIIN							
PT Bakrie Gas (BG)	Jakarta	Perdagangan minyak dan gas bumi / Oil and Gas Trading	2006	99,50	99,50	19.998	19.998
PT Bakrie Gasindo Utama (BGU)	Jakarta	Perdagangan minyak dan gas bumi / Oil and Gas Trading	2006	99,50	99,50	19.998	19.998
PT Bakrie Java Energy (BJE)	Jakarta	Perdagangan minyak dan gas bumi / Oil and Gas Trading	2006	99,99	99,99	498	498
PT Energas Daya Pratama (EDP)	Jakarta	Perdagangan minyak dan gas bumi / Oil and Gas Trading	2006	99,50	99,50	9.998	9.998
PT Bakrie Power (BP)	Jakarta	Pembangkit tenaga Listrik / Energy and electrical power	1994	99,99	99,99	1.319.893	902.451
PT Bangun Infrastruktur Nusantara (BIN)	Jakarta	Pembangunan dan jasa / Development and Services	2008	99,99	99,99	10.940	10.941
PT Bakrie Oil & Gas Infrastructure (BOGI)	Jakarta	Pembangunan dan jasa / Development and Services	2008	99,99	99,99	22.026	22.960
PT Bakrie Telco Infrastructure (BTelco)	Jakarta	Pembangunan dan jasa / Development and Services	2008	99,50	99,50	10.000	10.000
PT Bakrie Toll Indonesia (BTI)	Jakarta	Pembangunan dan jasa / Development and Services	2008	99,99	99,99	66.429	85.928
PT Bakrie Port Indonesia (BPort)	Jakarta	Pembangunan dan jasa / Development and Services	2008	99,50	99,50	10.100	10.100
<u>Melalui BPI / Through BPI</u> PT South East Asia Pipe Industries (SEAPI)	Jakarta	Pabrikasi pipa baja / Steel pipe manufacturer	2001	99,82	99,82	611.184	665.685
PT Bina Andalan Karya Inspeksi (BAKI)	Jakarta	Laboratorium / Laboratory service	2014	99,99	99,99	2.721	7.131
PT Bina Karya Proteksi Pipabaja (BKPP)	Jakarta	Jasa Pelapisan / Coating Plant	2014	99,99	99,99	52.994	52.931
Melalui BA / Through BA							
PT Bakrie Steel Industries (BSI)	Jakarta	Industri dan perdagangan / Industries and trading	2007	99,99	-	14.517	-
PT Braja Mukti Cakra (BMC)	Bekasi	Industri suku cadang kendaraan bermotor / Automotive components manufacturer	1986	50,00	50,00	238.949	225.958
PT Aneka Banusakti (ABS)	Jawa Timur/East Java	Industri suku cadang kendaraan bermotor / Automotive components manufacturer	1994	-	58,00	-	19.665
PT Bina Usaha Mandiri Mizusawa (BUMM)	Tangerang	Industri suku cadang kendaraan bermotor / Automotive components manufacturer	1986	99,90	99,90	94.803	91.625

1. UMUM (Lanjutan)

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 1. GENERAL (Continued)

Nama Entitas Anak/	Domisili/	Kegiatan Usaha Utama/ Principal Activity	Tahun Pendirian/ Operasi Komersial - Year of Establishment/ Commercial	Persentase Kepemilikan/ Percentage of Ownership 2015 2014		Jumlah Aset Sebelum Eliminasi (Dalam Jutaan)/ Total Assets Before Elimination (In Million)	
Name of Subsidiaries	Domicile		Operations	(%)	(%)	2015	2014
<u>Melalui BEI / Through BEI</u> PT Bakrie Kimia Investama (BKIV)	Jakarta	Konsultasi manajemen / Management consultation	2009	99,00	99,00	136.707	131.779
Bakrie AN International Pte. Ltd.	Singapura / Singapore	Perdagangan amonium nitrat / Trading in ammonium nitrat	2009	100,00	100,00	-	-
Bakrie Agro Commodity International Pte. Ltd.	Singapura / Singapore	Perdagangan Olein / Trading in Olein	2009	100,00	100,00	-	-
<u>Melalui Helix / Through Helix</u> Jupiter Asia No. 1 Pte. Ltd. (Jupiter)	Singapura / Singapore	Investasi / Investment	2009	100,00	100,00	-	-
<u>Melalui PT Bakrie Kimia Investama /</u> <u>Through PT Bakrie Kimia Investama</u> PT Batuta Chemical Industrial Park (BCIP)	Jakarta	Pembangunan dan Pengelolaan Kawasan Industri / Industrial estated management	2009	95,00	95,00	-	-
PT Batuta Kimia Utama (BKU)	Jakarta	Industri pupuk buatan / Non-organic fertilizer industry	2009	95,00	95,00	-	-
PT Batuta Kimia Perdana (BKP)	Jakarta	Industri kimia dasar chlororganik / Chemical Industries-organic chlor	2009	45,00	45,00	-	-
<u>Melalui BP / Through BP</u> PT Sokoria Geothermal Indonesia (SGI)	Jakarta	Pembangkit tenaga Listrik / Energy and electrical power	2009	53,00	53,00	31.892	31.448
PT Bakrie Darmakarya Energi (BDE)	Jakarta	Pembangkit tenaga Listrik / Energy and electrical power	2011	98,00	98,00	415.859	414.445
PT Kuala Tanjung Power (KTP)	Jakarta	Pembangkit tenaga Listrik / Energy and electrical power	2010	99,00	99,00	9.563	9.446
<u>Melalui KJU / Through KJU</u> PT Batuta Kimia Perdana (BKP)	Jakarta	Industri kimia dasar chlororganik / Chemical Industries-organic chlor	2009	55,00	55,00	-	-
<u>Melalui BBI / Through BBI</u> PT Bangun Bantala Indonesia (BBIn)	Jakarta	Perdagangan Umum / General Trading	2013	99,02	99,02	29.002	30.291
<u>Melalui BTI / Through BTI</u> PT Cimanggis Cibitung Tollways (CCTW) *)	Jakarta	Pembangunan dan pengelolaan jalan tol/ Development and maintenance operation of toll road	2008	5,00	85,00	-	95.873

\*) Telah didekonsolidasi pada tanggal 13 Juli 2015 (Catatan 4b).

## d. Dewan Komisaris dan Direksi, Komite Audit dan Karyawan

Susunan Dewan Komisaris dan Direksi Perusahaan pada tanggal 31 Desember 2015 dan 2014 adalah sebagai berikut:

\*) Deconsolidated as of July 13, 2015 (Note 4b).

#### d. Boards of Commissioners and Directors, Audit Committee and Employees

As of December 31, 2015 and 2014, the members of the Company's Boards of Commissioners and Directors were as follows:



#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 1. UMUM (Lanjutan)

#### 1. GENERAL (Continued)

	2015	2014	
Dewan Komisaris			<b>Board of Commissioners</b>
Komisaris Utama/			President/Independent
Independen	Irwan Sjarkawi	Irwan Sjarkawi	Commissioner
Komisaris Independen	-	Mohamad Ikhsan	Independent Commissioner
Komisaris	Armansyah Yamin	Armansyah Yamin	Commissioner
Komisaris	Nugroho I. Purbowinoto	Nugroho I. Purbowinoto	Commissioner
Direksi			<b>Board of Directors</b>
Direktur Utama	Gafur Sulistyo Umar	Gafur Sulistyo Umar	President Director
Direktur	A. Amri Aswono Putro	Moh. Eddy D. Soeparno	Director
Direktur Independen	Dody Taufiq Wijaya	Dody Taufiq Wijaya	Independent Director
Direktur	R.A. Sri Dharmayanti	R.A. Sri Dharmayanti	Director

Selain Dewan Komisaris dan Direksi, personil manajemen kunci Perusahaan terdiri dari pimpinan dari masing-masing departemen seperti investasi, pengembangan strategis dan komunikasi perusahaan.

Pembentukan Komite Audit Perusahaan mengacu pada Peraturan Bapepam No. IX.I.5, dimana susunan anggota Komite Audit pada tanggal 31 Desember 2015 dan 2014 adalah sebagai berikut:

	2015			
Ketua	Irwan Sjarkawi			
Anggota	Nugroho I. Purbowinoto			
Anggota	Lifransyah Gumay			
Anggota	Arief A. Dhani			

2015

Pada tanggal 31 Desember 2015 dan 2014, Kelompok Usaha memiliki masing-masing 3.416 orang dan 3.155 orang pegawai (tidak diaudit).

#### e. Penyelesaian Laporan Keuangan Konsolidasian

Manajemen Perusahaan bertanggung jawab atas penyusunan laporan keuangan konsolidasian ini yang telah disetujui oleh Direksi untuk diterbitkan pada tanggal 23 Maret 2016. A.A. Sri Dharmayanti Director Aside from Boards of Commissioners and Directors, the Company's key personnel consist of chief officers

in each department such as investment, strategic development and corporate communications.

The Company's Audit Committee is set to conform with Bapepam Regulation No. IX.I.5, whereas the members of the Audit Committee as of December 31, 2015 and 2014, were as follows:

2014	
Mohamad Ikhsan	Chairman
Nugroho I. Purbowinoto	Member
Lifransyah Gumay	Member
-	Member

As of December 31, 2015 and 2014, the Group had 3,416 employees and 3,155 employees, respectively (unaudited).

#### e. Completion of the Consolidated Financial Statements

The management of the Company is responsible of the preparation of these consolidated financial statements which have been authorized for issued by the Board of Directors on March 23, 2016.

Corporate Profile

t From The Board of Commis & The Board of Directors

#### 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN

#### a. Dasar Penyusunan Laporan Keuangan Konsolidasian dan Pernyataan Kepatuhan

Laporan keuangan konsolidasian telah disusun sesuai dengan Standar Akuntansi Keuangan ("SAK"), yang mencakup Pernyataan dan Interpretasi yang diterbitkan oleh Dewan Standar Akuntansi Keuangan Ikatan Akuntan Indonesia, termasuk beberapa standar baru atau yang direvisi, yang berlaku efektif sejak tanggal 1 Januari 2015, dan peraturan-peraturan serta Pedoman Penyajian dan Pengungkapan Laporan Keuangan yang diterbitkan oleh Otoritas Jasa Keuangan (dahulu BAPEPAM-LK).

Efektif pada tanggal 1 Januari 2015, Kelompok Usaha diterapkan PSAK No. 1 (Revisi 2013) tentang "Penyajian Laporan Keuangan". PSAK ini mengubah penyajian kelompok pos-pos dalam Penghasilan Komprehensif Lain. Pos-pos yang akan direklasifikasi ke laba rugi disajikan terpisah dari pos-pos yang tidak akan direklasifikasi ke laba rugi. Penerapan PSAK revisi tersebut tidak memberikan pengaruh yang berarti terhadap pengukuran pelaporan keuangan kecuali untuk pengungkapan terkait dalam laporan keuangan konsolidasian.

Laporan keuangan konsolidasian, kecuali laporan arus kas konsolidasian, telah disusun secara akrual dengan menggunakan konsep biaya perolehan (*historical cost*), kecuali untuk akun-akun tertentu yang dicatat berdasarkan basis lain seperti yang diungkapkan pada kebijakan akuntansi masingmasing akun terkait.

Laporan arus kas konsolidasian disusun dengan menggunakan metode langsung, dan dikelompokkan ke dalam aktivitas operasi, investasi dan pendanaan.

Mata uang penyajian yang digunakan dalam penyusunan laporan keuangan konsolidasian adalah mata uang Rupiah ("Rp"), yang juga merupakan mata uang fungsional Perusahaan dan Entitas Anak tertentu.

Ketika entitas menerapkan suatu kebijakan akuntansi secara retrospektif atau membuat penyajian kembali pos-pos laporan keuangan atau ketika entitas mereklasifikasi pos-pos dalam laporan keuangan maka laporan posisi keuangan pada awal periode komparatif disajikan. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### a. Basis of Preparation of Consolidated Financial Statements and Statement of Compliance

The consolidated financial statements have been prepared in accordance with Financial Accounting Standards ("SAK"), which comprise the Statements and Interpretations issued by the Board of Financial Accounting Standards of the Indonesian Institute of Accountants, including applicable new or revised standards effective on January 1, 2015, and the regulations and the Financial Statement Presentation and Disclosure Guidelines issued by the Financial Services Authority (formerly BAPEPAM-LK).

Effective January 1, 2015, the Group adopted PSAK No. 1 (Revised 2013), "Presentation of Financial Statements". This PSAK changed the grouping of items presented in Other Comprehensive Income. Items that can be reclassified to profit or loss are to be presented separately from items that will never be reclassified. The adoption of this revised PSAK has no significant impact on the financial reporting measurement except for the related disclosures in the consolidated financial statements.

The consolidated financial statements, except for the consolidated statements of cash flows, have been prepared on an accrual basis of accounting using the historical cost concept, except for certain accounts that are measured on the basis described in the related accounting policies.

The consolidated statement of cash flows are prepared using the direct method, and classified into operating, investing and financing activities.

The presentation currency used in the preparation of the consolidated financial statements is Indonesian Rupiah ("Rp"), which is also the functional currency of the Company and its certain Subsidiaries.

When the entity adopts accounting policy retrospectively or restates items in its financial statements or the entity reclassifies the items in its financial statements, the statements of financial position at the beginning of comparative period are presented.

#### 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

#### b. Prinsip-prinsip Konsolidasi

Efektif tanggal 1 Januari 2015, Kelompok Usaha diterapkan PSAK No. 65 "Laporan Keuangan Konsolidasian". PSAK ini menggantikan porsi PSAK No. 4 (Revisi 2009) yang mengenai pengaturan akuntansi untuk laporan keuangan konsolidasian, menetapkan prinsip penyusunan dan penyajian laporan keuangan konsolidasian ketika entitas mengendalikan satu atau lebih entitas lain. PSAK tersebut tidak memberikan pengaruh yang berarti terhadap laporan keuangan konsolidasian.

Laporan keuangan konsolidasian menggabungkan seluruh Entitas Anak yang dikendalikan oleh Perusahaan. Pengendalian dianggap ada ketika Perusahaan memiliki secara langsung atau tidak langsung melalui Entitas Anak hal-hal sebagai berikut:

- a. Kekuasaan untuk mengarahkan aktivitas relevan;
- b. Eksposur atau hak atas imbal hasil variabel dari keterlibatannya dengan *investee*;
- c. Kemampuan untuk menggunakan kekuasaanya atas *investee* untuk mempengaruhi jumlah imbal hasil *investor*.

Entitas anak dikonsolidasi sejak tanggal akuisisi, yaitu tanggal Kelompok Usaha memperoleh pengendalian, sampai dengan tanggal Kelompok Usaha kehilangan pengendalian.

Kepentingan nonpengendali mencerminkan bagian atas laba atau rugi dan aset neto yang tidak diatribusikan kepada entitas induk dan disajikan secara terpisah dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian dan ekuitas pada laporan posisi keuangan konsolidasian, dipisahkan dari ekuitas yang dapat diatribusikan kepada entitas induk.

Seluruh laba rugi dan penghasilan komprehensif lainnya diatribusikan pada pemilik entitas induk dan pada kepentingan nonpengendali bahkan jika hal ini mengakibatkan kepentingan nonpengendali mempunyai saldo defisit.

Seluruh saldo akun dan transaksi yang material antar entitas yang dikonsolidasi telah dieliminasi.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### b. Principles of Consolidation

Effective January 1, 2015, the Group adopted PSAK No. 65 "Consolidated Financial Statements". This PSAK replaces the portion of PSAK No. 4 (Revised 2009) that addresses the accounting for consolidated financial statements, established the principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. The adoption of this new PSAK has no significant impact on the consolidated financial statements.

The consolidated financial statements include all Subsidiaries that are controlled by the Company. Control is presumed to exist when the Company, directly or indirectly through Subsidiaries, has the following:

- a. Power over to direct relevant activities;
- b. Exposure, or rights, to variable returns from its involvement with the investee;
- *c.* Ability to use its power over the investee to affect the amount of the investor's returns.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Non-controlling interest represents a portion of the profit or loss and net assets not attributable to the parent and is presented separately in the consolidated statement of profit or loss and other comprehensive income, and within equity in the consolidated statement of financial position, separate from equity attributable to the parent.

Total profit or loss and other comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All significant intercompany transactions and balances have been eliminated.

#### 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

## Perubahan bagian kepemilikan tanpa kehilangan pengendalian

Perubahan dalam bagian kepemilikan entitas induk pada entitas anak yang tidak mengakibatkan hilangnya pengendalian dicatat sebagai transaksi ekuitas, dimana nilai tercatat kepentingan pengendali dan nonpengendali disesuaikan untuk mencerminkan perubahan bagian relatifnya atas entitas anak. Perbedaan antara jumlah kepentingan nonpengendali disesuaikan dan nilai wajar imbalan yang diberikan atau diterima diakui secara langsung dalam ekuitas dan diatribusikan pada pemilik entitas induk (Catatan 2r).

#### Pelepasan entitas anak

Jika entitas induk kehilangan pengendalian atas entitas anak, maka entitas induk menghentikan pengakuan aset (termasuk goodwill), liabilitas dan komponen entitas terkait dengan entitas anak tersebut, dan mengukur setiap sisa investasi pada entitas anak terdahulu pada nilai wajarnya pada tanggal hilangnya pengendalian. Disamping itu, jumlah yang sebelumnya diakui pada pendapatan komprehensif lain sehubungan dengan entitas tersebut telah dicatat seolah-olah entitas induk telah melepas aset atau liabilitas terkait. Hal ini dapat berarti bahwa jumlah yang sebelumnya diakui pada pendapatan komprehensif lain direklasifikasi ke laporan laba rugi. Keuntungan atau kerugian yang terjadi diakui sebagai laba rugi yang dapat diatribusikan pada entitas induk.

#### c. Kombinasi Bisnis

Kombinasi bisnis dicatat dengan metode akuisisi. Selisih lebih nilai agregat dari nilai wajar imbalan yang dialihkan, jumlah proporsi kepemilikan kepentingan nonpengendali atas aset neto teridentifikasi dari pihak yang diakuisisi, dan nilai wajar kepentingan ekuitas yang sebelumnya dimiliki pihak pengakuisisi, atas nilai wajar aset neto teridentifikasi yang diperoleh diakui sebagai *goodwill*. Jika terdapat *goodwill* negatif, maka jumlah tersebut diakui dalam laba rugi. *Goodwill* tidak diamortisasi tetapi dilakukan uji penurunan nilai setiap tahun. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

<u>Changes in the ownership interests without change of</u> <u>control</u>

Changes in a parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions, in which the carrying amounts of the controlling and noncontrolling interests are adjusted to reflect the changes in their relative interests in the subsidiary. The difference between the amount by which the noncontrolling interests are adjusted and the fair value of the consideration paid or received shall be recognized directly in equity and attributed to the owners of the parent (Note 2r).

#### Disposal of subsidiaries

When a parent loses control of a subsidiary it derecognises the assets (including goodwill), liabilities and related equity components of the former subsidiary, and measures any investment retained in the former subsidiary at its fair value at the date when control is lost. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the parent had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss. The resulted gain or loss is recognized in profit or loss attributed to the owners of the parent.

#### c. Business Combinations

Business combinations are accounted for using the acquisition method. Any excess of the aggregate of the fair value of the consideration transferred, the non-controlling interest's proportionate share of the acquiree's net identifiable assets, and the fair value of the acquirer's previously held equity interest in the acquiree, over the fair values of the identifiable net assets acquired is recognized as goodwill. In case of negative goodwill, such amount is recognized in profit or loss. Goodwill is not amortized but annually assesed for impairment.

Additional Information



#### 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

#### d. Kas dan Setara Kas

Kas dan setara kas terdiri dari saldo kas dan bank, serta deposito berjangka yang jatuh tempo dalam waktu tiga (3) bulan atau kurang dari tanggal perolehan dan tidak digunakan sebagai jaminan atau dibatasi penggunaannya.

Kas di bank dan deposito berjangka dibatasi penggunaannya disajikan sebagai "Kas di Bank Dibatasi Penggunaannya." Kas di bank yang dibatasi penggunaannya yang akan digunakan untuk membayar liabilitas jatuh tempo dalam satu (1) tahun, disajikan sebagai bagian dari aset lancar. Rekening bank dan deposito berjangka lainnya yang dibatasi penggunaannya disajikan sebagai aset tidak lancar.

#### e. Instrumen Keuangan

Efektif tanggal 1 Januari 2015, Kelompok Usaha menerapkan PSAK No. 50 (Revisi 2014) tentang "Instrumen Keuangan: Penyajian", PSAK No. 55 (Revisi 2014) tentang "Instrumen Keuangan: Pengakuan dan Pengukuran" dan PSAK No. 60 (Revisi 2014) tentang "Instrumen Keuangan: Pengungkapan".

PSAK No. 50 (Revisi 2014) memberikan pedoman mengenai kriteria hak secara hukum untuk melakukan saling hapus atas jumlah tercatat dan penyelesaian secara neto. PSAK No. 55 (Revisi 2014) memberikan ketentuan tambahan untuk kriteria pengakhiran atau penghentian instrumen lindung nilai, dan ketentuan untuk mencatat instrumen keuangan pada tanggal pengukuran dan setelah pengakuan awal. PSAK No. 60 (Revisi 2014) memberikan ketentuan tambahan mengenai pengungkapan saling hapus dengan informasi kuantitatif dan kualitatif dan pengungkapan mengenai transfer instrumen keuangan. Penerapan PSAK yang direvisi tersebut tidak memberikan pengaruh yang berarti terhadap laporan keuangan konsolidasian.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### d. Cash and Cash Equivalents

Cash and cash equivalents consists of cash on hand and in banks, and time deposits with original maturities within three (3) months or less that are not pledged as collateral or restricted in use.

Cash in banks and time deposits, which are restricted in use, are presented as "Restricted Cash in Banks." Restricted cash in banks to be used to pay currently maturing obligations that are due within one (1) year is presented under current assets. Other current accounts and time deposits that are restricted in use are presented under non-current assets.

#### e. Financial Instruments

Effective January 1, 2015, the Group applied PSAK No. 50 (Revised 2014) "Financial Instruments: Presentation", PSAK No. 55 (Revised 2014) "Financial Instruments: Recognition and Measurement", and PSAK No. 60 (Revised 2014) "Financial Instruments: Disclosures".

PSAK No. 50 (Revised 2014) provides guidance on applying the criteria on legally enforceable right to set-off recognized amounts and to settle on a net basis. PSAK No. 55 (Revised 2014) discusses the criteria of non-expiration or termination of hedging instrument and the accounting for financial instruments at the measurement date and after initial recognition. PSAK No. 60 (Revised 2014) discusses offsetting disclosures with quantitative and qualitative information and disclosures on transfers of financial instruments from one classification to another. The adoption of these revised PSAKs has no significant impact on the consolidated financial statements.

Corporate Profile

Main Highlights

## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

#### (1) Aset Keuangan

#### Pengakuan awal

Aset keuangan pada awalnya diakui sebesar nilai wajarnya ditambah biaya transaksi, kecuali untuk aset keuangan yang diklasifikasikan pada nilai wajar melalui laporan laba rugi yang pada awalnya diukur dengan nilai wajar.

Klasifikasi aset keuangan antara lain sebagai aset keuangan yang ditetapkan untuk diukur pada nilai wajar melalui laporan laba rugi *(FVTPL)*, investasi dimiliki hingga jatuh tempo *(HTM)*, pinjaman yang diberikan dan piutang atau aset keuangan tersedia untuk dijual *(AFS)*. Kelompok Usaha menetapkan klasifikasi aset keuangannya pada saat pengakuan awal dan, sepanjang diperbolehkan dan diperlukan, ditelaah kembali pengklasifikasian aset tersebut pada setiap akhir periode pelaporan.

Kelompok Usaha mengklasifikasikan aset keuangannya ke dalam kategori: aset keuangan yang diukur pada nilai wajar melalui laporan laba rugi, pinjaman yang diberikan dan piutang dan aset keuangan tersedia untuk dijual (Catatan 38).

#### Pengukuran selanjutnya

• Aset keuangan yang diukur pada nilai wajar melalui laporan laba rugi *(FVTPL)* 

Aset keuangan diklasifikasikan sebagai *FVTPL* jika aset keuangan diperoleh untuk diperdagangkan atau ditetapkan sebagai *FVTPL* pada saat pengakuan awal. Aset keuangan diklasifikasikan sebagai kelompok diperdagangkan jika diperoleh untuk tujuan dijual atau dibeli kembali dalam waktu dekat.

Aset derivatif juga diklasifikasikan sebagai kelompok diperdagangkan kecuali aset derivatif tersebut ditetapkan sebagai instrumen lindung nilai efektif.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (1) Financial Assets

#### Initial recognition

Financial assets are recognized initially at fair value plus transaction costs, except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Financial assets are classified as financial assets at fair value through profit or loss (FVTPL), heldto-maturity investments (HTM), loans and receivables or available-for-sale financial assets (AFS). The Group determines the classification of its financial assets at initial recognition and, where allowed and appropriate, re-evaluates the designation of such assets at each end of reporting period.

The Group classifies its financial assets into these categories: financial assets at fair value through profit or loss, loans and receivables and available for sale (Note 38).

#### Subsequent measurement

• Financial assets at fair value through profit or loss (FVTPL)

Financial assets are classified as at FVTPL where the financial assets are either held for trading or designated as FVTPL at initial recognition. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Derivative assets are also classified as held for trading unless they are designated as effective hedging instruments.



## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

Aset keuangan yang ditetapkan sebagai *FVTPL* disajikan dalam laporan posisi keuangan konsolidasian pada nilai wajar dengan keuntungan atau kerugian dari perubahan nilai wajar diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian. Keuntungan atau kerugian yang diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian termasuk dividen atau bunga yang diperoleh dari aset keuangan.

• Pinjaman yang diberikan dan piutang

Pinjaman yang diberikan dan piutang adalah aset keuangan non-derivatif dengan pembayaran tetap atau telah ditentukan, yang tidak mempunyai kuotasi di pasar aktif. Aset keuangan tersebut diukur sebesar biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif, dikurangi dengan penurunan nilai. Keuntungan dan kerugian diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian pada saat pinjaman vang diberikan dan piutang dihentikan pengakuannya atau mengalami penurunan nilai, serta melalui proses amortisasi.

• Aset keuangan tersedia untuk dijual (AFS)

Aset keuangan AFS adalah aset keuangan non derivatif yang ditetapkan sebagai tersedia untuk dijual atau yang tidak diklasifikasikan dalam tiga kategori sebelumnya. Setelah pengakuan awal, aset keuangan AFS diukur dengan nilai wajar dengan keuntungan atau kerugian yang belum terealisasi diakui dalam komponen ekuitas sampai aset keuangan tersebut dihentikan pengakuannya atau sampai diturunkan nilainya dan pada saat yang sama keuntungan atau kerugian kumulatif yang sebelumnya diakui dalam ekuitas harus diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian. Aset keuangan ini diklasifikasikan sebagai aset tidak lancar kecuali aset keuangan tersebut ditujukan untuk dilepaskan dalam waktu dua belas (12) bulan dari tanggal laporan posisi keuangan.

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial assets at FVTPL are carried on the consolidated statement of financial position at fair value with gains or losses recognized in the consolidated statement of profit or loss and other comprehensive income. The gains or losses recognized in the consolidated statement of profit or loss and other comprehensive income include any dividend or interest earned from the financial assets.

• Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. Such financial assets are carried at amortized cost using the effective interest method, less any impairment. Gains and losses are recognized in the consolidated statement of profit or loss and other comprehensive income when the loans and receivables are derecognized or impaired, as well as through the amortization process.

• Available-for-sale (AFS) financial assets

AFS financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the three preceding categories. After initial recognition, AFS financial assets are measured at fair value with unrealized gains and losses being recognized as a component of equity until the financial assets are derecognized or until the financial assets are determined to be impaired, at which time the cumulative gains or losses previously reported in equity are included in the consolidated statement of profit or loss and other comprehensive income. These financial assets are classified as non-current assets unless the intention is to dispose of them within twelve (12) months from the statement of financial position date.

Corporate Profile

Main Highlights

## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

#### Penurunan nilai aset keuangan

Pada setiap tanggal pelaporan, Kelompok Usaha mengevaluasi apakah aset keuangannya mengalami penurunan nilai.

• Aset keuangan yang diukur pada biaya perolehan diamortisasi

Jika terdapat bukti objektif penurunan nilai, maka jumlah kerugian tersebut, yang diukur sebagai selisih antara nilai tercatat aset dengan nilai kini estimasi arus kas masa datang (tidak termasuk kerugian kredit dimasa datang yang belum terjadi) yang didiskonto menggunakan suku bunga efektif yang dihitung saat pengakuan awal aset tersebut, diakui pada laba rugi.

• Aset keuangan tersedia untuk dijual (AFS)

Jika terdapat bukti objektif bahwa aset *AFS* mengalami penurunan nilai, maka kerugian kumulatif yang sebelumnya diakui secara langsung dalam ekuitas harus dikeluarkan dari ekuitas dan diakui pada laba rugi.

## Penghentian pengakuan aset keuangan

Kelompok Usaha menghentikan pengakuan aset keuangan, jika dan hanya jika: hak kontraktual atas arus kas yang berasal dari aset keuangan tersebut berakhir; atau Kelompok Usaha mentransfer hak kontraktual untuk menerima arus kas yang berasal dari aset keuangan atau tetap memiliki hak kontraktual untuk menerima arus kas yang berasal dari aset keuangan namun juga menanggung kewajiban kontraktual untuk membayar arus kas yang diterima tersebut kepada satu atau lebih pihak penerima melalui suatu kesepakatan yang memenuhi persyaratan tertentu. Ketika Kelompok Usaha mentransfer aset keuangan, maka Kelompok Usaha mengevaluasi sejauh mana Kelompok Usaha tetap memiliki risiko dan manfaat atas kepemilikan aset keuangan tersebut.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Impairment of financial assets

The Group evaluates at each reporting date, whether any of its financial asset is impaired.

• Financial assets measured at amortised cost

If there is objective evidence of impairment, the amount of loss, which is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the effective interest rate computed at initial recognition of the asset, shall be recognized in profit or loss.

• Available-for-sale (AFS) financial assets

If there is objective evidence that an AFS asset is impaired, the cumulative loss previously recognized directly in equity is transferred from equity to profit or loss.

## Derecognition of financial assets

The Group shall derecognize financial assets, when and only when: the contractual rights to the cash flows from the financial asset over; the contractual rights to receive the cash flows of the financial asset are transferred to another entity or the contractual rights to receive the cash flows of the financial asset are retained but a contractual obligation is assumed to pay the cash flows to one or more recipients in an arrangement that meets certain conditions. When the Group transfers a financial asset, it shall evaluate the extent to which it retains the risks and rewards of ownership of the financial asset.



## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

#### (2) Liabilitas Keuangan dan Instrumen Ekuitas

#### Pengakuan awal

Kelompok Usaha menetapkan klasifikasi liabilitas keuangannya pada saat pengakuan awal. Instrumen utang dan ekuitas dikelompokkan sebagai liabilitas keuangan atau sebagai ekuitas sesuai dengan substansi pengaturan kontraktual.

Liabilitas keuangan diklasifikasikan sebagai liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi, liabilitas keuangan yang diukur pada biaya perolehan diamortisasi, atau sebagai derivatif yang ditentukan sebagai instrumen lindung nilai dalam lindung nilai yang efektif, mana yang sesuai. Liabilitas keuangan diakui pada awalnya sebesar nilai wajar dan, dalam hal pinjaman dan utang, termasuk biaya transaksi yang dapat diatribusikan secara langsung.

Instrumen ekuitas adalah setiap kontrak yang memberikan hak residual atas aset suatu entitas setelah dikurangi seluruh liabilitasnya. Instrumen ekuitas yang diterbitkan oleh Kelompok Usaha dicatat sebesar hasil yang diperoleh, dikurangi biaya penerbitan instrumen ekuitas.

Instrumen keuangan majemuk, seperti obligasi atau instrumen sejenis yang dapat dikonversi oleh pemegangnya menjadi saham biasa dengan jumlah yang telah ditetapkan, dipisahkan antara liabilitas keuangan dan ekuitas sesuai dengan substansi pengaturan kontraktual. Pada tanggal penerbitan instrumen keuangan majemuk, nilai wajar dari komponen liabilitas diestimasi dengan menggunakan suku bunga yang berlaku di pasar untuk instrumen non-convertible yang serupa. Jumlah ini dicatat sebagai liabilitas dengan dasar biaya perolehan diamortisasi menggunakan metode suku bunga efektif sampai dengan liabilitas tersebut berakhir melalui konversi atau pada tanggal instrumen jatuh tempo. Komponen ekuitas ditentukan dengan cara mengurangkan jumlah komponen liabilitas dari keseluruhan nilai wajar instrumen keuangan majemuk. Jumlah tersebut diakui dan dicatat dalam ekuitas, dikurangi dengan pajak penghasilan, dan tidak ada pengukuran setelah pengakuan awal.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (2) Financial Liabilities and Equity Instruments

#### Initial recognition

The Group determines the classification of its financial liabilities at initial recognition. Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities are classified as financial liabilities at fair value through profit or loss, financial liabilities measured at amortized cost, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, inclusive of directly attributable transaction costs.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issuance costs.

Compound financial instruments, a bond or similar instrument convertible by the holder into a fixed number of ordinary shares, are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issuance of compound financial instruments, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound financial instruments as a whole. This amount is recognized and included in equity, net of income tax effects, and is not subsequently remeasured.

Corporate Profile

## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

Kelompok Usaha mengklasifikasikan liabilitas keuangannya ke dalam kategori: pinjaman dan utang serta liabilitas keuangan pada *FVTPL* (Catatan 38).

#### Pengukuran selanjutnya

• Liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi (*FVTPL*)

Liabilitas keuangan yang diukur pada FVTPL termasuk liabilitas keuangan untuk diperdagangkan dan liabilitas keuangan yang ditetapkan pada saat pengakuan awal untuk diukur pada FVTPL. Liabilitas keuangan diklasifikasikan sebagai kelompok diperdagangkan jika liabilitas keuangan tersebut diperoleh untuk tujuan dijual atau dibeli kembali dalam waktu dekat. Liabilitas derivatif juga diklasifikasikan sebagai kelompok diperdagangkan kecuali liabilitas derivatif tersebut ditetapkan sebagai instrumen lindung nilai efektif. Liabilitas keuangan yang diukur pada FVTPL dinyatakan sebesar nilai wajar dengan keuntungan atau kerugian diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian. Keuntungan atau kerugian yang diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian termasuk bunga yang dibayar atas liabilitas keuangan.

• Liabilitas keuangan yang diukur pada biaya perolehan diamortisasi

Setelah pengakuan awal, liabilitas keuangan dalam kategori ini selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Keuntungan dan kerugian diakui dalam laba rugi pada saat liabilitas tersebut dihentikan pengakuannya serta melalui proses amortisasi.

## Penghentian pengakuan liabilitas keuangan

Kelompok Usaha menghentikan pengakuan liabilitas keuangan jika, dan hanya jika, liabilitas Kelompok Usaha dihentikan, dibatalkan atau kadaluwarsa.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Group classifies its financial liabilities into this category: loans and borrowings and financial liability at the FVTPL (Note 38).

## Subsequent measurement

• Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition at FVTPL. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivative liabilities are also classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at FVTPL are stated at fair value with gains or losses recognized in the consolidated statement of profit or loss and other comprehensive income. The gains or losses recognized in the consolidated statement of profit or loss and other comprehensive income incorporate any interest paid on the financial liabilities.

• Financial liabilities measured at amortised cost

After initial recognition, financial liabilities in this category are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized, as well as through the amortization process.

## Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when the Group obligations are discharged, cancelled or expire.



## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

#### (3) Fasilitas Repo

Fasilitas repo diakui pada awalnya sebesar nilai wajar dan termasuk biaya transaksi yang dapat diatribusikan secara langsung, dan selanjutnya diukur pada biaya perolehan diamortisasi. Selisih antara harga pembelian kembali dengan nilai nominal pinjaman diakui sebagai beban keuangan menggunakan metode suku bunga efektif.

#### (4) Instrumen Derivatif

Instrumen derivatif dicatat pada pengakuan awal sebesar nilai wajar pada tanggal perjanjian derivatif ditandatangani dan diukur kembali setiap akhir periode laporan. Derivatif dicatat sebagai aset keuangan saat nilai wajar positif dan liabilitas keuangan saat nilai wajar negatif.

Derivatif melekat disajikan dengan kontrak utamanya pada laporan posisi keuangan konsolidasian yang mencerminkan penyajian yang memadai atas seluruh arus kas pada masa datang dari instrumen tersebut secara keseluruhan. Derivatif yang melekat pada instrumen keuangan atau kontrak awal diperlakukan sebagai derivatif yang berbeda saat risiko dan karakteristiknya tidak saling berhubungan terhadap kontrak utamanya dan kontrak utama tersebut tidak diukur dengan nilai wajar serta perubahan pada nilai wajar diakui pada laporan laba rugi.

Derivatif disajikan sebagai aset tidak lancar atau liabilitas tidak lancar jika sisa periode jatuh tempo dari instrumen tersebut lebih dari dua belas (12) bulan dan tidak diharapkan untuk direalisasi atau diselesaikan dalam jangka waktu dua belas (12) bulan.

Keuntungan atau kerugian yang timbul dari perubahan nilai wajar instrumen derivatif diakui sebagai pendapatan tahun berjalan, kecuali seluruh persyaratan khusus (contoh, dokumen formal, penetapan dan pengukuran keefektifan transaksi) untuk diakui sebagai "Pendapatan Komprehensif Lainnya" sesuai dengan tipe akuntansi lindung nilai. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## (3) Repo Facility

Repo facility are recognized initially at fair value and inclusive of directly attributable transaction costs, and subsequently measured at amortized cost. The difference between the repurchase price and the loan nominal value is recognized as financial charges using the effective interest method.

#### (4) Derivative Instruments

Derivative instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each end of reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Embedded derivative are presented with the host contract on the consolidated statement of financial position which represents an appropriate presentation of overall future cash flows for the instrument taken as a whole. Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value, with changes in fair value recognized in profit or loss.

Derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than twelve (12) months and it is not expected to be realized or settled within twelve (12) months.

Gains or losses arising from changes in the fair value of the derivative instrument be recognized currently in earnings, unless meeting all the specific requirements (i.e. formal documentation, designation and assessment of the effectiveness of the transaction) to allow deferral as "Other Comprehensive Income" under certain types of hedge accounting.

Corporate Profile

Main Highlights

## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

Seluruh instrumen derivatif Kelompok Usaha yang disebutkan di atas tidak memenuhi syarat dan, oleh karenanya, tidak ditentukan sebagai transaksi lindung nilai untuk kepentingan akuntansi.

#### (5) Saling Hapus Instrumen Keuangan

Aset keuangan dan liabilitas keuangan saling hapus dan nilai netonya dilaporkan dalam laporan posisi keuangan konsolidasian jika, dan hanya jika, saat ini memiliki hak yang berkekuatan hukum untuk melakukan saling hapus atas jumlah yang telah diakui dan terdapat niat untuk menyelesaikannya secara neto, atau untuk merealisasikan aset dan menyelesaikan liabilitasnya secara simultan.

#### (6) Nilai wajar dari instrumen keuangan

Nilai wajar instrumen keuangan vang diperdagangkan secara aktif di pasar keuangan yang terorganisasi, jika ada, ditentukan dengan mengacu pada kuotasi harga di pasar aktif pada penutupan bisnis pada akhir tahun pelaporan. Untuk instrumen keuangan yang tidak memiliki pasar aktif, nilai wajar ditentukan dengan menggunakan teknik penilaian. Teknik penilaian tersebut mencakup penggunaan transaksitransaksi pasar yang wajar antara pihak-pihak yang mengerti dan berkeinginan (arm's length market transactions); referensi atas nilai wajar terkini dari instrumen lain yang secara substansial sama; analisa arus kas yang didiskonto; atau model penilaian lain.

#### (7) Instrumen Keuangan Yang Diukur pada Biaya Perolehan Diamortisasi

Biaya perolehan diamortisasi dihitung menggunakan metode suku bunga efektif dikurangi dengan penyisihan atas penurunan nilai. Perhitungan tersebut mempertimbangkan premium atau diskonto pada saat perolehan dan termasuk biaya transaksi dan biaya yang merupakan bagian yang tidak terpisahkan dari suku bunga efektif. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

None of the derivative instruments of the Group qualifies and, therefore, are not designated as hedges for accounting purposes.

#### (5) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

## (6) Fair value of financial instruments

The fair value of financial instruments that are actively traded in organized financial markets if any, is determined by reference to quoted market bid prices at the close of business at the end of the reporting year. For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques may include using arm's length market transaction, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis, or other valuation models.

#### (7) Financial Instruments Measured at Amortized Cost

Amortized cost is computed using the effective interest method less any allowance for impairment. The calculation takes into account any premium or discount on acquisition and includes transaction costs and fees that are an integral part of the effective interest rate.

## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

## f. Transaksi dengan Pihak-pihak Berelasi

Kelompok Usaha melakukan transaksi dengan pihakpihak berelasi sebagaimana didefinisikan dalam PSAK No. 7 (Revisi 2010), "Pengungkapan Pihakpihak Berelasi".

Transaksi ini dilakukan berdasarkan persyaratan yang disetujui oleh kedua belah pihak, dimana persyaratan tersebut mungkin tidak sama dengan transaksi lain yang dilakukan dengan pihak-pihak yang tidak berelasi.

Semua transaksi yang signifikan dengan pihak-pihak berelasi, baik yang dilakukan dengan syarat dan kondisi yang sama dengan pihak ketiga ataupun tidak diungkapkan dalam catatan atas laporan keuangan konsolidasian.

#### g. Persediaan

Persediaan dinyatakan sebesar nilai yang lebih rendah antara biaya perolehan atau nilai realisasi neto (*lower of cost or net realizable value*), dimana biaya perolehan ditentukan dengan metode rata-rata tertimbang. Penyisihan persediaan usang ditentukan berdasarkan hasil penelaahan atas keadaan persediaan pada akhir tahun.

## h. Biaya Dibayar Dimuka

Biaya dibayar dimuka diamortisasi sesuai masa manfaat masing-masing biaya dengan menggunakan metode garis lurus.

## i. Investasi pada Entitas Asosiasi dan Entitas Pengendalian Bersama

Efektif tanggal 1 Januari, 2015, Kelompok Usaha menerapkan PSAK No. 15 (Revisi 2013) tentang "Investasi pada Entitas Asosiasi dan Ventura Bersama" dan PSAK No. 66 tentang "Pengaturan Bersama". Revisi PSAK No. 15 ini mengatur penerapan metode ekuitas pada investasi ventura bersama dan juga enttias asosiasi. PSAK No. 66 menggantikan PSAK 12 (Revisi 2009) dan ISAK No. 12 serta menghapus opsi metode konsolidasi proporsional untuk mencatat bagian ventura bersama. Penerapan PSAK yang direvisi tersebut tidak memberikan pengaruh yang berarti terhadap laporan keuangan konsolidasian. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## f. Transactions with Related Parties

The Group enters into transactions with related parties as defined in PSAK No. 7 (Revised 2010), "Related party Disclosure".

The transactions are made based on terms agreed by the parties, whereas such terms may not be the same as those for transactions with unrelated parties.

All significant transactions with related parties, whether or not conducted under the same terms and conditions as those with third parties, are disclosed in the notes to the consolidated financial statement.

## g. Inventories

Inventories are valued at the lower of cost or net realizable value (NRV), whereby cost is determined by the weighted-average method. Allowance for inventory obsolescence is provided based on a review of the condition of inventories at the end of the year.

## h. Prepaid Expenses

Prepaid expenses are amortized over the periods benefited using the straight-line method.

## *i.* Investments in Associates and Jointly-Controlled Entities

Effective January 1, 2015, the Group applied PSAK No. 15 (Revised 2013) "Investments in Associated Companies and Joint Ventures" and PSAK No. 66 "Joint Arrangements". The revised PSAK No. 15 describes the application of the equity method to investments in joint ventures in addition to associates. PSAK No. 66 replaces PSAK No. 12 (Revised 2009) and ISAK No. 12 and also removes the option to account for jointly controlled entities using proportionate consolidation. The adoption of these PSAKs have no significant impact on the consolidated financial statements.

## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

Entitas asosiasi adalah suatu entitas, dimana Kelompok Usaha mempunyai pengaruh signifikan dan bukan merupakan entitas anak maupun bagian partisipasi dalam pengendalian bersama. Pemilikan, secara langsung maupun tidak langsung, antara 20% dan 50% hak suara *investee* dianggap pemilikan pengaruh signifikan, kecuali dapat dibuktikan dengan jelas hal yang sebaliknya.

Entitas pengendalian bersama adalah entitas yang memiliki karakteristik umum sebagai berikut:

- (a) dua atau lebih *venturer* terikat oleh suatu perjanjian kontraktual; dan
- (b) perjanjian kontraktual tersebut membentuk pengendalian bersama.

Investasi pada entitas asosiasi dan bagian partisipasi dalam entitas pengendalian bersama dicatat dengan menggunakan metode ekuitas, dimana pada awalnya diakui sebesar biaya perolehan. Selanjutnya bagian Kelompok Usaha atas laba rugi entitas asosiasi, setelah penyesuaian yang diperlukan terhadap dampak penyeragaman kebijakan akuntansi dan eliminasi laba atau rugi yang dihasilkan dari transaksi antara Kelompok Usaha dan entitas asosiasi, menambah atau mengurangi jumlah tercatat investasi tersebut dan diakui sebagai laba rugi Kelompok Usaha. Penerimaan distribusi dari entitas asosiasi mengurangi nilai tercatat investasi. Penyesuaian terhadap jumlah tercatat tersebut juga diperlukan jika terdapat perubahan dalam proporsi bagian Kelompok Usaha atas entitas asosiasi yang timbul dari pendapatan komprehensif lain dari entitas asosiasi. Bagian Kelompok Usaha atas perubahan tersebut diakui dalam pendapatan komprehensif lain dari Kelompok Usaha.

Bila terdapat perubahan yang diakui langsung pada ekuitas dari entitas asosiasi, Kelompok Usaha mengakui bagiannya atas perubahan tersebut dan mengungkapkan hal ini, jika relevan dalam laporan perubahan ekuitas konsolidasian.

Goodwill yang terkait dengan akuisisi entitas asosiasi dan entitas pengendalian bersama termasuk dalam jumlah tercatat investasi. Jika harga perolehan lebih rendah daripada nilai wajar aset neto yang diperoleh (goodwill negatif), maka selisihnya diakui di dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian. Goodwill tidak diamortisasi dan dilakukan uji penurunan nilai setiap tahun. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

An associate is an entity, over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Direct or indirect ownership between, 20 % and 50% of the voting power of an investee is presumed to be an ownership of significant influence, unless it can be clearly demonstrated that this is not the case.

Joint venture entities are entities having common characteristics as follows:

- (a) two or more venturers are bound by a contractual arrangement; and
- (b) the contractual arrangement establishes joint control.

Investment in an associates and interests in joint venture entities are accounted for using the equity method, under which it is initially recognised at cost. Subsequently the Group's share of the profit or loss of the associate, after any adjustments necessary to give effect to uniform accounting policies and elimination of profits and losses resulting from transactions between the Group and the associate, increases or decreases its carrying amount and is recognised in the Group's profit or loss. Distributions received from the associate reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the Group's proportionate interest in the associate arising from changes in the associate's other comprehensive income. The Group's share of those changes is recognised in other comprehensive income of the Group.

When there has been a change recognized directly in other comprehensive income of the associate, the Group recognizes its share of any such change and discloses this, when applicable, in the consolidated statement of changes in equity.

Goodwill on acquisition of associate and jointly controlled entities is included in the carrying amount of the investment. If the cost of acquisition is less than the fair value of the net assets acquired (negative goodwill), the difference is recognized in the consolidated statement of profit or loss and other comprehensive income. Goodwill is no longer amortized but annually assessed for impairment.



## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

Apabila nilai tercatat investasi telah mencapai nilai nol, kerugian selanjutnya akan diakui bila Kelompok Usaha mempunyai komitmen untuk menyediakan bantuan pendanaan atau menjamin liabilitas entitas asosiasi yang bersangkutan.

#### Perubahan bagian kepemilikan

Kelompok Usaha menghentikan penggunaan metode ekuitas sejak tanggal Kelompok Usaha tidak lagi memiliki pengaruh signifikan atas entitas asosiasi dan mengukur setiap investasi yang tersisa pada entitas asosiasi pada nilai wajar. Kelompok Usaha mereklasifikasi keuntungan atau kerugian yang sebelumnya diakui dalam pendapatan komprehensif lain dari ekuitas ke laporan laba rugi (sebagai penyesuaian reklasifikasi) dan mengakui dalam laporan laba rugi setiap selisih antara nilai wajar investasi yang tersisa dan hasil pelepasan sebagian kepemilikan pada entitas asosiasi dengan jumlah tercatat investasi pada tanggal ketika Kelompok Usaha kehilangan pengaruh signifikan atas entitas asosiasi tersebut.

Jika bagian kepemilikan Kelompok Usaha pada entitas asosiasi berkurang, namun investasi tersebut tetap sebagai investasi pada entitas asosiasi, maka Kelompok Usaha mereklasifikasi ke dalam laporan laba rugi hanya suatu jumlah proporsional dari keuntungan atau kerugian yang sebelumnya diakui dalam pendapatan komprehensif lain.

#### Penurunan nilai investasi pada entitas asosiasi dan enttias pengendalian bersama

Kelompok Usaha menentukan apakah diperlukan untuk mengakui tambahan rugi penurunan nilai atas investasi pada entitas asosiasi dan entitas pengendalian bersama. Kelompok Usaha menentukan pada setiap tanggal pelaporan apakah terdapat bukti yang obyektif yang mengindikasikan bahwa investasi pada entitas asosiasi dan entitas pengendalian bersama mengalami penurunan nilai. Dalam hal ini, Kelompok Usaha menghitung jumlah penurunan nilai berdasarkan selisih antara jumlah terpulihkan atas investasi pada entitas asosiasi dan entitas pengendalian bersama dan nilai tercatatnya dan mengakuinya dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Once an investment's carrying value has been reduced to zero, further losses are taken up if the Group has committed to provide financial support, or has guaranteed the obligations of the associates.

## Changes in the ownership interests

The Group discontinues the use of the equity method from the date when it ceases to have significant influence over an associate and measures at fair value any investment the Group retains in the former associate. The Group reclassifies the gain or loss previously recognized in other comprehensive income from equity to profit or loss (as a reclassification adjustment) and recognize in profit or loss any difference between the fair value of any retained investment and any proceeds from disposing of the part interest in the associate and the carrying amount of the investment at the date it loses significant influence over the associate.

If the Group's ownership interest in an associate is reduced, but the investment continues to be an associate, the Group reclassifies to profit or loss only a proportionate amount of the gain or loss previously recognized in other comprehensive income.

## Impairment of investments in associated and jointly controlled entities

The Group determines whether it is necessary to recognize an additional impairment loss on the Group's investments in associated and jointlycontrolled entities. The Group determines at each reporting date whether there is any objective evidence that the investments in associated and jointly-controlled entities is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investment in associated and jointly-controlled entities and the carrying value, and recognizes the amount in the consolidated statements of profit or loss and other comprehensive income.

Corporate Profile

## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

## j. Investasi Jangka Panjang Lain-lain

Investasi dalam bentuk saham dengan kepemilikan kurang dari 20% yang tidak memiliki kuotasi harga di pasar aktif dan nilai wajarnya tidak dapat diukur secara andal, diukur pada biaya perolehan. Nilai tercatat investasi diturunkan nilainya untuk mengakui penurunan nilai yang bersifat permanen. Setiap penurunan nilai investasi dibebankan langsung pada laporan laba rugi.

## k. Aset Tetap

Kelompok Usaha telah memilih untuk menggunakan model biaya sebagai kebijakan akuntansi pengukuran aset tetapnya.

Penyusutan dihitung dengan menggunakan metode garis lurus berdasarkan taksiran masa manfaat ekonomis aset tetap sebagai berikut: PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## j. Other Long-Term Investments

Investments in shares of stock with ownership interest of less than 20% that do not have a quoted market price in an active market and whose fair value cannot be reliably, measured are stated at cost. The carrying amount of the investment is written down to recognize a permanent decline in value of the individual investment. Any write-down of investment is charged directly to profit or loss.

## k. Fixed Assets

The Group has chosen the cost model as the accounting policy for its fixed assets measurement.

Depreciation is computed using the straight-line method based on the estimated useful lives of the assets as follows:

	Tahun/ <i>Years</i>	
Prasarana tanah	5 - 30	Land improvements
Bangunan dan prasarana	4 - 20	Buildings and improvements
Mesin dan peralatan	5 - 20	Machinery and equipment
Peralatan telekomunikasi	10 - 15	Telecommunication equipment
Alat-alat pengangkutan	3 - 20	Transportation equipment
Perabotan dan peralatan kantor	3 - 10	Office equipment

Umur manfaat dan metode penyusutan aset ditelaah dan disesuaikan secara prospektif, pada setiap akhir tahun buku.

Depresiasi mesin dan peralatan BPI dan SEAPI dihitung dengan menggunakan metode unit produksi keluaran sedangkan penyusutan peralatan kantor BPI dihitung dengan menggunakan saldo menurun ganda pada 50%.

Penyusutan dan amortisasi pada BMC dihitung berdasarkan metode penyusutan, taksiran masa manfaat ekonomis dan tarif sebagai berikut:

The assets useful lives and methods of depreciation are reviewed, and adjusted prospectively if appropriated, at each financial year end.

The depreciation of BPI and SEAPI's machinery and equipment are computed using the unit of production output method while the depreciation of BPI's office equipment are computed using double declining balance at 50%.

The depreciation and amortization of BMC is computed based on depreciation methods, the estimated useful life and rate being as follows:

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

	Metode Penyusutan	Tahun/ Years	Masa Manfaat Ekonomis/ Tarif/ <i>Useful life Rate</i> (%)	Method of Depreciation	
Perabotan, peralatan kantor dan alat-alat pengangkutar Mesin dan peralatan	n Menurun ganda Menurun ganda	4 - 8 5 - 8	25 - 50 25 - 40	Declining balance Declining balance	Furniture and fixtures, office and transportation equipment Machinery and equipment

Tanah dinyatakan sebesar harga perolehan dan tidak disusutkan, sedangkan hak atas tanah yang dimiliki SEAPI yang disusutkan selama 20 tahun dengan menggunakan metode garis lurus.

Beban perbaikan dan pemeliharaan dibebankan pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian pada saat terjadinya; biaya penggantian atau inspeksi yang signifikan dikapitalisasi pada saat terjadinya dan jika besar kemungkinan manfaat ekonomis di masa depan berkenaan dengan aset tersebut akan mengalir ke Kelompok Usaha, dan biaya perolehan aset dapat diukur secara andal. Aset tetap dihentikan pengakuannya pada saat dilepaskan atau ketika tidak ada manfaat ekonomis masa depan yang diharapkan dari penggunaan atau pelepasannya. Laba atau rugi yang timbul dari penghentian pengakuan aset dimasukkan dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian pada tahun aset tersebut dihentikan pengakuannya.

Aset dalam penyelesaian dinyatakan sebesar biaya perolehan yang mencakup biaya pinjaman dari kredit untuk membiayai konstruksi aset selama periode pembangunan serta laba atau rugi kurs yang dapat diatribusikan ke aset dalam penyelesaian tersebut. Akumulasi biaya perolehan akan dipindahkan ke masing-masing aset tetap yang bersangkutan dan kapitalisasi biaya pinjaman berhenti pada saat aset selesai dan siap digunakan. Land is stated at acquisition cost and not depreciated, while landrights owned by SEAPI are depreciated over 20 years using the straight-line method.

The cost of repairs and maintenance is charged to consolidated statement of profit or loss and other comprehensive income as incurred; replacement or major inspection costs are capitalized when incurred if it is probable that future economic benefits associated with the item will flow to the Group, and the cost of the item can be reliably measured. An item of fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the consolidated statement of profit or loss and other comprehensive income in the year the asset is derecognized.

Construction-in-progress is stated at acquisition cost, which includes borrowing costs from loans incurred to finance the construction of the assets during the period of development and foreign exchange gain or loss that is attributable to the asset. The accumulated cost will be reclassified to the appropriate fixed asset accounts and capitalization of these borrowing costs ceases when projects are completed and assets are ready for their intended use.

Corporate Profile

Main Highlights

## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

#### I. Penurunan Nilai Aset Non-Keuangan

Efektif tanggal 1 Januari 2015, Kelompok Usaha menerapkan PSAK No. 48 (Revisi 2014) tentang "Penurunan Nilai Aset". PSAK ini memberikan ketentuan pengungkapan tambahan untuk setiap aset individual (termasuk *goodwill*) atau unit penghasil kas (UPK), yang mana rugi penurunan nilai telah diakui atau dibalik selama periode berjalan. Penerapan PSAK yang direvisi tersebut tidak memberikan pengaruh yang berarti terhadap laporan keuangan konsolidasian.

Pada setiap tanggal pelaporan, Kelompok Usaha menilai apakah terdapat indikasi aset mengalami penurunan nilai. Jika terdapat indikasi tersebut, atau jika uji penurunan nilai secara tahunan disyaratkan untuk aset tertentu, maka Kelompok Usaha mengestimasi jumlah terpulihkan aset tersebut.

Jumlah terpulihkan suatu aset atau unit penghasil kas adalah jumlah yang lebih tinggi antara nilai wajar dikurangi biaya untuk menjual dan nilai pakainya. Jika jumlah terpulihkan suatu aset lebih kecil dari nilai tercatatnya, nilai tercatat aset harus diturunkan menjadi sebesar jumlah terpulihkan. Rugi penurunan nilai dan pemulihan rugi penurunan nilai diakui segera dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

#### m. Sewa

Sewa yang mengalihkan secara substansial semua risiko dan manfaat yang terkait dengan kepemilikan aset kepada lessee diklasifikasikan sebagai sewa pembiayaan. Pada awal masa sewa, sewa pembiayaan dikapitalisasi sebesar nilai wajar aset sewaan atau sebesar nilai kini dari pembayaran sewa minimum, jika nilai kini lebih rendah dari nilai wajar. Pembayaran sewa minimum dipisahkan antara bagian yang merupakan beban keuangan dan bagian yang merupakan pelunasan liabilitas sehingga menghasilkan suatu tingkat bunga periodik yang konstan atas saldo liabilitas. Beban keuangan dibebankan pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian. Aset sewaan yang dimiliki oleh lessee dengan dasar sewa pembiayaan dicatat pada akun aset tetap dan disusutkan sepanjang masa manfaat dari aset sewaan tersebut atau periode masa sewa, mana yang lebih pendek, jika tidak ada kepastian yang memadai bahwa lessee akan mendapatkan hak kepemilikan pada akhir masa sewa.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **1.** Impairment of Non-Financial Assets

Effective January 1, 2015, the Group applied PSAK No. 48 (Revised 2014) "Impairment of Assets". This PSAK requires additional disclosures for each individual asset (including goodwill) for a cash-generating unit (CGU), for which an impairment loss has been recognized or reversed during the period. The adoption of this revised PSAK has no significant impact on the consolidated financial statements.

The Group evaluates at each reporting date, whether there is any indication that an asset may be impaired. If any such indication exists, or when annual impairment testing is required for certain assets, the Group estimates the recoverable amount of the asset.

The recoverable amount of an asset or a cashgenerating unit is the higher of its fair value less costs to sell and its value in use. Whenever the carrying amount of an asset exceeds its recoverable amount, the asset is considered to be impaired and is written down to its recoverable amount. Impairment loss and reversal of an impairment loss are recognized immediately in the consolidated statement of profit or loss and other comprehensive income.

#### m. Leases

Leases that transfer substantially all the risks and benefits incidental to ownership of the leased item to the lessee are classified as finance leases. Finance leases are capitalized at the inception of the lease at the fair value of the leased assets or at the present value of the minimum lease payments if the present value is lower than the fair value. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recorded in the consolidated statement of profit or loss and other comprehensive income. Leased assets held by the lessee under finance leases are included in fixed assets and depreciated over the estimated useful life of the assets or the lease term, whichever is shorter, if there is no reasonable certainty that lessee will obtain ownership by the end of the lease term.

Additional Informa

## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

Dalam hal transaksi jual dan sewa-balik merupakan sewa pembiayaan maka transaksi tersebut harus diperlakukan sebagai dua transaksi yang terpisah yaitu transaksi penjualan dan transaksi sewa. Selisih lebih hasil penjualan dari nilai tercatat ditangguhkan dan diamortisasi selama masa sewa.

Sewa yang tidak mengalihkan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset diklasifikasikan sebagai sewa operasi.

## n. Biaya Pinjaman

Biaya pinjaman, baik yang secara langsung maupun tidak langsung digunakan untuk mendanai suatu proses pembangunan aset tertentu yang memenuhi syarat ("aset kualifikasian"), dikapitalisasi hingga saat proses pembangunannya selesai. Untuk pinjaman yang secara khusus digunakan untuk perolehan aset kualifikasian, jumlah yang dikapitalisasi adalah sebesar biaya pinjaman yang terjadi selama periode berjalan, dikurangi dengan pendapatan investasi jangka pendek dari pinjaman tersebut. Untuk pinjaman yang tidak secara khusus digunakan untuk perolehan aset kualifikasian, jumlah biaya pinjaman yang dikapitalisasi ditentukan dengan mengalikan tingkat kapitalisasi tertentu terhadap pengeluaran untuk aset kualifikasian tersebut.

Kelompok Usaha menghentikan sementara kapitalisasi biaya pinjaman selama perpanjangan periode dimana dilakukan penghentian sementara pengembangan aset kualifikasian secara aktif.

Kelompok Usaha menghentikan kapitalisasi biaya pinjaman ketika selesainya secara substansial seluruh aktivitas yang diperlukan untuk menyiapkan aset kualifikasian untuk digunakan atau dijual sesuai dengan maksudnya.

## o. Biaya Pengembangan Proyek

Biaya yang terjadi sehubungan dengan pengembangan proyek ditangguhkan sampai proyek tersebut beroperasi. Biaya pengembangan proyek yang gagal akan dibebankan pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian pada saat proyek tersebut dinyatakan gagal. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In the case of sale and leaseback that results in a finance lease, this is to be treated as two separated transactions, i.e. sale and lease. The excess of sales proceeds over the carrying amount is deferred and amortized over the lease term.

Leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item are classified as operating leases.

## n. Borrowing Costs

Borrowing costs, either directly or indirectly used in financing the construction of a qualifying asset, are capitalized up to the date when construction is complete. For borrowings that are specific to the acquisition of a qualifying asset, the amount to be capitalized is determined as the actual borrowing costs incurred during the period, less any income earned from the temporary investment of such borrowings. For borrowings that are not specific to the acquisition of a qualifying asset, the amount to be capitalized is determined by applying a capitalization rate to the amount expensed on the qualifying asset.

The Group suspends capitalization of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

The Group ceases capitalizing borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

## o. Project Development Costs

Costs incurred regarding the development of certain projects are deferred until these projects operate. Costs related to unsuccessful projects will be charged to the consolidated statement of profit or loss and other comprehensive income at the time the projects declare failed.

## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

#### p. Beban Ditangguhkan

Biaya yang timbul sehubungan dengan pengembangan proyek jaringan telekomunikasi, pengembangan produk dan pengembangan pabrik ditangguhkan dan diamortisasi dengan menggunakan metode garis lurus selama perkiraan masa manfaat masing-masing biaya.

## q. Selisih Nilai Transaksi dengan Entitas Sepengendali

Kombinasi bisnis entitas sepengendali dicatat dengan menggunakan metode penyatuan kepemilikan. Selisih antara harga pengalihan dengan nilai buku dicatat dalam akun "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" dan disajikan sebagai bagian dari "Tambahan Modal Disetor" dalam laporan posisi keuangan konsolidasian dan selanjutnya tidak dapat diakui sebagai laba rugi direalisasi maupun direklasifikasi ke saldo laba.

PSAK revisi ini diterapkan secara prospektif, dimana saldo akun "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" (nama akun yang digunakan sebelumnya) pada tanggal 1 Januari 2013 disajikan dalam akun "Tambahan Modal Disetor". Namun, ketentuan ini tidak memiliki dampak terhadap laporan keuangan konsolidasian Kelompok Usaha, karena Kelompok Usaha telah menyajikan saldo "Selisih Nilai Transaksi Restrukturisasi Sepengendali" Entitas sebagai bagian dari "Tambahan Modal Disetor" dalam laporan keuangan konsolidasian.

## r. Perubahan Ekuitas Entitas Anak dan Asosiasi

Perubahan nilai investasi yang disebabkan terjadinya perubahan nilai ekuitas Entitas Anak atau asosiasi yang bukan merupakan transaksi antara Perusahaan dengan Entitas anak dan asosiasi diakui sebagai bagian dari ekuitas pada akun "Selisih Transaksi Perubahan Ekuitas Entitas Anak dan Asosiasi", dan akan diakui sebagai pendapatan atau beban pada saat pelepasan investasi yang bersangkutan. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## p. Deferred Charges

Costs incurred in connection with the development of certain telecommunication systems, product development and plant development are deferred and amortized using the straight-line method based on the estimated beneficial periods.

## *q. Difference in Value from Transaction with Entities Under Common Control*

Business combination of entities under common control is accounted for using the pooling of interest method. The difference between the transfer price and the book value is recorded under the account "Difference in Restructuring of Entities under Common Control" and presented as part of "Additional Paid-in Capital" in the consolidated statement of financial position and subsequently should not be recognized as a realized gain or loss or reclassified to retained earnings.

The revised PSAK is applied prospectively, wherein the account balance of "Difference in Value from Restructuring Transaction of Entities under Common Control" (account title previously used) as of January 1, 2013 is presented under "Additional Paid-in Capital". However, this requirement does not have any impact on the Group's consolidated financial statements, since the Group had already presented the balance of "Difference in Value from Restructuring Transaction of Entities under Common Control" as part of "Additional Paid-in Capital" in the consolidated financial statements.

## r. Change of Equity in Subsidiaries and Associates

Changes in the value of investment due to changes in the equity of a subsidiary or associate arising from capital transactions of such subsidiary and associate with other parties are recognized in equity as "Difference in the Change of Equity Transaction of Subsidiary and Associate", and recognized as income or expense in the period the investments are disposed.



## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

#### s. Pengakuan Pendapatan dan Beban

#### Penjualan barang dan jasa

Pendapatan diakui bila besar kemungkinan manfaat ekonomi akan diperoleh oleh Kelompok Usaha dan jumlahnya dapat diukur secara handal. Pendapatan diukur pada nilai wajar imbalan yang diterima, tidak termasuk diskon, rabat dan pajak penjualan (PPN). Pendapatan dari penjualan ekspor diakui pada saat penyerahan barang di atas kapal di pelabuhan pengiriman. Pendapatan dari penjualan domestik diakui pada saat penyerahan barang kepada pelanggan.

Pendapatan jasa diakui pada saat jasa diberikan sesuai kontrak dimana jumlah tersebut dapat diukur dengan andal. Pendapatan dari kontrak konstruksi jangka panjang diakui berdasarkan metode akuntansi persentase penyelesaian dan diukur pada umumnya berdasarkan estimasi penyelesaian dari pekerjaan fisik atas kontrak konstruksi. Bila besar kemungkinan terjadi bahwa total biaya kontrak akan melebihi total pendapatan kontrak, taksiran rugi segera diakui sebagai beban tahun berjalan.

#### Pendapatan diterima dimuka

Pendapatan sewa dan jasa Entitas Anak tertentu ditagihkan di muka berdasarkan kontrak. Tagihan yang belum diakui sebagai pendapatan pada tanggal pelaporan dicatat sebagai "Pendapatan Ditangguhkan" dalam komponen liabilitas jangka pendek pada laporan posisi keuangan konsolidasian.

#### Pendapatan lain-lain

Pendapatan jasa lainnya diakui pada saat penyerahan jasa tersebut.

#### Pengakuan beban

Beban diakui pada saat terjadinya (basis akrual).

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### s. Revenue and Expense Recognition

#### Sale of goods and services

Revenues are recognized to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and sales taxes (VAT). Revenues from export sales are recognized when the goods are shipped. Revenues from domestic sales are recognized when the goods are delivered to the customers.

Revenues from services are recognized when the service is rendered in accordance to the terms of the contracts provided that the amount can be measured reliably. Revenues from long-term contruction contracts are recognized based on the percentage of completion method of accounting and measured principally on the basis of the estimated completion of physical proportion of contract works. When it is probable that total contract costs will exceed total contract revenue, the expected loss is immediately recognized as current year expense.

#### Unearned revenue

Revenue from rent and services of certain Subsidiaries are invoiced in advance based on agreements. Unrecognized revenue as of the reporting date is recorded as "Unearned Revenue" in the short-term liabilities section in the consolidated statement of financial position.

#### Other revenue

*Revenues from other services are recognized when the services are rendered.* 

#### **Expense** recognition

*Expenses are recognized when incurred (accrual basis).* 

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## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

#### t. Imbalan Kerja

Dewan Standar Akuntansi Keuangan (DSAK) di Indonesia telah menerbitkan revisi untuk PSAK No. 24 (Revisi 2013) yang berlaku efektif tanggal 1 Januari 2015, tentang "Imbalan Kerja". Amandemen terhadap PSAK 24 atas akuntansi program imbalan pasti dan pesangon. Perubahan paling signifikan terkait akuntansi atas perubahan dalam kewajiban manfaat pasti dan aset program. Amandemen mensyaratkan pengakuan perubahan dalam kewajiban manfaat pasti dan nilai wajar aset program ketika amandemen terjadi, dan karenanya menghapus pendekatan koridor yang diijinkan berdasarkan PSAK 24 versi sebelumnya dan mempercepat pengakuan biaya jasa lalu. tersebut mensyaratkan Amandemen seluruh keuntungan dan kerugian aktuaria diakui segera melalui penghasilan komprehensif lain agar supaya aset atau liabilitas pensiun bersih diakui dalam laporan posisi keuangan mencerminkan jumlah keseluruhan dari defisit atau surplus program. Lebih lanjut, biaya bunga dan ekspektasi imbal hasil atas aset program yang digunakan dalam versi sebelumnya dari PSAK 24 digantikan dengan nilai 'bunga bersih' berdasarkan PSAK 24 (sesuai revisi pada 2010), dimana perhitungan dilakukan dengan mengalikan tingkat diskonto dengan liabilitas atau aset bersih dari manfaat pasti. Perubahan ini telah berdampak pada jumlah yang diakui dalam laporan posisi keuangan, laba rugi dan penghasilan komprehensif lainnya pada tahun sebelumnya. Sebagai tambahan, PSAK 24 (sesuai revisi pada perubahan-perubahan 2010) memperkenalkan tertentu dalam pelaporan biaya manfaat pasti termasuk pengungkapan yang lebih luas.

Ketentuan transisi diterapkan pada penerapan PSAK 24 (Revisi 2013) untuk pertama kali. Kelompok Usaha telah menerapkan ketentuan transisi yang relevan dan menyajikan kembali jumlah-jumlah komparatif secara retrospektif (Catatan 45).

Kelompok Usaha menerapkan PSAK tersebut di atas untuk menentukan liabilitas imbalan kerja sesuai dengan Undang-undang Ketenagakerjaan No. 13/2003 ("Undang-undang") tanggal 25 Maret 2003.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### t. Employee Benefits

The Financial Accounting Standards Board (DSAK) in Indonesia has issued the revised PSAK No. 24 (Revised 2013) "Employee Benefits" which is effective on January 1, 2015. The amendments to PSAK 24 change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in fair value of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of PSAK 24 and accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognized immediately through other comprehensive income in order for the net pension asset or liability recognized in the statement of financial position to reflect the full value of the plan deficit or surplus. Furthermore, the interest cost and expected return on plan assets used in the previous version of PSAK 24 are replaced with a `net interest' amount under PSAK 24 (as revised in 2010), which is calculated by applying the discount rate to the net defined benefit liability or asset. These changes had an impact on the amounts recognized in financial position, profit or loss and other comprehensive income in prior years. In addition, PSAK 24 (as revised in 2010) introduces certain changes in the presentation of the defined benefit cost including more extensive disclosures.

Specific transitional provisions are applicable to first-time application of PSAK 24 (as revised in 2013). The Group has applied the relevant transitional provisions and restated the comparative amounts on a retrospective basis (Note 45).

The Group adopted the abovementioned PSAK to determine its employee benefits obligation under the Labor Law No. 13/2003 dated March 25, 2003 ("the Law").



## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

Perusahaan dan Entitas Anak tertentu yang berdomisili di Indonesia menyelenggarakan program pensiun manfaat pasti untuk seluruh karyawan tetap yang memenuhi syarat. Kewajiban menurut Undangundang dihitung dengan membandingkan imbalan yang akan diterima oleh karyawan pada usia pensiun normal melalui program pensiun dengan imbalan yang dihitung berdasarkan Undang-undang setelah dikurangi akumulasi iuran karyawan dan hasil pengembangannya. Jika bagian iuran yang didanai Perusahaan dan Entitas Anak melalui program pensiun kurang dari imbalan yang diwajibkan menurut Undang-undang, Kelompok Usaha akan melakukan penyisihan atas kekurangannya.

Perhitungan imbalan kerja jangka panjang lainnya ditentukan dengan menggunakan metode *Projected Unit Credit*. Jumlah diakui sebagai liabilitas untuk imbalan kerja jangka panjang lainnya di laporan posisi keuangan konsolidasian adalah nilai kini kewajiban imbalan pasti.

## u. Transaksi dan Saldo dalam Mata Uang Asing

Transaksi dalam mata uang asing dijabarkan ke dalam mata uang fungsional dengan kurs yang berlaku pada saat transaksi dilakukan. Pada akhir periode pelaporan, aset dan liabilitas moneter dalam mata uang asing disesuaikan ke dalam mata uang fungsional menggunakan kurs tengah yang ditetapkan oleh Bank Indonesia pada tanggal terakhir transaksi perbankan pada periode tersebut. Laba dan rugi yang timbul dari penyesuaian kurs maupun penyelesaian aset dan liabilitas moneter dalam mata uang asing tersebut dikreditkan atau dibebankan sebagai laba atau rugi tahun berjalan.

Kurs penutup yang digunakan pada tanggal 31 Desember 2015 dan 2014 adalah sebagai berikut:

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Company and certain domestic Subsidiaries domiciled in Indonesia have defined retirement benefit plans, covering substantially all of their eligible permanent employees. The obligation for the Law has been calculated by comparing the benefit that will be received by an employee at normal pension age from the pension plan with the benefit as stipulated under the Law after deduction of accumulation of employee contribution and the related investment results. If the employer funded portion of the pension plan benefit is less than the benefit as required by the Law, the Group will provide for such shortage.

The costs of providing other long-term benefits is determined using the Projected Unit Credit method. The provision for long-term employee benefits recognized in the consolidated financial statements of financial position represents the present value of the defined benefits obligation.

#### u. Foreign Currency Transactions and Translation

Transactions in foreign currencies are translated into the functional currency at the rates of exchange prevailing at the time the transactions are made. At the end of reporting period, monetary assets and liabilities denominated in foreign currencies are adjusted to the functional currency to reflect the middle exchange rate published by Bank Indonesia at the last banking transaction date of the period. The gains or losses resulting from such adjustment or settlement of each monetary asset and liability denominated in foreign currencies are credited or charged to current year profit or loss.

The closing exchange rates used as of December 31, 2015 and 2014, were as follows:

	2015	2014	
Pound Sterling	20.451	19.370	Pound Sterling
Euro	15.070	15.133	Euro
Dolar Amerika Serikat	13.795	12.440	US Dollar
Dolar Australia	10.064	10.218	Australian Dollar
Dolar Singapura	9.751	9.422	Singapore Dollar
Dolar Hongkong	1.780	1.604	Hongkong Dollar
Yen Jepang	115	104	Japanese Yen

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## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

tujuan penyajian laporan Untuk keuangan konsolidasian dari Entitas Anak dan Perusahaan Asosiasi yang mata uang fungsionalnya bukan Rupiah pada tanggal pelaporan, aset dan liabilitas dijabarkan ke dalam mata uang Rupiah dengan menggunakan kurs pada tanggal pelaporan, sedangkan pendapatan dan beban dijabarkan dengan menggunakan kurs rata-rata pada periode yang bersangkutan. Penyesuaian selisih kurs karena penjabaran tersebut disajikan sebagai bagian dari pendapatan komprehensif lainnya.

## v. Pajak Penghasilan

Efektif tanggal 1 Januari 2015, Kelompok Usaha menerapkan PSAK No. 46 (Revisi 2014) tentang "Pajak Penghasilan". PSAK ini memberikan tambahan penjelasan untuk aset dan liabilitas pajak tangguhan yang berasal dari aset yang tidak disusutkan yang diukur dengan menggunakan model revaluasi, dan properti investasi yang diukur dengan menggunakan model nilai wajar. PSAK ini juga tidak lagi mengatur mengenai tentang pajak final.

Beban pajak kini ditetapkan berdasarkan taksiran laba kena pajak tahun berjalan.

Aset pajak kini dan liabilitas pajak kini dilakukan saling hapus jika, dan hanya jika, entitas memiliki hak yang dapat dipaksakan secara hukum untuk melakukan saling hapus jumlah yang diakui; dan bermaksud untuk menyelesaikan dengan dasar neto, atau merealisasikan aset dan menyelesaikan liabilitas secara bersamaan.

Aset dan liabilitas pajak tangguhan diakui atas perbedaan temporer antara aset dan liabilitas untuk tujuan komersial dan untuk tujuan perpajakan setiap tanggal pelaporan. Manfaat pajak di masa mendatang, seperti saldo rugi fiskal yang belum digunakan, diakui sejauh besar kemungkinan realisasi atas manfaat pajak tersebut.

Aset dan liabilitas pajak tangguhan diukur pada tarif pajak yang diharapkan akan digunakan pada periode ketika aset direalisasi atau ketika liabilitas dilunasi berdasarkan tarif pajak (dan peraturan perpajakan) yang berlaku atau secara substansial telah diberlakukan pada akhir periode laporan. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For consolidation purposes of Subsidiaries and Associates for which Rupiah is not their functional currency, assets and liabilities at the reporting date are translated into Rupiah using the exchange rates at reporting date, while revenues and expenses are translated at the average rates of exchange for the period. The resulting translation adjustments are presented as part of other comprehensive income.

## v. Income Taxes

Effective January 1, 2015, the Group has applied PSAK No. 46 (Revised 2014), "Income Taxes". This PSAK provides additional discussion on deferred tax asset or deferred tax liability arising from a nondepreciable asset measured using the revaluation model, and from investment property that is measured using the fair value model. This PSAK also removes the criteria of final tax.

*Current tax expense is provided based on the estimated taxable income for the year.* 

Current tax assets and current tax liabilities are offset if, and only if, the entity has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are recognized for temporary differences between the financial and the tax bases of assets and liabilities at each reporting date. Future tax benefits, such as the carry-forward of unused tax losses, are also recognized to the extent that realization of such benefits is probable.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of reporting period.

## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

Aset pajak tangguhan dan liabilitas pajak tangguhan dilakukan saling hapus jika, dan hanya jika, entitas memiliki hak secara hukum untuk saling hapus aset pajak kini terhadap liabilitas pajak kini, dan aset pajak tangguhan dan liabilitas pajak tangguhan terkait dengan pajak penghasilan yang dikenakan oleh otoritas perpajakan atas entitas kena pajak, yang sama atau entitas kena pajak berbeda yang bermaksud untuk memulihkan aset dan liabilitas pajak kini dengan dasar neto, atau merealisasikan aset dan menyelesaikan liabilitas secara bersamaan, pada setiap periode masa depan yang mana jumlah signifikan atas aset atau liabilitas pajak tangguhan diharapkan diselesaikan atau dipulihkan.

Jumlah tambahan pokok dan denda pajak berdasarkan Surat Ketetapan Pajak ("SKP") diakui sebagai pendapatan atau beban dalam laba rugi tahun berjalan. Namun jika diajukan upaya penyelesaian selanjutnya, jumlah tersebut ditangguhkan pembebanannya sepanjang memenuhi kriteria pengakuan aset.

## w. Informasi Segmen

Entitas mengungkapkan informasi yang memungkinkan pengguna laporan keuangan untuk mengevaluasi sifat dan dampak keuangan dari aktivitas bisnis dan menggunakan "pendekatan manajemen" dalam menyajikan informasi segmen menggunakan dasar yang sama seperti halnya pelaporan internal. Segmen operasi dilaporkan dengan cara yang konsisten dengan pelaporan internal yang disampaikan kepada pengambil keputusan operasional. Dalam hal ini pengambil keputusan strategis adalah Dewan Direksi.

## x. Laba per Saham

Laba per saham dasar dihitung dengan membagi laba atau rugi yang dapat diatribusikan kepada pemegang saham biasa entitas induk, dengan jumlah rata-rata tertimbang saham biasa yang beredar, dalam suatu periode.

Laba per saham dasar dilusian dihitung dengan membagi laba atau rugi yang dapat diatribusikan kepada pemegang saham biasa entitas induk, dengan jumlah rata-rata tertimbang saham biasa yang sifatnya disesuaikan dengan efek yang berpotensi untuk dilusi, dalam suatu periode. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred tax assets and deferred tax liabilities are offset if, and only if, the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity, or different taxable entities that intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Additional tax principal and penalty amounts based on Tax Assessment Letters ("SKP") are recognized as income or expense in the current year profit or loss. However when further avenue is sought, such amounts are deferred if they meet the asset recognition criteria.

## w. Segment Information

Entities disclose information that enable users of the financial statements to evaluate the nature and financial effects of the business activities and use "management approach" under which segment information is presented on the same basis as that used for internal reporting purposes. Operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the Board of Directors that makes strategic decisions.

## x. Earnings per Share

Basic earnings per share are calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity, by the weighted average number of ordinary shares outstanding, during the period.

Diluted earnings per share are calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity, by the weighted average number of ordinary shares as adjusted for effects of all potential dilution, during the period.

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## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

#### y. Provisi dan Kontinjensi

Provisi diakui jika Kelompok Usaha memiliki kewajiban kini (baik bersifat hukum maupun bersifat konstruktif) yang akibat peristiwa masa lalu besar kemungkinannya penyelesaian kewajiban tersebut mengakibatkan arus keluar sumber daya yang mengandung manfaat ekonomi dan estimasi yang andal mengenai jumlah kewajiban tersebut dapat dibuat.

Provisi ditelaah pada setiap tanggal pelaporan dan disesuaikan untuk mencerminkan estimasi kini terbaik. Jika tidak terdapat kemungkinan arus keluar sumber daya yang mengandung manfaat ekonomi untuk menyelesaikan kewajiban tersebut, provisi tidak diakui.

Liabilitas kontinjensi tidak diakui dalam laporan keuangan konsolidasian tetapi diungkapkan, kecuali arus keluar sumber daya yang mengandung manfaat ekonomi kemungkinannya kecil. Aset kontinjensi tidak diakui dalam laporan keuangan konsolidasian tetapi diungkapkan apabila terdapat kemungkinan besar arus masuk manfaat ekonomis akan diperoleh.

## z. Dividen

Pembagian dividen final diakui sebagai liabilitas ketika dividen tersebut disetujui Rapat Umum Pemegang Saham Perseroan. Pembagian dividen diakui sebagai liabilitas ketika dividen disetujui berdasarkan keputusan rapat Direksi sesuai dengan Anggaran Dasar Perseroan.

#### aa. Kuasi-Reorganisasi

Sesuai dengan PSAK No. 51 (Revisi 2003), kuasireorganisasi merupakan prosedur akuntansi yang mengatur entitas merestrukturisasi ekuitasnya dengan mengeliminasi defisit dan menilai kembali seluruh aset dan liabilitas pada nilai wajar. Dengan melakukan prosedur ini, entitas diharapkan dapat melanjutkan usahanya seperti baru, dengan laporan posisi keuangan yang menunjukkan posisi keuangan yang lebih baik tanpa defisit dari masa lampau. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### y. Provisions and Contingencies

Provisions are recognized when the Group has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Contingent liabilities are not recognized in the consolidated financial statements, but are disclosed unless the possibility of an outflow of resources is remote. Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable.

### z. Dividends

Final dividend distributions are recognized as a liability when the dividends are approved in the General Meeting of the Company's Shareholders. Dividend distributions are recognized as a liability when the dividends are approved based on a Board of Directors' resolution in accordance with the Company's Articles of Association.

#### aa.Quasi-Reorganization

Pursuant to PSAK No. 51 (Revised 2003), a quasireorganization is an accounting procedure that enables an entity to restructure its equity by eliminating its deficit and reappraising all of its assets and liabilities. By this procedure, the entity is expected to continue its business as if it was a fresh start, with a statement of financial position showing a better financial position with no past deficit.

## 2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (Lanjutan)

Nilai wajar aset dan liabilitas ditentukan berdasarkan nilai pasar. Bila nilai pasar tidak tersedia, estimasi nilai wajar didasarkan pada informasi terbaik yang tersedia. Estimasi nilai wajar dilakukan dengan mempertimbangkan harga aset sejenis dan teknik penilaian yang paling sesuai dengan karakteristik aset dan liabilitas yang bersangkutan, antara lain, metode nilai kini dan arus kas diskonto.

Sesuai dengan PSAK tersebut, eliminasi atas saldo defisit terhadap akun-akun ekuitas dilakukan melalui urutan prioritas sebagai berikut:

- a) cadangan umum;
- b) cadangan khusus;
- c) selisih penilaian aset dan liabilitas dan selisih penilaian yang sejenisnya;
- d) tambahan modal disetor dan sejenisnya; dan
- e) modal saham.

Selain itu, berdasarkan PSAK No. 38 (Revisi 2012), saldo akun Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali dapat berubah pada saat adanya peristiwa kuasi-reorganisasi dan dapat digunakan untuk mengeliminasi atau menambah saldo laba negatif.

Seperti yang dijelaskan pada Catatan 41, Perusahaan melakukan kuasi-reorganisasi pada tanggal 30 Juni 2011 mengikuti persyaratan dari PSAK di atas.

#### bb. Penerapan Standar Akuntansi Revisi Lain

Selain standar akuntansi revisi yang telah disebutkan sebelumnya, Kelompok Usaha juga telah menerapkan standar akuntansi berikut pada tanggal 1 Januari 2015, yang dianggap relevan terhadap laporan keuangan konsolidasian namun tidak menimbulkan dampak yang signifikan.

- a) PSAK 4 (Revisi 2013) "Laporan Keuangan Tersendiri"
- b) PSAK 67 (Penyesuaian 2014) "Pengungkapan Kepentingan dalam Entitas Lain"
- c) PSAK 68 (Penyesuaian 2014) "Pengukuran Nilai Wajar"

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The fair values of assets and liabilities are determined based on market values. If the market value is unavailable, the estimated fair value is determined using the best information available. The estimates of the fair values put into consideration prices of the similar type of assets and a valuation technique most suitable to the characteristics of the related assets and liabilities, among others, present value method and discounted cash flows method.

According to PSAK, the elimination of deficit is applied against equity accounts in the order of priority as follows:

- a) legal reserve;
- b) special reserve;
- c) revaluation increment on assets and liabilities;
- *d)* additional paid-in capital and the similar accounts, and
- e) share capital.

In addition, under PSAK No. 38 (Revised 2012), the account balance of Restructuring Transactions of Entities is subject to change at the time of quasireorganization and can be used to eliminate or increase deficit.

As discussed in Note 41, the Company conducted quasi-reorganization as of June 30, 2011 following the provisions of the above PSAK.

#### bb. Adoption of Other Revised Accounting Standards

Other than the revised accounting standards previously mentioned, the Group also adopted the following revised accounting standards on January 1, 2015, which are considered relevant to the consolidated financial statements but did not have significant impact.

- a) PSAK 4 (Revised 2013) "Separate Financial Statements"
- b) PSAK 67 (Amendment 2014) "Disclosures of Interests in Other Entities"
- c) PSAK 68 (Amendment 2014) "Fair Value Measurements"

rporate Profile

## 3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING

Penyusunan laporan keuangan sesuai, dengan Standar Akuntansi Keuangan di Indonesia, mewajibkan manajemen untuk membuat pertimbangan, estimasi dan asumsi yang mempengaruhi jumlah-jumlah yang dilaporkan dalam laporan keuangan. Sehubungan dengan adanya ketidakpastian yang melekat dalam membuat estimasi, hasil sebenarnya yang dilaporkan di masa mendatang dapat berbeda dengan jumlah estimasi yang dibuat.

Kelompok Usaha mendasarkan asumsi dan estimasi pada parameter yang tersedia pada saat laporan keuangan disusun. Asumsi dan situasi mengenai perkembangan masa depan mungkin berubah akibat perubahan pasar atau situasi di luar kendali Kelompok Usaha. Perubahan tersebut dicerminkan dalam asumsi terkait pada saat terjadinya.

Pertimbangan, estimasi dan asumsi berikut ini dibuat oleh manajemen dalam rangka penerapan kebijakan akuntansi Kelompok Usaha yang memiliki pengaruh paling signifikan atas jumlah yang diakui dalam laporan keuangan konsolidasian:

#### Menentukan mata uang fungsional

Faktor-faktor yang dipertimbangkan dalam menentukan mata uang fungsional Perusahaan dan masing-masing Entitas Anak termasuk, antara lain, mata uang:

- yang paling mempengaruhi harga jual barang dan jasa; dari negara yang kekuatan persaingan dan peraturannya sebagian besar menentukan harga jual barang dan jasa entitas;
- yang paling mempengaruhi biaya tenaga kerja, bahan baku, dan biaya lain dari pengadaan barang atau jasa;
- yang mana dana dari aktivitas pendanaan dihasilkan; dan
- yang mana penerimaan dari aktivitas operasi pada umumnya ditahan.

#### Menentukan klasifikasi aset dan liabilitas keuangan

Kelompok Usaha menetapkan klasifikasi atas aset dan liabilitas tertentu sebagai aset keuangan dan liabilitas keuangan dengan mempertimbangkan apakah definisi yang ditetapkan PSAK No. 55 dipenuhi. Dengan demikian, aset keuangan dan liabilitas keuangan diakui sesuai dengan kebijakan akuntansi Kelompok Usaha seperti diungkapkan pada Catatan 2e. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements, in conformity with Indonesian Financial Accounting Standards, requires management to make judgments, estimations and assumptions that affect amounts reported therein. Due to the inherent uncertainty in making estimates, actual results reported in future periods may differ from those estimates.

The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions as they occur.

The following judgments, estimates and assumptions made by management in the process of applying the Group's accounting policies have the most significant effects on the amounts recognized in the consolidated financial statement:

#### Determining functional currency

The factors considered in determining the functional currency of the Company and each of its Subsidiary include, among others, the currency:

- that mainly influences sales prices for goods and services; of the country whose competitive forces and regulations mainly determine the sales prices of its goods and services;
- that mainly influences labour, material and other costs of providing goods or services;
- in which funds from financing activities are generated; and
- in which receipts from operating activities are usually retained.

## <u>Determining classification of financial assets and</u> <u>financial liabilities</u>

The Group determines the classification of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definition set forth in PSAK No. 55. Accordingly, the financial assets and financial liabilities are accounted for in accordance with the Group's accounting policies disclosed in Note 2e.

## 3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING (Lanjutan)

## Menentukan nilai wajar dan perhitungan amortisasi biaya perolehan dari instrumen keuangan

Kelompok Usaha mencatat aset dan liabilitas keuangan tertentu pada nilai wajar dan pada biaya perolehan yang diamortisasi, yang mengharuskan penggunaan estimasi akuntansi. Sementara komponen signifikan atas pengukuran nilai wajar dan asumsi yang digunakan dalam perhitungan amortisasi biaya perolehan ditentukan menggunakan bukti obyektif yang dapat diverifikasi, jumlah nilai wajar atau amortisasi dapat berbeda bila Kelompok Usaha menggunakan metodologi penilaian atau asumsi yang berbeda. Perubahan tersebut dapat mempengaruhi secara langsung laba atau rugi Kelompok Usaha. Penjelasan lebih rinci diungkapkan dalam Catatan 38.

## Menilai jumlah terpulihkan dari aset keuangan

Kelompok Usaha mengevaluasi akun piutang tertentu yang diketahui bahwa pelanggan tertentu tidak dapat memenuhi liabilitas keuangannya. Dalam hal tersebut, Kelompok Usaha menggunakan pertimbangan, berdasarkan fakta dan situasi yang tersedia, termasuk namun tidak terbatas pada, jangka waktu hubungan dengan pelanggan dan status kredit dari pelanggan berdasarkan catatan kredit dari pihak ketiga yang tersedia dan faktor pasar yang telah diketahui, untuk mencatat penyisihan spesifik atas pelanggan terhadap jumlah terutang guna mengurangi jumlah piutang yang diharapkan dapat diterima oleh Kelompok Usaha. Penyisihan spesifik ini dievaluasi kembali dan disesuaikan jika tambahan informasi yang diterima mempengaruhi jumlah penyisihan atas penurunan nilai piutang. Penjelasan lebih rinci diungkapkan dalam Catatan 7 dan 8.

## Menilai jumlah terpulihkan dari aset non-keuangan

Penyisihan penurunan nilai pasar dan keusangan persediaan diestimasi berdasarkan fakta dan situasi yang tersedia, termasuk namun tidak terbatas kepada, kondisi fisik persediaan yang dimiliki, harga jual pasar, estimasi biaya penyelesaian dan estimasi biaya yang timbul untuk penjualan. Provisi dievaluasi kembali dan disesuaikan jika terdapat tambahan informasi yang mempengaruhi jumlah yang diestimasi. Penjelasan lebih rinci diungkapkan dalam Catatan 9.

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

### <u>Determining fair value and calculation of cost</u> <u>amortization of financial instruments</u>

The Group records certain financial assets and liabilities at fair values and at amortized costs, which requires the use of accounting estimates. While significant components of fair value measurement and asumptions used in the calculation of cost amortization were determined using verifiable objective evidence, the fair value or amortization amount would differ if the Group utilized different valuation methodology or assumptions. Such changes would directly affect the Group's profit or loss. Further details are disclosed in Note 38.

## Assessing recoverable amounts of financial assets

The Group evaluates specific accounts receivable where it has information that certain customers are unable to meet their financial obligations. In these cases, the Group uses judgment, based on available facts and circumstances, including but not limited to, the length of its relationship with the customer and the customer's current credit status based on any available third party credit reports and known market factors, to record specific provisions for customers against amounts due to reduce its receivable amounts that the Group expects to collect. These specific provisions are re-evaluated and adjusted as additional information received affects the provision for impairment. Further details are disclosed in Notes 7 and 8.

#### Assessing recoverable amounts of non-financial assets

Allowance for decline in market value and obsolescence of inventories is estimated based on available facts and circumstances, including but not limited to, the inventories own physical condition, their market selling prices, estimated costs of completion and estimated costs to be incurred for their sales. The provisions are re-evaluated and adjusted as additional information received affects the amount estimated. Further details are disclosed in Note 9.

## 3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING (Lanjutan)

Jumlah pemulihan atas aset tetap, biaya pengembangan proyek dan *goodwill* didasarkan pada estimasi dan asumsi khususnya mengenai prospek pasar dan arus kas terkait dengan aset. Estimasi arus kas masa depan mencakup perkiraan mengenai pendapatan masa depan. Setiap perubahan dalam asumsi-asumsi ini mungkin memiliki dampak material terhadap pengukuran jumlah terpulihkan dan bisa mengakibatkan penyesuaian penyisihan penurunan nilai yang sudah dibukukan (Catatan 13, 14 dan 16).

## Menentukan metode penyusutan dan estimasi umur manfaat aset tetap

Biaya perolehan aset tetap disusutkan dengan menggunakan metode garis lurus, metode saldo menurun ganda dan unit produksi berdasarkan taksiran masa manfaat ekonomisnya. Manajemen mengestimasi masa manfaat ekonomis aset tetap selama 3 tahun sampai dengan 30 tahun. Ini adalah umur yang secara umum diharapkan dalam industri dimana Kelompok Usaha menjalankan bisnisnya. Perubahan tingkat pemakaian dan perkembangan teknologi dapat mempengaruhi masa manfaat ekonomis dan nilai sisa aset, dan karenanya biaya penyusutan masa depan mungkin direvisi. Penjelasan lebih rinci diungkapkan dalam Catatan 2k dan 13.

#### Alokasi harga beli dalam suatu kombinasi bisnis

Akuntansi akuisisi mensyaratkan penggunaan estimasi dan pertimbangan akuntansi untuk mengalokasikan harga perolehan terhadap nilai pasar wajar dari aset dan liabilitas yang teridentifikasi dari entitas yang diakuisisi. Setiap kelebihan dari harga perolehan atas nilai pasar wajar yang diestimasikan dari aset neto yang diakuisisi diakui sebagai *goodwill* dalam laporan posisi keuangan konsolidasian. Dengan demikian, pertimbangan yang dibuat dalam mengestimasi nilai pasar wajar yang diatribusikan ke aset dan liabilitas entitas yang diakuisisi dapat mempengaruhi kinerja keuangan Kelompok Usaha secara material (Catatan 2c). PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

The recoverable amounts of fixed assets, project development cost and goodwill are based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the assets. Estimated future cash flows include estimates of future revenues. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in adjustments to the provision of impairment already booked (Notes 13, 14 and 16).

## Determining depreciation method and estimated useful lives of fixed assets

The costs of fixed assets are depreciated on a straightline basis, double-decline balance and unit production basis over their estimated useful lives. Management estimates the useful lives of these fixed assets to be within 3 years to 30 years. These are common life expectancies applied in the industries in which the Group conducts its business. Changes in the expected level of usage and technological development could impact on the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised. Further details are disclosed in Notes 2k and 13.

#### Purchase price allocation in a business combination

Accounting for acquisition requires extensive use of accounting estimates and judgments to allocate the purchase price to the fair market values of the acquiree's identifiable assets and liabilities at the acquisition date. Any excess in the purchase price over the estimated fair market values of the net assets acquired is recorded as goodwill in the consolidated financial statements. Thus, the numerous judgments made in estimating the fair market value to be assigned to the acquiree's assets and liabilities can materially affect the Group's financial performance (Note 2c).

## 3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING (Lanjutan)

#### Estimasi beban pensiun dan imbalan kerja

Penentuan liabilitas dan biaya pensiun dan liabilitas imbalan kerja Kelompok Usaha bergantung pada pemilihan asumsi yang digunakan oleh aktuaris independen dalam menghitung jumlah-jumlah tersebut. Asumsi tersebut termasuk antara lain, tingkat diskonto, tingkat kenaikan gaji tahunan, tingkat pengunduran diri karyawan tahunan, tingkat kecacatan, umur pensiun dan tingkat kematian. Sementara Kelompok Usaha berkeyakinan bahwa asumsi tersebut adalah wajar dan sesuai, perbedaan signifikan pada hasil aktual atau perubahan signifikan dalam asumsi yang ditetapkan Kelompok Usaha dapat mempengaruhi secara material liabilitas diestimasi atas pensiun dan imbalan kerja dan beban imbalan kerja neto. Penjelasan lebih rinci diungkapkan dalam Catatan 2t dan 31.

#### Menentukan pajak penghasilan

Pertimbangan signifikan dilakukan dalam menentukan provisi atas pajak penghasilan badan. Terdapat transaksi dan perhitungan tertentu yang penentuan pajak akhirnya adalah tidak pasti sepanjang kegiatan usaha normal. Kelompok Usaha mengakui liabilitas atas pajak penghasilan badan berdasarkan estimasi apakah akan terdapat tambahan pajak penghasilan badan. Penjelasan lebih rinci diungkapkan dalam Catatan 30.

Kelompok Usaha menelaah aset pajak tangguhan pada setiap tanggal pelaporan dan mengurangi nilai tercatat sepanjang tidak ada kemungkinan bahwa laba kena pajak memadai untuk mengkompensasi sebagian atau seluruh aset pajak tangguhan. Kelompok Usaha juga menelaah waktu yang diharapkan dan tarif pajak atas pemulihan perbedaan temporer dan menyesuaikan pengaruh atas pajak tangguhan yang sesuai. Penjelasan lebih rinci diungkapkan dalam Catatan 30.

#### Mengevaluasi provisi dan kontinjensi

Manajemen melakukan penilaian untuk membedakan antara provisi dan kontinjensi terutama melalui konsultasi dengan penasehat hukum Kelompok Usaha yang menangani proses hukum dan pajak tersebut. Kelompok Usaha mempersiapkan provisi yang sesuai untuk proses hukum saat ini atau kewajiban konstruktif, jika ada, sesuai dengan kebijakan provisinya. Dalam pengakuan dan pengukuran provisi, manajemen memperhitungkan risiko dan ketidakpastian terhadap akun. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

#### Estimation pension cost and employee benefits

The determination of the Group's obligations and cost for pension and employee benefits liabilities is dependent on its selection of certain assumptions used by the independent actuaries in calculating such amounts. These assumptions include among others, discount rates, annual salary increase rate, annual employee turnover rate, disability rate, retirement age and mortality rate. While the Group believes that its assumptions are reasonable and appropriate, significant differences in the Group's actual results or significant changes in the Group's assumptions may materially affect its estimated liabilities for pension and employee benefits and net employee benefits expense. Further details are disclosed in Notes 2t and 31.

## Determining income taxes

Significant judgment is involved in determining provision for corporate income tax. There are certain transactions and computation for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for expected corporate income tax issues based on estimates as to whether additional corporate income tax will be due. Further details are disclosed in Note 30.

The Group reviews its deferred tax assets at each reporting date and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized. The Group also reviews the expected timing and tax rates upon reversal of temporary differences and adjusts the impact of deferred tax accordingly. Further details are disclosed in Note 30.

#### Evaluating provisions and contingencies

The management exercises its judgment to distinguish between provisions and contingencies mainly through consultation with the Group's legal counsel handling those proceedings. The Group sets up appropriate provisions for its present legal or constructive obligations, if any, in accordance with its policies on provisions. In recognizing and measuring provisions, the management takes risk and uncertainty into account.

## 3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI YANG PENTING (Lanjutan)

Dalam situasi tertentu, Kelompok Usaha tidak dapat menentukan secara pasti jumlah liabilitas pajak mereka pada saat ini atau masa depan karena proses pemeriksaan, atau negosiasi dengan otoritas perpajakan. Ketidakpastian timbul terkait dengan interpretasi dari peraturan perpajakan yang kompleks serta jumlah dan waktu dari penghasilan kena pajak di masa depan. Dalam menentukan jumlah yang harus diakui terkait dengan liabilitas pajak yang tidak pasti, Kelompok Usaha menerapkan pertimbangan yang sama yang akan mereka gunakan dalam menentukan jumlah cadangan yang harus diakui sesuai dengan PSAK 57, "Provisi, Liabilitas Kontinjensi, dan Aset Kontinjensi". Kelompok Usaha membuat analisa untuk semua posisi pajak terkait dengan pajak penghasilan untuk menentukan jika liabilitas pajak untuk manfaat pajak yang belum diakui harus diakui.

#### 4. PENDIRIAN, DIVESTASI DAN PERUBAHAN KEPEMILIKAN SAHAM ENTITAS ANAK

## a. Pendirian Entitas Anak

#### PT Bina Andalan Karya Inspeksi (BAKI)

Pada tanggal 21 Oktober 2014, PT Bakrie Pipe Industries (BPI) mendirikan BAKI, berdasarkan Akta Notaris No. 31, Notaris Maria Gunarti S.H., M.Kn., dan berdasarkan Keputusan No. AHU-31621.40.10. 2014 tanggal 28 Oktober 2014, Menteri Hukum dan Hak Asasi Manusia menyetujui Kepemilikan BPI sebesar 99,99% di BAKI.

#### PT Bina Karya Proteksi Pipabaja (BKPP)

Pada tanggal 2 Oktober 2014, PT Bakrie Pipe Industries (BPI) mendirikan BKPP, berdasarkan Akta Notaris No. 7, Notaris Maria Gunarti S.H., M.Kn., dan berdasarkan Keputusan No. AHU-31307. 40.10.2014 tanggal 24 Oktober 2014, Menteri Hukum dan Hak Asasi Manusia menyetujui Kepemilikan BPI sebesar 99,99 % di BKPP.

#### PT Bina Proteksiprima Pipabaja (BPP)

Pada tanggal 9 Mei 2014, PT Bakrie Metal Industries (BMI) mendirikan BPP, berdasarkan Akta Notaris No. 3, Notaris Titi Indrasari S.H., dan berdasarkan Keputusan No. AHU-08655.40.10.2014, tanggal 12 Mei 2014, Menteri Hukum dan Hak Asasi Manusia, menyetujui 60,00% kepemilikan saham dari BMI di BPP. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

In certain circumstances, the Group may not be able to determine the exact amount of its current or future tax liabilities due to on going investigations by, or negotiations with, the taxation authority. Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. In determining the amount to be recognized in respect of an uncertain tax liability, the Group applies similar considerations as it would use in determining the amount of a provision to be recognized in accordance with PSAK 57, "Provisions, Contingent Liabilities and Contingent Assets." The Group makes an analysis of all tax positions related to income taxes to determine if a tax liability for unrecognized tax benefit should be recognized.

#### 4. ESTABLISHMENT, DIVESTMENT AND CHANGES OF SHARE OWNERSHIP IN SUBSIDIARIES

#### a. Establishment of Subsidiaries

#### PT Bina Andalan Karya Inspeksi (BAKI)

On October 21, 2014, PT Bakrie Pipe Industries (BPI) established BAKI, based on Notarial Deed No. 31, of Maria Gunarti, S.H., M.Kn., and based on Decree No. AHU-31621.40.10.2014 dated October 28, 2014, the Ministry of Law and Human Right has approved the 99.99% share ownership of BPI in BAKI.

#### PT Bina Karya Proteksi Pipabaja (BKPP)

On October 2, 2014, PT Bakrie Pipe Industries (BPI) established BKPP, based on Notarial Deed No. 7 of Maria Gunarti, S.H., M.Kn., and based on Decree No. AHU-31307.40.10.2014 dated October 24, 2014 the Ministry of Law and Human Right has approved the 99.99% share ownership of BPI in BKPP.

#### PT Bina Proteksiprima Pipabaja (BPP)

On May 9, 2014, PT Bakrie Metal Industries (BMI) established BPP, based on Notarial Deed No. 3 of Titi Indrasari, S.H., and based on Decree No. AHU-08655.40.10.2014, dated May 12, 2014, the Ministry of Law and Human Rights has approved the 60.00% shares ownership of BMI in BPP.

#### 4. PENDIRIAN, DIVESTASI DAN PERUBAHAN KEPEMILIKAN SAHAM ENTITAS ANAK (Lanjutan)

#### PT Bina Inspeksi Ujiprima (BIU)

Pada tanggal 25 Maret 2014, PT Bakrie Metal Industries (BMI) mendirikan BIU, berdasarkan Akta Notaris No. 34, Notaris Titi Indrasari, S.H., dan berdasarkan Keputusan No. AHU-01523.40.10.2014, tanggal 7 April 2014, Menteri Hukum dan Hak Asasi Manusia telah menyetujui 60,00% kepemilikan saham dari BMI di BIU.

## PT Kalimantan Jawa Gas (KJG)

Pada tanggal 23 Juli 2013, PT Energas Daya Pratama (EDP) mendirikan KJG, berdasarkan Akta Notaris No. 17, Notaris Firdhonal, S.H., Berdasarkan Keputusan No. AHU-48492.AH.01.01, tahun 2013, Menteri Hukum dan Hak Asasi Manusia telah menyetujui 80,00% kepemilikan saham dari EDP di KJG.

Pada tanggal 10 Maret 2014, Perusahaan menandatangani perjanjian pemesanan saham di PT Kalimanatan Jawa Gas, dimana biaya proyek yang dikeluarkan oleh Perusahaan untuk membiayai asset KJG yang akan mewakili kepemilikan saham 20% di KJG.

Pada tanggal 11 November 2014, Anggaran Dasar KJG telah diubah dengan meningkatkan modal dasar dari Rp40 miliar menjadi Rp266,43 miliar, dimana saham KJG yang ada akan dilepas dan akan menerbitkan saham yang baru. Perusahaan memiliki kepemilikan saham 20% di KJG (Catatan 12b dan 14).

## b. Perubahan Kepemilikan Saham dan Divestasi

#### PT Bakrie Construction (BCons)

Pada tanggal 27 Januari 2014, berdasarkan Akta Notaris Humberg Lie, S.H., S.E., M.Kn., Anggaran Dasar BCons telah diubah untuk meningkatkan modal dasar perseroan dari semula USD10,7 juta atau setara dengan Rp83,9 miliar menjadi USD20,3 juta atau setara dengan Rp192,6 miliar. Kepemilikan BMI di BCons meningkat menjadi sebesar 95,19% dari 90,84%. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 4. ESTABLISHMENT, DIVESTMENT AND CHANGES OF SHARE OWNERSHIP IN SUBSIDIARIES (Continued)

## PT Bina Inspeksi Ujiprima (BIU)

On March 25, 2014, PT Bakrie Metal Industries (BMI) established BIU, based on Notarial Deed No. 34 of Titi Indrasari, S.H., and based on Decree No. AHU-01523.40.10.2014, dated April 7, 2014, the Ministry of Law and Human Rights has approved the 60.00% shares ownership of BMI in BIU.

## PT Kalimantan Jawa Gas (KJG)

On July 23, 2013, PT Energas Daya Pratama (EDP) established KJG, based on Notarial Deed No. 17 of Firdhonal, S.H., Based on Decree No. AHU 48492. AH.01.01, year 2013, the Ministry of Law and Human Rights has approved the 80.00% shares ownership of EDP in KJG.

On March 10, 2014, the Company entered into a share subscription agreement in PT Kalimantan Jawa Gas, wherein the project costs incurred by the Company to finance the assets of KJG will represent 20% shares ownership in KJG.

On November 11, 2014, the Articles of Association of KJG has been amended to increase the authorized capital from Rp40 billion to become Rp266.43 billion, whereby the existing shares of KJG will be disposed and will issue new shares. The Company has 20% share ownership in KJG (Notes 12b and 14).

## b. Changes in Share Ownership and Divestment

## PT Bakrie Construction (BCons)

On January 27, 2014, based on Notarial Deed Humberg Lie, S.H., S.E., M.Kn., the Articles of Association of BCons was amended to increase the authorized capital from USD10.7 million or equivalent to Rp83.9 billion to USD20.3 million or equivalent to Rp192.6 billion. BMIs ownership at BCons increased to 95.19% from 90.84%.

#### 4. PENDIRIAN, DIVESTASI DAN PERUBAHAN KEPEMILIKAN SAHAM ENTITAS ANAK (Lanjutan)

Pada tanggal 31 Desember 2014, berdasarkan Akta Notaris Titi Indrasari, S.H., Anggaran Dasar BCons telah diubah untuk meningkatkan modal dasar perseroan dari semula USD20,3 juta atau setara dengan Rp192,6 miliar menjadi USD40,4 juta atau setara dengan Rp436,5 miliar. Kepemilikan BMI di BCons meningkat menjadi sebesar 97,57% dari 95,19%.

#### PT Bakrie Power (BP)

Pada tanggal 17 Januari 2014, berdasarkan Akta Notaris No. 2, Notaris Rohana Frieta, S.H., para Pemegang Saham menyetujui peningkatan modal dasar BP dari semula Rp70,0 miliar menjadi Rp300,0 miliar. BIIN melakukan penambahan kepemilikan dengan cara mengkonversi piutang pemegang saham sebesar Rp158,6 miliar. Kepemilikan BIIN di BP meningkat menjadi sebesar 99,99% dari 99,96%.

#### PT Multi Pangan Selina (MPS)

Pada tanggal 21 November 2014, Perusahaan telah mengalihkan 2.500 lembar kepemilikan saham di MPS kepada PT Bakrie Communications (BC). Pada tanggal 10 Desember 2014, Perusahaan mengalihkan 2.500 lembar kepemilikan saham di MPS kepada PT Agrokom Rekanusa (AR). Pengalihan dihitung sesuai dengan PSAK 38, "Kombinasi Bisnis Entitas Sepengendali" dan selisih antara harga pengalihan dengan nilai buku pada aset neto yang dimiliki MPS sebesar Rp5 miliar telah dicatat dalam selisih nilai transaksi restrukturisasi entitas sepengendali dan disajikan pada bagian tambahan modal disetor dalam komponen ekuitas dalam laporan posisi keuangan konsolidasian.

#### PT Agrokom Rekanusa (AR)

Pada tanggal 21 November 2014, Perusahaan telah mengalihkan 147 lembar kepemilikan saham di AR kepada BC. Pada tanggal 10 Desember 2014, Perusahaan mengalihkan 147 lembar kepemilikan saham di AR kepada MPS. Pengalihan dihitung sesuai dengan PSAK 38, "Kombinasi Bisnis Entitas Sepengendali" dan selisih antara harga pengalihan dengan nilai buku pada aset neto yang dimiliki AR sebesar Rp0,5 juta dicatat dalam selisih nilai transaksi restrukturisasi entitas sepengendali dan disajikan pada bagian tambahan modal disetor dalam komponen ekuitas dalam laporan posisi keuangan konsolidasian.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 4. ESTABLISHMENT, DIVESTMENT AND CHANGES OF SHARE OWNERSHIP IN SUBSIDIARIES (Continued)

On December 31, 2014, based on Notarial Deed Titi Indrasari, S.H., the Articles of Association of BCons was amended to increase the authorized capital from USD20.3 million or equivalent to Rp192.6 billion to USD40.4 million or equivalent to Rp436.5 billion. BMI's ownership at BCons increased to 97.57% from 95.19%.

## PT Bakrie Power (BP)

On January 17, 2014, based on Notarial Deed No. 2, Notary of Rohana Frieta, S.H., the shareholders of BP agreed to increase the authorized capital from Rp70.0 billion to Rp300.0 billion. BIIN increased the ownership through conversion of outstanding receivables amounting to Rp158.6 billion. BIIN's ownership at BP increased to 99.99% from 99.96%.

## PT Multi Pangan Selina (MPS)

On November 21, 2014, the Company has transferred 2,500 shares ownership at MPS to PT Bakrie Communications (BC). On December 10, 2014, the Company has transferred 2,500 shares ownership at MPS to PT Agrokom Rekanusa (AR). The transfer was accounted in accordance with PSAK 38, "Business Combination for Entities under Common Control" and the difference between the book value of MPS's net assets amounting to Rp5 billion was recorded as difference in the value from restructuring transactions of entities under common control and presented as additional paid-in capital in the equity section of the consolidated statement of financial position.

#### PT Agrokom Rekanusa (AR)

On November 21, 2014, the Company has transferred 147 share ownership at AR to BC. On December 10, 2014, the Company has transferred 147 shares ownership at AR to MPS. The transfer was accounted in accordance with PSAK 38, "Business Combination for Entities under Common Control" and the difference between the book value of AR's net assets amounting to Rp0.5 million was recorded as difference in the value from restructuring transactions of entities under common control and presented as additional paid-in capital in the equity section of the consolidated statement of financial position.



#### 4. PENDIRIAN, DIVESTASI DAN PERUBAHAN KEPEMILIKAN SAHAM ENTITAS ANAK (Lanjutan)

#### PT Bakrie Communications (BC)

Pada tanggal 23 Desember 2014, berdasarkan Akta Notaris No. 6, Notaris Titi Indrasari, S.H., menyetujui pengalihan kepemilikan saham yang dimiliki oleh Perusahaan sebanyak 124 lembar kepada PT Cakrawala Baru dan 125 lembar kepada Tuan Ade Suryana. Lebih lanjut, efektif tanggal 31 Desember 2014, Perusahaan telah kehilangan kendali dan pengaruh signifikan atas BC (termasuk MPS dan AR) sehubungan dengan perubahan kepemilikan saham atas BC. Sejak saat itu, Perusahaan tidak lagi mengkonsolidasi BC.

Sehubungan dekonsolidasi BC tersebut, Perusahaan mengakui kerugian atas penjualan saham dalam laporan laba rugi dan penghasilan komprehensif konsolidasian sebesar Rp27,9 miliar.

#### PT Bakrie Steel Industries (BSI)

Pada tanggal 30 Maret 2015, berdasarkan Akta Notaris Humberg Lie, S.H.,S.E, M.Kn, No. 240, Pemegang saham telah menyetujui untuk mengalihkan kepemilikan saham yang dimiliki oleh PT Bakrie & Brothers Tbk dan PT Kreasindo Jaya Utama kepada PT Bakrie Autoparts dan PT Bina Usaha Mandiri Misuzawa. Perusahaan mengalihkan seluruh kepemilikan saham sebesar 99,99% di PT Bakrie Steel Industries (BSI) ke PT Bakrie Autoparts (BA).

#### PT Cimanggis Cibitung Tollways (CCTW)

Pada tanggal 13 Juli 2015, Perusahaan dan PT Bakrie Toll Indonesia (BTI) telah menandatangani Perjanjian Jual Beli atas kepemilikan saham di PT Cimanggis Cibitung Tollways (CCTW) kepada PT Waskita Toll Road (WTR) masing-masing sebesar 10% dan 80%. Setelah perjanjian tersebut, kepemilikan saham Perusahaan, BTI dan WTR di CCTW menjadi masing-masing sebesar 5%, 5% dan 90%. Perusahaan telah kehilangan kendali dan pengaruh signifikan atas CCTW sehubungan dengan perubahan kepemilikan saham atas CCTW. Sejak saat itu, Perusahaan tidak lagi mengkonsolidasi (Catatan 12b). PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 4. ESTABLISHMENT, DIVESTMENT AND CHANGES OF SHARE OWNERSHIP IN SUBSIDIARIES (Continued)

#### PT Bakrie Communications (BC)

On December 23, 2014, based on Notarial Deed No. 6, of Titi Indrasari, S.H, the Company transferred its share ownership in BC consisting of 124 shares to PT Cakrawala Baru and 125 shares to Mr. Ade Suryana. Furthermore, effective December 31, 2014, the Company lost its control and significant influence over BC (including MPS and AR) as a result of the change in ownership. Since then, the Company deconsolidated BC.

In connection with the deconsolidation of BC, the Company recognized loss on sale investment in the consolidated statement of profit or loss and other comprehensive income amounting to Rp27.9 billion.

#### PT Bakrie Steel Industries (BSI)

On March 30, 2015, based on Notarial Deed No. 240 of Humberg Lie, S.H.,S.E, M.Kn, the Shareholders approved the transfer of shares owned by PT Bakrie & Brothers Tbk and PT Kreasindo Jaya Utama in PT Bakrie Autoparts and PT Bina Usaha Mandiri Misuzawa. The Company transferred all of its ownership 99.99% in PT Bakrie Steel Industries (BSI) to PT Bakrie Autoparts (BA).

#### PT Cimanggis Cibitung Tollways (CCTW)

On July 13, 2015, the Company and PT Bakrie Toll Indonesia (BTI) entered into a Sale and Purchase Agreement of shares in PT Cimanggis Cibitung Tollways (CCTW) to PT Waskita Toll Road (WTR) equivalent to 10% and 80%, respectively. After this agreement, share ownership of the Company, BTI and WTR at CCTW are 5%, 5% and 90%, respectively. Furthermore, the Company lost its control and significant influence over CCTW as a result of the change in ownership. Since then, the Company deconsolidated CCTW (Note 12b).

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#### 4. PENDIRIAN, DIVESTASI DAN PERUBAHAN KEPEMILIKAN SAHAM ENTITAS ANAK (Lanjutan)

Lanjulan)

Sehubungan dekonsolidasi CCTW tersebut, Perusahaan dan BTI mengakui keuntungan atas penjualan saham dalam laporan laba rugi dan penghasilan komprehensif konsolidasian sebesar Rp399,00 miliar.

#### PT Aneka Banusakti (ABS)

Pada tanggal 23 Desember 2015, BA telah menandatangani Perjanjian Jual Beli atas seluruh kepemilikan saham di Aneka Banusakti (ABS) kepada PT Suplaindo Sejahtera sebesar 58% kepemilikan saham di ABS. Lebih lanjut, efektif tanggal tersebut, BA telah kehilangan kendali dan pengaruh signifikan atas ABS sehubungan dengan perubahan kepemilikan saham atas ABS. Sejak saat itu, BA tidak lagi mengkonsolidasi.

Sehubungan dekonsolidasi ABS tersebut, BA mengakui kerugian atas penjualan saham dalam laporan laba rugi dan penghasilan komprehensif konsolidasian sebesar Rp3,83 miliar.

## 5. KAS DAN SETARA KAS

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 4. ESTABLISHMENT, DIVESTMENT AND CHANGES OF SHARE OWNERSHIP IN SUBSIDIARIES (Continued)

In connection with the deconsolidation of CCTW, the Company and BTI recognized gain on sale investment in the consolidated statement of profit or loss and other comprehensive income amounting to Rp399.00 billion.

#### PT Aneka Banusakti (ABS)

On December 23, 2015, BA entered into a Sale and Purchase Agreement of all shares in PT Aneka Banusakti (ABS) to PT Suplaindo Sejahtera equivalent to 58% share ownership in ABS. Furthermore, effective date BA lost its control and significant influence over ABS as a result of the change in ownership. Since then, BA deconsolidated ABS.

In connection with the deconsolidation of ABS, BA recognized loss on sale of investment in the consolidated statement of profit or loss and other comprehensive income amounting to Rp3.83 billion.

## 5. CASH AND CASH EQUIVALENTS

_	2015	2014	
Kas			Cash on hand
Rupiah	1.034.359	958.265	Rupiah
Dolar AS	27.881	18.780	US Dollar
Dolar Singapura	1.576	1.421	Singaporean Dollar
Total kas	1.063.816	978.466	Total cash on hand
Kas di bank			Cash in banks
Rupiah			Rupiah
PT Bank Central Asia Tbk	24.935.854	20.685.832	PT Bank Central Asia Tbk
PT Bank Mandiri (Persero) Tbk	21.852.389	8.109.366	PT Bank Mandiri (Persero) Tbk
PT Bank Rakyat Indonesia			PT Bank Rakyat Indonesia
(Persero) Tbk	18.378.691	15.742.458	(Persero) Tbk
PT Bank MNC Internasional Tbk			PT Bank MNC Internasional Tbk
(dahulu			(formerly known as
PT ICB Bumiputera Tbk)	8.598.638	14.137.923	PT ICB Bumiputera Tbk)
PT Bank Negara Indonesia			PT Bank Negara Indonesia
(Persero) Tbk	5.346.730	14.635.503	(Persero) Tbk
PT Bank Negara Indonesia			PT Bank Negara Indonesia
Syariah	5.312.105	401.986	Syariah

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 5. KAS DAN SETARA KAS (Lanjutan)

## 5. CASH AND CASH EQUIVALENTS (Continued)

	2015	2014	
PT Bank Muamalat			PT Bank Muamalat
Indonesia Tbk	4.168.882	6.180.153	Indonesia Tbk
PT Bank Bukopin Tbk	2.593.756	2.011.125	PT Bank Bukopin Tbk
PT Bank DKI	2.296.995	2.118.724	PT Bank DKI
PT Bank Artha Graha Tbk	1.122.950	4.085.652	PT Bank Artha Graha Tbk
PT Bank J Trust Indonesia Tbk			PT Bank J Trust Indonesia Tbk
(dahulu			(formerly known as
PT Bank Mutiara Tbk)	712.258	3.601.469	PT Bank Mutiara Tbk)
PT Bank BRI Syariah	617.359	2.741.916	PT Bank BRI Syariah
PT Bank Mega Tbk	429.206	14.629.533	PT Bank Mega Tbk
PT Bank Internasional			PT Bank Internasional
Indonesia Tbk	390.869	3.646.758	Indonesia Tbk
Lain-lain (di bawah Rp1 miliar)	882.559	1.617.301	Others (below Rp1 billion)
Sub-total	97.639.241	114.345.699	Sub-total
Mata uang asing			Foreign currencies
PT Bank Mandiri (Persero) Tbk	160.364.026	57.899.387	PT Bank Mandiri (Persero) Tbk
PT Bank Rakyat Indonesia			PT Bank Rakyat Indonesia
(Persero) Tbk	66.933.381	69.258.020	(Persero) Tbk
PT Bank Mega Tbk	13.254.571	3.066.607	PT Bank Mega Tbk
PT Bank Pembangunan Daerah			PT Bank Pembangunan Daerah
Jawa Timur	7.027.524	6.312.705	Jawa Timur
PT Bank Central Asia Tbk	2.435.644	6.473.301	PT Bank Central Asia Tbk
PT Bank Negara Indonesia			PT Bank Negara Indonesia
(Persero) Tbk	2.407.312	3.702.199	(Persero) Tbk
PT Bank Internasional			PT Bank Internasional
Indonesia Tbk	578.850	3.225.217	Indonesia Tbk
Lain-lain (di bawah Rp1 miliar)	4.318.107	5.719.568	Others (below Rp1 billion)
Sub-total	257.319.415	155.657.004	Sub-total
Total kas di bank	354.958.656	270.002.703	Total cash in banks
Setara kas			Cash equivalents
Deposito berjangka			Time deposits
Rupiah			Rupiah
PT Bank Mega Tbk	-	4.000.000	PT Bank Mega Tbk
Lain-lain (di bawah Rp1 miliar)	-	3.147.496	Others (below Rp1 billion)
Sub-total		7.147.496	Sub-total
Mata uang asing (USD)			Foreign currency (USD)
PT Bank Mega Tbk	62.077.500	-	PT Bank Mega Tbk
PT Bank Mandiri (Persero) Tbk		1.048.132	PT Bank Mandiri (Persero) Tbk
Sub-total	62.077.500	1.048.132	Sub-total
Total Setara Kas	62.077.500	8.195.628	Total cash equivalents
Total	418.099.972	279.176.797	Total

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## PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 5. KAS DAN SETARA KAS (Lanjutan)

Kisaran suku bunga tahunan untuk deposito berjangka adalah sebagai berikut:

## 5. CASH AND CASH EQUIVALENTS (Continued)

The annual interest rates of time deposits were as follows:

	2015	2014	
Rupiah	0,25 % - 1,00 %	6,50 % - 9,75 %	Rupiah
Dolar AS		0,75 % - 1,50 %	US Dollar

Seluruh kas dan setara kas ditempatkan pada pihak ketiga.

Rincian kas dan setara kas berdasarkan mata uang adalah sebagai berikut:

All placements in cash and cash equivalents were with third parties.

Details of cash and cash equivalents based on currencies were as follows:

6. SHORT-TERM INVESTMENTS

Mata uang	2015	2014	Currency
Dolar AS	319.282.987	156.700.772	US Dollar
Rupiah	98.673.601	122.451.409	Rupiah
Yen Jepang	141.808	23.195	Japanese Yen
Dolar Singapura	1.576	1.421	Singaporean Dollar

#### 6. INVESTASI JANGKA PENDEK

#### 2015 2014 Efek tersedia untuk dijual Available-for-sale securities Efek ekuitas tercatat (Catatan 33g) *Quoted equity securities (Note 33g)* PT Bakrie Telecom Tbk 32.278.207 39.517.807 PT Bakrie Telecom Tbk PT Bumi Resources Tbk 27.429.399 43.887.039 PT Bumi Resources Tbk PT Bakrie Sumatera PT Bakrie Sumatera Plantation Tbk 18.642.999 Plantation Tbk 60.071.199 PT Bakrieland Development Tbk 3.601.290 9.321.290 PT Bakrieland Development Tbk PT Energi Mega Persada Tbk 1.588.387 280.259.124 PT Energi Mega Persada Tbk Bumi Borneo Resources Pte. Ltd. 1.239.833.450 Bumi Borneo Resources Pte. Ltd. Sub-total 83.540.282 1.672.889.909 Sub-total Dimiliki untuk diperdagangkan Held-for-trading Dana investasi (USD) Investment funds (USD) Purple Rain Resources Ltd. 340.866.787 Purple Rain Resources Ltd. Skytrend Investments Skytrend Investments Holdings Ltd. 900.132.461 900.132.461 Holdings Ltd. Sub-total 1.240.999.248 900.132.461 Sub-total Marketable securities Saham yang diperdagangkan PT United Tractors Tbk 1.392.020 PT United Tractors Tbk PT Summarecon Agung Tbk PT Summarecon Agung Tbk 930.000 PT Pelayaran Tempura PT Pelayaran Tempura Emas Tbk 781.501 1.096.425 Emas Tbk

## PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

### 6. INVESTASI JANGKA PENDEK (Lanjutan)

## 6. SHORT-TERM INVESTMENTS (Continued)

	2015	2014	
PT Sri Rejeki Isman Tbk	743.665	-	PT Sri Rejeki Isman Tbk
PT Alam Sutera Realty Tbk	474.600	-	PT Alam Sutera Realty Tbk
PT Nusa Raya Cipta Tbk	-	1.104.436	PT Nusa Raya Cipta Tbk
PT Jasa Marga Tbk	-	1.058.205	PT Jasa Marga Tbk
PT Bank Mandiri (Persero) Tbk	-	754.250	PT Bank Mandiri (Persero) Tbk
PT Erajaya Swasembada Tbk	-	654.000	PT Erajaya Swasembada Tbk
PT Bumi Serpong Damai Tbk	-	541.500	PT Bumi Serpong Damai Tbk
Lain-lain (dibawah Rp 500 juta)	7.751.610	6.987.968	Others (Below Rp 500 million)
Sub-total	12.073.396	12.196.784	Sub-total
Pinjaman dan piutang			Loan and receivables
Deposito berjangka			Time deposits
PT Bank Mandiri (Persero) Tbk	2.200.000	2.200.000	PT Bank Mandiri (Persero) Tbk
PT Bank ICBC Indonesia		1.507.400	PT Bank ICBC Indonesia
Sub-total	2.200.000	3.707.400	Sub-total
Total	1.338.812.926	2.588.926.554	Total
Dikurangi penyisihan penurunan			Less allowance for impairment
nilai investasi	(900.132.461)	-	of investment
Neto	438.680.465	2.588.926.554	Net

Rincian investasi jangka pendek berdasarkan mata uang adalah sebagai berikut:

Details of short term investments based on currencies were as follows:

Mata uang	2015	2014	Currency
Dolar AS	340.866.787	2.139.965.911	US Dollar
Rupiah	97.813.678	448.960.643	Rupiah

## Efek tersedia untuk dijual

Pada tanggal 20 Januari 2012, Perusahaan dan Long Haul Holding (LHH) menandatangani Perjanjian Jual Beli Bersyarat (CSPA), dimana Perusahaan akan menjual Bumi Energy & Metal Pte Ltd (BBEM) dan Bumi Borneo Resources (BBR) ke LHH yang tunduk pada, antara lain, persetujuan kreditor dan andai kata kondisi ini tidak terpenuhi, dalam hal terdapat pemungutan suara di BBEM dan BBR, Perusahaan akan melakukan pemungutan suara berdasarkan keputusan LHH. Hasil dari transaksi ini, Perusahaan memiliki BBEM dan BBR masing-masing 21,9% dan 22,8% dan kehilangan pengaruh yang signifikan atas BBEM dan BBR karena telah menyerahkan semua hak suaranya ke LHH berdasarkan CSPA. Sejak itu, Perusahaan mencatat investasi saham di BBEM dan BBR sebagai saham yang tersedia untuk dijual.

#### Available-for-sale securities

On January 20, 2012, the Company and Long Haul Holding (LHH) entered into a Conditional Sale and Purchase Agreement (CSPA), wherein the Company will sell its shares of Bumi Energy & Metal Pte Ltd (BBEM) and Bumi Borneo Resources (BBR) to LHH subject to, among others, creditor's approval, and if the condition is not met, in the event of voting in BBEM and BBR, the Company will vote based on LHH decision. As a result of this transaction, the Company owned 21.9% and 22.8% in BBEM and BBR, respectively, and lost its significant influence over BBEM and BBR as the Company has transferred its voting rights to LHH through the CSPA. Since then, the Company has recorded its investment in BBEM and BBR shares as available-for-sale equity securities.

## 6. INVESTASI JANGKA PENDEK (Lanjutan)

Pada tahun 2013, Perusahaan, PT Borneo Lumbung Energi & Metal Tbk (Borneo), LHH, BBEM, BBR, Artel Choice Limited dan PT Republik Energi & Metal melakukan Perjanjian Jual Beli dimana terdapat perubahan dalam susunan pemegang saham dari BBEM dan BBR, penjualan atas saham PT Asia Resources Minerals Plc (ARMS) dan pembelian kembali atas saham PT Bumi Resources Tbk (BUMI). Perusahaan dan LHH telah memperoleh izin dan persetujuan dari kreditur untuk transaksi ini. Berdasarkan perjanjian, Perusahaan melakukan transaksi berikut, antara lain:

- a. Pada tanggal 25 Maret 2014, Perusahaan dan LHH melakukan pertukaran 49% kepemilikan saham Perusahaan di BBEM dengan 49% kepemilikan saham Borneo di BBR sehingga BBR dimiliki seluruhnya oleh Perusahaan dan LHH.
- b. Pada tanggal 25 Maret 2014, Ravenwood Acquisition Company Limited (RACL), afiliasi Borneo, telah membayar USD224,0 juta kepada BBR untuk 23,8% kepemilikan pada ARMS. Jumlah ini telah disetorkan pada *escrow account* yang dibuat untuk transaksi pembelian kembali saham BUMI, yang terlaksana pada hari yang sama.

Atas transaksi ini Perusahaan mencatat kerugian bersih atas investasi jangka pendek sebesar Rp7,3 miliar.

Pada tanggal 20 Maret 2015, Perusahaan mengalihkan seluruh kepemilikan saham sebesar 44,6% di Bumi Borneo Resources Pte. Ltd (BBR) kepada Long Haul Holdings Ltd. (LHH). Atas penjualan ini Perusahaan mencatat piutang dari LHH (Catatan 33c).

Pada tanggal 27 Juni 2014, Perusahaan menyerahkan 1,96 miliar lembar saham PT Bakrieland Development Tbk (ELTY) senilai USD8,1 juta dan penyerahan 1,23 miliar lembar saham BTEL senilai USD5,1 juta untuk pembayaran utang ke Conic Investment Limited (Catatan 18i).

Pada tanggal 29 Desember 2014, Perusahaan menyerahkan 5,3 miliar lembar saham BTEL senilai USD18,2 juta, penyerahan 113,7 juta lembar saham ENRG senilai USD0,9 juta dan penyerahan 123,8 juta lembar saham UNSP senilai USD0,4 juta untuk pembayaran utang ke Conic Investment Limited (Catatan 18i).

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

### 6. SHORT-TERM INVESTMENTS (Continued)

In 2013, the Company, PT Borneo Lumbung Energi & Metal Tbk (Borneo), LHH, BBEM, BBR, Artel Choice Limited and PT Republik Energi & Metal entered into a Sale and Purchase Agreement (SPA) wherein there will be change in the shareholders of BBEM and BBR, sale of PT Asia Resources Minerals Plc (ARMS) shares and repurchase of PT Bumi Resources Tbk (BUMI) shares. The Company and LHH obtained consent and approval from lender for this transaction. Based on this agreement, the Company entered into the following transactions, among others:

- a. On March 25, 2014, the Company and LHH exchanged 49% of the Company and LHH's share ownership in BBEM with 49% of Borneo's share ownership in BBR, making BBR a wholly-owned subsidiary of the Company and LHH.
- b. On March 25, 2014, Ravenwood Acquisition Company Limited (RACL), an affiliate of Borneo, paid USD224.0 million to BBR in exchange for the 23.8% share ownership of BBR in ARMS. This amount was deposited in an escrow account created for the repurchase of BUMI shares, which was executed on the same date.

The Company recognized net loss on disposal of shortterm investments on the above transactions amounting to *Rp7.3 billion*.

On March 20, 2015, the Company transferred all of its share ownership (44.6%) in Bumi Borneo Resources Pte. Ltd (BBR) to Long Haul Holdings Ltd. (LHH). The Company recorded a receivable from LHH for this transaction (Note 33c).

On June 27, 2014, the Company transferred 1.96 billion of PT Bakrieland Development Tbk (ELTY) shares equivalent to USD8.1 million and 1.23 billion BTEL shares equivalent to USD5.1 million as partial payment to Conic Investment Limited (Note 18i).

On December 29, 2014, the Company transferred 5.3 billion of BTEL shares equivalent to USD18.2 million, 113.7 million ENRG shares equivalent to USD0.9 million and 123.8 million UNSP shares equivalent to USD0.4 million as partial payment to Conic Investment Limited (Note 18i).

## 6. INVESTASI JANGKA PENDEK (Lanjutan)

Perusahaan mengakui rugi neto atas penyerahan investasi jangka pendek yang digunakan untuk pembayaran pinjaman dari Conic Investment Limited sebesar Rp37,6 miliar.

Sampai dengan tanggal 31 Desember 2015, sejumlah efek ekuitas pada BUMI, ELTY, PT Energi Mega Persada Tbk (ENRG), PT Bakrie Sumatera Plantation Tbk (UNSP) dan PT Bakrie Telecom Tbk (BTEL) masing-masing sebesar 548,6 juta saham, 72,0 juta saham, 31,8 juta saham, 372,9 juta saham dan 645,6 juta saham digunakan Perusahaan sebagai jaminan untuk utang jangka pendek (Catatan 18b, 18i, 18n, 18o and 18p).

Pada tanggal 31 Desember 2015, persentase kepemilikan saham Perusahaan langsung dan tidak langsung atas BUMI, ELTY, ENRG, UNSP dan BTEL secara masing-masing sebesar 1,5%, 0,2%, 0,1%, 2,7% dan 2,1%. Dalam hal terjadi perbedaan dengan laporan keuangan BUMI, ELTY, ENRG, UNSP dan BTEL, hal ini disebabkan oleh saham-saham yang dijadikan jaminan oleh Perusahaan ke kreditur telah berubah kepemilikan. Selain itu, perbedaan juga bisa diakibatkan oleh saham yang telah dialihkan, namun tidak berubah nama kepemilikan.

Pada tanggal 31 Desember 2015, manajemen Kelompok Usaha memutuskan untuk melakukan penurunan nilai atas efek ekuitas tersedia untuk dijual sehubungan dengan tren penurunan harga pasar saham selama 2 tahun terakhir. Sehingga, Perusahaan mengalihkan rugi yang belum terealisasi atas perubahan nilai investasi jangka pendek sebesar Rp40,1 juta dan mencatat rugi terealisasi yang jumlah tersebut di dalam laporan laba rugi dan penghasilan komprehensif lainnya.

Rugi yang belum terealisasi atas perubahan nilai investasi jangka pendek yang disajikan sebagai bagian dari ekuitas pada tanggal 31 Desember 2015 dan 2014 masing-masing sebesar nil dan Rp40.2 miliar. Pemulihan kerugian yang belum terealisasi atas perubahan nilai investasi jangka pendek dicatat pada pendapatan komprehensif lain untuk tahun yang berakhir pada tanggal 31 Desember 2015 sebesar Rp4,5 miliar. Rugi neto yang belum terealisasi atas perubahan nilai investasi jangka pendek disajikan pada pendapatan komprehensif lain untuk tahun yang berakhir pada tanggal 31 Desember 2015 sebesar Rp4,5 miliar. Rugi neto yang belum terealisasi atas perubahan nilai investasi jangka pendek disajikan pada pendapatan komprehensif lain untuk tahun yang berakhir pada tanggal 31 Desember 2014 sebesar Rp4,5 miliar. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 6. SHORT-TERM INVESTMENTS (Continued)

The Company recognized net loss on transfer of shortterm investments used to settle outstanding loan from Conic Investment Limited amounting to Rp37.6 billion.

As of December 31, 2015, certain number of equity securities in BUMI, ELTY, PT Energi Mega Persada Tbk (ENRG), PT Bakrie Sumatera Plantation Tbk (UNSP) and PT Bakrie Telecom Tbk (BTEL) total 548.6 million shares, 72.0 million shares, 31.8 million shares, 372.9 million shares and 645.6 million shares were used as collateral for the Company's short-term loans (Notes 18b, 18i, 18n, 18o and 18p).

As of December 31, 2015, the Company's percentage of direct and indirect share ownership in BUMI, ELTY, ENRG, UNSP and BTEL were to 1.5%, 0.2%, 0.1%, 2.7% and 2.1%, respectively. Differences in the Company's ownership presented in the financial statements of BUMI, ELTY, ENRG, UNSP and BTEL, might arise due to shares pledged by the Company to the creditors wherein the ownership has been transferred. In addition, there were shares that have been transferred, but the ownership's name has not been changed.

As of December 31, 2015, the Group's management decided to impair the available-for-sale equity securities due to the downward trend of the market price of shares for the past 2 years. Thus, the Company reversed the unrealized loss for changes in value of short-term investments amounting to Rp40.1 million and recognized loss of the same amount in the statements of profit or loss and other comprehensive income.

Unrealized loss for changes in the value of short-term investments presented as part of equity as of December 31, 2015 and 2014 amounted to nil and Rp40.2 billion, respectively. Reversal of unrealized loss for changes in the value of short-term investments presented as part of other comprehensive income for the year ended December 31, 2015 amounted to Rp4.5 billion. Unrealized loss for changes in the value of short-term investments presented as part of other comprehensive income for the year ended December 31, 2014 amounted to Rp4.5 billion.

# 6. INVESTASI JANGKA PENDEK (Lanjutan)

# Dimiliki untuk diperdagangkan

Pada tanggal 1 September 2014, Perusahaan melakukan pencairan sebagian investasi di Skytrend Investment Holdings Ltd. sebesar USD34 juta dan digunakan untuk pembayaran utang Conic Investment Limited (Catatan 18i). Sedangkan sisanya telah diinvestasikan kembali dengan jangka waktu 24 bulan di Skytrend Investment Holdings Ltd.

Pada tanggal 31 Desember 2015, manajemen Kelompok Usaha memutuskan untuk melakukan penurunan nilai atas investasi di Skytrend Investment Holdings Ltd sehubungan dengan melemahnya perekonomian global serta tren penurunan harga komoditi unggulan dan harga pasar saham selama 2 tahun terakhir.

Pada tahun 2015, Sebastopol, Entitas Anak, mengadakan perjanjian jasa pengelolaan investasi dengan Purple Rain Resources Ltd., perusahaan yang didirikan di British Virgin Island, untuk mengelola dan melaksanakan strategi investasi yang telah disetujui oleh kedua belah pihak.

#### Pinjaman dan piutang

Deposito berjangka merupakan penempatan dana dengan jangka waktu empat (4) sampai dengan enam (6) bulan dengan tingkat bunga berkisar antara 5,5% sampai dengan 6,25% per tahun.

Manajemen berkeyakinan bahwa tidak terdapat kejadian-kejadian atau perubahan-perubahan keadaan yang mengindikasikan adanya penambahan penurunan nilai investasi jangka pendek pada tanggal 31 Desember 2015.

# PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 6. SHORT-TERM INVESTMENTS (Continued)

# Held-for-trading

On September 1, 2014, the Company partially redeemed its investment in Skytrend Investment Holdings Ltd. amounting to USD34 million with the proceeds used to partially settle loan from Conic Investment Limited (Note 18i). The remaining balance was re-invested for 24 months in Skytrend Investment Holdings Ltd.

As of December 31, 2015, the Group's management decided to impair the investment in Skytrend Investment Holdings Ltd due to broad economic slowdown, the downward trend of the main commodities's price and the market price of shares for the past 2 years.

In 2015, Sebastopol, Subsidiary, entered into an investment management service agreement with Purple Rain Resources Ltd., company incorporated in British Virgin Islands, to manage and implement the investment strategy agreed by both parties.

# Loan and receivables

Time deposits represent placements with a term of four (4) to six (6) months with interest rates ranging from 5.5% to 6.25% per annum.

The management believes that there were no events on changes in circumstances that indicated any additional impairment in the value of short-term investments as of December 31, 2015.

# 7. PIUTANG USAHA

# 7. TRADE RECEIVABLES

	2015	2014	
Pihak ketiga			Third parties
Piper Price & Company Limited	642.352.339	643.648.739	Piper Price & Company Limited
PT Bumi Kaya Steel	32.162.690	37.550.054	PT Bumi Kaya Steel
PT Alisan Catur Perkasa	20.016.863	18.787.991	PT Alisan Catur Perkasa
John Holland Pte. Ltd.	17.009.925	15.339.142	John Holland Pte. Ltd.
PT Hino Motors Manufacturing			PT Hino Motors Manufacturing
Indonesia	14.938.640	17.107.671	Indonesia
PT Punj Lloyd Indonesia	11.563.386	12.211.520	PT Punj Lloyd Indonesia

# PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 7. PIUTANG USAHA (Lanjutan)

# 7. TRADE RECEIVABLES (Continued)

	2015	2014	
PT Pertamina Unit Bisnis			PT Pertamina Unit Bisnis
Pertamina EP (Jambi)	6.728.259	152.278.403	Pertamina EP (Jambi)
PT Pertamina Gas	-	13.618.317	PT Pertamina Gas
Lain-lain (di bawah Rp10 miliar)	424.336.396	662.808.215	Others (below Rp10 billion)
Total	1.169.108.498	1.573.350.052	Total
Dikurangi penyisihan kerugian			Less allowance for
atas penurunan nilai	(40.247.327)	(37.395.010)	impairment losses
Sub-total	1.128.861.171	1.535.955.042	Sub-total
Pihak berelasi (Catatan 33d)	33.707.450	43.981.312	<b>Related parties</b> (Note 33d)
Dikurangi penyisihan kerugian			Less allowance for
atas penurunan nilai	(931.600)	-	impairment losses
Sub-total	32.775.850	43.981.312	Sub-total
Total	1.161.637.021	1.579.936.354	Total

Rincian daftar umur piutang usaha adalah sebagai berikut:

Details of aging schedule of trade receivables were as follows:

	2015	2014	
Sampai dengan 1 bulan	738.352.095	785.945.463	Up to 1 month
1 bulan - 3 bulan	157.746.109	447.464.383	1 month - 3 months
3 bulan - 6 bulan	39.721.059	158.773.282	3 months - 6 months
6 bulan - 1 tahun	129.286.987	78.912.637	6 months - 1 year
Lebih dari 1 tahun	137.709.698	146.235.599	Over 1 year
Total	1.202.815.948	1.617.331.364	Total
Dikurangi penyisihan kerugian			Less allowance for
atas penurunan nilai	(41.178.927)	(37.395.010)	impairment losses
Neto	1.161.637.021	1.579.936.354	Net

Mutasi penyisihan kerugian atas penurunan nilai untuk piutang usaha adalah sebagai berikut:

The movements in the allowance for impairment losses on trade receivables was as follows:

	2015	2014	
Saldo awal	37.395.010	1.006.127.998	Beginning balance
Penyisihan penurunan nilai	3.204.621	15.414.290	Provision for impairment losses
Penghapusan penurunan nilai	(3.029.993)	-	Write-off impairment losses
Dekonsolidasi BC	-	(9.389.578)	Deconsolidation of BC
Pemulihan penyisihan			Recovery of
penurunan nilai	-	(974.757.700)	impairment losses
Selisih kurs	3.609.289	-	Foreign exchange translation
Saldo Akhir	41.178.927	37.395.010	Ending Balance

#### 7. PIUTANG USAHA (Lanjutan)

Rincian piutang usaha berdasarkan mata uang adalah sebagai berikut:

# PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 7. TRADE RECEIVABLES (Continued)

*Details of trade receivables based on currencies were as follows:* 

Mata uang	2015	2014	Currency
Rupiah	1.035.517.064	1.156.330.093	Rupiah
Dolar AS	126.119.957	423.606.261	US Dollar

# a. Piper Price & Company Limited

Pada tanggal 30 Desember 2010, Perusahaan menjual saham BUMI, ENRG, UNSP, ELTY dan BTEL miliknya sejumlah masing-masing 1,2 miliar, 2,4 miliar, 304,2 juta, 346,9 juta dan 1,3 miliar lembar saham kepada Piper Price & Company Limited (PPC) dengan harga jual keseluruhan sebesar Rp3,4 triliun yang akan dibayarkan pada tanggal 30 Juni 2011, dengan opsi perpanjangan.

Pada tahun 2011, Perusahaan telah menerima sebagian penyelesaian piutang sebesar Rp1,3 triliun, yang kemudian digunakan untuk membeli kembali sebagian Surat Utang Jangka Menengah. Selain itu, Perusahaan dan PPC telah sepakat untuk periode pembayaran piutang sampai dengan tanggal 30 September 2012.

Pada tahun 2012, Perusahaan menerima penyelesaian piutang dari PPC sebesar Rp2,3 triliun termasuk bagian yang merupakan penalti keterlambatan. Total penalti sebesar Rp1,1 triliun dan dicatat sebagai bagian dari pendapatan investasi dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian. Selain itu, PPC menyepakati untuk membayar sisa saldo yang merupakan penalti pada tanggal 30 September 2013. Setelah menerima penyelesaian sebesar Rp7,5 miliar tahun 2013, Perusahaan dan PPC telah sepakat untuk memperpanjang kembali sampai dengan 30 September 2016.

Pada tahun 2014, Perusahaan menerima pembayaran dari PPC sebesar Rp369,6 miliar yang digunakan untuk penyelesaian sebagian Surat Sanggup Seri II (PT Batasa Capital dan PT Danpac Futures) masing-masing sebesar Rp285,9 miliar dan Rp10,0 miliar, serta sebagian utang jangka pendek dari Indiana Ltd. sebesar Rp73,8 miliar (Catatan 18a dan 18b).

#### a. Piper Price & Company Limited

On December 30, 2010, the Company sold its shares in BUMI, ENRG, UNSP, ELTY and BTEL amounting to 1.2 billion, 2.4 billion, 304.2 million, 346.9 million and 1.3 billion, respectively, to Piper Price & Company Limited (PPC) for a total selling price of Rp3.4 trillion, which will be paid on June 30, 2011 and subject to extension.

In 2011, the Company has received partial payment of the selling price amounting to Rp1.3 trillion. The proceeds were used to buy-back the portion of Medium Term Note. Moreover, the Company and PPC have agreed to extend the period of payment of the receivable further until September 30, 2012.

In 2012, the Company has received payment from PPC amounting to Rp2.3 trillion, including the portion of late payment penalty. The total penalty amounting to Rp1.1 trillion was recorded as part of investment income in the consolidated statement of profit or loss and other comprehensive income. Moreover, PPC agreed to pay the remaining balance of penalty on September 30, 2013. After receiving the payment from PPC amounting to Rp7.5 billion in 2013, the Company and PPC agreed to further extend the terms the latest was until September 30, 2016.

In 2014, the Company received payment from PPC amounting to Rp369.6 billion which were used to partially settle the Promissory Notes Series II (PT Batasa Capital and PT Danpac Futures) amounting to Rp285.9 billion and Rp10.0 billion, respectively, and partially settle short-term loan to Indiana Ltd amounting to Rp73.8 billion (Notes 18a and 18b).

# 7. PIUTANG USAHA (Lanjutan)

Pada tanggal 28 April 2015, Perusahaan menerima pembayaran dari PPC sebesar Rp1,3 miliar yang digunakan untuk penyelesaian sebagian utang Conic (Catatan 18i).

Saldo piutang dari PPC pada tanggal 31 Desember 2015 dan 2014 adalah sebesar Rp0,6 triliun.

Manajemen berkeyakinan bahwa penyisihan kerugian atas penurunan nilai piutang usaha adalah cukup untuk menutup kemungkinan kerugian atas tidak tertagihnya piutang usaha.

Pada tanggal 31 Desember 2015 dan 2014, beberapa Entitas Anak menggunakan piutang usaha sebagai jaminan atas pinjaman jangka pendek dan jangka panjang (Catatan 18 dan 21).

# PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 7. TRADE RECEIVABLES (Continued)

On April 28, 2015, the Company received payment from PPC amounting to Rp1.3 billion which were used to partially settle Conic loan (Note 18i).

The outstanding balance of receivable from PPC as of December 31, 2015 and 2014 amounted to Rp0.6 trillion.

The management believes that the allowance for impairment losses on trade receivables is adequate to cover any possible losses on uncollectible receivables.

As of December 31, 2015 and 2014, several Subsidiaries used trade receivables, as collateral for short-term and long-term loans (Notes 18 and 21).

# 8. PIUTANG LAIN-LAIN

# 8. OTHER RECEIVABLES

	2015	2014	
Pihak ketiga			Third parties
TJA Power Corporation			TJA Power Corporation
(Asia) Ltd. (Catatan 33c)	185.061.201	-	(Asia) Ltd. (Catatan 33c)
Pendapatan belum ditagih	38.181.690	5.851.264	Unbilled revenues
Penghasilan bunga yang			
masih harus diterima	31.782.806	15.801.610	Accrued interest income
PT Suplaindo Sejahtera	19.035.000	-	PT Suplaindo Sejahtera
Piutang retensi	14.842.128	16.105.891	Retention receivables
Lain-lain (di bawah Rp10 miliar)	29.625.564	23.113.305	Others (below Rp10 billion)
Total	318.528.389	60.872.070	Total
Dikurangi penyisihan kerugian			Less allowance for
atas penurunan nilai	(8.774.564)	(9.824.564)	impairment losses
Neto	309.753.825	51.047.506	Net

Rincian piutang lain-lain berdasarkan mata uang adalah sebagai berikut:

Details of others receivables based on currencies were as follows:

Mata uang	2015	2014	Currency
Rupiah	108.765.656	33.655.128	Rupiah
Dolar AS	200.988.169	17.392.378	US Dollar

## 8. PIUTANG LAIN-LAIN (Lanjutan)

Pendapatan belum ditagih merupakan piutang dari pelanggan atas penjualan barang yang belum ditagihkan.

Manajemen berkeyakinan bahwa penyisihan kerugian atas penurunan nilai piutang lain-lain adalah cukup untuk menutup kemungkinan kerugian atas tidak tertagihnya piutang lain-lain. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 8. OTHER RECEIVABLES (Continued)

Unbilled revenues are receivables from customers for goods sold that are not yet billed.

The management believes that the allowance for impairment losses on other receivables is adequate to cover any possible losses on uncollectible other receivables.

# 9. PERSEDIAAN

#### 9. INVENTORIES

2015	2014	
273.777.123	314.213.786	Raw materials
233.821.997	430.953.401	Finished goods
47.657.201	82.356.396	Work-in-process
		Indirect materials and
74.356.251	85.986.446	spare-parts
629.612.572	913.510.029	Total
		Less allowance for inventory
(17.553)	(1.882.796)	obsolescence
629.595.019	911.627.233	Net
	273.777.123 233.821.997 47.657.201 74.356.251 629.612.572 (17.553)	273.777.123         314.213.786           233.821.997         430.953.401           47.657.201         82.356.396           74.356.251         85.986.446           629.612.572         913.510.029           (17.553)         (1.882.796)

Mutasi penyisihan persediaan usang adalah sebagai berikut:

Changes in the allowance for inventory obsolescence were as follows:

	2015	2014	
Saldo awal	1.882.796	2.004.450	Beginning balance
Penyisihan periode berjalan	17.553	-	Provision during the period
Pemulihan	(1.882.796)	(121.654)	Reversal
Saldo Akhir	17.553	1.882.796	Ending Balance

Pada tanggal-tanggal 31 Desember 2015 dan 2014, persediaan bahan baku dan barang jadi yang dimiliki oleh BPI dan BA masing-masing sebesar Rp370,5 miliar dan Rp669,3 miliar digunakan sebagai jaminan atas pinjaman jangka pendek dan jangka panjang. Berdasarkan hasil penelaahan atas kondisi persediaan, manajemen berkeyakinan bahwa penyisihan persediaan usang cukup untuk menutup kemungkinan kerugian atas penurunan nilai persediaan. As of December 31, 2015 and 2014, raw materials and finished goods owned by BPI and BA amounting to Rp370.5 billion and Rp669.3 billion, respectively, were pledged as collateral for short-term and long-term loans. Based on review of the condition of inventories, the management believes that the allowance for inventory obsolescence is adequate to cover incurred losses due to the decline in the value of inventories.



#### 9. PERSEDIAAN (Lanjutan)

Manajemen mengasuransikan persediaan terhadap risiko kebakaran dan risiko lainnya melalui suatu paket polis tertentu dalam satu paket dengan PT Asuransi Indrapura, PT Asuransi Dayin Mitra dan Perusahaan asuransi lainnya. Jumlah nilai pertanggungan asuransi persediaan adalah sebesar Rp83,2 miliar dan USD6,6 juta pada tanggal 31 Desember 2015 dan Rp65,4 miliar dan USD6,6 juta pada tanggal 31 Desember 2014. Nilai pertanggungan asuransi atas persediaan milik BMI, BPI, SEAPI, BBI dan BCons ditanggung melalui suatu paket polis gabungan dengan asuransi aset tetap (Catatan 13). Manajemen berkeyakinan bahwa nilai pertanggungan tersebut cukup untuk menutup kemungkinan kerugian dari risiko kebakaran dan risiko tertentu lainnya atas persediaan yang dipertanggungkan.

# 10. UANG MUKA DAN BIAYA DIBAYAR DIMUKA

## PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 9. INVENTORIES (Continued)

The management insured inventories against losses from fire and other risks under blanket policies with PT Asuransi Indrapura, PT Asuransi Dayin Mitra and other insurance companies. Total sum insured for inventories amounted to Rp83.2 billion and USD6.6 million as of December 31, 2015 and Rp65.4 billion and USD6.6 million as of December 31, 2014. The insurance coverage for inventories of BMI, BPI, SEAPI, BBI and BCons are included in the blanket policies of insurance with fixed assets (Note 13). The management believes that the total sum insured is adequate to cover possible losses from fire and certain other risks of the inventories insured.

#### 10. ADVANCES AND PREPAID EXPENSES

	2015	2014	
Uang muka pembelian	59.501.172	96.462.702	Advances for purchases
Uang muka investasi	51.399.125	1.383.750	Advances for investment
Uang muka operasional	8.044.530	11.380.032	Operational advances
Proyek	4.995.290	12.213.102	Project
Asuransi	4.233.955	3.485.572	Insurance
Sewa	1.689.653	2.798.176	Rent
Lain-lain (di bawah Rp1 miliar)	28.055.494	12.364.513	Others (below Rp1 billion)
Total	157.919.219	140.087.847	Total

Uang muka pembelian adalah uang muka yang berkaitan dengan pembelian bahan baku.

Uang muka investasi merupakan pembayaran uang muka untuk pembelian saham pada perusahaan yang diperdagangkan di bursa tetapi masih menunggu dialihkan saham pada tanggal penyelesaian laporan keuangan konsolidasian.

Lain-lain terdiri dari uang muka dan biaya dibayar dimuka yang berasal dari Entitas Anak tertentu untuk pengerjaan perjalanan dinas, kegiatan promosi, pelatihan dan seminar dan keperluan non-operasional lainnya. Advances for purchases relate to advances for the purchases of raw materials.

Advances for investments pertain to advances paid to acquire shares in listed companies that are still awaiting transfer of shares as of completion date of the consolidated financial statements.

Others represent advance and prepaid expenses of certain Subsidiaries for travel, promotions, training and seminars and other non-operational needs.

Corporate Profile

Main Highlights

# 11. INVESTASI PADA ENTITAS ASOSIASI DAN ENTITAS PENGENDALIAN BERSAMA

Nilai tercatat dan mutasi investasi pada entitas asosiasi dan entitas pengendalian bersama adalah sebagai berikut:

# PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 11. INVESTMENTS IN ASSOCIATED AND JOINTLY CONTROLLED ENTITIES

Carrying value and changes of investment in associated and jointly controlled entities were as follows:

	2015	2014	
Saldo awal	1.637.506.575	995.306.434	Beginning balance
Perubahan tahun berjalan:			Changes during the year:
Bagian atas laba neto (Catatan 26)	874.588.699	717.437.441	Equity in net income (Note 26)
Bagian atas penghasilan			Equity in other
komprehensif lainnya	63.040.408	(89.110.650)	comprehensive income
Pengurangan	(2.570.629)	(1.042.550)	Deduction
Reklasifikasi (Catatan 12)	(15.035.219)	-	Reclassification (Note 12)
Penambahan investasi		14.915.900	Additional investments
Neto	2.557.529.834	1.637.506.575	Net

Bagian Kelompok Usaha atas hasil entitas asosiasi utama dan pengelompokan aset dan liabilitas adalah sebagai berikut: The Group's share in the results of its principal associates and its aggregated assets and liabilities, were as follows:

	2015					
	Negara tempat domisili/ <i>Country of</i> <i>domicile</i>	Aset/ Assets	Liabilitas/ Liabilities	Pendapatan/ <i>Revenue</i>	Laba (rugi)/ Profit (loss)	% kepemilikan/ <i>% interest held</i>
Asosiasi / Associates						
Bakrie Petroleum	Singapura /					
International Pte. Ltd.	Singapore	8.788.818.775	8.582.419.790	6.992.189.619	1.417.704.217	41%
<u>Entitas Pengendalian Bersama/</u> Jointly Controlled Entities	<u>/</u>					
PT Kalimantan Prima Power	Indonesia	2.314.775.631	1.082.417.529	603.183.784	373.794.269	70%
PT Guruh Agung	Indonesia	21.425.815	8.994	-	(17.166)	7%
PT Citra Prima Buana	Indonesia	3.161.993	5.587	-	(5.659)	7%

	2014						
	Negara tempat domisili/ <i>Country of</i> <i>domicile</i>	Aset/ Assets	Liabilitas/ Liabilities	Pendapatan/ <i>Revenue</i>	Laba (rugi)/ <i>Profit (loss)</i>	% kepemilikan/ % interest held	
<u>Asosiasi / Associates</u>							
Bakrie Petroleum	Singapura /						
International Pte. Ltd.	Singapore	7.426.037.101	4.573.650.554	9.033.781.049	1.171.936.347	41%	
<u>Entitas Pengendalian Bersama/</u> <u>Jointly Controlled Entity</u>							
PT Kalimantan Prima Power	Indonesia	1.668.296.467	947.133.370	538.833.519	305.142.494	70%	
PT Guruh Agung	Indonesia	19.332.904	3.769	-	(32.794)	7%	
PT Citra Prima Buana	Indonesia	2.853.089	1.455	-	(4.275)	7%	

# 11. INVESTASI PADA ENTITAS ASOSIASI DAN ENTITAS PENGENDALIAN BERSAMA (Lanjutan)

#### a. Bakrie Petroleum International Pte. Ltd.

Pada tanggal 16 Juli 2008, Bakrie Energy International Pte, Ltd. (BEI) mendirikan Bakrie Petroleum International Pte, Ltd. (BPIPL). BEI memiliki 51% saham BPIPL. BPIPL berdomisili di Singapura dan bergerak dibidang investasi.

Pada tanggal 17 September 2012, BEI mentransfer 10% saham BPIPL ke Altex Investment Ltd., Sehingga BEI masih memiliki kepemilikan saham BPIPL sebanyak 41%.

# b. PT Kalimantan Prima Power

Pada tanggal 28 Juni 2010, PT Bakrie Power (BP), Entitas anak, mendirikan PT Kalimantan Prima Power (KPP) sebagai Entitas Pengendalian Bersama (*Jointly Controlled Entity*) dengan kepemilikan sebesar 70%. KPP berdomisili di Jakarta dan bergerak dalam bidang pelayanan pendukung tenaga listrik.

# c. PT Citra Prima Buana dan PT Guruh Agung

PT Citra Prima Buana (CPB) dan PT Guruh Agung (GA) bergerak dalam bidang pelayanan pendukung tenaga listrik.

Pada tanggal 31 Mei 2012, PT Bakrie Power (BP) membeli saham CPB dan GA masing-masing sebesar Rp175 juta dan Rp700 juta.

Meskipun BP hanya memegang 7% kepemilikan langsung di CPB dan GA, BP memiliki pengaruh signifikan terhadap entitas asosiasi melalui dewan representasi dan partisipasi dalam pengambilan keputusan keuangan dan kebijakan operasi mereka.

# d. PT Bakrie Investa Eco Industri

Pada tanggal 24 April 2012, Perusahaan melakukan penyertaan pada PT Bakrie Investa Eco Industri (BIEI) dengan kepemilikan sebanyak 10.000 saham atau sebesar 40%. BIEI berdomisili di Kotamadya Jakarta Selatan dan bergerak dalam bidang perdagangan, jasa dan industri. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 11. INVESTMENTS IN ASSOCIATED AND JOINTLY CONTROLLED ENTITIES (Continued)

# a. Bakrie Petroleum International Pte. Ltd.

On July 16, 2008, Bakrie Energy International Pte. Ltd. (BEI) established Bakrie Petroleum International Pte. Ltd. (BPIPL). BEI has 51% share ownership in BPIPL. BPIPL is domiciled in Singapore and is engaged in investment activities.

On September 17, 2012, BEI transferred 10% of its share ownership in BPIPL to Altex Investment Ltd., reducing BEI's share ownership in BPIPL to 41%.

# b. PT Kalimantan Prima Power

On June 28, 2010, PT Bakrie Power (BP), a Subsidiary, established PT Kalimantan Prima Power (KPP) as a Jointly Controlled Entity with 70% ownership interest. KPP is domiciled in Jakarta and is engaged in electricity support services.

# c. PT Citra Prima Buana dan PT Guruh Agung

*PT Citra Prima Buana (CPB) and PT Guruh Agung (GA) are both engaged in electricity support services.* 

On May 31, 2012, PT Bakrie Power (BP) purchased shares of CPB and GA amounting to Rp175 million and Rp700 million, respectively.

Although BP holds only 7% direct ownership in CPB and GA, BP has significant influence over the investee companies through board representation and participation in their financial and operating policy decisions.

# d. PT Bakrie Investa Eco Industri

On April 24, 2012, the Company invested in 10,000 shares of PT Bakrie Investa Eco Industri (BIEI), which represents 40% ownership. BIEI is domiciled in Kotamadya Jakarta Selatan and is engaged in trading, services and industries.

# 11. INVESTASI PADA ENTITAS ASOSIASI DAN ENTITAS PENGENDALIAN BERSAMA (Lanjutan)

# e. PT Kalimantan Jawa Gas

Pada tanggal 11 November 2014, Perusahaan mengalihkan biaya proyek yang dikeluarkan oleh Perusahaan untuk membiayai aset PT Kalimantan Jawa Gas (KJG) yang akan mewakili kepemilikan saham 20% di KJG. KJG berdomisili di Jakarta Selatan dan bergerak dalam pembangunan dan pengoperasian pipa transmisi gas bumi (Catatan 4a).

# f. PT Tanjung Jati Power Company

PT Tanjung Jati Power Company (TJPC) bergerak dalam bidang penyediaan tenaga listrik.

Pada tanggal 31 Desember 2014, BP mempunyai kepemilikan saham sebesar 50% di TJPC dan tidak mempunyai kendali atas keputusan kebijakan keuangan dan operasional. Saldo investasi BP di TJPC adalah nihil sebagai hasil akumulasi kerugian dalam tahun berjalan dan sebelumnya.

Pada tanggal 20 Agustus 2015, BP telah menandatangani Perjanjian Jual Beli atas kepemilikan tiga puluh persen (30%) saham di TJPC kepada YTL Jawa Energy B.V. BP mengakui keuntungan atas penjualan saham dalam laporan laba rugi dan penghasilan komprehensif lain sebesar Rp7,8 miliar.

Pada tanggal 31 Desember 2015, berdasarkan asesmen manajemen, Perusahaan tidak ada terpengaruh signifikan atas investasi di KJG dan TJPC meskipun persentase kepemilikan saham atas entitas tersebut sebesar 20%. Jumlah tercatat atas investasi KJG and TJPC telah direklasifikasi kepada investasi jangka panjang lain-lain (Catatan 12b).

#### 12. INVESTASI JANGKA PANJANG LAIN-LAIN

# a. Mutasi investasi jangka panjang lainnya

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 11. INVESTMENTS IN ASSOCIATED AND JOINTLY CONTROLLED ENTITIES (Continued)

#### e. PT Kalimantan Jawa Gas

On November 11, 2014, the Company transferred project development costs incurred to finance the assets of PT Kalimantan Jawa Gas (KJG) which will represent 20% ownership in KJG. KJG is domiciled in Jakarta Selatan and is engaged in construction and operation of transmission gas pipelines (Note 4a).

# f. PT Tanjung Jati Power Company

PT Tanjung Jati Power Company (TJPC) is engaged in electricity generating activities.

As of December 31, 2014, BP has 50% share ownership in TJPC and has no control over TJPC's financial and operating policy decisions. The balance of BP's investment in TJPC is nil as a result of its share in TJPC's accumulated losses in the current and prior years.

On August 20, 2015, BP entered into a Sale and Purchase Agreement for thirty percent (30%) of shares in TJPC to YTL Jawa Energy B.V. BP recognized gain on sale of investment in the consolidated statetement of profit or loss and other comprehensive income amounting to Rp7.8 billion.

As of December 31, 2015, based on management's assessment, there is no significant influence related to the investments in KJG and TJPC even though the percentage of share ownership in these entities corresponds to 20%. The carrying amounts of investments in KJG and TJPC were reclassified to other long-term investments (Note 12b).

# 12. OTHER LONG-TERM INVESTMENTS

#### a. Changes in other long-term investments

	2015	2014	
			Carrying value at
Nilai tercatat awal tahun	128.907.748	133.180.292	beginning of the year
Reklasifikasi	24.378.261	(1.122.544)	Reclassifications
Dekonsolidasi BC		(3.150.000)	Deconsolidation of BC
Neto	153.286.009	128.907.748	Net



# PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

12. OTHER LONG-TERM INVESTMENTS (Continued)

# 12. INVESTASI JANGKA PANJANG LAIN-LAIN (Lanjutan)

# b. Penyertaan saham

# b. Investments in shares of stocks

	20	015	
	Persentase		
	Kepemilikan /		
Penyertaan Saham	Percentage of Ownership (%)	Jumlah/ Amount	Investment in Shares of Stock
PT Seamless Pipe Indonesia Jaya	10	128.907.748	PT Seamless Pipe Indonesia Jaya
PT Kalimantan Jawa Gas (Catatan 11)	20	13.321.500	PT Kalimantan Jawa Gas (Note 11)
PT Cimanggis Cibitung Tollways	10	9.343.042	PT Cimanggis Cibitung Tollways
PT Tanjung Jati Power			PT Tanjung Jati Power
Company (Catatan 11)	20	1.713.719	Company (Note 11)
Neto		153.286.009	Net

	201	4	
	Persentase		
	Kepemilikan /		
	Percentage of		
	Ownership	Jumlah/	
Penyertaan Saham	(%)	Amount	Investment in Shares of Stock
PT Seamless Pipe Indonesia Jaya	10	128.907.748	PT Seamless Pipe Indonesia Jaya

Kelompok Usaha melakukan penyertaan saham pada perusahaan lain yang sahamnya tidak diperdagangkan di bursa dengan tujuan untuk memperoleh hasil dari potensi pertumbuhan jangka panjang dari perusahaanperusahaan tersebut.

Pada tanggal 5 Juli 2012, Perusahaan menggunakan saham PT Seamless Pipe Indonesia Jaya sebagai tambahan jaminan atas utang jangka pendek (Catatan 18p).

Pada 31 Desember 2015 dan 2014, manajemen berkeyakinan bahwa tidak terdapat penurunan nilai atas penyertaan saham pada investasi jangka panjang lainnya.

The Group made certain investments in shares of stock of no listed companies in order to gain from the potential long-term growth of these companies.

As of July 5, 2012, the Company used its shares in PT Seamless Pipe Indonesia Jaya as additional collateral for short-term loans (Note 18p).

As of December 31, 2015 and 2014, the management believes that there is no impairment in value of other long-term investments.

Corporate Profile

Main Highlights

# PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 13. FIXED ASSETS

Balances and movements in fixed assets were as follows:

	Saldo 1 Januari/ Balance as of January 1, 2015	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ Reclassifications_	Selisih Kurs Penjabaran/ Translation Adjustment	ABS tidak Dikonsolidasi/ Deconsolidation of ABS	Saldo 31 Desember/ Balance as of December 31, 2015	
Harga Perolehan								Acquisition Costs
<u>Pemilikan langsung</u> Tanah Hak atas tanah	677.066.687 36.691.031	-	25.585.829	-	4.156.354	1.539.767	654.097.445 36.691.031	<u>Direct ownership</u> Land Landrights
Prasarana tanah Bangunan dan prasarana Mesin dan peralatan Alat-alat pengangkutan Perabotan dan peralatan	37.854.982 487.648.573 2.278.552.245 36.007.393	360.770 4.544.977 31.332.722 2.230.937	399.970 2.919.560 32.566.417 293.461	6.435.072 120.057.182 1.788.812	6.065.471 11.906.213 601.647	5.768.877 9.772.867 321.450	37.815.782 496.005.656 2.399.509.078 40.013.878	Land improvements Buildings and improvements Machinery and equipment Transportation equipment Office equipment furniture
kantor	131.998.334	3.068.347	546.306	1.255.419	5.247.451	1.723.904	139.299.341	and fixtures
Sub-total	3.685.819.245	41.537.753	62.311.543	129.536.485	27.977.136	19.126.865	3.803.432.211	Sub-total
Pemilikan tidak langsung <u>Aset sewaan</u> Alat-alat telekomunikasi dan pengangkutan	8.978.004		695.000			231.517	8.051.487	<u>Indirect ownership</u> <u>Leased assets</u> Telecommunication and transportation equipment
Sub-total	8.978.004		695.000			231.517	8.051.487	Sub-total
	8.978.004		093.000			231.31/	8.031.487	
<u>Aset dalam Penyelesaian</u> Bangunan dan prasarana Mesin dan peralatan Perabotan dan peralatan	15.126.082 116.353.571	206.025 80.351.259	849.544 429.249	(2.851.525) (125.583.741)	(2.091.679)	-	9.539.359 70.691.840	<u>Construction in Progress</u> Buildings and improvements Machinery and equipment Office equipment furniture
kantor	1.163.394			(1.101.219)	-		62.175	and fixtures
Sub-total	132.643.047	80.557.284	1.278.793	(129.536.485)	(2.091.679)		80.293.374	Sub-total
Total Harga Perolehan	3.827.440.296	122.095.037	64.285.336		25.885.457	19.358.382	3.891.777.072	Total Acquisition Costs
Akumulasi Penyusutan								Accumulated Depreciation
Pemilikan langsung Hak atas tanah	25.067.239	993,996					26.061.235	<u>Direct ownership</u> Landrights
Prasarana tanah	6.742.060	1.690.989	35.106	-	_	-	8.397.943	Land improvements
Bangunan dan prasarana	246.692.953	49.670.755	1.822.263	-	5.796.472	2.072.396	298.265.521	Buildings and improvements
Mesin dan peralatan	845.445.325	152.137.515	9.180.566	-	10.529.932	7.537.106	991.395.100	Machinery and equipment
Alat-alat pengangkutan	30.415.892	3.421.194	293.461	-	485.801	329.035	33.700.391	Transportation equipment
Perabotan dan peralatan kantor	102.011.513	9.119.577	406.320	-	4.229.025	1.710.603	113.243.192	Office equipment furniture and fixtures
Sub-total	1.256.374.982	217.034.026	11.737.716		21.041.230	11.649.140	1.471.063.382	Sub-total
Pemilikan tidak langsung Aset sewaan								Indirect ownership Leased assets
Alat-alat telekomunikasi dan pengangkutan	1.748.674	845.714	603.718	-	-	-	1.990.670	Telecommunication and transportation equipment
Total Akumulasi								Total Accumulated
Penyusutan	1.258.123.656	217.879.740	12.341.434		21.041.230	11.649.140	1.473.054.052	Depreciation
Nilai Tercatat	2.569.316.640						2.418.723.020	Carrying Amount
	Saldo						Saldo	

	Saldo 1 Januari/ Balance as of January 1, 2014	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ Reclassifications	Selisih Kurs Penjabaran/ Translation Adjustment	BC tidak Dikonsolidasi/ Deconsolidation of BC	Saldo 31 Desember/ Balance as of December 31, 2014	
Harga Perolehan								Acquisition Costs
Pemilikan langsung								Direct ownership
Tanah	668.410.477	7.815.849	-	-	840.361	-	677.066.687	Land
Hak atas tanah	36.691.031	-	-	-	-	-	36.691.031	Landrights
Prasarana tanah	40.534.270	472.723	-	-	-	3.152.011	37.854.982	Land improvements
Bangunan dan prasarana	492.166.501	40.512.377	11.606.612	(4.226.498)	1.140.442	30.337.637	487.648.573	Buildings and improvements
Mesin dan peralatan	2.237.581.642	101.966.886	5.191.864	10.996.197	2.212.971	69.013.587	2.278.552.245	Machinery and equipment
Alat-alat pengangkutan	36.206.396	4.385.464	383.250	(1.474.500)	111.448	2.838.165	36.007.393	Transportation equipment
Perabotan dan peralatan								Office equipment furniture
kantor	173.008.960	39.639.697	26.061.516		1.157.094	55.745.901	131.998.334	and fixtures
Sub-total	3.684.599.277	194.792.996	43.243.242	5.295.199	5.462.316	161.087.301	3.685.819.245	Sub-total

# 13. ASET TETAP

Saldo dan mutasi aset tetap adalah sebagai berikut:

# PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

13. FIXED ASSETS (Continued)

# 13. ASET TETAP (Lanjutan)

	Saldo 1 Januari/ <i>Balance as of January 1,</i> 2014	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ <i>Reclassifications</i>	Selisih Kurs Penjabaran/ <i>Translation</i> Adjustment	BC tidak Dikonsolidasi/ Deconsolidation of BC	Saldo 31 Desember/ Balance as of December 31, 2014	
<u>Pemilikan tidak langsung</u> Aset sewaan Alat-alat telekomunikasi dan pengangkutan	2.700.630	7.099.213	1.600.049	1.474.500	<u> </u>	696.290	8.978.004	<u>Indirect ownership</u> Leased assets Telecommunication and transportation equipment
<u>Aset dalam Penyelesaian</u> Bangunan dan prasarana Mesin dan peralatan Perabotan dan peralatan kantor	28.824.512 15.842.930 844.072	22.348.117 114.770.485 716.666	36.084.449	(32.500) (14.259.844)	70.402	397.344	15.126.082 116.353.571 1.163.394	Construction in Progress Buildings and improvements Machinery and equipment Office equipment furniture and fixtures
Sub-total	45.511.514	137.835.268	36.084.449	(14.292.344)	70.402	397.344	132.643.047	Sub-total
Total Harga Perolehan	3.732.811.421	339.727.477	80.927.740	(7.522.645)	5.532.718	162.180.935	3.827.440.296	Total Acquisition Costs
Akumulasi Penyusutan Pemilikan langsung Hak atas tanah Prasarana tanah Bangunan dan prasarana Mesin dan peralatan Alat-alat pengangkutan Perabotan dan peralatan kantor Sub-total	17.779.315 3.958.335 225.051.690 750.656.936 30.461.524 125.715.949 1.153.623.749	7.287.924 1.685.288 38.319.598 138.803.769 4.261.455 24.808.718 215.166.752	10.827.109 5.079.137 299.414 26.061.516 42.267.176	1.098.437 (1.811.920) (713.483)	1.074.250 2.017.772 110.589 <u>846.449</u> 4.049.060	6 925 476 40 954 015 2 306 342 23 298 087 73 483 920	25.067.239 6.742.060 246.692.953 845.445.325 30.415.892 102.011.513 1.256.374.982	Accumulated Depreciation Direct ownership Landrights Land improvements Buildings and improvements Machinery and equipment Transportation equipment Office equipment furniture and fixtures Sub-total
	1.133.023.749	213.100.732	42.207.170	(713.483)	4.049.060	/3.483.920	1.230.374.982	
Pemilikan tidak langsung Aset sewaan Alat-alat telekomunikasi dan pengangkutan Total Akumulasi	894.959	836.522	82.933	713.483		613.357	1.748.674	<u>Indirect ownership</u> Leased assets Telecommunication and transportation equipment <b>Total Accumulated</b>
Penyusutan	1.154.518.708	216.003.274	42.350.109		4.049.060	74.097.277	1.258.123.656	Depreciation
Nilai Tercatat	2.578.292.713						2.569.316.640	Carrying Amount

Alokasi beban penyusutan adalah sebagai berikut:

Allocation of depreciation expense was as follows:

	2015	2014	
Beban pokok pendapatan Beban umum dan administrasi	135.944.158	93.397.656	Cost of revenues General and administrative
(Catatan 28)	81.935.582	122.605.618	expenses (Note 28)
Total	217.879.740	216.003.274	Total

Rincian aset dalam penyelesaian adalah sebagai berikut:

Details of construction-in progress were as follows:

		2015		
	Persentase		Estimasi Tahun	
	Penyelesaian/		Penyelesaian/	
	Percentage of	Nilai Tercatat /	Estimated	
	Completion	Carrying Value	Year of	
	(%)	(Rp)	Completion	
Bangunan dan prasarana	51-95	9.539.359	2017	Building and improvements
Mesin dan peralatan	51-95	70.754.015	2017	Machinery and equipment
Total		80.293.374		Total

# PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 13. ASET TETAP (Lanjutan)

13. FIXED ASSETS (Continued)

		2014		
	Persentase Penyelesaian/ Percentage of Completion (%)	Nilai Tercatat / <i>Carrying Value</i> (Rp)	Estimasi Tahun Penyelesaian/ Estimated Year of Completion	
Bangunan dan prasarana Mesin dan peralatan	51-95 51-95	15.126.082 117.516.965	2015 2015	Building and improvements Machinery and equipment
Total		132.643.047		Total

Manajemen berkeyakinan bahwa tidak ada hambatan yang dapat mengganggu penyelesaian atas aset-aset tersebut.

Pada tanggal 31 Desember 2015 dan 2014, tanah, bangunan dan mesin milik BPI dan BA, tanah dan bangunan pabrik milik BBI digunakan sebagai jaminan atas pinjaman jangka pendek dan pinjaman jangka panjang (Catatan 18 dan 21).

Pada tanggal 31 Desember 2015 dan 2014, tidak terdapat nilai tercatat aset tetap yang tidak dipakai sementara dan aset tetap yang dihentikan dari penggunaan aktif yang tidak diklasifikasikan sebagai dimiliki untuk dijual.

Pada tanggal 31 Desember 2015 dan 2014, jumlah tercatat aset tetap bruto yang telah disusutkan penuh dan masih digunakan masing-masing adalah sebesar Rp517,7 miliar dan Rp433,6 miliar.

Aset tetap dengan pemilikan langsung diasuransikan terhadap risiko kebakaran, risiko gempa bumi dan risiko lainnya berdasarkan suatu paket polis tertentu kepada PT Mitra Iswara Insurance, PT Asuransi Indrapura, PT Asuransi Allianz dan perusahaan asuransi lainnya. Jumlah nilai pertanggungan asuransi aset tetap masing masing sebesar Rp1,2 triliun dan USD116,2 juta pada tanggal 31 Desember 2015 dan Rp1,1 triliun dan USD135,1 juta pada tanggal 31 Desember 2014. Nilai pertanggungan asuransi atas aset tetap BMI, BPI, SEAPI, BBI dan Bcons termasuk nilai pertanggungan asuransi atas persediaan (Catatan 9).

Manajemen berkeyakinan bahwa nilai pertanggungan tersebut telah memadai untuk menutup kemungkinan kerugian atas aset tetap yang dipertanggungkan.

The management believes that there are no obstacles that can interfere with the completion of these assets.

As of December 31, 2015 and 2014, land, buildings and machinery of BPI and BA, land and factory buildings of BBI were pledged as collateral for short-term loans and long-term loans (Notes 18 and 21).

As of December 31, 2015 and 2014, there were no temporarily idle fixed assets and fixed assets retired from active use that are classified as held for sale.

As of December 31, 2015 and 2014, the gross carrying amount of fully depreciated fixed assets that were still in use amounted to Rp517.7 billion and Rp433.6 billion, respectively.

Direct ownership of fixed assets was covered by insurance against losses from fire, earthquake and other risk under blanket policies with PT Mitra Iswara Insurance, PT Asuransi Indrapura, PT Asuransi Allianz and other insurance companies. Total sum insured for fixed assets amounted to Rp1.2 trillion and USD116.2 million as of December 31, 2015 and Rp1.1 trillion and USD135.1 million as of December 31, 2014. The insurance coverage for fixed assets of BMI, BPI, SEAPI, BBI and Bcons includes sum insured for inventories (Note 9).

The management believes that the sum insured is adequate to cover the possible losses from these insured risks.

#### 13. ASET TETAP (Lanjutan)

Berdasarkan penelaahan terhadap aset tetap, manajemen Kelompok Usaha berkeyakinan bahwa tidak terdapat indikasi penurunan nilai aset pada tanggal 31 Desember 2015.

# 14. BIAYA PENGEMBANGAN PROYEK

Akun ini terutama merupakan akumulasi biaya-biaya yang terjadi sehubungan dengan proyek-proyek sebagai berikut:

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 13. FIXED ASSETS (Continued)

Based on review of fixed assets, the management of the Group believes that there was no condition or event indicating a decline in assets value as of December 31, 2015.

# 14. PROJECT DEVELOPMENT COSTS

This account mainly represents accumulated costs incurred in relation to the projects as follows:

	2015	2014	
Pipa dan besi baja - Kertapati Kalimantan Jawa Gas Lain-lain	237.855.951 96.723.879 125.389.907	237.855.951 96.710.716 163.206.505	Pipe and steel - Kertapati Kalimantan Jawa Gas Others
Total Dikurang penyisihan kerugian	459.969.737	497.773.172	Total Less allowance for impairment
atas penurunan nilai	(237.855.951)	(237.855.951)	losses
Neto	222.113.786	259.917.221	Net

# <u> Pipa dan besi baja - Kertapati</u>

Proyek pipa dan besi baja (Kertapati) merupakan proyek jaringan pipanisasi distribusi bahan bakar minyak (BBM) dari Kertapati ke Jambi sepanjang 300 km oleh PT Bakrie Harper (BHP), Entitas Anak, yang telah dimulai sejak 19 Mei 1997. Proyek tersebut berbentuk "Build and Rent" (B&R), dimana BHP merencanakan akan membangun dan mengoperasikan jaringan tersebut sedangkan PT Pertamina (Persero) akan menyewa jaringan tersebut dari BHP. Akibat kondisi ekonomi yang memburuk, proyek tersebut untuk sementara dihentikan dan Pertamina bermaksud untuk menegosiasikan kembali proyek tersebut. Pada tahun 2001, BHP dan Pertamina telah menilai kewajiban Pertamina kepada BHP (Catatan 35b). Pada tahun 2009, manajemen memutuskan untuk melakukan penyisihan penuh sejumlah Rp237,9 miliar atas nilai proyek tersebut, karena belum ada kejelasan tentang kelanjutan proyek tersebut dan adanya ketidakpastian kapan dana yang telah dikeluarkan untuk membiayai proyek tersebut dapat tertagih.

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian ini, manajemen dan Pertamina masih berdiskusi untuk penyelesaian proyek tersebut.

# <u> Pipe and steel - Kertapati</u>

Pipe and steel project (Kertapati) is a pipeline project which distributes fuel oil from Kertapati to Jambi with a distance of 300 kilometers and was started on May 19, 1997. The project is a "Build and Rent" (B&R), whereby PT Bakrie Harper (BHP), a Subsidiary, planned to build and operate the network, which has been rented by PT Pertamina (Persero). Due to the adverse economic condition, the project has been temporarily halted and PT Pertamina (Persero) intends to renegotiate the project. In 2001, BHP and Pertamina have evaluated Pertamina's obligation to BHP (Note 35b). In 2009, the management decided to provide full allowance amounting to Rp237.9 billion due to the uncertainty as to whether the project will be continued and when the utilized funds to finance such project will be collectible.

As of completion date of the consolidated financial statements, the management and Pertamina remains in discussion to resolve the settlement of the project.

## 14. BIAYA PENGEMBANGAN PROYEK (Lanjutan)

# <u>Kalimantan Jawa Gas</u>

Pada tanggal 27 Juli 2006, Perusahaan telah memenangkan lelang khusus ruas transmisi gas bumi Bontang (Kalimantan Timur) ke Semarang (Jawa Tengah) berdasarkan Surat Keputusan Kepala Badan Pengatur Hilir Minyak dan Gas Bumi (BPH Migas) No. 042/Kpts/PL/BPHMigas/Kom/VII/2006. Perusahaan akan memulai konstruksi fisik proyek setelah keputusan pemerintah atas alokasi produksi gas bumi untuk kebutuhan dalam negeri dan ekspor ditetapkan.

Pada Maret Perusahaan tanggal 11 2014, menandatangani perjanjian pemesanan saham dengan PT Permata Graha Nusantara dimana biaya pengembangan proyek yang dikeluarkan oleh Perusahaan akan ditransfer dan diubah sebagai investasi dalam saham di PT Kalimantan Jawa Gas (Catatan 4a dan 11e).

# PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 14. PROJECT DEVELOPMENT COSTS (Continued)

#### <u>Kalimantan Jawa Gas</u>

On July 27, 2006, the Company was awarded a bid for natural gas transmission from Bontang (East Kalimantan) to Semarang (Central Java) according to Regulatory Agency for Oil and Gas Downstream (BPH Migas) Decree No. 042/Kpts/PL/BPHMigas/Kom/VII/ 2006. The Company will start the construction when the government has decided the gas allocation for domestic and export purposes.

On March 11, 2014, the Company entered into a share subscription agreement with PT Permata Graha Nusantara whereby project development costs incurred by the Company will be transferred and converted as investments in shares of stocks at PT Kalimantan Jawa Gas (Notes 4a and 11e).

# 15. BIAYA DITANGGUHKAN

# **15. DEFERRED CHARGES**

	2015	2014	
Pengembangan pabrik dan produk Dikurangi akumulasi amortisasi	36.840.544 (33.917.510)	38.797.927 (32.163.794)	Factory and product development Less accumulated amortization
Neto	2.923.034	6.634.133	Net

Pengembangan pabrik dan produk merupakan biaya yang dikeluarkan sehubungan dengan perolehan sertifikasi untuk pabrik "*New Submerged Arc Welded Pipe Mill*" yang dikeluarkan oleh American Petroleum Institute dan beban lain yang berhubungan dengan pengembangan atas produk baru.

# 16. GOODWILL

Pada tanggal 31 Desember 2014, *goodwill* sebesar Rp3,8 juta merupakan selisih lebih antara harga perolehan dari PT Bakrie Autoparts (BA) atas nilai wajar aset neto PT Aneka Banusakti pada tanggal akuisisi.

Pada tanggal 11 November 2015, BA menjual dan mengalihkan kepemilikan saham di ABS kepada pihak ketiga, dengan demikian, *goodwill* dari ABS dihentikan pengakuannya (Catatan 4b).

Factory and product development represents expenses incurred in respect of "New Submerged Arc Welded Pipe Mill" certification issued by American Petroleum Institute and other costs in relation to the development of a new product.

# 16. GOODWILL

As of December 31, 2014, goodwill amounting to Rp3.8 million arises from the excess of the purchase price paid by PT Bakrie Autoparts (BA) over the underlying fair value of the net assets of PT Aneka Banusakti at acquisition date.

As of November 11, 2015, BA sold and transferred all of its share ownership in ABS to a third party, thereby, goodwill related to ABS were also derecognized (Note 4b).

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 17. ASET TIDAK LANCAR LAINNYA

# 17. OTHER NON-CURRENT ASSETS

	2015	2014	
Kas di bank yang			
dibatasi penggunaannya			Restricted cash in banks
Rupiah			Rupiah
PT Bank MNC Internasional Tbk			PT Bank MNC Internasional Tbk
(dahulu PT Bank			(formerly known as
ICB Bumiputera Tbk)	20.909.000	20.909.000	PT Bank ICB Bumiputera Tbk)
PT Bank Rakyat Indonesia			PT Bank Rakyat Indonesia
(Persero) Tbk	13.533.990	17.043.360	(Persero) Tbk
PT Bank Central Asia Tbk	10.464.629	787.437	PT Bank Central Asia Tbk
PT Bank Negara Indonesia Tbk	1.707.479	-	PT Bank Negara Indonesia Tbk
PT Bank Tabungan Negara Tbk	1.217.175	1.480.882	PT Bank Tabungan Negara Tbk
PT Bank Mandiri (Persero) Tbk	77.000	10.387.000	PT Bank Mandiri (Persero) Tbk
Sub-total	47.909.273	50.607.679	Sub-total
Mata uang asing (USD)			Foreign currrency (USD)
PT Bank MNC Internasional Tbk			PT Bank MNC Internasional Tbk
(dahulu PT Bank			(formerly known as
ICB Bumiputera Tbk)	99.324.000	89.568.000	PT Bank ICB Bumiputera Tbk)
PT Bank Rakyat Indonesia			PT Bank Rakyat Indonesia
(Persero) Tbk	36.835.847	333.002.417	(Persero) Tbk
PT Bank Tabungan Negara Tbk	24.831.000	-	PT Bank Tabungan Negara Tbk
PT Bank Negara Indonesia Tbk	5.150.005	-	PT Bank Negara Indonesia Tbk
PT Bank Mandiri (Persero) Tbk	368.141	112.494.765	PT Bank Mandiri (Persero) Tbk
PT Bank Mega Tbk		46.653.732	PT Bank Mega Tbk
Sub-total	166.508.993	581.718.914	Sub-total
Total	214.418.266	632.326.593	Total
Biaya riset dan pengembangan	39.891.342	6.128.879	Research and development costs
Taksiran restitusi pajak	26.542.722	16.752.226	Estimated claim for tax refund
Bank garansi	9.845.656	8.067.203	Bank guarantee
Piutang dari komisaris,			Receivable from
direksi dan karyawan			commissioners, directors
(Catatan 33b)	7.042.137	5.514.499	and employees (Note 33b)
Jaminan	5.428.705	6.459.516	Security deposits
Lain-lain	3.869.996	3.636.865	Others
Sub-total	92.620.558	46.559.188	Sub-total
Total	307.038.824	678.885.781	Total

Dana dalam kas pada bank yang dibatasi penggunaannya merupakan jaminan untuk pembayaran pokok atas pinjaman bank jangka panjang dan sebagai jaminan atas kontrak jangka panjang dengan pemasok yang diterima Kelompok Usaha (Catatan 21).

Seluruh kas di bank yang dibatasi penggunaannya ditempatkan pada pihak ketiga.

Restricted cash in banks are used as collateral for payment of principal for long-term bank loans and guarantee for other long-term contracts with suppliers obtained by the Group (Note 21).

All placements of restricted cash in banks were with third parties.

rate Profile

Main Highlights

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# **18. PINJAMAN JANGKA PENDEK**

# 18. SHORT-TERM LOANS

	2015	2014	
Utang Bank dan Bukan Bank			Bank and Non Bank Loan
Rupiah			Rupiah
Surat Sanggup Seri II, Indonesia	238.987.042	238.987.042	Promissory Note II, Indonesia
Indiana Ltd, Seychelles	128.929.832	128.929.832	Indiana Ltd, Seychelles
PT Bank MNC Internasional Tbk,			PT Bank MNC Internasional Tbk,
Indonesia (dahulu PT Bank ICB			Indonesia (formerly known as
Bumiputera Tbk)	76.043.213	76.043.213	PT Bank ICB Bumiputera Tbk)
Surat Sanggup Seri I, Indonesia	62.034.834	62.034.834	Promissory Note I, Indonesia
PT Pilar Agra Unggul, Indonesia	56.500.000	45.000.000	PT Pilar Agra Unggul, Indonesia
PT Bank Rakyat Indonesia Tbk,			PT Bank Rakyat Indonesia Tbk,
Indonesia	56.212.926	77.976.287	Indonesia
PT Bank Artha Graha			PT Bank Artha Graha
International Tbk, Indonesia	54.651.032	41.500.000	International Tbk, Indonesia
PT Bank J Trust Indonesia, Indonesia			PT Bank J Trust Indonesia,
(dahulu			Indonesia (formerly known as
PT Bank Mutiara Tbk)	22.901.792	10.715.759	PT Bank Mutiara Tbk)
Conic Investment Limited,			Conic Invesment Limited,
British Virgin Island	3.500.000	19.000.000	British Virgin Island
Lain-lain (di bawah Rp10 miliar)	13.570.888	16.864.147	Others (each below Rp10 billion)
Sub-total	713.331.559	717.051.114	Sub-total
Mata uang asing (USD)			Foreign currrency (USD)
Credit Suisse AG,			Credit Suisse AG,
Singapore	1.197.622.495	1.079.987.230	Singapore
PT Bank MNC Internasional Tbk,			PT Bank MNC Internasional Tbk,
Indonesia (dahulu PT Bank ICB			Indonesia (formerly known as
Bumiputera Tbk)	98.578.595	88.895.812	PT Bank ICB Bumiputera Tbk)
Harus Capital Pte Ltd, British			Harus Capital Pte Ltd, British
Virgin Island	82.770.000	74.640.000	Virgin Island
Ecoline Invesment Limited,			Ecoline Invesment Limited,
Seychelles	82.770.000	74.640.000	Seychelles
Palisades Sub III Ltd, San Francisco	-	1.065.995.774	Palisades Sub III Ltd, San Francisco
Conic Invesment Limited,			Conic Invesment Limited,
British Virgin Island	60.091.527	66.815.697	British Virgin Island
Lain-lain (di bawah Rp15 miliar)	28.072.825	17.851.400	Others (each below Rp15 billion)
Sub-total	1.549.905.442	2.468.825.913	Sub-total
Repo			Repo
Rupiah			Rupiah
PT Recapital Securities, Indonesia	27.000.000	27.000.000	PT Recapital Securities, Indonesia
PT Mahakarya Modalindo,	_,		PT Mahakarya Modalindo,
Indonesia	-	50.000.000	Indonesia
Sub-total	27.000.000	77.000.000	Sub-total
	_,	,,	540 10141

# **PT BAKRIE & BROTHERS Tbk** AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 18. PINJAMAN JANGKA PENDEK (Lanjutan)

# 18. SHORT-TERM LOANS (Continued)

	2015	2014	
Mata uang asing (USD)			Foreign currrency (USD)
Platinum Partners Value			Platinum Partners Value
Arbitrage Fund, L.P.,			Arbitrage Fund, L.P.,
Cayman Island		321.774.670	Cayman Island
Total	2.290.237.001	3.584.651.697	Total

Pinjaman jangka pendek dikenakan bunga per tahun sebagai berikut:

Short-term loans bear annual interest rates as follows:

	2015 dan/and 2014	
Rupiah	7,5 % - 20,5 %	Rupiah
Dolar AS	3 % - 20 %	US Dollar

# a. Surat Sanggup (PN) Seri II

Pada tanggal 9 Februari 2012, Perusahaan bersamasama dengan beberapa pihak, menandatangani Perjanjian Penerbitan Surat Sanggup Seri II dengan jumlah nominal sebesar Rp2,6 triliun yang jatuh tempo 90 hari sejak tanggal penerbitan.

Surat Sanggup Seri II ini diterbitkan bersamaan dengan Surat Sanggup Seri I yang digunakan untuk menyelesaikan kewajiban Surat Utang Jangka Menengah dengan kewajiban keseluruhan sebesar Rp3,2 triliun (Catatan 18d).

Rincian pemegang/pemberi pinjaman sebagai berikut:

# a. Promissory Notes (PN) Series II

On February 9, 2012, the Company, together with certain parties, signed an agreement for Promissory Notes Series II amounting to Rp2.6 trillion, which is due within 90 days from the date of issuance.

The Promissory Notes Series II and Promissory Notes Series I were issued to settle the Company's Medium Term Notes amounting to Rp3.2 trillion (Note 18d).

Details of holders/lenders were as follows:

	Surat Sanggup			
Pemberi pinjaman	2015	2014	Nilai Penerbitan PN/ Nominal PN Issued	Lender
PT Ciptadana Capital	73.257.765	73.257.765	-	PT Ciptadana Capital
PT Danpac Futures	47.007.691	47.007.691	-	PT Danpac Futures
PT Batasa Capital	-	-	289.537.297	PT Batasa Capital
PT Ciptadana Securities	-	-	130.236.027	PT Ciptadana Securities
HPAM Maestro Flexi 1	-	-	1.589.323.921	HPAM Maestro Flexi 1
HPAM Maestro Flexi 2	-	-	314.800.968	HPAM Maestro Flexi 2
MSN Tara Ltd	-	-	111.284.261	MSN Tara Ltd
Lain-lain	118.721.586	118.721.586	150.508.065	Others
Total	238.987.042	238.987.042	2.585.690.539	Total

# **18. PINJAMAN JANGKA PENDEK** (Lanjutan)

Pada tanggal 11 September 2013, PT Ciptadana Securities mengalihkan Surat Sanggup Nomor BNBR-PN003-II/2012 senilai Rp73,3 miliar kepada PT Ciptadana Capital dan Surat Sanggup Nomor BNBR-PN004-II/2012 sebesar Rp57,0 miliar kepada PT Danpac Futures.

Pada tahun 2014, Perusahaan telah melakukan pembayaran pinjaman Surat Sanggup Seri II kepada PT Batasa Capital dan PT Danpac Futures masing-masing sebesar Rp285,9 miliar dan Rp10 miliar (Catatan 7a).

Saldo pinjaman ini pada tanggal 31 Desember 2015 dan 2014 sebesar Rp239,0 miliar.

# b. Indiana Ltd.

Pada tanggal 19 Desember 2011, Perusahaan mendapatkan fasilitas pinjaman dari Indiana Ltd. sebesar Rp562,0 miliar. Pinjaman ini digunakan untuk melunasi pinjaman yang diperoleh dari PT Sinarmas Sekuritas. Fasilitas ini jatuh tempo pada tanggal 19 Desember 2012 dan dijamin dengan 0,7 miliar saham BTEL.

Pada tahun 2014, Perusahaan telah membayar sebagian pinjaman tersebut kepada Indiana Ltd. sebesar Rp73,8 miliar (Catatan 7a).

Perjanjian ini telah mengalami beberapa kali perubahan, terakhir dengan perjanjian tanggal 19 Desember 2014, dimana perjanjian ini efektif diperpanjang sampai dengan 19 Desember 2015.

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian ini, fasilitas tersebut masih dalam proses perpanjangan tanggal jatuh tempo.

Saldo pinjaman ini pada tanggal 31 Desember 2015 dan 2014 sebesar Rp128,9 miliar.

#### c. PT Bank MNC Internasional Tbk (dahulu PT ICB Bumiputera Tbk)

Rupiah dan Dolar AS

 Pada tanggal 3 Desember 2009, Perusahaan, BPI, SEAPI, BCons, BMI, BBI, BA and MKN ("Kelompok Usaha") mengadakan perjanjian fasilitas pinjaman dengan PT Bank MNC Internasional Tbk (Bank MNC) untuk kebutuhan modal kerja Kelompok Usaha dengan nilai maksimum sebesar Rp200,0 miliar atau USD20,0 juta, dengan rincian sebagai berikut: PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 18. SHORT-TERM LOANS (Continued)

On September 11, 2013, PT Ciptadana Securities transferred Promissory Notes No. BNBR-PN003-II/ 2012 amounting to Rp73.3 billion to PT Ciptadana Capital and Promissory Notes No. BNBR-PN004-II/ 2012 amounting to Rp57.0 billion to PT Danpac Futures.

In 2014, the Company has settled Promissory Notes Series II to PT Batasa Capital and PT Danpac Futures amounting to Rp285.9 billion and Rp10 billion, respectively (Note 7a).

*Outstanding balance of this loan as of December 31, 2015 and 2014 amounted to Rp239.0 billion.* 

# b. Indiana Ltd.

On December 19, 2011, the Company obtained a loan facility from Indiana Ltd. amounting to Rp562.0 billion. This loan was used to pay the loan obtained from PT Sinarmas Sekuritas. This facility was due on December 19, 2012 and is secured by 0.7 billion BTEL shares.

In 2014, the Company has partially settled this loan to Indiana Ltd. amounting to Rp73.8 billion (Note 7a).

The agreement has been amended several times, the latest being on December 19, 2014, wherein the agreement was extended effectively until December 19, 2015.

As of completion date of the consolidated financial statements, this loan facility is in the process of extending the maturity date.

*Outstanding balance of this loan as of December 31, 2015 and 2014 amounted to Rp128.9 billion.* 

# c. PT Bank MNC Internasional Tbk (formerly known as PT ICB Bumiputera Tbk)

# <u>Rupiah and US Dollar</u>

1. On December 3, 2009, the Company, BPI, SEAPI, BCons, BMI, BBI, BA and MKN ("the Group") entered into a loan facility agreement with PT Bank MNC Internasional Tbk (MNC Bank) for their working capital requirements with a maximum amount of Rp200.0 billion or USD20.0 million, details were as follows:

# 18. PINJAMAN JANGKA PENDEK (Lanjutan)

i. Pinjaman tetap yang digunakan oleh Kelompok Usaha untuk membiayai modal kerja atau untuk membayar *Sight Letter of Credit* yang akan jatuh tempo. Tingkat suku bunga untuk pinjaman dalam mata uang rupiah adalah 1% di atas bunga deposito rupiah yang dijamin dan 1,25% di atas bunga deposito USD untuk pinjaman mata uang dolar Amerika.

Sight Letter of Credit dan/atau Usance Letter of Credit akan digunakan oleh Kelompok Usaha untuk membiayai modal kerja.

- ii. *Bank Guarantee* yang akan digunakan oleh Kelompok Usaha untuk menjamin pembayaran kepada pihak ketiga baik dalam bentuk *tender/bid bond*, *performance bond*, *advance payment bond*, *retention bond*, dan lainnya.
- iii. Contra guarantee dan/atau Standby Letter of Credit yang akan digunakan oleh Kelompok Usaha untuk menjamin pembayaran kepada pihak ketiga, baik bank maupun bukan bank, dalam bentuk tender/bid bond, performance bond, advance payment bond, retention bond, dan lainnya.

Pada tanggal 3 Desember 2012 Kelompok Usaha menandatangani perjanjian perubahan terhadap perjanjian kredit dimana nilai batas kredit diubah menjadi Rp136,4 miliar.

Fasilitas pinjaman ini telah mengalami beberapa kali perubahan, terakhir dengan perjanjian tanggal 27 November 2015, dimana perjanjian ini efektif diperpanjang sampai dengan 27 November 2016.

2. Pada tanggal 5 Februari 2013, Perusahaan, BA dan MKN mendapat pinjaman masing-masing senilai Rp33,2 miliar, Rp29,1 miliar dan Rp12,4 miliar dari Bank MNC, Pinjaman tersebut merupakan bagian dari Fasilitas Bank MNC untuk Kelompok Usaha dengan nilai maksimum sebesar Rp50,0 miliar dan USD15,0 juta (setara dengan Rp230,0 miliar).

Saldo pada tanggal 31 Desember 2015 dan 2014, untuk pinjaman masing-masing sebesar Rp76,0 miliar serta sebesar USD7,1 juta (setara dengan masing-masing sebesar Rp98,6 miliar dan Rp88,9 miliar). PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 18. SHORT-TERM LOANS (Continued)

i. Fixed loan that will be used by the Group to finance their working capital or to pay maturing Sight Letter of Credit. The interest rate for IDR facility is 1% above the secured IDR time deposit rate and 1.25% above the secured USD time deposit rate for USD facility.

Sight Letter of Credit and/or Usance Letter of Credit will be used by the Group to finance its working capital.

- *ii.* Bank guarantee that will be used by the Group to guarantee payment to third parties is either in the form of tender/bid bond, performance bond, advance payment bond, retention bond, and others.
- iii. Contra guarantee and/or Standby Letter of Credit that will be used by the Group to guarantee payment to third parties, either bank or non-bank, is in the form of tender/bid bond, performance bond, advance payment bond, retention bond, and others.

On December 3, 2012 wherein the Group entered into an addendum to the loan agreement with a total credit limit amounting to Rp136.4 billion.

This loan facility has been amended several times, the latest being on November 27, 2015, wherein the agreement was extended effectively until November 27, 2016.

2. On February 5, 2013, the Company, BA and MKN received loan facility from MNC Bank amounting to Rp33.2 billion, Rp29.1 billion and Rp12.4 billion, respectively. This facility is a part of MNC Bank facility to the Group with a maximum amount of Rp50.0 billion and USD15.0 million (equivalent to Rp230.0 billion).

The outstanding balance as of December 31, 2015 and 2014 for these facilities amounted to Rp76.0 billion and USD7.1 million (equivalent to Rp98.6 billion and Rp88.9 billion, respectively).

rporate Profile

# **18. PINJAMAN JANGKA PENDEK** (Lanjutan)

Pada tanggal 31 Desember 2014, MKN telah didekonsolidasi karena BC telah didekonsolidasi.

#### d. Surat Sanggup (PN) Seri I

Pada tanggal 9 Februari 2012, Perusahaan bersamasama dengan berbagai pihak, menandatangani Perjanjian Penerbitan Surat Sanggup Seri I tanpa bunga dengan jumlah nominal sebesar Rp642,0 miliar yang jatuh tempo dalam 45 hari kalender sejak tanggal penerbitan. Dengan rincian pemegang/ pemberi pinjaman sebagai berikut: PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 18. SHORT-TERM LOANS (Continued)

As of December 31, 2014, MKN has been deconsolidated as a result of deconsolidation of BC.

# d. Promissory Notes (PN) Series I

On February 9, 2012, the Company, together with certain parties, signed non-interest bearing Promissory Notes Series I agreement amounting to Rp642.0 billion which is due within 45 days since the date of issuance. Details of holders/lenders were as follows:

	Surat Sangg			
Pemberi pinjaman	2015	2014	Nilai Penerbitan PN/ <i>Nominal PN Issued</i>	Lender
PT Ciptadana Capital	32.559.007	32.559.007	-	PT Ciptadana Capital
PT Ciptadana Securities	-	-	32.559.007	PT Ciptadana Securities
PT Batasa Capital	-	-	71.885.421	PT Batasa Capital
HPAM Maestro Flexi 1	-	-	394.592.407	HPAM Maestro Flexi 1
HPAM Maestro Flexi 2	-	-	78.157.807	HPAM Maestro Flexi 2
MSN Tara Ltd	-	-	27.629.311	MSN Tara Ltd
Lain-lain	29.475.827	29.475.827	37.367.675	Others
Total	62.034.834	62.034.834	642.191.628	Total

Pada tanggal 11 September 2013, PT Ciptadana Securities mengalihkan Surat Sanggup Nomor BNBR-PN003-I/2012 senilai Rp32,6 miliar kepada PT Ciptadana Capital.

Surat Sanggup ini digunakan untuk menyelesaikan utang Perusahaan dalam bentuk Surat Utang Jangka Menengah (Catatan 18a).

Sampai dengan 31 Desember 2015, Perusahaan telah melakukan pembayaran sebesar Rp580,2 miliar dan sisa pinjaman sebesar Rp62,0 miliar masih dalam proses penyelesaian.

# e. PT Pilar Agra Unggul

Pada tanggal 10 Oktober 2014, PT Bakrie Building Industries (BBI) menandatangani perjanjian pinjaman dengan PT Pilar Agra Unggul (Pilar) untuk mendapatkan pinjaman sebesar Rp115,5 miliar untuk tujuan pembayaran kredit perbankan PT Multi Kontrol Nusantara dari PT Bank MNC Internasional Tbk (sebelumnya dikenal sebagai PT Bank ICB Bumiputera Tbk) dan digunakan sebagai tambahan modal kerja dari BBI. Perjanjian pinjaman ini berlaku sampai dengan 31 Desember 2014. On September 11, 2013, PT Ciptadana Securities transferred Promissory Notes No. BNBR-PN003-II/ 2012 amounting to Rp32.6 billion to PT Ciptadana Capital.

These Promissory Notes were issued to settle the Company's Medium Term Notes (Note 18a).

As of December 31, 2015, the Company has paid Rp580.2 billion and the remaining balance amounting to Rp62.0 billion is in the process of settlement.

# e. PT Pilar Agra Unggul

On October 10, 2014, PT Bakrie Building Industries (BBI) entered into a loan agreement with PT Pilar Agra Unggul (Pilar) to obtain loan amounting to Rp115.5 billion for the purpose of repayment of outstanding bank loan of PT Multi Kontrol Nusantara from PT Bank MNC Internasional Tbk (formerly known as PT Bank ICB Bumiputera Tbk) and to be used as additional working capital of BBI. The loan agreement is valid until December 31, 2014.

# 18. PINJAMAN JANGKA PENDEK (Lanjutan)

Berdasarkan perjanjian pinjaman, BBI akan memberikan aset tertentu seperti hak atas tanah yang terkait dengan bangunan No. 6335 seluas 17.775 meter persegi yang terletak di Jalan Daan Mogot KM 17,3, Kalideres, Jakarta Barat sebagai jaminan untuk pembayaran kembali pinjaman. Selain itu, perjanjian tersebut juga mencakup "*Buy Guarantee Object*" jaminan selama jangka waktu kredit, dimana Pilar memiliki opsi untuk membeli tanah yang digunakan sebagai jaminan menggunakan harga tetap berdasarkan perjanjian ini.

Pada tanggal 18 Februari 2015, Perusahaan mendapatkan tambahan pinjaman dari Pilar Agra Unggul sebesar Rp6,5 miliar.

Perjanjian ini telah mengalami beberapa kali perubahan, terakhir dengan perjanjian tanggal 31 Juli 2015, dimana perjanjian ini efektif diperpanjang sampai dengan 31 Juli 2016.

Pada tanggal 31 Desember 2015 dan 2014, saldo pinjaman adalah masing-masing sebesar Rp56,5 miliar dan Rp45,0 miliar.

# f. PT Bank Rakyat Indonesia (Persero) Tbk

Pada tanggal 15 November 2007, BMI mengadakan perjanjian pinjaman dengan PT Bank Rakyat Indonesia (Persero) Tbk (BRI) untuk menyediakan fasilitas pinjaman kredit modal kerja bentuk rekening koran dan "*Construction Withdrawal Approval*" dengan batas pinjaman maksimum masing-masing sebesar Rp3,0 miliar dan Rp28,0 miliar dan fasilitas bank garansi dengan batas pinjaman maksimum sebesar Rp3,0 miliar.

Perjanjian pinjaman telah mengalami beberapa kali perubahan, yang terakhir berdasarkan Akta Notaris Syafran, S.H., M.Hum., No. 1, 2 dan 3 tanggal 13 Februari 2013, dengan syarat-syarat dan ketentuan sebagai berikut:

• BRI setuju untuk memberikan fasilitas kredit modal kerja kepada BMI untuk menyediakan fasilitas pinjaman kredit modal kerja dalam bentuk Rekening Koran (KMK R/K), *"Construction Withdrawal Approval"* (KMK Konstruksi W/A), Surat Kredit Berdokumen Dalam Negeri (KMK/PJ SKBDN) masingmasing sebesar Rp8,0 miliar, Rp6,0 miliar dan Rp23,0 miliar. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 18. SHORT-TERM LOANS (Continued)

Based on the loan agreement, BBI will provide certain assets such as landrights related to the building No. 6335 covering an area of 17,775 square meters located in Daan Mogot Street KM 17.3, Kalideres, West Jakarta as guarantee for repayment of the loan. Additionally, the agreement also include "Buy Guarantee Object" during the loan period, wherein Pilar has the option to buy the landrights used as guarantee using fixed price based on this agreement.

On February 18, 2015, the Company obtained additional loan from Pilar Agra Unggul amounting to Rp6.5 billion.

The agreement has been amended several times, the latest being on July 31, 2015, wherein the agreement was extended effectively until July 31, 2016.

As of December 31, 2015 and 2014, the outstanding balance of this loan amounted to Rp56.5 billion and Rp45.0 billion, respectively.

# f. PT Bank Rakyat Indonesia (Persero) Tbk

On November 15, 2007, BMI entered into a loan agreement with PT Bank Rakyat Indonesia (Persero) Tbk (BRI) to provide working capital credit facility in the form of bank account and "Construction Withdrawal Approval" with a maximum credit limit amounting to Rp3.0 billion and Rp28.0 billion, respectively, and bank guarantee facility with a maximum credit limit amounting to Rp3.0 billion.

The loan agreement has been amended several times, the most recent being based on Notarial Deed No. 1, 2 and 3 dated February 13, 2013 of Syafran, S.H., M.Hum., the following terms and conditions:

• BRI has agreed to give working capital credit facility to BMI in the form of bank account, working capital credit facility "Construction Withdrawal Approval", and Local Letter of Credit (L/C) (Local L/C) amounting to Rp8.0 billion, Rp6.0 billion and Rp23.0 billion, respectively.

Corporate Profile

# 18. PINJAMAN JANGKA PENDEK (Lanjutan)

BRI telah menyediakan fasilitas pinjaman kredit modal kerja dalam bentuk rekening koran dan "Construction Withdrawal Approval" batas pinjaman maksimum masing-masing sebesar Rp8,0 miliar dan Rp6,0 miliar. Fasilitas ini termasuk bank garansi (BG) dengan batas limit pinjaman maksimum senilai Rp3,0 miliar dengan provisi BG yaitu untuk BG Lokal, provisi BG minimal Rp100,0 juta dengan jenis transaksi dalam bentuk (1) Tender Bond / Bid Bond sebesar 0,75%, (2) Performance Bond sebesar 0,75%, dan (3) Advance Payment Bond sebesar 1,00% dan Fasilitas KMK/PJ (SKBDN) senilai Rp27,0 miliar.

Fasilitas kredit memiliki jangka waktu selama 24 bulan dan telah diperpanjang hingga 14 November 2016.

• BRI telah menyediakan fasilitas pinjaman kredit modal kerja konstruksi transaksional dengan batas pinjaman maksimum sebesar Rp85,13 miliar yang akan berakhir pada tanggal 1 Agustus 2015. Fasilitas kredit tersebut digunakan untuk tambahan modal kerja proyek-proyek konstruksi BMI.

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian, akta notaris fasilitas pinjaman ini masih dalam proses perpanjangan.

Berdasarkan Akta Notaris Dewantari Handayani S.H., MPA., No. 9 pada tanggal 10 Juni 2014, PT Bakrie Pipe Industries (BPI) mengadakan perjanjian pinjaman dengan BRI untuk menyediakan fasilitas pinjaman kredit modal kerja dan fasilitas bank garansi dengan batas maksimum masingmasing sebesar USD30 Juta. fasilitas ini akan jatuh tempo pada tanggal 10 Juni 2016. Pada tanggal 31 Desember 2014, PT Bakrie Pipe Industries tidak menggunakan pinjaman modal kerja yang berkaitan dengan fasilitas ini.

Pada tanggal 31 Desember 2015 dan 2014, saldo pinjaman masing-masing adalah sebesar Rp56,2 miliar dan Rp78,0 miliar.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 18. SHORT-TERM LOANS (Continued)

BRI has agreed to provide working capital credit facility in the form of bank account and "Construction Withdrawal Approval" with a maximum credit limit amounting to Rp8.0 billion and Rp6.0 billion, respectively. This also includes Bank Guarantee (BG) facility with a maximum credit limit amounting to Rp3.0 billion, provided that it is used for Local BG, provision for BG of at least Rp100.0 million per type of transaction in the form of (1) Tender Bond / Bid Bond of 0.75%, (2) Performance Bond of 0.75%, and (3) Advance Payment Bond of 1.00% and Local Letter of Credit amounting to Rp27.0 billion.

The term of the credit facility is 24 months and has been extended until November 14, 2016

• BRI to provide construction transactional working capital having a maximum credit limit amounting to Rp85.13 billion and will expire on August 1, 2015. The credit facility was used to as additional working capital on BMI various construction projects.

Until completion date of consolidated financial statements, the notarial deed of this loan is still in process of extension.

Based on Notarial Deed No. 9 of Dewantari Handayani S.H., MPA,. dated June 10, 2014, PT Bakrie Pipe Industries (BPI) entered into a loan agreement with BRI to provide working capital credit facility and bank guarantee facility with a maximum credit limit amounting to USD30 million, respectively. This facility will expire in June 10, 2016. As of December 31, 2014, PT Bakrie Pipe Industries did not avail any working capital loan related with this facility.

As of December 31, 2015 and 2014, the outstanding balance of this loan amounted to Rp56.2 billion and Rp78.0 billion, respectively.

#### 18. PINJAMAN JANGKA PENDEK (Lanjutan)

#### g. PT Bank Artha Graha Internasional Tbk

Pada tanggal 23 April 2014, BBI memperoleh perpanjangan atas fasilitas pinjaman promes berulang dengan *sublimit* bank garansi dari PT Bank Artha Graha Internasional Tbk ("Bank") dengan batas atas kredit sebesar Rp60 miliar dengan bunga sebesar 15% per tahun dan jatuh tempo pada tanggal 21 April 2015.

Fasilitas pinjaman promes berulang ini telah diperpanjang beberapa kali, terakhir pada tanggal 19 Juni 2015 dengan *sublimit Letter of Credit* (L/C) sebesar Rp30 juta, dengan bunga sebesar 15% per tahun dan akan jatuh tempo pada tanggal 21 Februari 2016.

Selama jangka waktu pinjaman, BBI tidak diperbolehkan untuk melakukan aktivitas tanpa persetujuan tertulis dari Bank, antara lain:

- 1. Melakukan penggabungan usaha dengan badan usaha lain.
- 2. Melakukan perubahan bidang usaha.
- 3. Sebagai penjamin dan menjaminkan harta kekayaan yang telah dijaminkan kepada Bank kepada pihak lain.
- 4. Memperoleh pinjaman baru dari lembaga keuangan yang berkaitan dengan yang telah dijaminkan kepada Bank.

Pada tanggal 31 Desember 2015 dan 2014, saldo pinjaman masing-masing adalah sebesar Rp54,7 miliar dan Rp41,5 miliar.

# h. PT Bank J Trust Indonesia Tbk (dahulu PT Bank Mutiara Tbk)

Pada tanggal 22 April 2013, BA memperoleh fasilitas pinjaman dari PT Bank J Trust Indonesia Tbk dalam bentuk:

Fasilitas Pinjaman kredit rekening koran dengan batas kredit sebesar Rp5,0 miliar. Fasilitas ini dijamin dengan persediaan, piutang usaha, tanah, bangunan dan mesin-mesin dan telah jatuh tempo pada tanggal 31 Desember 2014.

Fasilitas kredit ini telah mengalami beberapa kali perpanjangan, terakhir telah diperpanjang sampai dengan 28 Maret 2016.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 18. SHORT-TERM LOANS (Continued)

# g. PT Bank Artha Graha Internasional Tbk

On April 23, 2014, BBI obtained an extension on the existing revolving loan facility with sublimit bank guarantee from PT Bank Artha Graha Internasional Tbk ("Bank") having maximum amount of Rp60 billion with an interest rate of 15% per annum and matures on April 21, 2015.

This revolving loan facility has been extended several times, the latest being on June 19, 2015 with sublimit Letter of Credit (L/C) amounting to Rp30 million, bears interest at 15% per annum and will mature on February 21, 2016.

During the period of loan, BBI is not allowed to carry out the following activities without written approval from the Bank, among others:

- *1. Execute merger or consolidation with other entity.*
- 2. Change the core business.
- 3. Act as a guarantor and pledge the assets, that have been designated as collateral to the Bank, to third parties.
- 4. Obtain an additional loan from another financial institution regarding the collateral to the Bank.

As of December 31, 2015 and 2014, the outstanding balance of this loan amounted to Rp54.7 billion and Rp41.5 billion, respectively.

# h. PT Bank J Trust Indonesia Tbk (formerly known as PT Bank Mutiara Tbk)

On April 22, 2013, BA obtained loan facilities from PT Bank J Trust Indonesia Tbk in the form of:

Bank overdraft facility with a credit limit of Rp5.0 billion. This facility is secured with inventories, trade receivables, land, building and machineries and was due on December 31, 2014.

The credit facility has been extended several times, the latest being until March 28, 2016.

KONSOLIDASIAN UNTUK TAHUN YANG BERAKHIR PADA TANGGAL 31 DESEMBER 2015 (Angka dalam tabel disajikan dalam ribuan Rupiah, kecuali dinyatakan lain)

## 18. PINJAMAN JANGKA PENDEK (Lanjutan)

CATATAN ATAS LAPORAN KEUANGAN

Pada tanggal 1 Oktober 2015, PT Bank Mutiara Tbk berubah nama menjadi PT Bank J Trust Indonesia Tbk.

Pada tanggal 31 Desember 2015 dan 31 Desember 2014, saldo pinjaman masing-masing adalah sebesar Rp22,9 miliar dan Rp10,7 miliar.

#### i. Conic Investment Limited

**PT BAKRIE & BROTHERS Tbk** 

DAN ENTITAS ANAK

Pada tanggal 27 Desember 2011, Perusahaan mendapatkan fasilitas pinjaman dari Conic Investment Limited (Conic) sebesar USD700.000 (angka penuh).

Sampai dengan tahun 2014, Perusahaan telah menerima tambahan fasilitas sebesar USD6,0 juta dan Rp42,0 miliar, serta telah melakukan total pembayaran sebesar USD1,3 juta dan Rp30,0 miliar.

Fasilitas ini dijamin dengan 145,4 juta lembar saham ENRG, 49,4 juta lembar saham BTEL, 123,8 juta lembar saham UNSP, 83,0 ribu lembar saham ELTY dan aset tetap berupa tanah. Fasilitas ini telah dilakukan beberapa kali perubahan, perubahan terakhir dilakukan pada tanggal 30 Januari 2016 yang jatuh tempo dalam waktu 3 bulan.

Dalam rangka pelunasan pokok pinjaman kepada Credit Suisse pada tanggal 25 Maret 2014, Perusahaan telah menandatangani perjanjian fasilitas pinjaman dari Conic senilai USD80,2 juta dan akan jatuh tempo dalam waktu 12 bulan (Catatan 18j).

Pada tanggal 27 Juni 2014, Perusahaan melakukan pembayaran sebagian pinjaman senilai total USD22,0 juta melalui penyerahan 1,96 miliar lembar saham ELTY senilai USD8,1 juta, penyerahan 1,23 miliar lembar saham BTEL senilai USD5,1 juta (Catatan 6) dan menggunakan dana piutang dari Kenwell Overseas Limited sebesar USD6,5 juta dan Global Synergy Investment sebesar Rp27,5 miliar atau senilai USD2,3 juta.

Pada tanggal 1 September 2014, Perusahaan melakukan pembayaran sebagian pinjaman Conic sebesar USD34,0 juta menggunakan penarikan sebagian dana investasi di Skytrend Investment Holdings Ltd (Catatan 6).

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 18. SHORT-TERM LOANS (Continued)

On October 1, 2015, PT Bank Mutiara Tbk changed its name to PT Bank J Trust Indonesia Tbk.

The outstanding loan balance as of December 31, 2015 and December 31, 2014, amounted to Rp22.9 billion and Rp10.7 billion, respectively.

#### i. Conic Investment Limited

On December 27, 2011, the Company obtained loan facilities from Conic Investment Limited (Conic) amounting to USD700,000 (full amount).

Until 2014, the Company received additional facilities amounting to USD6.0 million and Rp42.0 billion and paid a total of USD1.3 million and Rp30.0 billion.

These facilities were secured by 145.4 million ENRG shares, 49.4 million BTEL shares, 123.8 million UNSP shares, 83.0 thousand ELTY shares and land owned by the Company. These facilities have been amended several times, the latest amendment was made on January 30, 2016 which extends the maturity to 3 months.

For the purpose of partially repaying the loan principal of the financing from Credit Suisse, on March 25, 2014, the Company entered into a credit agreement with Conic to obtain a financing facility amounting to USD80.2 million and will be due within 12 months (Note 18j).

On June 27, 2014, the Company partially settled the loan from Conic amounting to USD22.0 million through transfer of 1.96 billion ELTY shares amounting to USD8.1 million, transfer of 1.23 bilion BTEL shares equivalent with USD5.1 milion (Note 6) and collections of receivables from Kenwell Overseas Limited amounting to USD6.5 million and Global Synergy Investment amounting to Rp27.5 billion or equivalent with USD2.3 milion.

On September 1, 2014, the Company partially settled the Conic loan amounting to USD34.0 million using the partial redemption of investment fund in Skytrend Investment Holdings Ltd. (Note 6).

# 18. PINJAMAN JANGKA PENDEK (Lanjutan)

Pada tanggal 29 Desember 2014, Perusahaan melakukan pembayaran sebagian pinjaman Conic sebesar USD21,8 juta dengan menggunakan penyerahan 5,3 milyar lembar saham BTEL senilai USD18,2 juta, 113,7 juta lembar saham ENRG senilai USD0,9 juta dan 123,8 juta lembar saham UNSP senilai USD0,4 juta (Catatan 6). Perusahaan juga membayarkan sebesar USD2,2 juta sebagai pelunasan seluruh sisa pinjaman Conic.

Pada tanggal 28 April 2015, Perusahaan telah melakukan pembayaran sebagian utang sebesar Rp1,3 miliar (Catatan 7a).

Pada tahun 2015, Perusahaan telah menerima tambahan fasilitas sebesar USD0,2 juta dan Rp7,0 miliar, serta telah melakukan total pembayaran Rp22,5 miliar.

Setelah dilakukan beberapa kali penyelesaian, jaminan atas fasilitas pinjaman tersebut menjadi 83 ribu lembar saham ELTY, dan 49,3 juta lembar saham BTEL.

Pada tanggal 31 Desember 2015, saldo pinjaman sebesar Rp3,5 miliar dan USD4,4 juta (setara dengan Rp60,1 miliar), sedangkan pada tanggal 31 Desember 2014, saldo pinjaman sebesar Rp19,0 miliar dan USD5,4 juta (setara dengan Rp66,8 miliar).

# j. Credit Suisse AG, Cabang Singapura

Pada tanggal 12 Januari 2012, Perusahaan bersama dengan Long Haul Holding (LHH), menandatangani perjanjian kredit dengan Credit Suisse AG, Cabang Singapura (Credit Suisse), sebagai *Structuring Agent*. Pinjaman ini diterima Perusahaan sehubungan dengan pelaksanaan Perjanjian Jual Beli dengan Borneo untuk menyelesaikan pinjaman Perusahaan dengan Credit Suisse. Jumlah fasilitas yang diterima oleh Perusahaan sebesar USD193,9 juta dan jatuh tempo dalam satu tahun setelah tanggal penarikan. Fasilitas ini dijamin dengan saham ARMS yang dimiliki oleh Perusahaan.

Pada tanggal 21 Maret 2014, Perusahaan telah menerima pinjaman sebesar USD85,7 juta dari Palisades Sub III Ltd. yang telah digunakan untuk melunasi sebagian pokok pinjaman Credit Suisse (Catatan 18m).

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 18. SHORT-TERM LOANS (Continued)

On December 29, 2014, the Company partially settled the Conic loan amounting to USD21.8 million using 5.3 billion BTEL shares equivalent to USD18.2 million, 113.7 million ENRG shares equivalent to USD0.9 million and 123.8 million UNSP shares equivalent to USD0.4 million (Note 6). Also, the Company paid to USD2.2 million as full settlement of remaining loan of Conic.

*On April 28, 2015, the Company partially settled the loan amounting to Rp1.3 billion (Note 7a).* 

In 2015, the Company received additional facilities amounting to USD0.2 million and Rp7.0 billion and paid a total of Rp22.5 billion.

After several times settlement, collateral of this loan facilities consist of 83 thousand ELTY share, and 49.3 million BTEL share.

The outstanding loan balance as of December 31, 2015 amounted to Rp3.5 billion and USD4.4 million (equivalent to Rp60.1 billion), while outstanding balance as of December 31, 2014 amounted to Rp19.0 billion and USD5.4 million (equivalent to Rp66.8 billion).

# j. Credit Suisse AG, Singapore Branch

On January 12, 2012, the Company, together with Long Haul Holding (LHH), entered into a credit agreement with Credit Suisse AG, Singapore Branch (Credit Suisse), as the Structuring Agent. This loan was obtained by the Company in connection with the execution of the Sale and Purchase Agreement with Borneo to settle the Company's existing loan with Credit Suisse. The amount of facility received by the Company amounted to USD193.9 million and will mature one year after the utilization date. This facility is secured by ARMS shares owned by the Company.

On March 21, 2014, the Company used the proceeds of loan from Palisades Sub III Ltd. amounting to USD85.7 million to partially repay the loan principal of the financing from Credit Suisse (Note 18m).

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# **18. PINJAMAN JANGKA PENDEK** (Lanjutan)

Pada tanggal 23 Maret 2014, Perusahaan telah menandatangani perjanjian kredit untuk menerima fasilitas pinjaman senilai USD86,8 juta dari Credit Suisse dan institusi keuangan lainnya *(Term Loan Facility I)*. Fasilitas ini jatuh tempo dalam waktu delapan (8) bulan. Jumlah tersebut termasuk bunga dan penalti yang masih harus dibayar.

Pada tanggal 25 Maret 2014, Perusahaan telah membayar sebagian dari pinjaman Credit Suisse sebesar USD 80,2 juta dari fasilitas Conic (Catatan 18i).

Pada tanggal 31 Desember 2015 dan 2014 saldo pinjaman ini masing-masing adalah sebesar USD87,0 juta (masing-masing setara dengan Rp1,2 triliun dan Rp1,1 triliun).

## k. Harus Capital Pte., Ltd.

Pada tanggal 14 September 2009, Perusahaan mendapatkan fasilitas pinjaman dari Harus Capital Pte., Ltd., sebesar USD46,0 juta. Fasilitas pinjaman ini jatuh tempo dalam satu tahun. Perusahaan telah melakukan pembayaran sebesar USD40,0 juta.

Pinjaman ini telah mengalami beberapa kali perpanjangan, perpanjangan terakhir sampai dengan tanggal 14 September 2016.

Pada tanggal 31 Desember 2015 dan 2014 saldo pinjaman ini masing-masing adalah sebesar USD6,0 juta (masing-masing setara dengan Rp82,8 miliar dan Rp74,6 miliar).

#### I. Ecoline Invesment Limited

Pada tanggal 25 Juni 2014, Eurofa mengalihkan sebagian *Notes* kepada Ecoline Investment Limited (Ecoline) sebesar USD6,0 juta termasuk pinalti yang masih harus dibayar sehubungan dengan *Notes* tersebut pada saat pengalihan sebesar USD0,5 juta (Catatan 21i).

Saldo pinjaman pada tanggal 31 Desember 2015 dan 2014 adalah masing-masing sebesar USD6,0 juta (masing-masing setara dengan Rp82,8 miliar dan Rp74,6 miliar).

Fasilitas pinjaman ini jatuh tempo pada tanggal 16 Desember 2015.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 18. SHORT-TERM LOANS (Continued)

On March 23, 2014, the Company signed a credit agreement to obtain a loan facility from Credit Suisse and other financial institutions amounting to USD86.8 million (Term Loan Facility I). This facility is due within eight (8) months. The principal included outstanding accrued interest and penalty.

On March 25, 2014, the Company partially repaid Credit Suisse amounting to USD80.2 million from Conic loan facility proceeds (Note 18i).

The outstanding balance of this loan as of December 31, 2015 and 2014 amounted to USD87.0 million (equivalent to Rp1.2 trillion and Rp1.1 trillion, respectively).

# k. Harus Capital Pte., Ltd.

On September 14, 2009, the Company obtained a loan facility from Harus Capital Pte., Ltd., amounting to USD46.0 million. This loan facility will be due within one year. The Company has repaid a total amount of USD40.0 million.

This loan has been extended several times, the latest being until September 14, 2016.

The outstanding balance of this loan as of December 31, 2015 and 2014 amounted to USD6.0 million (equivalent to Rp82.8 billion and Rp74.6 billion, respectively).

#### *l.* Ecoline Invesment Limited

On June 25, 2014, Eurofa transferred partial Notes to Ecoline Investment Limited (Ecoline) amounting to USD6.0 million including the accrued penalty related to the Notes as transfer date amounting to USD0.5 million (Note 21i).

Outstanding balance as of December 31, 2015 and 2014 amounted to USD6.0 million (equivalent to Rp82.8 billion and Rp74.6 billion, respectively).

This loan facility matures on December 16, 2015.

# 18. PINJAMAN JANGKA PENDEK (Lanjutan)

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian ini, fasilitas tersebut masih dalam proses penyelesaian.

# m. Palisades Sub III Ltd.

Pada tanggal 21 Maret 2014, Perusahaan dan LHH menandatangani perjanjian fasilitas pinjaman dari Palisades Sub III Ltd. dengan jumlah sebesar USD193,5 juta dan jatuh tempo dalam waktu 12 bulan. Dari jumlah *Term Loan Facility II* tersebut, yang merupakan bagian Perusahaan adalah sebesar USD85,7 juta, dimana sisanya adalah untuk LHH. Kewajiban Perusahaan berdasarkan *Term Loan Facility II* terpisah dari kewajiban LHH. Pinjaman ini digunakan untuk pelunasan sebagian pokok pinjaman kepada Credit Suisse (Catatan 18j).

Pada tanggal 24 Maret 2015, Perusahaan, Palisades dan LHH melakukan perjanjian pengalihan hutang dari Palisades kepada LHH. Sehingga dengan perjanjian ini, hutang Perusahaan ke Palisades telah diselesaikan.

Pada tanggal 31 Desember 2015 dan 2014 saldo pinjaman ini masing-masing sebesar nihil dan USD85,7 juta setara dengan Rp1,1 triliun.

# n. PT Recapital Securities

Perusahaan mempunyai berbagai fasilitas repo dari PT Recapital Securities (Recapital) sebagai berikut:

Pada tanggal 17 Juni 2013, Perusahaan memperoleh fasilitas repo dari Recapital sebesar Rp35,0 miliar. Pada tahun 2013, Perusahaan mencatat fasilitas ini sebesar harga pembelian kembali sebesar Rp36,9 miliar. Fasilitas ini telah jatuh tempo pada 30 November 2013 dan dijamin dengan 322,9 juta saham UNSP dan telah diperpanjang sampai dengan tanggal 3 September 2014.

Pada tanggal 3 September 2014, Perusahaan telah melakukan pembayaran sebagian fasilitas repo ke Recapital sebesar Rp9,9 miliar dan sisa fasilitas sebesar Rp27,0 miliar telah diperpanjang sampai dengan 3 Juni 2016.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 18. SHORT-TERM LOANS (Continued)

As of completion date of the consolidated financial statements, this loan facility is in the process of settlement.

# m. Palisades Sub III Ltd

On March 21, 2014, the Company and LHH entered into a credit agreement with Palisades Sub III Ltd. to obtain a financing facility amounting to USD193.5 million and is due within 12 months. The Company's portion in the Term Loan Facility II amounted to USD85.7 million, while the remaining amount of the facility is for LHH. The Company's obligations on the term loan facility is separate from the obligation of LHH. This facility was used to partially repay the loan principal of the financing from Credit Suisse (Note 18j).

On March 24, 2015, the Company, Palisades and LHH entered in a novation agreement. Based on this agreement, the Company's loan to Palisades has been settled.

The outstanding balance of this loan as of December 31, 2015 and 2014 amounted to nil and USD85.7 million or equivalent to Rp1.1 trillion, respectively.

# n. PT Recapital Securities

The Company has various repo facilities from PT Recapital Securities (Recapital) with details as follows:

On June 17, 2013, the Company obtained repo facility from Recapital amounting to Rp35.0 billion. In 2013, the Company revalued the facility using the repurchase price in the agreement amounting to Rp36.9 billion. This facility matured on November 30, 2013 and is secured by 322.9 million UNSP shares and has been extended until September 3, 2014.

On September 3, 2014, the Company has partially settled the repo facility to Recapital amounting to Rp9.9 billion and the remaining balance amounting to Rp27.0 billion has been extended until June 3, 2016.

# 18. PINJAMAN JANGKA PENDEK (Lanjutan)

# o. PT Mahakarya Modalindo

Perusahaan mempunyai berbagai fasilitas repo dari PT Mahakarya Modalindo (Mahakarya) sebagai berikut:

- Pada tanggal 24 Agustus 2011, Perusahaan memperoleh fasilitas repo dari Mahakarya sebesar Rp10,0 miliar. Fasilitas ini dijamin dengan saham ENRG sebanyak 172,4 juta lembar saham dan telah jatuh tempo pada 24 Februari 2012.
- Pada tanggal 26 Agustus 2011, Perusahaan memperoleh fasilitas repo dari Mahakarya sebesar Rp40,0 miliar. Fasilitas ini dijamin dengan saham ENRG sebanyak 689,7 juta lembar saham dan telah jatuh tempo pada 24 Februari 2012.

Fasilitas ini telah diselesaikan dengan pelepasan seluruh saham jaminan kepada Mahakarya.

#### p. Platinum Partners Value Arbitrage Fund, L.P.

Pada tanggal 21 Desember 2011, Perusahaan mendapatkan fasilitas repo dari Platinum Partners Value Arbitrage Fund, L.P. sebesar USD25,9 juta. Fasilitas ini jatuh tempo pada tanggal 28 Desember 2012 dan dijamin dengan 114,4 juta lembar saham ELTY, 1,9 miliar lembar saham ENRG, 828,6 juta lembar saham UNSP dan 144,8 juta lembar saham BTEL.

Pada tanggal 5 Juli 2012, Perusahaan menyerahkan saham PT Seamless Pipe Indonesia Jaya (Catatan 12b) sebagai tambahan jaminan untuk fasilitas repo ini. Fasilitas ini telah diselesaikan dengan pelepasan seluruh saham jaminan selain saham SPIJ sebagai jaminan kepada Platinum.

Manajemen berkeyakinan bahwa seluruh pinjaman jangka pendek Kelompok Usaha telah memenuhi persyaratan sebagaimana diatur dalam perjanjian kredit. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 18. SHORT-TERM LOANS (Continued)

#### o. PT Mahakarya Modalindo

The Company has various repo facilities from PT Mahakarya Modalindo (Mahakarya) with details as follows:

- On August 24, 2011, the Company obtained repo facility from Mahakarya amounting to Rp10.0 billion. This repo facility is secured by 172.4 million ENRG shares and matured on February 24, 2012.
- On August 26, 2011, the Company obtained repo facility from Mahakarya amounting to Rp40.0 billion. This repo facility is secured by 689.7 million ENRG shares and matured on February 24, 2012.

This facility has been settled by releasing all collateral shares to Mahakarya.

#### p. Platinum Partners Value Arbitrage Fund, L.P.

On December 21, 2011, the Company obtained a repo facility from Platinum Partners Value Arbitrage Fund, L.P. amounting to USD25.9 million. This facility was due on December 28, 2012 and is secured by 114.4 million ELTY shares, 1.9 billion ENRG shares, 828.6 million UNSP shares and 144.8 million BTEL shares.

On July 5, 2012, the Company pledged its shares in PT Seamless Pipe Indonesia Jaya (Note 12b) as additional collateral for this repo facility. This facility has been settled by releasing all the share collateral except SPIJ's shares to Platinum.

The management believes that all short-term loans of the Group have complied with the covenants stipulated in the agreements.

# 19. UTANG USAHA

#### **19. TRADE PAYABLES**

	2015	2014	
Pihak ketiga			Third parties
PT KHI Pipe Industry	88.593.770	46.387.394	PT KHI Pipe Industry
PT Indal Steel Pipe	57.322.154	221.442.483	PT Indal Steel Pipe

# PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 19. UTANG USAHA (Lanjutan)

# 19. TRADE PAYABLES (Continued)

	2015	2014	
PT Subur Buana Raya	30.140.404	15.428.720	PT Subur Buana Raya
PT Morita Tjokro Gearindo	8.723.884	-	PT Morita Tjokro Gearindo
SK Network Co. Ltd.	-	387.136.625	SK Network Co. Ltd.
Daewoo International	-	31.536.019	Daewoo International
Java Pacific	-	12.154.074	Java Pacific
Lain-lain (di bawah Rp10 miliar)	302.013.591	313.091.193	Others (below Rp10 billion)
Sub-total	486.793.803	1.027.176.508	Sub-total
Pihak berelasi (Catatan 33h)	2.407.915	2.682.865	Related parties (Note 33h)
Total	489.201.718	1.029.859.373	Total

Rincian umur utang usaha sebagai berikut:

Details of aging schedule of trade payables were as follows:

	2015	2014	
Sampai dengan 1 bulan	124.112.263	676.151.193	Up to 1 month
1 bulan - 3 bulan	97.205.298	280.354.909	1 month - 3 months
3 bulan - 6 bulan	181.681.200	17.885.752	3 months - 6 months
6 bulan - 1 tahun	31.785.053	23.344.868	6 months - 1 year
Lebih dari 1 tahun	54.417.904	32.122.651	over 1 year
Total	489.201.718	1.029.859.373	Total

Rincian utang usaha berdasarkan mata uang adalah sebagai berikut:

Details of trade payable based on currencies were as follows:

Mata uang	2015	2014	Currency
Dolar AS	242.663.948	747.759.552	US Dollar
Rupiah	246.044.350	279.380.100	Rupiah
Dolar Singapura	168.324	347.902	Singapore Dollar
Euro	163.838	1.805.964	Euro
Dolar Australia	161.258	565.855	Australian Dollar

# 20. BEBAN MASIH HARUS DIBAYAR

# 20. ACCRUED EXPENSES

	2015	2014	
Bunga	1.220.064.750	762.449.245	Interest
Denda	176.203.201	127.335.754	Penalty
Gaji, upah dan tunjangan	14.059.444	18.148.790	Salaries, wages and allowances
Jasa profesional	3.026.720	2.104.853	Professional fees
Listrik, air dan telepon	2.596.711	4.071.983	Electricity, water and telephone
Pajak dan asuransi	2.128.290	2.037.306	Taxes and insurance
Proyek	1.478.362	29.535.011	Projects

# PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 20. BEBAN MASIH HARUS DIBAYAR (Lanjutan)

# 20. ACCRUED EXPENSES (Continued)

	2015	2014	
Transportasi	998.834	11.010.706	Transportation
Royalti, komisi dan potongan			Royalty, commision and
penjualan	285.000	2.361.040	sales discounts
Lain-lain (dibawah Rp1 miliar)	47.174.495	41.400.312	Others (below Rp1 billion)
Total	1.468.015.807	1.000.455.000	Total

Rincian beban masih harus dibayar berdasarkan mata uang adalah sebagai berikut:

Details of accrued expenses based on currencies were as follows:

Mata uang	2015	2014	Currency
Dolar AS	855.626.409	621.882.860	US Dollar
Rupiah	612.154.224	378.384.728	Rupiah
GBP	192.240	182.081	Pound Sterling
Dolar Singapura	41.131	1.253	Singapura Dollar
Dolar Hongkong	1.803	1.625	Hongkong Dollar
Yen Jepang	-	2.453	Japanese Yen

# 21. PINJAMAN JANGKA PANJANG

# 21. LONG-TERM LOANS

	2015	2014	
Rupiah			Rupiah
PT Bank Bukopin Tbk, Indonesia	76.280.910	70.266.656	PT Bank Bukopin Tbk, Indonesia
PT Bank Muamalat Tbk, Indonesia	50.847.511	30.208.894	PT Bank Muamalat Tbk, Indonesia
PT Bank Rakyat Indonesia Syariah,			PT Bank Rakyat Indonesia Syariah,
Indonesia	48.131.663	58.263.663	Indonesia
PT Bank Artha Graha			PT Bank Artha Graha
Internasional Tbk, Indonesia	37.666.667	56.932.690	Internasional Tbk, Indonesia
PT Bank Negara Indonesia Syariah	27.028.004	-	PT Bank Negara Indonesia Syariah
Indonesia			Indonesia
			PT Bank J Trust Indonesia,
PT Bank J Trust Indonesia, Indonesia			Indonesia (formerly known as
(dahulu PT Bank Mutiara Tbk)	20.882.006	50.695.014	PT Bank Mutiara Tbk)
PT Bank ICBC Indonesia, Indonesia	-	3.362.009	PT Bank ICBC Indonesia, Indonesia
Lain-lain (di bawah Rp1 miliar)	385.930	370.571	Others (each below Rp1 billion)
Sub-total	261.222.691	270.099.497	Sub-total
Mata uang asing (USD)			Foreign currrency (USD)
Mitsubishi Corporation, Jepang	2.069.013.018	1.865.786.295	Mitsubishi Corporation, Japan
Eurofa Capital	2.009.012.010	1.0001/00.290	Eurofa Capital
Investment Inc, Singapura	1.420.885.000	1.271.893.494	Investment Inc, Singapore
Sub-total	3.489.898.018	3.137.679.789	Sub-total

# PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 21. PINJAMAN JANGKA PANJANG (Lanjutan)

# 21. LONG-TERM LOANS (Continued)

	2015	2014	
Total	3.751.120.709	3.407.779.286	Total
Dikurangi: Bagian jangka pendek	(2.880.413.326)	(2.263.865.218)	Less: Current portion
Bagian Jangka Panjang pada Biaya Perolehan Diamortisasi	870.707.383	1.143.914.068	Non-Current Portion at Amortized Cost

Pinjaman jangka panjang dikenakan bunga per tahun sebagai berikut:

2015 dan/and 2014		
Rupiah	12 % - 15 %	Rupiah
Dolar AS	2,5 % - 7%	US Dollar

Rincian pinjaman jangka panjang berdasarkan mata uang adalah sebagai berikut:

Details of long-term loans based on currencies were as follows:

Long-term loans bear annual interest rates as follows:

	2015	2014	
Dolar AS	3.489.898.018	3.137.679.789	US Dollar
Rupiah	261.222.691	270.099.497	Rupiah

# <u>Rupiah</u>

# a. PT Bank Bukopin Tbk

1. Pada tanggal 26 April 2013, Perusahaan dan BBI menandatangani Perjanjian Fasilitas Kredit Investasi dengan PT Bank Bukopin Tbk ("Bukopin") dengan batas kredit masing-masing sebesar Rp20,0 miliar dan Rp22,0 miliar dan jatuh tempo selama 5 tahun. Fasilitas ini digunakan untuk pembelian 2 unit bangunan kantor.

Pada tanggal 10 September 2015, Perusahaan memperoleh fasilitas pinjaman cicilan, dengan fasilitas kredit maksimum sebesar Rp25,0 miliar dan akan jatuh tempo pada tanggal 29 September 2020.

Fasilitas ini dijamin dengan 2 unit bangunan kantor yang berlokasi di Gedung Bakrie Tower lantai 34 nomor BT.34-A dan lantai 36 nomor BT.36-A di Jalan Taman Rasuna Said, Jakarta Selatan.

# <u>Rupiah</u>

# a. PT Bank Bukopin Tbk

1. On April 26, 2013, the Company and BBI entered into a Facility Credit Investment Agreement with PT Bank Bukopin Tbk ("Bukopin") with a credit limit of Rp20.0 billion and Rp22.0 billion, respectively, and will mature in 5 years. This facility was used to acquire 2 units of office building.

On September 10, 2015, the Company obtained an installment loan facility, with maximum credit facility amounting to Rp25.0 billion and will mature on September 29, 2020.

This facility is secured by 2 units of office building located at 34<sup>th</sup> floor number BT.34-A and 36<sup>th</sup> floor number BT.36-A, Bakrie Tower, Jalan Taman Rasuna Said, Jakarta Selatan.

# 21. PINJAMAN JANGKA PANJANG (Lanjutan)

 Pada tanggal 26 Juli 2013 dan 12 September 2013, BA dan BUMM menandatangani Perjanjian Fasilitas Kredit Investasi dengan Bukopin masing-masing sebesar Rp25,0 miliar yang jatuh tempo dalam 5 tahun. Fasilitas ini digunakan untuk pembelian 2 unit bangunan kantor.

Fasilitas ini dijamin dengan 2 unit bangunan kantor di Gedung Bakrie Tower lantai 35 nomor BT.35-A dan lantai 37 nomer BT.37-A di Jalan Taman Rasuna Said, Jakarta Selatan.

Saldo pada tanggal 31 Desember 2015 dan 2014 masing-masing adalah sebesar Rp76,3 miliar dan Rp70,3 miliar.

#### b. PT Bank Muamalat Indonesia Tbk

Pada tanggal 6 Maret 2013, PT Braja Mukti Cakra (BMC), memperoleh fasilitas pinjaman dari PT Bank Muamalat Indonesia Tbk dalam bentuk Fasilitas Pinjaman Murabahah dengan total maksimum sebesar Rp14,0 miliar yang akan jatuh tempo dalam waktu 48 bulan. Fasilitas ini digunakan untuk pembelian tanah dan bangunan pabrik.

Pada tanggal 21 September 2014, BMC memperoleh Fasilitas Pinjaman Murabahah dari PT Bank Muamalat Indonesia Tbk dengan jumlah plafon maksimum sebesar Rp17,6 miliar.

Pada tanggal 25 September 2014, BMC memperoleh pinjaman dengan total sebesar Rp10,0 miliar dengan margin Muqosah sebesar Rp5,2 miliar. Fasilitas ini akan jatuh tempo dalam enam puluh (60) bulan sampai dengan 25 Agustus 2019.

Pada tanggal 25 Oktober 2014, BMC memperoleh pinjaman dengan total sebesar Rp6,8 miliar dengan margin Muqosah sebesar Rp3,5 miliar. Fasilitas ini akan jatuh tempo dalam enam puluh (60) bulan sampai dengan 15 September 2019.

Fasilitas ini digunakan untuk membeli lima (5) mesin produksi dan mesin tersebut juga sebagai jaminan.

Berdasarkan perjanjian pinjaman, BMC tidak diperkenankan melakukan kegiatan-kegiatan berikut tanpa persetujuan tertulis terlebih dahulu dari bank, antara lain:

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 21. LONG-TERM LOANS (Continued)

2. On July 26, 2013 and September 12, 2013, BA and BUMM entered into a Credit Facility Investment Agreement with Bukopin amounting to Rp25.0 billion which will mature in 5 years. This facility is used to acquire 2 units of office building.

This facility is secured by 2 units of office building at 35<sup>th</sup> floor number BT.35-A and 37<sup>th</sup> floor number BT.37-A, Bakrie Tower, Jalan Taman Rasuna Said, Jakarta Selatan.

The outstanding balance as of December 31, 2015 and 2014 amounted to Rp76.3 billion and Rp70.3 billion, respectively.

# b. PT Bank Muamalat Indonesia Tbk

On March 6, 2013, PT Braja Mukti Cakra (BMC), obtained loan facilities from PT Bank Muamalat Indonesia Tbk in the form of Murabahah Loan Facility with a maximum amount of Rp14.0 billion and will mature in 48 months. This facility was used to purchase land and factory building.

On September 21, 2014, BMC obtained Murabahah Loan Facility from PT Bank Muamalat Indonesia Tbk with ceiling of amounting to Rp17.6 billion.

On September 25, 2014, BMC obtained a loan with a total amount of Rp10.0 billion with a margin of Muqosah amounting to Rp5.2 billion. This facility will mature in sixty (60) months until August 25, 2019.

On October 25, 2014, BMC obtained additional loan amounting to Rp6.8 billion with a margin of Muqosah amounting to Rp3.5 billion. This facility will mature in sixty (60) months until September 15, 2019.

These loans were used to purchase five (5) production machines and the machines as well as collateral.

Based on the loan agreement, BMC shall not perform transactions to carryout the following activities without the prior written approval from the bank, among others:

# 21. PINJAMAN JANGKA PANJANG (Lanjutan)

- a. Menyatakan kebangkrutan atau mengajukan surat permohonan pailit ke Pengadilan.
- b. Mendapatkan fasilitas kredit dari bank atau lembaga keungan lainnya.
- c. Mengubah komposisi pemegang saham, dewan komisaris dan direksi.
- d. Menjual aset jaminan kepada pihak lain.

Pada tanggal 5 Januari 2015, BMC, memperoleh Fasilitas Pinjaman Murabahah dengan total sebesar Rp13,8 miliar dengan margin Rp6,3 miliar. Fasilitas ini akan jatuh tempo dalam 60 bulan.

Pada tanggal 2 Februari 2015, BMC, memperoleh Fasilitas Pinjaman Murabahah dengan total sebesar Rp2,6 miliar dengan margin Rp1,2 miliar. Fasilitas ini akan jatuh tempo dalam 60 bulan.

Pada tanggal 3 Maret 2015, BMC, memperoleh Fasilitas Pinjaman Murabahah dengan total sebesar Rp3,8 miliar dengan margin Rp1,7 miliar. Fasilitas ini akan jatuh tempo dalam 60 bulan.

Pada tanggal 31 Maret 2015, BMC, memperoleh Fasilitas Pinjaman Murabahah dengan total sebesar Rp4,7 miliar dengan margin Rp2,1 miliar. Fasilitas ini akan jatuh tempo dalam 60 bulan.

Pada tanggal 19 Juni 2015, BMC, memperoleh Fasilitas Pinjaman Murabahah dengan total sebesar Rp1,8 miliar dengan margin Rp800 juta. Fasilitas ini akan jatuh tempo dalam 60 bulan.

Saldo pinjaman ini pada tanggal 31 Desember 2015 dan 2014 masing-masing sebesar Rp50,8 miliar dan Rp30,2 miliar.

# c. PT Bank Rakyat Indonesia Syariah

Pada tanggal 5 Desember 2012, BA memperoleh fasilitas pinjaman dari PT Bank Rakyat Indonesia Syariah (BRI Syariah) dalam bentuk:

- 1. Fasilitas Pinjaman Murabahah dengan plafon sebesar Rp80,0 miliar dan akan jatuh tempo pada tanggal 5 Desember 2017.
- Fasilitas Pinjaman Musyarakah dengan plafon sebesar Rp12,0 miliar dan telah jatuh tempo pada tanggal 5 Desember 2013. Perjanjian ini telah diperpanjang untuk jangka waktu 18 bulan terhitung sejak Desember 2013.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 21. LONG-TERM LOANS (Continued)

- a. Declare bankruptcy or submit letter of bankruptcy petition to the Courts.
- b. Obtain credit facility from a bank or other financial institution.
- c. Change composition of shareholders, boards of commissioners and directors.
- d. Sell the collateral assets to another party.

On January 5, 2015, BMC, obtained a Murabahah Loan Facility with a total amount of Rp13.8 billion with a margin Rp6.3 billion. This facility will mature in 60 months.

On February 2, 2015, BMC, obtained a Murabahah Loan Facility with a total amount of Rp2.6 billion with a margin Rp1.2 billion. This facility will mature in 60 months.

On March 3, 2015, BMC, obtained a Murabahah Loan Facility with a total amount of Rp3.8 billion with a margin Rp1.7 billion. This facility will mature in 60 months.

On March 31, 2015, BMC, obtained a Murabahah Loan Facility with a total amount of Rp4.7 billion with a margin Rp2.1 billion. This facility will mature in 60 months.

On June 19, 2015, BMC, obtained a Murabahah Loan Facility with a total amount of Rp1.8 billion with a margin Rp800 million. This facility will mature in 60 months.

Outstanding balance as of December 31, 2015 and 2014 amounted to Rp50.8 billion and Rp30.2 billion, respectively.

# c. PT Bank Rakyat Indonesia Syariah

On December 5, 2012, BA obtained loan facilities from PT Bank Rakyat Indonesia Syariah (BRI Syariah) in the form of:

- 1. Murabahah Loan Facility with a ceiling of Rp80.0 billion and will mature on December 5, 2017.
- 2. Musyarakah Loan Facility with a ceiling of Rp12.0 billion and matured on December 5, 2013. This facility has been extended for 18 months since December 2013.

rate Profile

Main Highlights

# 21. PINJAMAN JANGKA PANJANG (Lanjutan)

Fasilitas ini telah diperpanjang dengan jangka waktu 12 bulan sejak tanggal 25 Juni 2015 dengan perubahan plafon menjadi Rp10,0 miliar.

Fasilitas Murabahah digunakan untuk pembelian pabrik PT Korindo Casting yang terletak di Jl. Raya Serang KM 31, Kel. Gombong, Kec. Balaraja, Kab. Tangerang, Banten dan fasilitas Musyarakah digunakan untuk kebutuhan modal kerja operasional Pabrik *Casting*.

Fasilitas ini dijamin dengan tanah BA seluas 77.660m<sup>2</sup> dan bangunan seluas 15.734m<sup>2</sup> yang berlokasi di Jl. Raya Serang KM 31, Tangerang, Banten.

Saldo pinjaman ini pada tanggal 31 Desember 2015 dan 2014 masing-masing adalah sebesar Rp48,1 miliar dan Rp58,3 miliar.

# d. PT Bank Artha Graha Internasional Tbk

Pada tanggal 24 April 2014, berdasarkan Akta Perjanjian Kredit No. 172, BBI memperoleh fasilitas kredit dalam bentuk pinjaman tetap dari BAG sebesar Rp56,5 miliar dengan bunga sebesar 15% per tahun dan jatuh tempo pada tanggal 24 April 2018. Pinjaman ini dijamin dengan tanah, bangunan dan fasilitas dimiliki oleh BBI di Kalideres, Jakarta.

Selama periode pinjaman, BBI tidak diperbolehkan untuk melaksanakan kegiatan-kegiatan berikut tanpa persetujuan tertulis dari BAG, antara lain:

- a. Melakukan *merger* atau konsolidasi dengan entitas lain;
- b. Mengubah bisnis usaha;
- c. Menjadi penjamin dan menyerahkan aset yang telah diagunkan dari BAG kepada pihak ketiga;
- d. Mendapatkan tambahan pinjaman dari lembaga keuangan lain yang terkait dengan agunan yang telah ditunjuk oleh BAG.

Saldo pinjaman ini pada tanggal 31 Desember 2015 dan 2014 masing-masing adalah sebesar Rp37,7 miliar dan Rp56,9 miliar. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 21. LONG-TERM LOANS (Continued)

This facility has extended for 12 month since June 25, 2015 with revise plafond to be Rp10.0 billion.

The Murabahah facility was used to buy the factory of PT Korindo Casting which is located in Jl. Raya Serang KM 31, Kel. Gombong, Kec. Balaraja, Kab. Tangerang, Banten and the Musyarakah facility was used for working capital of the Casting plant operations.

*This facility is secured by BA's land of 77,660m<sup>2</sup> and building of 15,734m<sup>2</sup> located in Jl. Raya Serang KM 31, Tangerang, Banten.* 

*Outstanding balance as of December 31, 2015 and 2014 amounted to Rp48.1 billion and Rp58.3 billion, respectively.* 

# d. PT Bank Artha Graha Internasional Tbk

On April 24, 2014, BBI obtained a fixed loan from BAG based on Credit Agreement Deed No. 172, with credit ceiling of Rp56.5 billion with an interest rate of 15% per annum and will mature on April 24, 2018. The loan is collateralized by land, building and facilities owned by BBI located in Kalideres, Jakarta.

During the period of the loan, BBI is not allowed to carry out the following activities without written approval from BAG, among others:

- a. Execute merger or consolidation with other entities;
- b. Change the core business;
- c. Act as a guarantor and pledge the assets that have been designated as collateral by BAG to third parties;
- d. Obtain an additional loan from another financial institution in respect of the collateral designated by BAG.

*Outstanding balance as of December 31, 2015 and 2014 amounted to Rp37.7 billion and Rp56.9 billion, respectively.* 

# 21. PINJAMAN JANGKA PANJANG (Lanjutan)

#### e. PT Bank Negara Indonesia Syariah

Pada tanggal 19 Desember 2014, BMC memperoleh Fasilitas Pinjaman Murabahah dari PT Bank BNI Syariah dengan jumlah plafon maksimum sebesar Rp50,0 miliar. Fasilitas ini akan jatuh tempo dalam 60 bulan.

Fasilitas ini digunakan untuk untuk *take over* pinjaman atas investasi mesin dan peralatan dari Bank J Trust Indonesia Tbk, *take over* pinjaman atas modal kerja dari Bank J Trust Indonesia Tbk, dan untuk investasi pembelian mesin dan modal kerja.

Fasilitas ini dijamin dengan:

- a. Segala harta yang bergerak maupun tidak bergerak;
- b. Sebidang tanah, SHGB No. 3219 dan No. 4080 atas nama PT Braja Mukti Cakra yang berlokasi di Jl. Harapan Kita No. 4, Kelurahan Harapan Jaya, Kecamatan Bekasi Utara, Kota Bekasi, Provinsi Jawa Barat;
- c. Rangkaian Mesin dan perlengkapan yang diikat dengan Fidusia senilai Rp60,8 miliar; dan
- d. Obyek pembiayaan berupa persediaan yang dibiayai Bank akan diikat Fidusia minimal senilai Rp10 miliar.

Pada tanggal 22 Januari 2015, BMC mencairkan pokok pembiayaan sebesar Rp7,8 miliar untuk fasilitas investasi *take over* dari Bank J Trust Indonesia Tbk dengan jangka waktu 14 bulan.

Pada tanggal 22 Januari 2015, BMC mencairkan pokok pembiayaan sebesar Rp14,8 miliar dengan margin sebesar Rp687,6 juta jangka waktu 60 bulan untuk fasilitas modal kerja *take over* dari Bank J Trust Indonesia Tbk dengan margin sebesar Rp5,7 miliar.

Pada tanggal 27 Januari 2015, BMC mencairkan pokok pembiayaan sebesar Rp7,3 miliar untuk fasilitas Modal Kerja dengan pola Murabanah dengan jangka waktu selama 60 bulan dengan margin sebesar Rp2,9 miliar.

Pada tanggal 17 Februari 2015, BMC mencairkan pokok pembiayaan sebesar Rp2,6 miliar dengan margin Rp1,0 miliar dan Rp1,1 miliar dengan margin Rp430,4 juta untuk fasilitas Modal Kerja dengan pola Murabanah dengan jangka waktu 60 bulan. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 21. LONG-TERM LOANS (Continued)

# e. PT Bank Negara Indonesia Syariah

On December 19, 2014, BMC obtained Murabahah Loan Facility from PT Bank BNI Syariah with ceiling of amounting to Rp50.0 billion. This facility will mature in 60 months.

This facility was used to take over of machinery and equipment investment loan from Bank J Trust Indonesia Tbk, take over of working capital loan from Bank J Trust Indonesia Tbk, and as investment in machinery purchasing and working capital.

This facility is secured by:

- *a. All of movable property and non-movable property;*
- b. Land, SHGB No. 3219 and No. 4080 on behalf of PT Braja Mukti Cakra that located in Jl. Harapan Kita No. 4, Kelurahan Harapan Jaya, Kecamatan Bekasi Utara, Kota Bekasi, Provinsi Jawa Barat;
- *c. A series engine and equipment with that tied by fiduciary duty amounting to Rp60.8 billion; and*
- d. Financing object as inventory that will be financed by Bank with fiduciary duty with a total minimum amounting to Rp10 billion.

On January 22, 2015, BMC redeem the principal financing facilities amounting Rp7.8 billion to take over the investment of J Trust Bank Indonesia Tbk with a term of 14 months.

On January 22, 2015, BMC redeem the principal financing of Rp14.8 billion with a margin of Rp687.6 million period of 60 months for working capital facility take over from J Trust Bank Indonesia Tbk with a margin of Rp5.7 billion.

On January 27, 2015, BMC redeem the principal financing of Rp7.3 billion for working capital facility with Murabanah pattern with period of 60 months and margin of Rp2.9 billion.

On February 17, 2015, BMC redeem the principal financing of Rp2.6 billion with margin Rp1.0 million and Rp1.1 million with margin Rp430.4 million for working capital facility with Murabanah pattern with a period of 60 months.

rporate Profile

#### 21. PINJAMAN JANGKA PANJANG (Lanjutan)

Pada tanggal 26 Maret 2015, BMC mencairkan pokok pembiayaan sebesar Rp2,0 miliar dengan margin sebesar Rp792,1 juta untuk fasilitas Modal Kerja dengan pola Murabanah dengan jangka waktu 60 bulan.

Pada tanggal 15 Desember 2015, BMC mencairkan pokok pembiayaan sebesar Rp1,0 miliar dengan margin sebesar Rp388,5 juta untuk fasilitas modal kerja dengan jangka waktu 60 bulan.

Saldo pinjaman pada tanggal 31 Desember 2015 dan 2014, adalah masing-masing sebesar Rp27,0 miliar dan nihil.

#### f. PT Bank J Trust Indonesia Tbk (dahulu PT Bank Mutiara Tbk)

1. Pada tanggal 13 Juni 2011, PT Bina Usaha Mandiri Mizusawa (BUMM) memperoleh fasilitas pinjaman dari PT Bank J Trust Indonesia Tbk dengan nilai total maksimum Rp30,0 miliar.

Pinjaman ini yang digunakan untuk pembelian tanah dan bangunan termasuk mesin dan peralatan di Jl. E.Z. Muttaqqien Kelurahan Alam Jaya, Jatiuwung, Tangerang, Banten. Fasilitas ini akan jatuh tempo dalam 60 bulan.

Fasilitas ini dijamin dengan:

- a. Tanah, SHGB No. 5340 dan SHGB No. 291 atas nama BUMM, termasuk bangunan pabrik berlokasi di Jl. E.Z. Muttaqqien Kel. Gembor, Kec. Jatiuwung, Tangerang, Banten.
- b. Semua sarana dan prasarana.
- c. Mesin dan peralatan berlokasi di Jatiuwung, Tangerang, Banten.
- d. Jaminan Perusahaan dari BA.
- 2. Pada tanggal 22 Maret 2011, BA memperoleh fasilitas pinjaman investasi dari PT Bank J Trust Indonesia Tbk dengan nilai total maksimum Rp20,0 miliar yang akan digunakan untuk pembelian tanah dan bangunan termasuk mesin dan peralatan di Cakung, Jakarta Timur. Fasilitas ini akan jatuh tempo dalam 60 bulan.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 21. LONG-TERM LOANS (Continued)

On March 26, 2015, BMC redeem the principal financing of Rp2.0 billion with a margin of Rp792.1 million for working capital facility with Murabanah pattern with a period of 60 months.

On December 15, 2015, BMC redeem the principal financing of Rp1.0 billion with a margin of Rp388.5 million for working capital facility with a term of 60 months.

*Outstanding balance as of December 31, 2015 and 2014, amounted to Rp27.0 billion and nil, respectively.* 

#### f. PT Bank J Trust Indonesia Tbk (formerly known as PT Bank Mutiara Tbk)

1. On June 13, 2011, PT Bina Usaha Mandiri Mizusawa (BUMM) obtained a loan facility from PT Bank J Trust Indonesia Tbk with total maximum amount of Rp30.0 billion.

This loan was used to purchase land and building including machinery and equipment at Jl. E.Z. Muttaqqien Kelurahan Alam Jaya, Jatiuwung, Tangerang, Banten. This facility will mature within 60 months.

This facility is secured by:

- a. Land SHGB No. 5340 and SHGB No. 291 under the name of BUMM, including factory building, located at Jl. E.Z. Muttaqqien Kel. Gembor, Kec. Jatiuwung, Tangerang, Banten.
- b. All structure and infrastructure.
- c. Machinery and equipment located at Jatiuwung, Tangerang, Banten.
- d. Corporate guarantee from BA.
- 2. On March 22, 2011, BA obtained an investment loan facility from PT Bank J Trust Indonesia Tbk with total maximum amount of Rp20.0 billion that will be used to purchase land and building including machinery and equipment in Cakung, East Jakarta. This facility will mature within 60 months.

#### 21. PINJAMAN JANGKA PANJANG (Lanjutan)

Fasilitas ini dijamin dengan:

- a. Tanah dengan luas 29.953m<sup>2</sup> berlokasi di Jl. Tipar Cakung, Kel. Cakung Barat, Kec. Cakung, Jakarta Timur.
- b. Bangunan berlokasi di Cakung, Jakarta Timur.
- c. Mesin dan peralatan berlokasi di Cakung, Jakarta Timur.
- 3. Pada tanggal 28 Maret 2012, PT Braja Mukti Cakra (BMC) memperoleh fasilitas pinjaman dari PT Bank J Trust Indonesia Tbk dengan nilai total maksimum sebesar Rp20,0 miliar dengan jangka waktu pinjaman selama 48 bulan dengan grace period selama 3 bulan. Pinjaman tersebut dijamin dengan sebidang tanah berikut bangunan pabrik dan sarana serta prasarana pabrik diatasnya, serta jaminan tambahan berupa mesin-mesin yang terikat secara fidusia dengan nilai Rp26,7 miliar.

Saldo pinjaman ini pada tanggal 31 Desember 2015 dan 2014 masing-masing adalah sebesar Rp20,9 miliar dan Rp50,7 miliar.

### g. PT Bank ICBC Indonesia

Pada tanggal 7 Maret 2012, BA memperoleh fasilitas pinjaman dari PT Bank ICBC Indonesia (ICBC) dalam bentuk:

- 1. Fasilitas pinjaman investasi dengan total maksimum sebesar Rp40,0 miliar dan telah jatuh tempo pada tanggal 28 Januari 2015.
- Fasilitas pinjaman untuk pembelian mesin baru dengan nilai maksimum sebesar Rp6,0 miliar. Pinjaman ini akan jatuh tempo dalam 36 bulan.
- Fasilitas pinjaman modal kerja dengan nilai maksimum sebesar Rp5,0 miliar. Pinjaman ini telah diperpanjang sampai dengan 29 Maret 2015.

Fasilitas ini digunakan untuk menyelesaikan fasilitas pinjaman dari MNC Bank (Catatan 18c).

Fasilitas ini dijamin dengan:

- a. Tanah dengan luas 51.645m<sup>2</sup> dan bangunan dengan luas 24.407,5m<sup>2</sup> berlokasi di Jl. Raya Bekasi KM 27, Pondok Ungu, Bekasi.
- b. Semua mesin di dalam pabrik BA.

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 21. LONG-TERM LOANS (Continued)

This facility is secured by:

- a. Land of 29,953m<sup>2</sup> located in Jl. Tipar Cakung, Kel. Cakung Barat, Kec. Cakung, East Jakarta.
- b. Building located in Cakung, Jakarta Timur.
- c. Machinery and equipment located in Cakung, East Jakarta.
- 3. On March 28, 2012, PT Braja Mukti Cakra (BMC) obtained a loan facility from PT Bank J Trust Indonesia Tbk with total maximum amount of Rp20.0 billion with a loan term of 48 months with a grace period of 3 months. The loan was secured by land and factory buildings and facilities and infrastructure on top of the factory, as well as an additional guarantee of machines fiduciary tied to the value of Rp26.7 billion guarantee.

*Outstanding balance as of December 31, 2015 and 2014 amounted to Rp20.9 billion and Rp50.7 billion, respectively.* 

### g. PT Bank ICBC Indonesia

On March 7, 2012, BA obtained loan facility from PT Bank ICBC Indonesia (ICBC) in the form of:

- 1. Investment loan facility with a maximum amount of Rp40.0 billion and matured on January 28, 2015.
- 2. Loan facility for purchase of new machine with a maximum amount of Rp6.0 billion. This loan will mature within 36 months.
- 3. Working capital facility with a maximum amount of Rp5.0 billion. This loan has been extended until March 29, 2015.

This facility was used to settle the existing loan facilities from MNC Bank (Note 18c).

#### *This facility is secured by:*

- a. Land of 51,645m<sup>2</sup> and building of 24,407.5m<sup>2</sup> located in Jl. Raya Bekasi KM 27, Pondok Ungu, Bekasi.
- b. All existing machineries within the factory of BA.

#### 21. PINJAMAN JANGKA PANJANG (Lanjutan)

- c. Mesin baru dengan total nilai sekitar Rp7,0 miliar.
- d. Persediaan atas barang BA dengan total nilai Rp10,0 miliar.
- e. Piutang usaha atas BA dengan total nilai Rp15,0 miliar.

Pada tanggal 15 April 2015, BA telah melakukan penyelesaian fasilitas pinjaman kepada PT Bank ICBC Indonesia melalui *refinancing* kepada PT Bank J Trust Indonesia Tbk.

Saldo pinjaman ini pada tanggal 31 Desember 2015 dan 2014 masing-masing adalah sebesar nihil miliar dan Rp3,4 miliar.

#### h. Mitsubishi Corporation

Pada tanggal 10 Agustus 2011, Perusahaan menandatangani Perjanjian Fasilitas dengan Mitsubishi Corporation (Mitsubishi) dengan jumlah maksimal USD150,0 juta untuk investasi saham di PT Bumi Resources Tbk (BUMI), termasuk biaya transaksinya. Saldo pinjaman pada akhir periode ketersediaan harus dibayar kembali dalam enam kali angsuran tengah-tahunan dimulai sejak 30 bulan setelah tanggal penggunaan pertama.

Perusahaan telah menggunakan fasilitas tersebut sebesar USD149,9 juta dan digunakan untuk membeli 548,6 juta lembar saham BUMI.

Saldo pinjaman ini pada tanggal 31 Desember 2015 dan 2014 masing-masing adalah sebesar USD149,9 juta (masing-masing setara dengan Rp2,0 triliun dan Rp1,9 triliun).

### i. Eurofa Capital Investment Inc.

Pada tanggal 16 Desember 2010, Perusahaan menerbitkan *Equity Linked Notes (Notes)* sejumlah USD109,0 juta kepada Eurofa Capital Investment Inc. ("Eurofa") yang akan jatuh tempo pada tanggal 16 Desember 2015. Perusahaan harus membayar Eurofa *upfront fee* sebesar USD6,4 juta.

Berdasarkan perjanjian tersebut, Eurofa mempunyai hak untuk melakukan konversi jumlah pokok pinjaman menjadi saham biasa Perusahaan setiap saat pada atau setelah kejadian berikut ini: PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 21. LONG-TERM LOANS (Continued)

- c. Newly purchased machineries with a total value of Rp7.0 billion.
- *d.* Inventories of BA with a total value of Rp10.0 billion.
- e. Accounts receivable of BA with a total value of Rp15.0 billion.

As of April 15, 2015 BA has settled loan facility to PT Bank ICBC Indonesia through refinancing to PT Bank J Trust Indonesia Tbk.

*Outstanding balance as of December 31, 2015 and 2014 amounted to nil and Rp3.4 billion, respectively.* 

### h. Mitsubishi Corporation

On August 10, 2011, the Company entered into a Facility Agreement with Mitsubishi Corporation (Mitsubishi) with a maximum amount of USD150.0 million for investment in PT Bumi Resources Tbk (BUMI) shares, including transaction costs. The loans outstanding at the end of availability period shall be repaid in six equal semi-annual installments starting from 30 months after the first utilization date.

The Company utilized the facility amounting to USD149.9 million and used it to purchase 548.6 million BUMI shares.

*Outstanding balance as of December 31, 2015 and 2014 amounted to USD149.9 million (equivalent to Rp2.0 trillion and Rp1.9 trillion, respectively).* 

### i. Eurofa Capital Investment Inc.

On December 16, 2010, the Company issued Equity Linked Notes (Notes) amounting to USD109.0 million to Eurofa Capital Investment Inc. ("Eurofa") that will mature on December 16, 2015. The Company paid Eurofa an upfront fee of USD6.4 million.

Based on the agreement, Eurofa has the right to convert the principal amount into ordinary shares of the Company at any time on or after the occurrence of the following:

#### 21. PINJAMAN JANGKA PANJANG (Lanjutan)

- a. Perusahaan gagal dalam melakukan pembayaran secara penuh atas *Notes* pada tanggal yang ditentukan untuk pelunasan;
- b. *Notes* tersebut tidak dibayar pada tanggal jatuh tempo; dan
- c. Gagal bayar terjadi dan terus berlanjut.

Pada tanggal 25 Juni 2014, Eurofa mengalihkan sebagian *Notes* kepada Ecoline Investment Limited sebesar USD6.0 juta (Catatan 181).

Saldo pinjaman pada tanggal 31 Desember 2015 dan 2014 adalah sebesar USD103,0 juta (masing-masing setara dengan Rp1,4 triliun dan Rp1,3 triliun).

Pada tanggal 31 Desember 2015 dan 2014, manajemen berkeyakinan bahwa seluruh pinjaman jangka panjang Kelompok Usaha telah memenuhi persyaratan dan pembatasan yang diwajibkan sebagaimana diatur dalam perjanjian kredit.

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 21. LONG-TERM LOANS (Continued)

- a. The Company defaults in making payment in full in respect of the Notes on the date fixed for redemption thereof;
- *b. The Notes are not redeemed on the maturity date; and*
- c. An event of default occurs and is continuing.

*On June 25, 2014, Eurofa transferred partial Notes to Ecoline Investment Limited amounting to USD6.0 million (Notes 181).* 

*Outstanding balance as of December 31, 2015 and 2014 amounted to USD103.0 million (equivalent to Rp1.4 trillion and Rp1.3 trillion, respectively).* 

As of December 31, 2015 and 2014, the management believes that all long-term loans of the Group have met the terms and conditions as stipulated in the loan agreements.

# 22. UTANG SEWA PEMBIAYAAN

Pembayaran sewa pembiayaan minimum di masa depan adalah sebagai berikut:

# 22. OBLIGATION UNDER FINANCING LEASE

Future minimum lease payments were as follows:

	20		
	Pembayaran minimum sewa pembiayaan di masa depan/ Future minimum lease payments	Nilai kini pembayaran minimum sewa pembiayaan di masa depan/ Present value of future minimum lease payments	
Tidak lebih dari 1 tahun	1.807.754	1.807.754	Not later than 1 year
Lebih dari 1 - 5 tahun	731.804	731.804	Over 1- 5 years
Jumlah	2.539.558	2.539.558	Total
Disajikan sebagai: Liabilitas jangka pendek Liabilitas jangka panjang		1.807.754 731.804	Presented as: Short-term liabilities Long-term liabilities
Jumlah		2.539.558	Total

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#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 22. UTANG SEWA PEMBIAYAAN (Lanjutan)

22. OBLIGATION UNDER FINANCING LEASE (Continued)

	20	)14	
	Pembayaran minimum sewa pembiayaan di masa depan/ Future minimum lease payments	Nilai kini pembayaran minimum sewa pembiayaan di masa depan/ <i>Present value of</i> <i>future minimum</i> <i>lease payments</i>	
Tidak lebih dari 1 tahun	2.153.420	2.153.420	Not later than 1 year
Lebih dari 1 - 5 tahun	1.927.589	1.927.589	Over 1- 5 years
Jumlah	4.081.009	4.081.009	Total
Disajikan sebagai:			Presented as:
Liabilitas jangka pendek		2.153.420	Short-term liabilities
Liabilitas jangka panjang		1.927.589	Long-term liabilities
Jumlah		4.081.009	Total

#### 23. MODAL SAHAM

Susunan pemegang saham Perusahaan pada tanggal 31 Desember 2015 dan 2014, berdasarkan catatan yang dibuat oleh PT EDI Indonesia, Biro Administrasi Efek, adalah sebagai berikut:

#### 23. SHARE CAPITAL

The composition of the Company's shareholders as of December 31, 2015 and 2014, as maintained by PT EDI Indonesia, Securities Administration Agency, a share register, was as follows:

		2015		
Pemegang Saham	Jumlah Saham Ditempatkan dan Disetor Penuh (dalam angka penuh)/ Number of Shares Issued and Fully Paid (full amount)	Persentase Kepemilikan/ Percentage of Ownership (%)	Jumlah/ <i>Amount</i> (Rp)	Shareholders
Credit Suisse AG,				Credit Suisse AG,
Cabang Singapura S/A	<b>A</b> A <b>AF1 FA</b> A <b>AA</b>	<b>A A A A A</b>	<b>a a a a a a a a a a</b>	Singapore Branch S/A
Bright Ventures Pte. Ltd.	20.251.500.000	21,61%	2.308.671.000	Bright Ventures Pte. Ltd.
BNYM S/A For Mackenzie	0 750 000 000	0.040/	007 500 000	BNYM S/A For Mackenzie
Cundill Recovery Fd	8.750.000.000	9,34%	997.500.000	Cundill Recovery Fd
Interventures Capital Pte. Ltd.	4.814.695.351	5,14%	548.875.270	Interventures Capital Pte. Ltd.
PT Asuransi Jiwasraya	1.196.560.000	1,28%	136.407.840	PT Asuransi Jiwasraya
DBS Bank Ltd. SG-PB Clients	1.519.010.889	1,62%	173.167.241	DBS Bank Ltd. SG-PB Clients
JPMCB-New World Fund, Inc.	1.332.820.100	1,42%	151.941.491	JPMCB-New World Fund, Inc.
HSBC Ltd.				HSBC Ltd.
Cabang Singapura	992.011.652	1,06%	395.812.649	Singapore Branch
PT Bakrie Investindo	24.541.151	0,03%	69.942.280	PT Bakrie Investindo



#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 23. MODAL SAHAM (Lanjutan)

### 23. SHARE CAPITAL (Continued)

		2015		
Pemegang Saham	Jumlah Saham Ditempatkan dan Disetor Penuh (dalam angka penuh)/ Number of Shares Issued and Fully Paid (full amount)	Persentase Kepemilikan/ <i>Percentage of</i> <i>Ownership</i> (%)	Jumlah/ <i>Amount</i> (Rp)	Shareholders
Aburizal Bakrie	665.950	0,00%	1.897.958	Aburizal Bakrie
Armansyah Yamin	167.989	0,00%	478.769	Armansyah Yamin
E J Abidin Monot	79.995	0,00%	227.986	E J Abidin Monot
Reginald Edward Kreefft	75.996	0,00%	216.589	Reginald Edward Kreefft
Dewi Asmara Hamizar	40.595	0,00%	115.696	Dewi Asmara Hamizar
Indra Usmansyah Bakrie	550	0,00%	1.568	Indra Usmansyah Bakrie
Masyarakat	54.839.547.310	58,51%	7.478.292.013	Public
Total	93.721.717.528	100,00%	12.263.548.350	Total
		2014		
	Jumlah Saham Ditempatkan dan Disetor Penuh (dalam angka penuh)/	Persentase		
	Number of Shares Issued	Kepemilikan/ Percentage of Ownership	Jumlah/ Amount	
Pemegang Saham	Number of	-	Jumlah/ <i>Amount</i> (Rp)	Shareholders
Credit Suisse AG, Cabang Singapura S/A Bright Ventures Pte. Ltd.	Number of Shares Issued and Fully Paid	Percentage of Ownership	Amount	Shareholders Credit Suisse AG, Singapore Branch S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie
Credit Suisse AG, Cabang Singapura S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd	Number of Shares Issued and Fully Paid (full amount) 20.251.500.000 8.750.000.000	Percentage of Ownership (%) 21,61% 9,34%	Amount (Rp) 2.308.671.000 997.500.000	Credit Suisse AG, Singapore Branch S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd
Credit Suisse AG, Cabang Singapura S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd.	Number of           Shares Issued           and Fully Paid           (full amount)           20.251.500.000           8.750.000.000           4.721.724.751	Percentage of Ownership (%)           21,61%           9,34%           5,04%	Amount (Rp) 2.308.671.000 997.500.000 538.276.622	Credit Suisse AG, Singapore Branch S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd.
Credit Suisse AG, Cabang Singapura S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya	Number of Shares Issued and Fully Paid (full amount)           20.251.500.000           8.750.000.000           4.721.724.751           2.487.092.500	Percentage of Ownership (%) 21,61% 9,34% 5,04% 2,65%	<i>Amount</i> (Rp) 2.308.671.000 997.500.000 538.276.622 283.528.545	Credit Suisse AG, Singapore Branch S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya
Credit Suisse AG, Cabang Singapura S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients	Number of Shares Issued and Fully Paid (full amount)           20.251.500.000           8.750.000.000           4.721.724.751           2.487.092.500           1.519.010.889	Percentage of Ownership (%) 21,61% 9,34% 5,04% 2,65% 1,62%	<i>Amount</i> ( <b>Rp</b> ) 2.308.671.000 997.500.000 538.276.622 283.528.545 173.167.241	Credit Suisse AG, Singapore Branch S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients
Credit Suisse AG, Cabang Singapura S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc.	Number of Shares Issued and Fully Paid (full amount)           20.251.500.000           8.750.000.000           4.721.724.751           2.487.092.500           1.519.010.889           1.332.820.100	Percentage of Ownership (%) 21,61% 9,34% 5,04% 2,65% 1,62% 1,62% 1,42%	<i>Amount</i> ( <b>Rp</b> ) 2.308.671.000 997.500.000 538.276.622 283.528.545 173.167.241 151.941.491	Credit Suisse AG, Singapore Branch S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc.
Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A	Number of Shares Issued and Fully Paid (full amount)           20.251.500.000           8.750.000.000           4.721.724.751           2.487.092.500           1.519.010.889	Percentage of Ownership (%) 21,61% 9,34% 5,04% 2,65% 1,62%	<i>Amount</i> ( <b>Rp</b> ) 2.308.671.000 997.500.000 538.276.622 283.528.545 173.167.241	Credit Suisse AG, Singapore Branch S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A
Credit Suisse AG, Cabang Singapura S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging	Number of Shares Issued and Fully Paid (full amount)           20.251.500.000           8.750.000.000           4.721.724.751           2.487.092.500           1.519.010.889           1.332.820.100           1.055.000.000	Percentage of Ownership (%) 21,61% 9,34% 5,04% 2,65% 1,62% 1,62% 1,42% 1,13%	Amount (Rp)           2.308.671.000           997.500.000           538.276.622           283.528.545           173.167.241           151.941.491           420.945.000	Credit Suisse AG, Singapore Branch S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging
Credit Suisse AG, Cabang Singapura S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging Markets Value Fund	Number of Shares Issued and Fully Paid (full amount)           20.251.500.000           8.750.000.000           4.721.724.751           2.487.092.500           1.519.010.889           1.332.820.100           1.055.000.000           1.049.980.250	Percentage of Ownership (%) 21,61% 9,34% 5,04% 2,65% 1,62% 1,62% 1,42% 1,13%	Amount (Rp)           2.308.671.000           997.500.000           538.276.622           283.528.545           173.167.241           151.941.491           420.945.000           418.942.120	Credit Suisse AG, Singapore Branch S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging Markets Value Fund
Credit Suisse AG, Cabang Singapura S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging Markets Value Fund PT Bakrie Investindo	Number of Shares Issued and Fully Paid (full amount)           20.251,500.000           8.750.000.000           4.721.724.751           2.487.092.500           1.519.010.889           1.332.820.100           1.055.000.000           1.049.980.250           24.541.151	Percentage of Ownership (%) 21,61% 9,34% 5,04% 2,65% 1,62% 1,42% 1,13% 1,12% 0,03%	Amount (Rp)           2.308.671.000           997.500.000           538.276.622           283.528.545           173.167.241           151.941.491           420.945.000           418.942.120           69.942.280	Credit Suisse AG, Singapore Branch S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging Markets Value Fund PT Bakrie Investindo
Credit Suisse AG, Cabang Singapura S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging Markets Value Fund PT Bakrie Investindo Aburizal Bakrie	Number of Shares Issued and Fully Paid (full amount)           20.251.500.000           8.750.000.000           4.721.724.751           2.487.092.500           1.519.010.889           1.332.820.100           1.055.000.000           1.049.980.250	Percentage of Ownership (%)           21,61%           9,34%           5,04%           2,65%           1,62%           1,42%           1,13%           1,12%           0,03%           0,00%	Amount (Rp)           2.308.671.000           997.500.000           538.276.622           283.528.545           173.167.241           151.941.491           420.945.000           418.942.120	Credit Suisse AG, Singapore Branch S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging Markets Value Fund PT Bakrie Investindo Aburizal Bakrie
Credit Suisse AG, Cabang Singapura S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging Markets Value Fund PT Bakrie Investindo	Number of Shares Issued and Fully Paid (full amount)           20.251.500.000           8.750.000.000           4.721.724.751           2.487.092.500           1.519.010.889           1.332.820.100           1.055.000.000           1.049.980.250           24.541.151           665.950	Percentage of Ownership (%) 21,61% 9,34% 5,04% 2,65% 1,62% 1,42% 1,13% 1,12% 0,03%	Amount (Rp)           2.308.671.000           997.500.000           538.276.622           283.528.545           173.167.241           151.941.491           420.945.000           418.942.120           69.942.280           1.897.958	Credit Suisse AG, Singapore Branch S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging Markets Value Fund PT Bakrie Investindo
Credit Suisse AG, Cabang Singapura S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging Markets Value Fund PT Bakrie Investindo Aburizal Bakrie Armansyah Yamin	Number of Shares Issued and Fully Paid (full amount)           20.251,500,000           8.750,000,000           4.721,724,751           2.487,092,500           1.519,010,889           1.332,820,100           1.055,000,000           1.049,980,250           24,541,151           665,950           167,989	Percentage of Ownership (%) 21,61% 9,34% 5,04% 2,65% 1,62% 1,42% 1,13% 1,12% 0,03% 0,00% 0,00%	Amount (Rp)           2.308.671.000           997.500.000           538.276.622           283.528.545           173.167.241           151.941.491           420.945.000           418.942.120           69.942.280           1.897.958           478.769	Credit Suisse AG, Singapore Branch S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging Markets Value Fund PT Bakrie Investindo Aburizal Bakrie Armansyah Yamin
Credit Suisse AG, Cabang Singapura S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging Markets Value Fund PT Bakrie Investindo Aburizal Bakrie Armansyah Yamin E J Abidin Monot Reginald Edward Kreefft	Number of Shares Issued and Fully Paid (full amount)           20.251,500.000           8.750.000.000           4.721.724.751           2.487.092.500           1.519.010.889           1.332.820.100           1.055.000.000           1.049.980.250           24.541.151           665.950           167.989           79.995	Percentage of Ownership (%) 21,61% 9,34% 5,04% 2,65% 1,62% 1,42% 1,13% 1,12% 0,03% 0,00% 0,00% 0,00%	Amount (Rp)           2.308.671.000           997.500.000           538.276.622           283.528.545           173.167.241           151.941.491           420.945.000           418.942.120           69.942.280           1.897.958           478.769           227.986	Credit Suisse AG, Singapore Branch S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging Markets Value Fund PT Bakrie Investindo Aburizal Bakrie Armansyah Yamin E J Abidin Monot
Credit Suisse AG, Cabang Singapura S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging Markets Value Fund PT Bakrie Investindo Aburizal Bakrie Armansyah Yamin E J Abidin Monot Reginald Edward Kreefft Dewi Asmara Hamizar	Number of Shares Issued and Fully Paid (full amount)           20.251,500.000           8.750.000.000           4.721,724.751           2.487.092.500           1.519.010.889           1.332.820.100           1.055.000.000           1.049.980.250           24.541.151           665.950           167.989           79.995           75.996	Percentage of Ownership (%) 21,61% 9,34% 5,04% 2,65% 1,62% 1,42% 1,13% 1,12% 0,03% 0,00% 0,00% 0,00% 0,00%	Amount (Rp)           2.308.671.000           997.500.000           538.276.622           283.528.545           173.167.241           151.941.491           420.945.000           418.942.120           69.942.280           1.897.958           478.769           227.986           216.589	Credit Suisse AG, Singapore Branch S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging Markets Value Fund PT Bakrie Investindo Aburizal Bakrie Armansyah Yamin E J Abidin Monot Reginald Edward Kreefft
Credit Suisse AG, Cabang Singapura S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging Markets Value Fund PT Bakrie Investindo Aburizal Bakrie Armansyah Yamin E J Abidin Monot	Number of Shares Issued and Fully Paid (full amount)           20.251,500.000           8.750.000.000           4.721.724.751           2.487.092.500           1.519.010.889           1.332.820.100           1.055.000.000           1.049.980.250           24.541.151           665.950           167.989           79.995           75.996           40.595	Percentage of Ownership (%) 21,61% 9,34% 5,04% 2,65% 1,62% 1,42% 1,13% 1,12% 0,03% 0,00% 0,00% 0,00% 0,00% 0,00%	Amount (Rp)           2.308.671.000           997.500.000           538.276.622           283.528.545           173.167.241           151.941.491           420.945.000           418.942.120           69.942.280           1.897.958           478.769           227.986           216.589           115.696	Credit Suisse AG, Singapore Branch S/A Bright Ventures Pte. Ltd. BNYM S/A For Mackenzie Cundill Recovery Fd Interventures Capital Pte. Ltd. PT Asuransi Jiwasraya DBS Bank Ltd. SG-PB Clients JPMCB-New World Fund, Inc. Glenisla Corporation Citibank New York S/A Dimensional Emerging Markets Value Fund PT Bakrie Investindo Aburizal Bakrie Armansyah Yamin E J Abidin Monot Reginald Edward Kreefft Dewi Asmara Hamizar

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Main Highlights

rt From The Board of Comm & The Rnard of Directors

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 23. MODAL SAHAM (Lanjutan)

Rincian modal dasar Perusahaan pada tanggal-tanggal 31 Desember 2015 dan 2014 adalah sebagai berikut:

Details of the Company's authorized share capital as of December 31, 2015 and 2014 were as follows:

23. SHARE CAPITAL (Continued)

		2015 dan/and 2014		
Saham	Jumlah Saham/ Number of Shares	Nilai Nominal (angka penuh)/ Par Value (full amount)	Jumlah/ Amount	Shares
Modal dasar				Authorized Capital
Seri A	775.008.000	2850	2.208.772.800	Series A
Seri B	3.681.288.000	399	1.468.833.912	Series B
Seri C	367.740.292.000	114	41.922.393.288	Series C
Total	372.196.588.000		45.600.000.000	Total
Modal ditempatkan dan disetor				Issued and fully paid capital
Seri A	193.752.000	2850	552.193.200	Series A
Seri B	3.681.288.000	399	1.468.833.912	Series B
Seri C	89.846.677.528	114	10.242.521.238	Series C
Total	93.721.717.528		12.263.548.350	Total

#### **Perubahan Modal Disetor**

Sehubungan dengan kuasi-reorganisasi untuk mengeliminasi defisit, Perusahaan menurunkan nilai nominal sahamnya sebesar Rp9,3 triliun (Catatan 41).

Dalam Penawaran Umum Terbatas IV (PUT IV), setiap 17 saham hasil Hak Memesan Efek Terlebih Dahulu (HMETD) melekat 1 Waran Seri I, dengan harga pelaksanaan Rp620 per lembar saham. Waran seri I adalah efek yang diberikan kepada pemegangnya untuk membeli saham yang bernilai nominal Rp200 per lembar, yang dapat dilaksanakan selama periode 2 Oktober 2008 hingga 1 April 2011. Setelah periode pelaksanaan waran berakhir, jumlah waran yang telah dieksekusi menjadi saham sebanyak 88 lembar (Catatan 1b).

#### 24. TAMBAHAN MODAL DISETOR

Akun ini merupakan selisih antara penerimaan dana hasil penawaran umum saham setelah dikurangi biaya emisi saham dan nilai nominal saham serta akumulasi bersih dari selisih nilai transaksi restrukturisasi entitas sepengendali. Dengan rincian sebagai berikut:

#### Changes in Paid-up Capital

In relation to the quasi-reorganization, the Company reduced the par value of its shares by Rp9.3 trillion to eliminate the deficit (Note 41).

In connection with the Limited Public Offering IV (LPO IV), each 17 shares from pre-emptive rights included 1 Warrant Series I with exercise price of Rp620 per share. Warrant Series I are securities given to holders to buy Company's shares with par value of Rp200 per share, which can be exercised from October 2, 2008 up to April 1, 2011. Up to the end of warrant exercise date, total warrants exercised was 88 shares (Note 1b).

#### 24. ADDITIONAL PAID-IN CAPITAL

This account excess of proceeds from the issuance of shares after deduction of the share issuance cost and par value and accumulated net amount of difference in restructuring of entities under common control. Details were as follows:

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 24. TAMBAHAN MODAL DISETOR (Lanjutan)

# 24. ADDITIONAL PAID-IN CAPITAL (Continued)

	2015	2014	
Selisih penerimaan dari penerbitan saham atas nilai nominal	61.727.871	61.727.871	Paid-in capital in excess of par value
Selisih nilai transaksi restrukturisasi entitas sepengendali	(2.621.572.266)	(2.442.325.368)	Difference in restructuring of entities under common control
Total	(2.559.844.395)	(2.380.597.497)	Total

Sehubungan dengan penjualan saham yang dimiliki perusahaan di BTEL, ENRG, UNSP dan ELTY ke LHH, entitas yang juga dikontrol oleh Kelompok Usaha Bakrie, Perusahaan mengakui perbedaaan antara harga jual sebesar Rp512,3 miliar dan nilai tercatat sebesar Rp2,4 triliun sebagai "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali".

Pada tanggal 20 Maret 2015, Perusahaan mengalihkan seluruh kepemilikan saham di BBR sebesar 44.6% kepada LHH. Atas transaksi ini perusahaan mencatat piutang dari LHH (Catatan 6).

Pada tanggal 24 Maret 2015, Perusahaan mengalihkan semua utang Palisades Sub III Ltd, yang selanjutnya di *net off* dengan piutang dari LHH.

Atas kedua transaksi tersebut, Perusahaan mencatat "Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali" sebesar Rp179,2 miliar.

### 25. KEPENTINGAN NONPENGENDALI

Rincian hak kepentingan nonpengendali aset neto Entitas Anak adalah sebagai berikut: In relation to the sale of Company's share in BTEL, ENRG, UNSP and ELTY to LHH, an entity also controlled by Bakrie Group, the Company recognized the difference between the selling price of Rp512.3 billion and carrying value of Rp2.4 trillion as "Difference in Restructuring of Entities Under Common Control".

On March 20, 2015, the Company transferred all of its share ownership in BBR 44,6% to LHH. For this the Company recorded receivables from LHH (Note 6).

On March 24, 2015, the Company transferred all payable to Palisades Sub III Ltd, which was subsequently net off with the receivables from LHH.

On both of these transactions, the Company recorded "Difference in Value from Restructuring Transactions of Entities Under Common Control" amounting to Rp179.2 billion.

### 25. NON-CONTROLLING INTEREST

Details of non-controlling interest in net assets of Subsidiaries were as follows:

	2015	2014	
PT Bakrie Autoparts	12.209.210	16.986.513	PT Bakrie Autoparts
Bakrie Energy	((0, 200))	(0(114)	Bakrie Energy
International Pte. Ltd.	(69.299)	(96.114)	International Pte. Ltd.
Lain-lain	(40.029.548)	2.362.852	Others
Total	(27.889.637)	19.253.251	Total

Kepentingan nonpengendali atas laba neto dan total penghasilan komprehensif Entitas Anak masing-masing sebesar Rp25,7 miliar dan Rp47,1 miliar untuk tahun yang berakhir pada tanggal 31 Desember 2015.

Non-controlling interest in net income and total comprehensive income of Subsidiaries amounted to Rp25.7 billion and Rp47.1 billion, respectively, for the year ended December 31, 2015.

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#### 25. KEPENTINGAN NONPENGENDALI (Lanjutan)

Kepentingan nonpengendali atas rugi neto dan total penghasilan komprehensif Entitas Anak masing-masing sebesar Rp3,3 miliar dan Rp24,2 miliar untuk tahun yang berakhir pada tanggal 31 Desember 2015 dan 2014.

# 26. PENDAPATAN NETO

a. Rincian pendapatan neto adalah sebagai berikut:

### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 25. NON-CONTROLLING INTEREST (Continued)

Non-controlling interest in net loss and total comprehensive income of Subsidiaries amounted to Rp3.3 billion and Rp24.2 billion, for the year ended December 31, 2015 and 2014, respectively.

#### 26. NET REVENUES

a. Details of net revenues were as follows:

	<b>2015</b> <sup>*)</sup>	2014	
Infrastruktur dan manufaktur			Infrastructure and manufacturing
Pihak ketiga	3.058.417.107	4.724.673.649	Third parties
Pihak berelasi (Catatan 33a)	215.468.671	148.319.662	Related parties (Note 33a)
Sub jumlah	3.273.885.778	4.872.993.311	Sub-total
Perdagangan, jasa, dan investasi			Trading, services, and investment
Pihak ketiga	63.371.608	344.480.174	Third parties
Pihak berelasi (Catatan 33a)	-	42.701.349	Related parties (Note 33a)
Sub-total	63.371.608	387.181.523	Sub-total
Lainnya			Others
Bagian atas laba neto pada entitas asosiasi dan entitas pengendalian			Equity in net income of associated and jointly controlled
bersama (Catatan 11)	874.588.699	717.437.441	entities (Note 11)
Laba atas pelepasan saham	403.036.491	-	Gain on divestment
Pendapatan bunga	26.178.831	21.320.171	Interest income
Laba atas penjualan aset tetap	20.862.110	427.213	Gain on sale of fixed assets
Penghapusan beban bunga	-	74.347.549	Write-off of interest expense
Lainnya		305.245.546	Others
Sub-total	1.324.666.131	1.118.777.920	Sub-total
Total	4.661.923.517	6.378.952.754	Total

\*) Tidak termasuk PT Bakrie Communication dan Entitas Anak yang telah didekonsolidasi sejak tanggal 31 Desember 2014.

Selama tahun yang berakhir tanggal-tanggal 31 Desember 2015 dan 2014, Kelompok Usaha tidak memiliki pelanggan/pembeli dengan total penjualan lebih dari 10% dari total pendapatan konsolidasian Kelompok Usaha. \*) Excluding the accounts of PT Bakrie Communication and Subsidiaries that have been deconsolidated since December 31, 2014.

For the years ended December 31, 2015 and 2014, the Group has no customer/buyer with total sales of more than 10% of total consolidated revenue of the Group.

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

27. COST OF REVENUES

# 27. BEBAN POKOK PENDAPATAN

a. Rincian beban pokok pendapatan menurut segmen usaha adalah sebagai berikut:

a. Details of cost of revenues based on business segments were as follows:

	2015 *)	2014	
Infrastruktur dan manufaktur			Infrastructure and manufacturing
Bahan baku yang digunakan	1.725.547.443	2.825.661.809	Raw materials used
Tenaga kerja langsung	132.477.266	175.684.393	Direct labor
Overhead	610.262.298	700.180.039	Overhead
Total beban produksi	2.468.287.007	3.701.526.241	Total production costs
Barang dalam penyelesaian			Work in process
Awal	82.356.396	55.168.404	Beginning
Akhir	(47.657.201)	(82.356.396)	Ending
Barang jadi			Finished goods
Awal	430.953.401	485.227.182	Beginning
Akhir	(233.712.175)	(428.674.164)	Ending
Total infrastruktur			Total infrastructure
dan manufaktur	2.700.227.428	3.730.891.267	and manufacturing
Perdagangan, jasa			Trading, services
dan investasi			and investment
Biaya pelayanan dan pemasangan	10.886.782	518.896	Service and installation costs
Biaya investasi dan jasa	-	124.995.228	Cost of investment and services
Jumlah perdagangan, jasa			Total trading, services
dan investasi	10.886.782	125.514.124	and investment
Total Beban Pokok Pendapatan	2.711.114.210	3.856.405.391	<b>Total Cost of Revenues</b>

\*) Tidak termasuk PT Bakrie Communication dan Entitas Anak yang telah didekonsolidasi sejak tanggal 31 Desember 2014.

Selama tahun yang berakhir tanggal-tanggal 31 Desember 2015 dan 2014, Kelompok Usaha tidak memiliki supplier dengan total beban pokok pendapatan lebih dari 10% dari total beban pokok pendapatan konsolidasian Kelompok Usaha.

#### 28. BEBAN PENJUALAN, UMUM DAN ADMINISTRASI

\*) Excluding the accounts of PT Bakrie Communication and Subsidiaries that have been deconsolidated since December 31, 2014.

For the years ended December 31, 2015 and 2014, the Group has no supplier with total cost of more than 10% of total consolidated cost of revenue of the Group.

### 28. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

	2015 *)	2014	
Beban penjualan			Selling expenses
Transportasi	70.914.068	156.471.976	Transportation
Gaji, upah dan kesejahteraan			Salaries, wages and
karyawan	14.284.923	16.382.271	employee benefits

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# 28. BEBAN PENJUALAN, UMUM DAN ADMINISTRASI (Lanjutan)

### 28. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (Continued)

	<b>2015</b> *)	2014	
Denda penjualan	10.214.439	45.786.516	Sales penalties
1 5			Advertising, exhibition and
Iklan, pameran dan promosi	7.433.282	6.364.689	promotion
Lain-lain (dibawah 1 miliar)	15.411.071	21.591.923	Others (below 1 billion)
Total	118.257.783	246.597.375	Total
Beban karyawan			Personnel expenses
Gaji, upah dan kesejahteraan			Salaries, wages and
karyawan	253.848.963	288.149.157	employees' benefits
Beban umum dan			General and administrative
administrasi			expenses
Penyusutan (Catatan 13)	81.935.582	122.605.618	Depreciation (Note 13)
Pajak dan asuransi	21.603.051	28.299.079	Taxes and insurance
Perjalanan dinas	13.739.144	22.781.533	Transportation and travel
Listrik, air dan telepon	9.104.085	10.551.474	Electricity, water and telephone
Honorarium tenaga ahli	8.706.176	10.997.922	Professional fees
Pemeliharaan dan perbaikan	8.203.549	9.504.457	Repairs and maintenance
Sewa	3.091.445	4.037.195	Rent
Pos dan alat tulis	3.512.783	9.122.648	Postage and stationery
Latihan kerja dan penerimaan			Training and recruitment of
karyawan	2.319.172	2.528.020	employees
Representasi dan jamuan	2.245.463	2.403.661	Representation and entertainment
Sumbangan, hadiah dan			Donations, gifts and public
hubungan masyarakat	1.320.507	1.525.936	relations
Lain-lain (dibawah 1 miliar)	150.490.705	107.097.952	Others (below 1 billion)
Total	306.271.662	331.455.495	Total

\*) Tidak termasuk PT Bakrie Communication dan Entitas Anak yang telah didekonsolidasi sejak tanggal 31 Desember 2014. \*) Excluding the accounts of PT Bakrie Communication and Subsidiaries that have been deconsolidated since December 31, 2014.

#### 29. BEBAN BUNGA DAN KEUANGAN

#### 29. INTEREST AND FINANCIAL CHARGES

	<b>2015</b> *)	2014	
Pinjaman dan promissory notes	494.149.965	545.689.857	Loan and promissory notes
Beban bank dan lain-lain	49.387.844	53.253.100	Bank charges and others
Lain-lain		44.946	Others
Total	543.537.809	598.987.903	Total

\*) Tidak termasuk PT Bakrie Communication dan Entitas Anak yang telah didekonsolidasi sejak tanggal 31 Desember 2014. \*) Excluding the accounts of PT Bakrie Communication and Subsidiaries that have been deconsolidated since December 31, 2014.

#### **PT BAKRIE & BROTHERS Tbk** AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# **30. PERPAJAKAN**

# 30. TAXATION

a. Pajak dibayar dimul	Ka la	a. Prepaid taxes	
	2015	2014	
Perusahaan			Company
Pajak Pertambahan N	ilai 2.656.662	1.165.968	Value-Added Tax
Entitas Anak			Subsidiaries
Pajak Pertambahan N	ilai 64.817.371	35.194.342	Value-Added Tax
Pajak Penghasilan			Income Taxes
Pasal 21	777.406	-	Article 21
Pasal 22	8.043	40.763	Article 22
Pasal 23	245.123	60.754	Article 23
Pasal 25	32.887.674		Article 25
Total	101.392.279	36.461.827	Total
b. Utang pajak		b. Taxes payable	
	2015	2014	
Perusahaan			Company
Pajak penghasilan:			Income taxes:
Pasal 21	1.111.392	1.170.055	1 1 1
Pasal 23 dan 26		1.1/0.055	Article 21
Fasal 25 uali 20	62.728	23.873.244	Article 21 Article 23 and 26
Entitas Anak			
			Article 23 and 26
<b>Entitas Anak</b> Pajak penghasilan: Pasal 21			Article 23 and 26 <b>Subsidiaries</b>
<b>Entitas Anak</b> Pajak penghasilan:	62.728	23.873.244	Article 23 and 26 <b>Subsidiaries</b> Income Taxes: Article 21 Article 22
<b>Entitas Anak</b> Pajak penghasilan: Pasal 21	62.728 13.330.280	23.873.244 7.574.534	Article 23 and 26 <b>Subsidiaries</b> Income Taxes: Article 21
<b>Entitas Anak</b> Pajak penghasilan: Pasal 21 Pasal 22	62.728 13.330.280 208.129	23.873.244 7.574.534 176.493	Article 23 and 26 <b>Subsidiaries</b> Income Taxes: Article 21 Article 22
<b>Entitas Anak</b> Pajak penghasilan: Pasal 21 Pasal 22 Pasal 23 dan 26	62.728 13.330.280 208.129 2.043.729	23.873.244 7.574.534 176.493 3.227.727	Article 23 and 26 <b>Subsidiaries</b> Income Taxes: Article 21 Article 22 Article 23 and 26
Entitas Anak Pajak penghasilan: Pasal 21 Pasal 22 Pasal 23 dan 26 Pasal 25	62.728 13.330.280 208.129 2.043.729 5.257.286	23.873.244 7.574.534 176.493 3.227.727 467.994	Article 23 and 26 Subsidiaries Income Taxes: Article 21 Article 22 Article 23 and 26 Article 25
Entitas Anak Pajak penghasilan: Pasal 21 Pasal 22 Pasal 23 dan 26 Pasal 25 Pasal 29	62.728 13.330.280 208.129 2.043.729 5.257.286 7.674.053 2.655.655	23.873.244 7.574.534 176.493 3.227.727 467.994 46.919.994	Article 23 and 26 Subsidiaries Income Taxes: Article 21 Article 22 Article 23 and 26 Article 25 Article 29

### c. Manfaat (beban) pajak penghasilan

#### c. Income tax benefit (expense)

160.326.010

Manfaat (beban) pajak penghasilan Kelompok Usaha adalah sebagai berikut:

Income tax benefit (expense) of the Group was as follows:

_	2015	2014	
<b>Pajak kini</b> Entitas Anak	(74.557.509)	(144.257.960)	<b>Current tax</b> Subsidiaries

Total

97.195.515

Total

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 30. PERPAJAKAN (Lanjutan)

30. TAXATION (Continued)

	2015	2014	
<b>Pajak tangguhan</b> Entitas Anak	2.597.898	27.881.530	<b>Deferred tax</b> Subsidiaries
Beban Pajak Penghasilan - Neto	(71.959.611)	(116.376.430)	Income Tax Expense - Net

Rekonsiliasi antara laba (rugi) sebelum beban pajak seperti yang disajikan dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian dengan taksiran rugi fiskal adalah sebagai berikut: Reconciliation between income (loss) before tax expense as shown in the consolidated statement of profit or loss and other comprehensive income and the estimated fiscal loss were as follows:

	2015	2014	
Laba (rugi) sebelum manfaat (beban) pajak penghasilan menurut laporan laba rugi dan penghasilan komprehensif lain konsolidasian Dikurangi:	(1.647.409.560)	268.133.176	Income (loss) before income tax benefit (expense) per consolidated statements of profit or loss and other comprehensive income Deduct:
Laba Entitas Anak sebelum taksiran beban pajak	97.706.832	115.259.438	Income of the Subsidiaries before provision for income tax expense
Laba (rugi) komersial sebelum taksiran beban pajak, yang dapat diatribusikan ke Perusahaan	(1.745.116.392)	152.873.738	Commercial income (loss) before provision for tax expense attributable to the Company
Beda temporer Penyusutan aset tetap Penyisihan imbalan kerja karyawan Penyisihan piutang ragu-ragu	1.910.715 (974.811)	4.733.215 7.122.331 (1.097.987.910)	Temporary differences Depreciation of fixed assets Retirement benefits Provision for doubtful accounts
Beda tetap Bagian atas laba (rugi) neto entitas asosiasi Beban kesejahteraan karyawan Jamuan dan sumbangan Penghasilan bunga yang pajaknya bersifat final	213.697.935 4.044.492 1.565.353 (3.689.493)	(1.119.976.900) 5.915.846 1.274.740 (3.270.305)	Permanent differences Equity in net income (loss) in associated Employee benefit expenses Entertainment and donations Interest income subjected to final tax
Rugi penjualan investasi yang pajaknya bersifat final Bunga dan denda atas keterlambatan pembayaran pajak	461.656	(28.187.506) 9.204.974	Loss on sale of investment subjected to final tax Interest and penalties for late payment of tax
Taksiran rugi fiskal Perusahaan sebelum rugi fiskal periode sebelumnya	(1.528.100.545)	(2.068.297.777)	Estimated fiscal loss of the Company before fiscal loss of the previous periods

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 30. PERPAJAKAN (Lanjutan)

30. TAXATION (Continued)

d. Deferred tax

	2015	2014	
Rugi fiskal			Fiscal loss of
periode sebelumnya			the previous periods
Tahun fiskal 2010	-	(10.439.364.593)	Fiscal year of 2010
Tahun fiskal 2011	(382.003.370)	(382.003.370)	Fiscal year of 2011
Tahun fiskal 2012	(257.132.260)	(257.132.260)	Fiscal year of 2012
Tahun fiskal 2013	(9.914.817.572)	(9.914.817.572)	Fiscal year of 2013
Tahun fiskal 2014	(2.068.297.777)		Fiscal year of 2014
Taksiran Rugi Fiskal			Estimated Fiscal Losses of
Perusahaan Setelah Rugi Fiskal			Company After Fiscal Loss of
Periode Sebelumnya	(14.150.351.524)	(23.061.615.572)	Previous Periods

#### d. Pajak tangguhan

Rincian aset dan liabilitas pajak tangguhan Kelompok Usaha adalah sebagai berikut:

Details of deferred tax assets and liabilities of the Group were as follows:

2015							
				Selisih kurs			-
				karena			
			Dikreditkan/	penjabaran Iaporan			
			(dibebankan) ke	keuangan dalam			
			penghasilan	valuta asing/			
			komprehensif	Exchange			
		Dikreditkan/	lain/ Credited/	difference on translation of			
	Pada awal	(dibebankan) ke laba rugi	(charged)	financial		Pada akhir	
	tahun/	Credited/	to other	statements		tahun/	
	At beginning	(charged) to	comprehensive	in foreign	Dekonsolidasi/	At end of	
	of year	profit or loss	income	currencies	Deconsolidation	year	
Aset (liabilitas)							Deferred tax
pajak tangguhan							assets (liabilities)
Rugi fiskal	14.640.839	5.219.628	-	1.170.611	(2.602.173)	18.428.905	Fiscal loss
Liabiliats imbalan kerja	39.721.995	4.253.430	(3.788.009)	-	(745.406)	39.442.010	Employee benefit liabilities
Penyisihan penurunan		(250.200)				1 0 4 4 500	Allowance for impairment
nilai piutang Penyisihan penurunan	1.314.902	(270.309)	-	-	-	1.044.593	of receivables Allowance for inventory
nilai persediaan	249.808	(249.808)					obsolescence
Aset tetap	20.716.279	2.247.510	-	-	(337.009)	22.626.780	Fixed assets
Aset pajak tangguhan	76.643.823	11.200.451	(3.788.009)	1.170.611	(3.684.588)	81.542.288	Deferred tax assets
			i				-
Aset (liabilitas)							Deferred tax
pajak tangguhan							assets (liabilities)
Rugi fiskal	44.393.713	(196.995)	-	-	-	44.196.718	Fiscal loss
Liabilitas imbalan kerja	12.707.706	(124.576)	1.657.193	-	-	14.240.323	Employee benefit liabilities
Biaya ditangguhkan	2.431.040	7.682	-	-	-	2.438.722	Deferred charges
Penyisihan piutang	2 002 725	(80.0(0))				1.922.766	Allowance for impairment
tak tertagih Aset tetap	2.003.735 (202.892.561)	(80.969) (8.207.695)	-	-	-	(211.100.256)	of receivables Fixed assets
1		`	1.657.193				
Liabilitas pajak tangguhan	(141.356.367)	(8.602.553)	1.057.193	-	-	(148.301.727)	Deferred tax liabilities

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

30. TAXATION (Continued)

### **30. PERPAJAKAN** (Lanjutan)

	2014						
	Pada awal tahun/ At beginning of year	Dikreditkan/ (dibebankan) ke laba rugi Credited/ (charged) to profit or loss	Dikreditkan/ (dibebankan) ke penghasilan komprehensif lain/ <i>Credited/</i> (charged) to other comprehensive income	Selisih kurs karena penjabaran laporan keuangan dalam valuta asing/ Exchange difference on translation of financial statements in foreign currencies	Dekonsolidasi/ Deconsolidation	Pada akhir tahun/ At end of year	-
Aset (liabilitas)							Deferred tax
pajak tangguhan							assets (liabilities)
Rugi fiskal	11.564.776	4.192.817	-	285.275	(1.402.029)	14.640.839	Fiscal loss
Liabiliats imbalan kerja	32.178.044	2.209.720	6.687.819		(1.353.588)	39.721.995	Employee benefit liabilities
Penyisihan penurunan							Allowance for impairment
nilai piutang	3.657.808	(162.659)	-	-	(2.180.247)	1.314.902	of receivables
Penyisihan penurunan							Allowance for inventory
nilai persediaan	249.808	-	-	-	-	249.808	obsolescence
Aset tetap	(8.250.551)	30.947.764	-	-	(1.980.934)	20.716.279	Fixed assets
Bonus	1.353.874	(1.446.163)			92.289	-	Bonus
Aset pajak tangguhan	40.753.759	35.741.479	6.687.819	285.275	(6.824.509)	76.643.823	Deferred tax assets
Aset (liabilitas)							Deferred tax
pajak tangguhan							assets (liabilities)
Rugi fiskal	45.925.094	(1.531.381)	-	-	-	44.393.713	Fiscal loss
Liabilitas imbalan kerja	10.368.110	(255.670)	2.595.266	-	-	12.707.706	Employee benefit liabilities
Biaya ditangguhkan	2.423.358	7.682	-	-	-	2.431.040	Deferred charges
Penyisihan penurunan							Allowance for impairment
nilai piutang	2.096.381	(92.646)	-	-	-	2.003.735	of receivables
Penyisihan penurunan							Allowance for inventory
nilai persediaan	251.304	(251.304)	-	-	-	-	obsolescence
Aset tetap	(197.306.062)	(5.736.630)		-	150.131	(202.892.561)	Fixed assets
Liabilitas pajak tangguhan	(136.241.815)	(7.859.949)	2.595.266		150.131	(141.356.367)	Deferred tax liabilities

Perusahaan dan beberapa Entitas Anak telah menyediakan penyisihan atas kerugian fiskal seluruhnya karena manajemen berkeyakinan bahwa tidak ada kemungkinan laba kena pajak yang cukup untuk mengkompensasi sebagian atau seluruh aset pajak tangguhan.

Pada bulan September 2008, Undang-undang No. 7 Tahun 1983 mengenai "Pajak Penghasilan" diubah untuk keempat kalinya dengan Undang-undang No. 36 Tahun 2008. Perubahan tersebut juga mencakup perubahan tarif pajak penghasilan badan dari sebelumnya menggunakan tarif pajak bertingkat menjadi tarif tunggal 25% untuk tahun fiskal 2010 dan seterusnya. Revisi ini berlaku efektif sejak 1 Januari 2009.

Pada tanggal 31 Desember 2015 dan 2014, Perusahaan telah memenuhi ketentuan dalam Peraturan Pemerintah No. 81 Tahun 2007 dan Undang-undang No. 36 Tahun 2008, oleh karena itu, telah menggunakan pengurangan tarif pajak sebesar 5% dalam penghitungan pajak penghasilan. The Company and certain Subsidiaries provided full valuation allowances for fiscal loss since management believes that it is no longer probable that sufficient taxable profits will be available for the deferred tax assets to be utilized.

In September 2008, Law No. 7 Year 1983 regarding "Income Tax" was revised for the fourth time with Law No. 36 Year 2008. The revised Law stipulates changes in corporate tax rate from a marginal tax rate to a single rate of 25% for fiscal year 2010 onwards. The revised Law became effective January 1, 2009.

As of December 31, 2015 and 2014, the Company has complied with the requirements of the Government Decree No. 81 Year 2007 and Law No. 36 Year 2008, and therefore, has effected the 5% tax rate reduction in its corporate income tax computation.

#### 30. PERPAJAKAN (Lanjutan)

Pada tanggal 31 Desember 2015 dan 2014, aset dan liabilitas pajak tangguhan telah dihitung dengan menggunakan tarif-tarif tersebut.

#### e. Surat Ketetapan Pajak dan Surat Tagihan Pajak

#### Perusahaan

Selama tahun 2015 dan 2014, Perusahaan telah menerima Surat Ketetapan Pajak (SKP) dan Surat Tagihan Pajak (STP) sehubungan dengan pemeriksaan pajak tahun 2005, 2006, 2008, 2009, 2013, 2014 dan 2015 adalah sebagai berikut:

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#### 30. TAXATION (Continued)

As of December 31, 2015 and 2014, deferred tax assets and liabilities have been calculated using these enacted tax rates.

#### e. Tax Assessment Letter and Tax Collection Letters

#### Company

During 2015 and 2014, the Company received Tax Assessment Letters (SKP) and Tax Collection Letters (STP) regarding tax audit for 2005, 2006, 2008, 2009, 2013, 2014 and 2015 as follows:

	Pasal 21/ <i>Article 21</i>	Pasal 23/ <i>Article 23</i>	Pasal 26/ <i>Article 26</i>	Pasal 4 (2)/ Article 4 (2)	PPN/ VAT	Total/ <i>Total</i>	
SKPKB untuk tahun fiskal 2005	41.701	7.293	52.935	45.087	170.671	317.687	SKPKB for fiscal year 2005
STP untuk tahun fiskal 2005	-	-	-	-	55.884	55.884	STP for fiscal year 2005
SKPKB untuk tahun fiskal 2006	38.350	127.729	80.011	162.705	59.518	468.313	SKPKB for fiscal year 2006
STP untuk tahun fiskal 2006	-	-	-	-	108.217	108.217	STP for fiscal year 2006
SKPKB untuk tahun fiskal 2008	46.509	9.934.671	21.677.964	225.464	-	31.884.608	SKPKB for fiscal year 2008
SKPKB untuk tahun fiskal 2009	-	6.521.782	1.684.181	-	-	8.205.963	SKPKB for fiscal year 2009
STP untuk tahun fiskal 2013	728.897	6.258	4.467	-	-	739.622	STP for fiscal year 2013
STP untuk tahun fiskal 2014	52.821	-	-	-	-	52.821	STP for fiscal year 2014
STP untuk tahun fiskal 2015	112.854	574	1.142		-	114.570	STP for fiscal year 2015
Total	1.021.132	16.598.307	23.500.700	433.256	394.290	41.947.685	Total

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian ini, Perusahaan telah melakukan pembayaran sebagian kewajibannya atas SKP dan STP sebesar Rp41,9 miliar dan sisanya akan dibayar Perusahaan sesuai dengan ketentuan yang diajukan Perusahaan kepada kantor pajak.

#### Entitas Anak

Pada tahun 2015, BMI, BPI, SEAPI, BCons, BA, BSI, BMC, BUMM, BIIN dan BBI telah menerima Surat Ketetapan Pajak (SKP) dan Surat Tagihan Pajak (STP) sehubungan dengan pemeriksaan pajak tahun 2007 sampai dengan 2015 sebagai berikut: As of completion date of the consolidated financial statements, the Company has settled the liability of SKP and STP amounting to Rp41.9 billion and the remaining balance will be paid by the Company in accordance with the proposed terms with tax office.

#### **Subsidiaries**

In 2015, BMI, BPI, SEAPI, BCons, BA, BSI, BMC, BUMM, BIIN and BBI received Tax Assessment Letters (SKP) and Tax Collection Letters (STP) regarding tax audit for 2007 until 2015 as follows:

	Pasal 21/ Article 21	Pasal 23/ <i>Article 23</i>	Pasal 25/29/ Article 25/29	Pasal 4 (2)/ Article 4 (2)	PPN/ VAT	Total/ <i>Total</i>	
Tahun fiskal							Fiscal year
2007	9.991	-	-	-	152.586	162.577	2007
2009	1.200	-	1.200	234.431	-	236.831	2009
2010	3.000	-	671.913	13.028	-	687.941	2010
2011	399.051	-	11.872.173	-	2.294.755	14.565.979	2011
2012	513.925	240.868	651.171	-	185.206	1.591.170	2012
2013	434.193	1.935.606	6.060.361	1.000	394.037	8.825.197	2013
2014	6.397.407	97.738	4.768.475	65.861	1.460.870	12.790.351	2014
2015	16.595	1.046	3.544.618		459.912	4.022.171	2015
Total	7.775.362	2.275.258	27.569.911	314.320	4.947.366	42.882.217	Total

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#### 30. PERPAJAKAN (Lanjutan)

### f. Administrasi

Berdasarkan Undang-undang Perpajakan yang di berlaku Indonesia, perusahaan-perusahaan menetapkan dan membayar sendiri besarnya jumlah pajak yang terutang. Direktorat Jenderal Pajak ("DJP") dapat menetapkan atau mengubah liabilitas pajak dalam batas waktu sepuluh tahun sejak saat terutangnya pajak, atau akhir tahun 2013, mana yang lebih awal. Ketentuan baru yang diberlakukan terhadap tahun pajak 2008 dan tahun-tahun selanjutnya menentukan bahwa DJP dapat menetapkan dan mengubah liabilitas pajak tersebut dalam batas waktu lima tahun sejak saat terutangnya pajak.

# 31. LIABILITAS IMBALAN KERJA

Perusahaan dan Entitas Anak tertentu yang berkedudukan di Indonesia menyelenggarakan program manfaat pensiun manfaat pasti untuk seluruh karyawan tetap yang memenuhi syarat. Jumlah manfaat pensiun yang akan dibayarkan kepada karyawan dihitung berdasarkan gaji pokok terakhir dan masa kerja karyawan. Kontribusi dana pensiun adalah sebesar 5,5% dari gaji pokok karyawan yang dilindungi oleh program tersebut dan dibayar penuh oleh Kelompok Usaha.

Aset program pensiun Perusahaan dan Entitas Anak dikelola oleh Dana Pensiun Bakrie yang pendiriannya telah memperoleh persetujuan Menteri Keuangan berdasarkan Surat Keputusan Menteri Keuangan Republik Indonesia No. KEP 423/KM.17/1995 tanggal 11 Desember 1995.

Kelompok Usaha telah menerapkan PSAK No. 24 (Revisi 2013), "Imbalan Kerja" dalam mengakui biaya manfaat karyawan dalam laporan keuangan konsolidasian pada tanggal 31 Desember 2015 dan 2014.

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#### 30. TAXATION (Continued)

#### f. Administration

Under the Taxation Laws of Indonesia, companies submit tax returns on the basis of self-assessment. The Directorate General of Taxes ("DGT") may assess or amend taxes within ten years from the time the tax becomes due, or until the end of 2013, whichever is earlier. New rules are applicable to fiscal year 2008 and subsequent years stipulating that the DGT may assess or amend taxes within five years from the time the tax becomes due.

#### 31. EMPLOYEE BENEFITS LIABILITIES

The Company and certain domestic Subsidiaries have defined retirement benefit plans for all of their eligible permanent employees. On this funding program, retirement benefits are computed based on the last basic salaries and remaining working lives of the employees. Contribution to the retirement fund is computed at 5.5% of the basic salaries of the employees covered by the plan and fully borne by the Group.

The Company and certain Subsidiaries have plan assets which are being managed by Dana Pensiun Bakrie, established based on the Decision Letter of the Minister of Finance of the Republic of Indonesia No. KEP 423/ KM.17/1995 dated December 11, 1995.

The Group has applied PSAK No. 24 (Revised 2013), "Employee Benefits" as the framework to recognize employee benefits in the consolidated financial statements as of December 31, 2015 and 2014.

	2015	2014	
Tingkat diskonto	8,90% - 9,20% per tahun/ <i>per annum</i>	8,40% - 10,50% per tahun/ <i>per annum</i>	Discount rate
Tingkat kenaikan gaji	8,00% - 12,00% per tahun/ <i>per annum</i>	8,00% - 10,00% per tahun/ <i>per annum</i>	Salary growth rate

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#### 31. LIABILITAS IMBALAN KERJA (Lanjutan)

Jumlah yang dicakup pada laporan posisi keuangan konsolidasian yang berasal dari liabilitas Perusahaan dan Entitas Anak tertentu sehubungan dengan imbalan kerja adalah sebagai berikut:

#### 31. EMPLOYEE BENEFITS LIABILITIES (Continued)

The amounts included in the consolidated statements of financial position arising from the Company and certain Subsidiaries obligations in respect of these employment benefits were as follows:

	2015	2014	
Nilai kini liabilitas imbalan kerja	376.938.087	376.888.729	Present value of benefits liability
Kekayaan untuk pendanaan	(107.042.834)	(106.219.144)	Fair value of plan assets
Liabilitas Imbalan Kerja	269.895.253	270.669.585	Employee Benefits Liabilities

Perbandingan nilai kini kewajiban imbalan kerja dan penyesuaian (efek perbedaan antara asumsi aktuarial sebelumnya dan apa yang sebenarnya terjadi) yang timbul pada liabilitas program selama 5 tahun terakhir adalah sebagai berikut: Comparison of the present value of defined benefit obligation and the experience adjustments (the effects of the differences between the previous actuarial assumptions and what has actually occurred) arising on the plan liabilities over the last 5 years was as follows:

	2015	2014	2013	2012	2011	
Kewajiban imbalan pasti	376.938.087	376.888.729	314.999.017	(349.529.424)	(342.511.490)	Defined benefit obligation
Aset program	(107.042.834)	(106.219.144)	(100.401.610)	96.360.663	87.431.877	Plan assets
Surplus (defisit)	269.895.253	270.669.585	214.597.407	(253.168.761)	(255.079.613)	Surplus (deficit)
Penyesuaian liabilitas program	(31.626.781)	(31.626.781)	(18.935.557)	(4.378.685)	505.713	Plan liabilities
Penyesuaian aset program	(3.089.941)	(3.089.941)	(2.564.337)	1.211.740	(4.067.064)	Plan assets

Mutasi nilai kini liabilitas manfaat karyawan adalah sebagai berikut:

Movement of the present value of benefits liability were as follows:

	2015	2014	
Saldo awal tahun	270.669.585	209.812.663	Beginning of the year
Beban diakui pada			Expenses charged in the
laporan konsolidasian:			consolidated statements of:
Laba rugi	48.524.885	47.644.757	Profit or loss
Pendapatan komprehensif lain	(15.054.950)	45.396.635	Other comprehensive income
Pembayaran manfaat	(28.415.936)	(30.481.821)	Benefits paid
Kontribusi Kelompok Usaha	(3.007.853)	(1.702.649)	Contribution of the Group
Dekonsolidasi Entitas Anak	(2.820.478)	-	Deconsolidation of Subsidiaries
Liabilitas Imbalan Kerja	269.895.253	270.669.585	Employee Benefits Liabilities

Jumlah yang diakui di laporan laba rugi dan penghasilan komprehensif lain konsolidasian sehubungan dengan imbalan kerja adalah sebagai berikut: Amounts recognized in the consolidated statements of profit or loss and other comprehensive income in respect of these employment benefits were as follows:

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### 31. LIABILITAS IMBALAN KERJA (Lanjutan)

## 31. EMPLOYEE BENEFITS LIABILITIES (Continued)

	2015	2014	
Laba (rugi)			Profit or loss
Biaya jasa kini	30.678.613	30.122.590	Current service costs
Biaya bunga	23.301.223	19.469.108	Interest costs
Biaya jasa lalu	155.557	433.283	Past service costs
Efek kurtailmen	(2.888.786)	-	Effect of curtailment
Pendapatan bunga dari			Interest income from
aset program	(2.233.184)	(2.217.302)	plan assets
Pengukuran kembali liabilitas			Remeasurement of employee
(aset) imbalan pasti - neto	(488.538)	(162.922)	benefit liabilities (assets) - net
Sub-total	48.524.885	47.644.757	Sub-total
Penghasilan komprehensif lain			Other comprehensive income
Keuntungan (kerugian) aktuarial			Actuarial gain (loss) from
pengukuran kembali liabilitas			remeasurement of the defined
imbalan pasti - neto	(5.875.795)	5.085.475	benefit liability - net
Keuntungan (kerugian)			Actuarial gain (loss)
aktuarial terdiri dari:			arising from:
Penyesuaian asumsi liabilitas			Experience assumptions
program	9.398.454	29.843.282	from liability program
Asumsi demografik	(374.391)	-	Demographic assumptions
Asumsi keuangan	(19.950.002)	16.378.782	Financial assumptions
Hasil yang diharapkan dari			Expected return on
aset program	1.746.784	(5.910.903)	plan assets
Sub-total	(15.054.950)	45.396.635	Sub-total
Total	33.469.935	93.041.392	Total

Tabel berikut menunjukkan sensitivitas atas kemungkinan perubahan tingkat suku bunga pasar, dengan variabel lain dianggap tetap, terhadap kewajiban imbalan pasca-kerja dan beban jasa kini dan beban bunga pada tanggal 31 Desember 2015 dan 2014:

The following table demonstrates the sensitivity to a reasonably possible change in market interest rates, with all other variables held constant, of the obligation for postemployement and current service cost and interest cost as of 31 December 2015 and 2014:

_	Jumlah/Amounts		Persentase/Per		
		Tingkat Kenaikan		Tingkat Kenaikan	
	Tingkat Diskonto/ <i>Discount Rate</i>	Penghasilan/ Salary Increase <u>Rate</u>	Tingkat Diskonto/ Discount rate	Penghasilan/ Salary Increase Rate	
Kenaikan suku bunga dalam 100 basis poin	199.945.672	230.706.921	-15,28%	17,80%	Increase in interest rate in 100 basis point
Penurunan suku bunga dalam 100 basis poin	222.022.779	188.910.721	24,27%	-21,29%	Decrease in interest rate in 100 basis point

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## 31. LIABILITAS IMBALAN KERJA (Lanjutan)

Mutasi nilai kini liabilitas imbalan kerja adalah sebagai berikut:

# 31. EMPLOYEE BENEFITS LIABILITIES (Continued)

Movement of the present value of benefit liability plan assets were as follows:

	2015	2014	
Saldo awal tahun	376.888.729	310.312.502	Beginning of the year
Beban diakui pada			Expenses charged in the
laporan konsolidasian:			consolidated statements of:
Laba rugi	56.236.960	55.973.212	Profit or loss
Pendapatan komprehensif lain	(16.801.734)	51.307.538	Other comprehensive income
Pembayaran manfaat	(37.142.883)	(40.606.295)	Benefits paid
Kontribusi Kelompok Usaha	577.493	(98.228)	Contribution of the Group
Dekonsolidasi Entitas Anak	(2.820.478)	-	Deconsolidation of Subsidiaries
Liabilitas Imbalan Kerja	376.938.087	376.888.729	Employee Benefits Liabilities

Mutasi nilai wajar aset program adalah sebagai berikut:

Movement of the fair value of plan assets were as follows:

_	2015	2014	
Saldo awal tahun	106.219.144	100.401.610	Beginning of the year
Penghasilan bunga	8.269.568	8.328.456	Interest income
Pengukuran kembali untuk hasil yang			Remeasurements for expected
diharapkan dari aset program	(1.746.784)	5.910.903	return on plan assets
Pembayaran manfaat	(18.720.295)	(22.113.082)	Benefits paid
Iuran pemberi kerja	13.021.202	13.691.257	Employee's contribution
Saldo Akhir	107.042.834	106.219.144	Ending Balance

Aset program terdiri dari:

*Plan assets comprise of the following:* 

	2015				
	Dikutip/ <i>Quoted</i>	Tidak dikutip/ <i>Unquoted</i>	Total/ <i>Total</i>	%	
Obligasi	54.180.531.374	-	54.180.531.374	53,54%	Corporate Bonds
Deposito Berjangka	19.036.556.649	10.738.570.417	29.775.127.066	29,42%	Time Deposits
Surat Berharga Negara	-	5.618.316.165	5.618.316.165	5,55%	Government Bonds
Reksadana	3.278.782.567	-	3.278.782.567	3,24%	Investment Funds
Saham	3.096.349.688	-	3.096.349.688	3,06%	Shares of Stocks
Deposito On Call	2.806.671.814	-	2.806.671.814	2,77%	On Call Deposits
Sukuk	2.440.584.186	-	2.440.584.186	2,41%	Islamic Bonds
	84.839.476.278	16.356.886.582	101.196.362.860	100,00%	

	2014				
	Dikutip/ <i>Quoted</i>	Tidak dikutip/ Unquoted	Total/ <i>Total</i>	%	
Obligasi	43.441.404.487	-	43.441.404.487	43,36%	
Deposito Berjangka	17.816.264.556	23.673.666.602	41.489.931.158	41,41%	
Saham	5.852.590.681	-	5.852.590.681	5,84%	
Surat Berharga Negara	-	5.505.881.578	5.505.881.578	5,50%	
Sukuk	2.440.584.186	-	2.440.584.186	2,44%	
Deposito On Call	1.464.350.511		1.464.350.511	1,46%	
	71.015.194.421	29.179.548.180	100.194.742.602	100,00%	

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#### 31. LIABILITAS IMBALAN KERJA (Lanjutan)

Kontribusi yang diharapkan untuk program imbalan pasca kerja untuk tahun yang berakhir pada tanggal 31 Desember 2016 sebesar Rp22.8 miliar.

Analisa jatuh tempo yang diharapkan dari manfaat pensiun pascakerja terdiskonto adalah sebagai berikut:

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#### 31. EMPLOYEE BENEFITS LIABILITIES (Continued)

*Expected contributions to plan assets for the year ending December 31, 2016 amounted to Rp22,8 billion.* 

*Expected maturity analysis of discounted pension and post-employment benefits liabilities is as follows:* 

	Kurang dari 1 tahun/ Less than a year	1 sampai 2 tahun/ <i>Between</i> 1 - 2 years	2 sampai 5 tahun/ Between 2 - 5 years	Lebih dari 5 tahun/ <i>Over than</i> 5 years	
Imbalan pensiun	-	42.559.282	34.658.094	117.320.511	Pension benefits
Imbalan pascakerja		19.621.453	31.618.484	131.160.262	Post-employment benefits
Total		62.180.735	66.276.578	248.480.773	Total

Analisa jatuh tempo yang diharapkan dari manfaat pensiun pascakerja tidak terdiskonto adalah sebagai berikut: *Expected maturity analysis of undiscounted pension and post-employment benefits liabilities is as follows:* 

	Kurang dari 1 tahun/ <i>Less than</i> a year	1 sampai 2 tahun/ <i>Between</i> 1 - 2 years	2 sampai 5 tahun/ <i>Between</i> 2 - 5 years	Lebih dari 5 tahun/ <i>Over than</i> 5 years	
Imbalan pensiun Imbalan pascakerja	-	45.033.476 20.166.095	47.213.334 39.343.100	292.232.509 618.512.608	Pension benefits Post-employment benefits
Total		<b>65.199.571</b>	86.556.434	910.745.117	Total

# 32. LABA PER SAHAM

# a. Laba per saham dasar

# 32. EARNINGS PER SHARE

#### a. Basic earnings per share

	2015	2014	
Laba (rugi) neto diatribusikan kepada pemilik entitas induk	(1.745.116.392)	155.104.950	Profit (loss) attributable to owners of parent Total weighted average
Jumlah rata-rata tertimbang saham untuk perhitungan laba per saham dasar	93.721.717	93.721.717	number of shares for basic earnings per share calculation
Laba (Rugi) Neto per Saham Dasar Diatribusikan kepada Pemilik Entitas Induk	(19 (2))	1 (5	Basic Earnings (Loss) per Share Attributable To Owners of Parent
(Angka penuh)	(18,62)	1,65	(Full amount)

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#### 32. LABA PER SAHAM (Lanjutan)

#### b. Laba per saham dilusian

#### 32. EARNINGS PER SHARE (Continued)

b. Diluted earnings per share

	2015	2014	
Laba (rugi) neto diatribusikan kepada pemilik entitas induk	(1.745.116.390)	155.104.950	Profit (loss) attributable to owners of parent Total weighted average
Jumlah rata-rata tertimbang saham untuk perhitungan laba per saham dilusian	94.957.598	93.721.717	number of shares for diluted earnings per share calculation
Laba (Rugi) Neto per Saham Dilusian Diatribusikan kepada Pemilik Entitas Induk	(10.00)		Diluted Earnings (Loss) per Share Attributable To Owners of Parent
(Angka penuh)	(18,38)	1,65	(Full amount)

**c.** Informasi terkait dengan klasifikasi efek untuk laba per saham dilusian.

*Equity Linked Notes* yang diterbitkan pada tanggal 16 Desember 2010 dianggap berpotensi saham biasa dan telah disertakan dalam perhitungan laba per saham dilusian sejak tanggal jatuh tempo pada 16 Desember 2015. Obligasi konversi diasumsikan telah dikonversi ke saham biasa, untuk itu laba neto disesuaikan untuk mengeliminasi beban bunga dikurangi dampak pajak.

Obligasi konversi tersebut tidak disertakan dalam perhitungan laba per saham dasar. Rincian terkait dengan obligasi konversi dijelaskan dalam Catatan 21.

#### 33. TRANSAKSI DENGAN PIHAK-PIHAK BERELASI

Dalam kegiatan usaha normal, Kelompok Usaha melakukan transaksi dengan pihak-pihak yang berelasi. Transaksi-transaksi tersebut adalah sebagai berikut:

#### a. Penghasilan

*c.* Information concerning the classification of securities for diluted earnings per share.

Equity Linked Notes issued on December 16, 2010 are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share after the maturity date on December 16, 2015. The convertible note is assumed to have been converted into ordinary shares, and the net profit is adjusted to eliminate the interest expense less tax effect.

The convertible notes have not been included in the determination of basic earnings per share. Details relating to the convertible notes are disclosed in Note 21.

### 33. TRANSACTIONS WITH RELATED PARTIES

The Group, in its regular conduct of business, has engaged in transactions with related parties. These transactions were as follows:

#### a. Revenues

			Persentase terhadap Jumlah Penghasilan Konsolidasian/ Percentage to Total Consolidated Net Revenue		
	2015	2014	2015	2014	
PT Krama Yuda Tiga Berlian PT Mitsubishi Krama	176.428.745	120.861.602	3,78%	1,89%	PT Krama Yuda Tiga Berlian PT Mitsubishi Krama
Yudha Motors	39.039.926	27.458.060	0,84%	0,43%	Yudha Motors

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#### 33. TRANSAKSI DENGAN PIHAK-PIHAK BERELASI (Lanjutan)

# 33. TRANSACTIONS WITH RELATED PARTIES

(Continued)

		Persentase terhadap Jumlah Penghasilan Konsolidasian/ Percentage to Total Consolidated Net Revenue			
	2015	2014	2015	2014	
PT Kaltim Prima Coal PT Petromine Energy Trading	-	40.215.919 2.485.430	0,00% 0,00%	0,63% 0,04%	PT Kaltim Prima Coal PT Petromine Energy Trading
Total	215.468.671	191.021.011	4,62%	2,99%	Total

# b. Piutang kepada Komisaris, Direktur dan Karyawan

Perusahaan dan Entitas Anak tertentu memberikan pinjaman tanpa bunga untuk pembelian rumah dan kendaraan bermotor kepada direksi dan karyawan lainnya. Saldo pinjaman kepada komisaris, direksi dan karyawan pada tanggal 31 Desember 2015 dan 2014, masing-masing adalah sebesar Rp7,0 miliar dan Rp5,5 miliar, yang disajikan sebagai bagian dari "Aset Tidak Lancar Lainnya" dalam laporan posisi keuangan konsolidasian (Catatan 17).

#### c. Piutang pihak berelasi

#### b. Receivable from Commissioners, Directors and Employees

The Company and certain Subsidiaries had extended non-interest bearing loans to directors and other employees for the purchase of houses and cars. The balances of the loans to commissioners, directors and employees as of December 31, 2015 and 2014, were Rp7.0 billion and Rp5.5 billion, respectively, and are presented as part of "Other Non-Current Assets" in the consolidated statements of financial position (Note 17).

#### c. Due from related parties

			Persentase t Jumlah Aset Ko Percentag Total Consolida	nsolidasian/ ge to	
-	2015	2014	2015	2014	
PT Tanjung Jati Power Company TJA Power	204.680.020	130.111.376	2,23%	1,15%	PT Tanjung Jati Power Company TJA Power
Corporation (Asia) Ltd. PT Bakrie Anugerah	-	217.700.000	0,00%	1,92%	Corporation (Asia) Ltd. PT Bakrie Anugerah
Batu Alam Industry	21.724.392	21.724.392	0,24%	0,19%	Batu Alam Industry
PT Batuta Kimia Perdana	12.741.010	12.720.010	0,14%	0,11%	PT Batuta Kimia Perdana
PT Long Haul Holdings	2.327.559	-	0,03%	0,00%	PT Long Haul Holdings
PT Bakrie Mira Satmakura	1.343.587	1.343.587	0,01%	0,01%	PT Bakrie Mira Satmakura
Lain-lain (di bawah Rp1 miliar)	7.028.674	5.687.519	0,08%	0,05%	Others (below Rp1 billion)
Total Dikurangi penyisihan kerugian	249.845.242	389.286.884	2,72%	3,44%	Total Less allowance for
atas penurunan nilai	(23.687.739)	(23.631.737)	-0,26%	-0,21%	impairment losses
Neto	226.157.503	365.655.147	2,46%	3,23%	Net

Rincian piutang pihak berelasi berdasarkan mata uang adalah sebagai berikut:

Details of due from related parties based on currencies were as follows:

	2015	2014
Dolar AS	2.105.419	220.237.161
Rupiah	224.052.084	145.417.986

orporate Social Responsibility

### 33. TRANSAKSI DENGAN PIHAK-PIHAK BERELASI (Lanjutan)

Piutang pihak berelasi berasal dari pemberian pinjaman dana (uang muka) dan penggantian biaya kepada pihak berelasi. Piutang-piutang ini tanpa dikenakan bunga dan tidak memiliki jangka waktu pembayaran tetap.

Pada tanggal 28 Maret 2012, Entitas Anak, PT Bakrie Power (BP) memberikan fasilitas pinjaman kepada TJA Power Corporation (Asia) Ltd. (TJA) sebesar USD5 juta yang dikenakan bunga sebesar LIBOR ditambah 6% per tahun dan jatuh tempo pada tanggal 29 Maret 2014.

Pada tanggal 27 Desember 2013, perjanjian atas pemberian fasilitas pinjaman kepada TJA telah dirubah sebagai berikut:

- a. perpanjangan periode utang untuk dua tahun dan akan jatuh tempo pada tanggal 28 Maret 2016; dan
- b. bunga pinjaman menjadi 5,5 persen pada tahun kedua, 6,0 persen pada tahun ketiga dan 6,5 persen pada tahun keempat.

Pada tanggal 20 Agustus 2015, TJA mengalihkan uang muka kepada BP untuk mengurangi saldo fasilitas pinjaman sebesar USD2.8 juta. Kemudian TJA menjual seluruh kepemilikan di TJPC dimana penerimaan sebesar USD1.3 juta digunakan untuk penyelesaian utang ke BP.

Dengan penjualan saham TJPC tersebut, TJA sudah tidak menjadi pihak berelasi. Pada tanggal 31 Desember 2015, saldo pinjaman adalah sebesar USD13.4 juta (setara Rp185 milyar) (Catatan 8).

Pada tanggal 20 Maret 2015, Perusahaan mencatat piutang dari LHH atas pengalihan kepemilikan saham sebesar 44,6% di Bumi Borneo Resources Pte. Ltd. (BBR) (Catatan 6).

Pada tanggal 24 Maret 2015, Perusahaan melakukan penyelesaian atas piutang dari LHH melalui *off-set* dengan utang kepada LHH yang muncul sehubungan dengan pengalihan utang Palisades Sub III Ltd. Perusahaan (Catatan 18m).

Pembentukan penyisihan kerugian atas penurunan nilai piutang pihak berelasi adalah sehubungan dengan penelaahan yang berkesinambungan oleh manajemen atas kemampuan masing-masing pihak berelasi untuk melunasi kewajibannya. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 33. TRANSACTIONS WITH RELATED PARTIES (Continued)

The balances of due from related parties arise from borrowings (advances) and reimbursement of expenses to related parties. These receivables are non-interest bearing and with no fixed collection schedule.

On March 28, 2012, PT Bakrie Power (BP), a subsidiary provided a loan facility to TJA Power Corporation (Asia) Ltd. (TJA) amounting to USD5 million that bears annual interest of LIBOR plus 6% and due on March 29, 2014.

On December 27, 2013, the loan agreement providing a loan facility to TJA was amended as follows:

- a. extension of the loan period for another two years and will be due on March 28, 2016; and
- b. annual interest on the loan shall be 5.5 percent for the second year, 6.0 percent for the third year and 6.5 percent for the fourth year.

On August 20, 2015 TJA made assignment to BP of its advances to TJPC which reduced the outstanding balance of the loan facility by USD2,8 million. Furthermore, TJA sold all of its shares in TJPC and the proceeds amounting to USD1,3 million was applied to the loan payable to BP.

As a result of the sale of TJPC shares, TJA is no longer considered a related party. As of December 31, 2015, outstanding balance of the loan facility amounting USD13,4 million (equivalent to Rp185 billion) (Note 8).

On March 20, 2015, the Company record receivables from LHH on transferred all of its ownership equivalent to 44.6% in Bumi Borneo Resources Pte. Ltd. (BBR) (Note 6).

On March 24, 2015, the Company settled receivables from LHH trough set-off with payable to LHH based on novation of Palisades Sub III Ltd. loan (Note 18m).

Provision for impairment losses to receivable related parties is in connection with review of the sustainable management of the capability each related party to pay it is obligation.

rporate Profile

# 33. TRANSAKSI DENGAN PIHAK-PIHAK BERELASI (Lanjutan)

#### d. Piutang usaha - pihak berelasi

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

### 33. TRANSACTIONS WITH RELATED PARTIES (Continued)

#### d. Trade receivables - related parties

			Persentase terhadap Jumlah Aset Konsolidasian/ Percentage to Total Consolidated Assets		
	2015	2014	2015	2014	
PT Krama Yudha Tiga Berlian Motor PT Mitshubishi Krama	5.746.450	16.273.291	0,06%	0,14%	PT Krama Yudha Tiga Berlian Motor PT Mitshubishi Krama
Yudha Motor	2.259.726	4.669.525	0,02%	0,04%	Yudha Motor
Lain-lain (di bawah Rp1 miliar)	25.701.274	23.038.496	0,28%	0,20%	Others (below Rp1 billion)
Total Dikurangi penyisihan kerugian	33.707.450	43.981.312	0,37%	0,39%	Less allowance for
atas penurunan nilai	(931.600)	-	-0,01%	0,00%	impairment losses
Neto	32.775.850	43.981.312	0,36%	0,39%	Net

Manajemen Kelompok Usaha berkeyakinan bahwa piutang-piutang yang ada masih dapat ditagih dan penyisihan kerugian atas penurunan nilai cukup untuk menutup kemungkinan kerugian atas tidak tertagihnya piutang pihak berelasi tersebut.

#### e. Utang lainnya kepada pihak yang berelasi

The Group's management believes that the receivables can be collected and the allowance for impairment losses is adequate to cover possibility of losses from non-collection of receivables from related parties.

#### e. Other payables - related parties

			Persentase te Jumlah Liabilitas F Percentag Total Consolidate	Konsolidasian/ ge to	
	2015	2014	2015	2014	
Dana Pensiun Bakrie	24.483.770	6.267.480	0,19%	0,05%	Dana Pensiun Bakrie
PT Provices Indonesia	722.287	-	0,01%	0,00%	PT Provices Indonesia
Lain-lain (di bawah Rp1 miliar)	3.472.303	2.188.788	0,03%	0,02%	Others (below Rp1 billion)
Total	28.678.360	8.456.268	0,22%	0,06%	Total

Saldo utang lainnya kepada pihak yang berelasi berasal dari pinjaman modal kerja, pembelian saham, iuran dana pensiun dan biaya sewa.

#### f. Utang pihak berelasi

The balance of other payables - related parties arose from working capital loan, purchase of shares, contributions of retirement benefits and rent expenses.

#### f. Due to related parties

			Persentase terhadap Jumlah Liabilitas Konsolidasian/ Percentage to Total Consolidated Liabilities		
	2015	2014	2015	2014	
PT Petromine Energy Trading	116.053.753	112.299.309	56,68%	87,07%	PT
PT Bakrie Capital Indonesia	10.053.441	10.053.440	4,91%	7,80%	P
PT Kalimantan Prima Power	6.310.736	5.690.870	3,08%	4,41%	$P_{i}$
Lain-lain (di bawah Rp1 miliar)	72.332.170	926.034	35,33%	0,72%	
Total	204.750.100	128.969.653	100,00%	100,00%	

PT Petromine Energy Trading PT Bakrie Capital Indonesia PT Kalimantan Prima Power Others (below Rp1 billion)

Total



#### 33. TRANSAKSI DENGAN PIHAK-PIHAK BERELASI (Lanjutan)

Saldo utang pihak berelasi jangka panjang berasal dari pinjaman untuk proyek jangka panjang dan pengeluaran modal, saldo utang tersebut tidak termasuk bunga dan tidak ada skedul pembayaran.

#### g. Investasi jangka pendek

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 33. TRANSACTIONS WITH RELATED PARTIES (Continued)

The balance of long-term due to related parties arose from loan for long-term projects and capital expenditures. These payables are non-interest bearing and with no fixed payment schedule.

#### g. Short-term investments

			Persentase te Jumlah Aset Kor Percentag Total Consolida	isolidasian/ <i>e to</i>		
<u> </u>	2015	2014	2015	2014		
PT Bakrie Telecom Tbk	32.278.207	39.517.807	2,41%	1,53%	PT Bakrie Telecom Tbk	
PT Bumi Resources Tbk	27.429.399	43.887.039	2,05%	1,70%	PT Bumi Resources Tbk	
PT Bakrie Sumatera					PT Bakrie Sumatera	
Plantations Tbk	18.642.999	60.071.199	1,39%	2,32%	Plantations Tbk	
PT Bakrieland					PT Bakrieland	
Development Tbk	3.601.290	9.321.290	0,27%	0,36%	Development Tbk	
PT Energi Mega Persada Tbk	1.588.387	280.259.124	0,12%	10,83%	PT Energi Mega Persada Tbk	
Bumi Borneo Resources Pte. Ltd.	-	1.239.833.450	0,00%	47,89%	Bumi Borneo Resources Pte. Ltd.	
Total	83.540.282	1.672.889.909	6,24%	64,62%	Total	

#### h. Utang usaha - pihak berelasi

#### h. Trade payables - related parties

	Persentase terhadap Jumlah Liabilitas Konsolidasian/				
			Percentag Consolidated		
	2015	2014	2015	2014	
Lain-lain (di bawah Rp1 miliar)	2.407.915	2.682.865	0,10%	0,02%	Others (Below Rp1 billion)

#### i. Kompensasi manajemen kunci

Manajemen kunci Kelompok Usaha terdiri dari Dewan Komisaris, Direksi Perusahaan dan para *Chief Officer* sebagai personil manajemen kunci lainnya. Total remunerasi dan imbalan lainnya yang diberikan kepada personil manajemen sebagai berikut:

#### i. Key management compensation

The Group's key management personnel consist of the Company's Boards of Commissioners, Directors and Chief Officers. Total remuneration and other benefits given to key management personnel were as follows:

	2015					
		Personil				
			Manajemen			
	Dewan		Kunci lainnya/			
	Komisaris/	Direksi/	Other Key			
	Board of	Board of	Management	Total/		
	Commissioners	Directors	Personnel	Total		
Imbalan kerja jangka pendek	11.572.921	27.211.836	10.143.121	48.927.878	Short-term employment benefits	
Imbalan pascakerja	-	6.758.745	1.698.451	8.457.196	Post-employment benefits	
Imbalan kerja						
jangka panjang lainnya	<u> </u>	4.607.477	1.057.375	5.664.852	Other long-term benefits	
Total	11.572.921	38.578.058	12.898.947	63.049.926	Total	

rate Profile

Main Highlights

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#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 33. TRANSAKSI DENGAN PIHAK-PIHAK BERELASI (Lanjutan)

# 33. TRANSACTIONS WITH RELATED PARTIES (Continued)

	2014				
			Personil		
			Manajemen		
	Dewan		Kunci lainnya/		
	Komisaris/	Direksi/	Other Key		
	Board of	Board of	Management	Total/	
	Commissioners	Directors	Personnel	Total	
Imbalan kerja jangka pendek	11.173.879	15.999.686	5.958.966	33.132.532	Short-term employment benefits
Imbalan pascakerja	-	12.026.752	3.526.069	15.552.820	Post-employment benefits
Imbalan kerja					
jangka panjang lainnya		852	4.566	5.418	Other long-term benefits
Total	11.173.879	28.027.290	9.489.601	48.690.770	Total

#### Sifat hubungan berelasi

#### Nature of related parties

Pihak yang Berelasi/ <i>Related Parties</i>	Hubungan/ <i>Relationship</i>	Sifat Saldo Akun Transaksi/ Nature of Transactions
PT Bakrie Anugerah Batu Alam Industry	Afiliasi/Affiliate	Piutang pihak berelasi/Due from related parties
PT Tanjung Jati Power Company	Afiliasi/Affiliate	Piutang pihak berelasi/Due from related parties
PT Bakrie Hyosung Apparel	Afiliasi/Affiliate	Piutang pihak berelasi/Due from related parties
Bakrie Nusantara Intl Pte. Ltd.	Afiliasi/Affiliate	Piutang pihak berelasi/Due from related parties
Far East Rubber	Afiliasi/Affiliate	Piutang pihak berelasi/Due from related parties
PT Bakrie Mira Satmakura	Afiliasi/Affiliate	Piutang pihak berelasi/Due from related parties
PT Long Haul Holdings Ltd	Afiliasi / Affiliate	Piutang pihak berelasi/Due from related parties
PT Kaltim Prima Coal	Afiliasi / Affiliate	Piutang usaha pihak berelasi/Trade receivable
PT Krama Yudha Tiga Berlian Motor	Afiliasi/Affiliate	Piutang usaha pihak berelasi/Trade receivable
PT Mitshubishi Krama Yudha Motor	Afiliasi/Affiliate	Piutang usaha pihak berelasi/Trade receivable
PT Provices Indonesia	Afiliasi/Affiliate	Sewa, piutang usaha pihak berelasi/
		Rental, trade receivable
PT Bakrie Swasakti Utama	Afiliasi/Affiliate	Sewa, utang lain-lain pihak yang berelasi/
		Rental, other payables - related parties
Dana Pensiun Bakrie	Afiliasi/Affiliate	Utang lain-lain pihak yang berelasi/
		Other payables - related parties
PT Bakrie Capital Indonesia	Afiliasi/Affiliate	Utang pihak berelasi/Due to related parties
PT Kalimantan Prima Power	Afiliasi/Affiliate	Utang pihak berelasi/Due to related parties
PT Batuta Kimia Perdana	Afiliasi/Affiliate	Utang pihak berelasi, Piutang pihak Berelasi/
		Due to related parties, Due from related parties
PT Petromine Energy Trading	Afiliasi/Affiliate	Pendapatan, Utang pihak berelasi/
		Revenue, Due to related parties
PT Bakrie Telecom Tbk	Afiliasi/Affiliate	Investasi jangka pendek/Short-term investments
Bumi Borneo Resources Pte. Ltd.	Afiliasi/Affiliate	Investasi jangka pendek/Short-term investment
PT Bakrie Sumatera Plantations Tbk	Afiliasi/Affiliate	Investasi jangka pendek/Short-term investments
PT Energi Mega Persada Tbk	Afiliasi/Affiliate	Investasi jangka pendek/Short-term investments
PT Bakrieland Development Tbk	Afiliasi/Affiliate	Investasi jangka pendek/Short-term investments
PT Bumi Resources Tbk	Afiliasi/Affiliate	Investasi jangka pendek/Short-term investments



# 33. TRANSAKSI DENGAN PIHAK-PIHAK BERELASI (Lanjutan)

Perusahaan afiliasi merupakan entitas sepengendali yang memiliki pemegang saham dan/atau anggota direksi dan dewan komisaris yang sama dengan Perusahaan, Entitas Anak, Entitas Asosiasi atau Pengendalian Bersama Entitas.

Karena memiliki sifat hubungan istimewa, hal ini memungkinkan syarat dan kondisi transaksi dengan pihak yang mempunyai hubungan istimewa tidak sama jika transaksi tersebut dilakukan dengan pihak ketiga, contohnya pinjaman karyawan.

#### 34. SEGMEN OPERASI

Kelompok Usaha memiliki usaha yang terbagi dalam dua operasi yang meliputi usaha yang berhubungan dengan infrastruktur dan manufaktur dan perdagangan, jasa dan investasi.

Informasi tentang Kelompok Usaha menurut segmen adalah sebagai berikut:

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 33. TRANSACTIONS WITH RELATED PARTIES (Continued)

The affiliated companies are under common control of the same shareholders and/or same members of the boards of directors or commissioners as the Company, Subsidiaries, Associates or Jointly Controlled Entities.

Because of these relationships, it is possible that the terms and conditions of these transactions are not the same as those that would result from transactions with third parties, such as employee loans.

# 34. OPERATING SEGMENT

The Group classifies its products and services into two core business segments namely infrastructure and manufacturing and trading, services and investment.

Information concerning the Group business segments is as follows:

Nama Divisi	Aktivitas	Activity	Name of Division	
Infrastruktur dan manufaktur	Jasa konstruksi dan teknis, pembangkit tenaga listrik, infrastruktur, produksi pipa baja bergelombang, cetakan besi dan baja untuk industri komponen otomotif serta bahan bangunan dasri serat semen.	Construction and technical services, powerplant, infrastructure, production of steel pipes, corrugated metal products, cast iron products for automotive parts industry and fiber cement building products.	Infrastructure and manufacturing	
Perdagangan, jasa dan investasi	Perdagangan bahan bakar minyak, jasa manajemen dan konsultasi dan melakukan investasi pada perusahaan-perusahaan lain baik dalam bentuk penyertaan saham, mendirikan atau mengambil bagian atas saham-saham perusahaan lain secara langsung maupun tidak langsung, perdagangan surat berharga dan kegiatan investasi	Trading of fuel, management and consultation services and making investment in other companies in the form of equity placement, establish or acquire stocks of other companies both directly and indirectly, trading marketable securities and other investment activities.	Trading, services and investment	

lainnya.

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#### **PT BAKRIE & BROTHERS Tbk** AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 34. SEGMEN OPERASI (Lanjutan)

# 34. OPERATING SEGMENT (Continued)

		5	201		
	Konsolidasian/ <i>Consolidated</i>	Eliminasi/ Elimination	Perdagangan, Jasa dan Investasi/ Trading, Services, and Investment	Infrastruktur dan Manufaktur/ Infrastructure and Manufacturing	
NET REVENUES	4.661.923.517	187.451.717	830.522.896	3.643.948.904	PENDAPATAN NETO
EXPENSES					BEBAN
Cost of revenues Provision for impairment	(2.711.114.210)	-	(10.886.782)	(2.700.227.428)	Beban pokok pendapatan Penyisihan penurunan
in investment value Gain (loss) on	(968.098.807)	-	(968.098.807)	-	nilai investasi
foreign exchange - net	(722.172.482)	-	(796.728.035)	74.555.553	Laba (rugi) Selisih Kurs - neto
Interest and financial expenses	(543.537.809)	-	(493.628.493)	(49.909.316)	Beban bunga dan keuangan
Fair value changes of derivative	(818.887.889)		(19510201195)	(19.909.010)	Perubahan nilai wajar aset dan
assets and liabilities - net	(462.841.034)	-	(462.841.034)	-	liabilitas derivatif - neto
General and	(10-10111001)		(		Beban umum
administrative expenses	(306.271.662)	-	(39.371.661)	(266.900.001)	dan administrasi
Personnel expenses	(253.848.963)	-	(82.932.613)	(170.916.350)	Beban karyawan
Unrealized loss on	(,		(	(	Rugi belum direalisasi atas
fair value changes of					perubahan nilai wajar investasi
trading investment	(137.782.352)	-	(137.782.352)	-	saham yang diperdagangkan
Selling expenses	(118.257.783)	-	(847.116)	(117.410.667)	Beban penjualan
Write-off and provision for	,		· · · · ·	· · · ·	Beban penghapusan dan penyisihan
impairment losses	(65.157.200)		(35.080.062)	(30.077.138)	kerugian atas penurunan nilai
Tax expenses	(13.565.877)	-	(461.657)	(13.104.220)	Beban pajak
Others	(6.684.898)	(37.662.556)	44.457.716	(13.480.058)	Lain-lain
Total Expenses	(6.309.333.077)	(37.662.556)	(2.984.200.894)	(3.287.469.625)	Total Beban
INCOME (LOSS) BEFORE					LADA (DUCI) SEDELUM
INCOME (LOSS) BEFORE INCOME TAX EXPENSE	(1.647.409.560)	149.789.161	(2.153.677.998)	356.479.279	LABA (RUGI) SEBELUM BEBAN PAJAK PENGHASILAN
INCOME TAX EXPENSE	(71.959.611)	-	(4.640.607)	(67.319.004)	BEBAN PAJAK PENGHASILAN
NET INCOME (LOSS)	(1.719.369.171)	149.789.161	(2.158.318.605)	289.160.275	LABA (RUGI) NETO
Fixed assets - net	2.418.723.020	_	22.649.391	2.396.073.629	Aset tetap - neto
Other assets per segment	4.210.139.242	(1.403.538.929)	3.338.671.970	2.275.006.201	Aset segmen lainnya
Investments in	4.210.137.242	(1.405.550.727)	5.556.671.776	2.275.000.201	Investasi pada entitas
associated and jointly					asosiasi dan entitas
controlled entities - net	2.557.529.834	(4.484.832.007)	6.202.202.440	840.159.401	pengendalian bersama - neto
TOTAL ASSETS	9.186.392.096	(5.888.370.936)	9.563.523.801	5.511.239.231	TOTAL ASET
TOTAL LIABILITIES	13.121.511.097	(1.047.653.764)	12.027.750.345	2.141.414.517	TOTAL LIABILITAS

	Infrastruktur dan Manufaktur/ Infrastructure and	Perdagangan, Jasa dan Investasi/ <i>Trading, Services</i> ,	Eliminasi/	Konsolidasian/	
	Manufacturing	and Investment	Elimination	Consolidated	
PENDAPATAN NETO	5.250.504.620	2.341.513.221	(1.213.065.087)	6.378.952.754	NET REVENUES
BEBAN					EXPENSES
Beban pokok pendapatan	(3.730.891.271)	(125.514.120)	-	(3.856.405.391)	Cost of revenues
Beban bunga dan keuangan	(74.195.575)	(524.792.328)	-	(598.987.903)	Interest and financial expenses
Perubahan nilai wajar aset dan					Fair value changes of derivative
liabilitas derivatif - neto	-	(540.515.297)	-	(540.515.297)	assets and liabilities - net
Beban umum					General and
dan administrasi	(263.609.941)	(67.845.554)	-	(331.455.495)	administrative expenses

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#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 34. SEGMEN OPERASI (Lanjutan)

# 34. OPERATING SEGMENT (Continued)

		201	4		
	Infrastruktur dan Manufaktur/ Infrastructure and Manufacturing	Perdagangan, Jasa dan Investasi/ Trading, Services, and Investment	Eliminasi/ Elimination	Konsolidasian/ <i>Consolidated</i>	
Beban karyawan	(194.461.427)	(93.687.730)	-	(288.149.157)	Personnel expenses
Beban penjualan	(246.217.348)	(380.027)	-	(246.597.375)	Selling expenses
Rugi Selisih Kurs - neto	(16.105.183)	(146.655.735)	-	(162.760.918)	Loss on foreign exchange - net
Rugi atas pelepasan investasi jangka pendek - neto Beban penghapusan dan penyisihan	-	(72.809.564)	-	(72.809.564)	Loss on disposal of short term investments - net Write-off and provision for
kerugian atas penurunan nilai	(1.020.671)	-	-	(1.020.671)	impairment losses
Beban pajak	(2.742.596)	(9.585.876)	210.665	(12.117.807)	Tax expenses
Total Beban	(4.529.244.012)	(1.581.786.231)	210.665	(6.110.819.578)	Total Expenses
LABA (RUGI) SEBELUM BEBAN PAJAK PENGHASILAN	721.260.608	759.726.989	(1.212.854.422)	268.133.176	INCOME (LOSS) BEFORE INCOME TAX EXPENSE
BEBAN PAJAK PENGHASILAN	(116.484.710)	108.280		(116.376.430)	INCOME TAX EXPENSE
LABA (RUGI) NETO	604.775.898	759.835.269	(1.212.854.422)	151.756.746	NET INCOME (LOSS)
Aset tetap - neto	2.454.239.523	115.077.117	-	2.569.316.640	Fixed assets - net
Aset segmen lainnya Investasi pada entitas asosiasi dan entitas	3.497.154.817	5.272.625.408	(1.662.108.888)	7.107.671.338	Other assets per segment Investments in associated and jointly
pengendalian bersama - neto	482.412.043	5.822.818.901	(4.667.724.369)	1.637.506.575	controlled entities - net
TOTAL ASET	6.433.806.384	11.210.521.426	(6.329.833.257)	11.314.494.553	TOTAL ASSETS
TOTAL LIABILITAS	3.323.472.224	11.640.328.880	(1.463.746.508)	13.500.054.596	TOTAL LIABILITIES

#### 35. PERJANJIAN DAN IKATAN YANG SIGNIFIKAN

Kelompok Usaha memiliki perjanjian dan ikatan yang signifikan, sebagai berikut:

#### Pihak Ketiga

a. Perjanjian Pengangkutan Gas antara PT Perusahaan Listrik Negara (PLN) (Persero), Perusahaan dan Petronas Carigali Miurah Ltd. (PCM) untuk Pembangkit Listrik Tambak Lorok

Perusahaan bersama PLN dan PCM, menandatangi Gas Transportation Agreement (GTA) ruas Kepodang-Tambak Lorok di Kantor Badan Pengelolaan Hulu (BPH-Migas).

# 35. SIGNIFICANT AGREEMENTS AND COMMITMENTS

The Group had outstanding significant agreements and commitments, as follows:

#### Third Parties

a. Gas Transportation Agreement between PT Perusahaan Listrik Negara (PLN) (Persero), the Company and Petronas Carigali Miurah Ltd. (PCM) for Tambak Lorok Power Plant

The Company, PLN and PCM signed a Gas Transportation Agreeement (GTA) segment Kepodang-Tambak Lorok in the office of Badan Pengelolaan Hulu (BPH-Migas).

# **35. PERJANJIAN DAN IKATAN YANG SIGNIFIKAN** (Lanjutan)

Penandatanganan ini merupakan tindak lanjut diterbitkannya SK Menteri Energi dan Sumber Daya Mineral No. 2700 K/11/MEM/2012 tentang Rencana Induk Jaringan Transmisi dan Distribusi Gas Bumi Nasional (RIJTDGBN) Tahun 2015-2025 yang menyatakan bahwa pembangunan ruas Kalija (Kalimantan Timur-Jawa Tengah) dapat dilakukan bertahap dengan pertimbangan ketersediaan pasokan gas bumi. Perusahaan, sebagai pemenang lelang ruas transmisi Kalija pada tahun 2006, dapat memulai pembangunan ruas yang nantinya akan mengirimkan gas dari Kepodang-Tambak Lorok ke Pembangkit Listrik Tenaga Gas Tambak Lorok milik PT PLN sebanyak 354 *Billion Cubic Feet* hingga tahun 2026.

#### b. Perjanjian-perjanjian Sehubungan dengan Proyek Konstruksi Pipa

- Pada tanggal 16 Desember 1996, PT Bakrie Harper (BHP), Entitas Anak, mengadakan perjanjian dengan Punj Lloyd (Malaysia) Sdn Bhd sebagai kontraktor untuk melaksanakan Proyek Pipanisasi Kertapati - Jambi. Nilai kontrak atas proyek tersebut adalah sebesar USD152,5 juta, termasuk setoran jaminan proyek sebesar USD37,0 juta atau setara dengan Rp262,7 miliar, untuk periode dua puluh empat (24) bulan sejak tanggal efektifnya perjanjian tersebut. Punj Lloyd (Malaysia) Sdn Bhd telah mengalihkan seluruh hak dan kewajibannya dalam proyek ini kepada PT Punj Lloyd Indonesia (PLI) setelah PLI berdiri di bawah hukum Indonesia.
- Pada tanggal 20 November 1996, BHP mengadakan perjanjian dengan Pertamina untuk melaksanakan pembangunan, pengoperasian, penyewaan dan pemeliharaan Pipanisasi Kertapati

   Jambi. Sesuai dengan perjanjian tersebut, BHP akan membangun jaringan pipa dari Kertapati ke Jambi, dan bila pembangunan jaringan pipa tersebut telah selesai, Pertamina akan menyewa dan mengoperasikannya dengan masa sewa sepuluh (10) tahun terhitung sejak selesainya pekerjaan. Sebagai imbalan, Pertamina membayar biaya sewa sebesar USD16,8 juta per semester di luar PPN, termasuk beban pemeliharaan sebesar USD2,3 juta.

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#### 35. SIGNIFICANT AGREEMENTS AND COMMITMENTS (Continued)

The signing was as the follow-up of the Ministry of Energy Mineral Resources (EMR) Decree Number 2700 K/11/MEM/2012 regarding the Master Plan for Transmission Network and National Gas Distribution (RIJTDGBN) Year 2015-2025 which states that the construction of Kalija section (East Kalimantan-Central Java) can be performed gradually with consideration of the availability of natural gas supply. The Company, as the bid winner of Kalija transmission segment in 2006, was able to start the segment construction which will transmit gas from Kepodang-Tambak Lorok to Pembangkit Listrik Tenaga Gas Tambak Lorok owned by PT PLN as much as 354 Billion Cubic Feet up to 2026.

#### b. Agreements Related to Pipeline Construction Projects

- 1. On December 16, 1996, PT Bakrie Harper (BHP), Subsidiary, entered into a cooperation agreement with Punj Lloyd (Malaysia) Sdn Bhd as the contractor for the Kertapati - Jambi Pipeline Project. The contract price of this project amounted to USD152.5 million including a project security deposit of USD37.0 million or equivalent to Rp262.7 billion and covering a twenty-four (24) month period commencing from the effective date of the agreement. Punj Lloyd (Malaysia) Sdn Bhd was entitled to assign its rights and obligation in the project in favor of PT Punj Lloyd Indonesia (PLI) after PLI was established and organized under the laws of the Republic of Indonesia.
- 2. On November 20, 1996, BHP entered into a cooperation agreement with Pertamina in connection with the construction, operation, rental and maintenance of the pipeline from Kertapati Jambi. In the agreement, it is stated that BHP has to construct a pipeline from Kertapati to Jambi, and once completed, Pertamina will lease the network from BHP and operate it for ten (10) years from the date of completion. As compensation, Pertamina will pay a rental fee of USD16,8 million per semester including the maintenance expense of USD2.3 million excluding VAT.



# 35. PERJANJIAN DAN IKATAN YANG SIGNIFIKAN (Lanjutan)

Berdasarkan Surat Pertamina No. 1396/ F000/ 98-55 tanggal 1 Desember 1998, Pertamina ingin melakukan negosiasi ulang persyaratan dalam Proyek Pipanisasi Kertapati - Jambi yang mengakibatkan ditundanya pembangunan proyek tersebut. Pada tanggal 27 September 2000, Pertamina menerbitkan Surat No. 1576/F0300/ 200-S5 mengenai maksud Pertamina untuk menegosiasikan kembali proyek tersebut (Catatan 14).

Perusahaan dan Pertamina telah menunjuk Deloitte Touche Tohmatsu (DTT) untuk menilai kewajiban Pertamina kepada BHP. Berdasarkan laporan DTT pada tanggal 25 Oktober 2001, Pertamina memiliki kewajiban kepada BHP sebesar USD90,1 juta. Namun, karena adanya ketidakpastian atas tertagihnya dana yang telah dikeluarkan untuk membiayai proyek tersebut, manajemen memutuskan untuk membentuk penyisihan penuh atas nilai proyek tersebut (Catatan 14).

3. Pada tanggal 27 Juli 2006, Perusahaan telah memenangkan lelang khusus ruas transmisi gas bumi Bontang (Kalimantan Timur) ke Semarang (Jawa Tengah) berdasarkan Surat Keputusan Kepala Badan Pengatur Hilir Minyak dan Gas Bumi (BPH Migas) No. 042/Kpts/PL/BPHMigas/ Kom/VII/2006. Perusahaan akan memulai konstruksi fisik proyek setelah keputusan pemerintah atas alokasi produksi gas bumi untuk kebutuhan dalam negeri dan ekspor ditetapkan.

Pada tanggal 10 Maret 2014, Perusahaan mengadakan perjanjian pemesanan saham dengan PT Permata Graha Nusantara untuk saham yang beredar dari PT Kalimantan Jawa Gas. Sejak tahun 2006, Perusahaan melakukan penyertaan untuk membiayai aset KJG seperti yang diverifikasi oleh penilai independen yang akan dikonversi menjadi 20% kepemilikan di Perusahaan.

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#### 35. SIGNIFICANT AGREEMENTS AND COMMITMENTS (Continued)

Based on Pertamina Letter No. 1396/F000/98-55 dated December 1, 1998, Pertamina intended to renegotiate the terms of the Kertapati - Jambi Pipeline Project, which has resulted in the postponement of the project. On September 27, 2000, Pertamina issued Letter No. 1576/F0300/ 200-S5 regarding its intention to renegotiate the project (Note 14).

The Company and Pertamina have appointed Deloitte Touche Tohmatsu (DTT) to evaluate Pertamina's obligation to BHP. Based on DTT's report dated October 25, 2001, Pertamina had an obligation to BHP amounting to USD90.1 million. However, due to uncertainty of collecting the funds utilized to finance the project, the management decided to provide full allowance on the project value (Note 14).

3. On July 27, 2006, the Company was awarded a bid for natural gas transmission from Bontang (East Kalimantan) to Semarang (Central Java) according to Regulatory Agency for Oil and Gas Downstream (BPH Migas) Decree No. 042/Kpts/ PL/BPHMigas/Kom/VII/2006. The Company will start the construction when the government has decided the gas allocation for domestic and export purposes.

On March 10, 2014, the Company entered into a Share Subscription Agreement with PT Permata Graha Nusantara for outstanding shares of PT Kalimantan Jawa Gas. Since 2006, the Company made certain investments to finance KJG's assets as verified by an independent valuer which will be converted into 20% ownership in the Company.

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# **35. PERJANJIAN DAN IKATAN YANG SIGNIFIKAN** (Lanjutan)

Pada tanggal 11 November 2014, Anggaran Dasar KJG telah diubah dengan meningkatkan modal dasar dari Rp40 miliar menjadi Rp266,43 miliar, dimana saham KJG yang ada akan dimusnahkan dan akan menerbitkan saham yang baru. Pada waktu yang sama, Perusahaan mengalihkan biaya proyek yang dikeluarkan oleh Perusahaan untuk membiayai asset KJG yang akan mewakili kepemilikan saham 20% di KJG.

# c. Perjanjian pemegang saham PT Kalimantan Jawa Gas

Pada tanggal 11 November 2014, Perusahaan dan PT Permata Graha Nusantara telah menandatangani Perjanjian Antar Pemegang Saham di dalam PT Kalimantan Jawa Gas ("KJG"), sehubungan dengan hak dan tanggung jawab Perusahaan sebagai pemilik 20% saham dalam KJG.

Pada tanggal yang sama Perusahaan juga memberikan jaminan gadai 20% saham dalam KJG kepada PT Perusahaan Gas Negara (Persero), Tbk ("PGN") sehubungan dengan fasilitas pinjaman yang diberikan PGN kepada KJG.

#### d. Perjanjian konstruksi PT Bakrie Construction

Perjanjian kontrak konstruksi dengan *Husky-CNOOC Madura limited* dimana BCons bagian dari pihak konsorsium. Bentuk kontrak tersebut adalah jasa tehnik, pengadaan, konstruksi dan instalasi (*"EPCI"*) dengan nomor kontrak 332004201. Kontrak tersebut dimulai pada tanggal 12 November 2015, untuk periode dua puluh enam (26) bulan. Nilai kontrak awal dan varians sebesar USD34,9 juta (tidak termasuk PPN).

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian, proyek tersebut belum dimulai.

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#### 35. SIGNIFICANT AGREEMENTS AND COMMITMENTS (Continued)

On November 11, 2014, the Articles of Association of KJG has been amended to increase the authorized capital from Rp40 billion to become Rp266.43 billion, whereby the existing shares of KJG will be disposed and new shares will be issued. Concurrently, the Company transferred project development costs incurred to finance the assets of KJG in exchange for 20% share ownership in KJG.

#### c. Shareholder Agreement PT Kalimantan Jawa Gas

On November 11, 2014, the Company and PT Permata Graha Nusantara have signed Shareholder Agreement in PT Kalimantan Jawa Gas ("KJG") in regard to its rights and obligation as the holder of 20% ownership in KJG.

On the same date, the Company has pledge 20% of share at KJG to PT Perusahaan Gas Negara (Persero), Tbk ("PGN") in relation to loan facility that have been provided by PGN to KJG.

#### c. Agreement construction of PT Bakrie Construction

Contract construction with Husky-CNOOC Madura limited that BCons part of consortium party. Form of the contract are eginnering, procurement, construction and installation ("EPCI") with contract number 332004201. The contract was supposed to commence on November 12, 2015, for period of twenty-six (26) months. The original contract and variation amounted to USD34.9 million (exclude VAT).

Until completion date of consolidated financial statement, the project did not actually started.

#### **36. TRANSAKSI DERIVATIF**

Pada tanggal 30 November 2011, Perusahaan menandatangani Master Confirmation for Share Swap Transactions dengan Glencore International AG (Glencore) dengan jumlah komitmen transaksi senilai USD200,0 juta dikurangi biaya transaksi tertentu. Glencore membeli saham BUMI sampai dengan jumlah USD200,0 juta tersebut dikurangi transaksi tertentu. Berdasarkan perjanjian tersebut Perusahaan mempunyai opsi untuk membeli saham BUMI mulai 6 bulan dan terakhir 30 bulan setelah tanggal transaksi pertama, pada harga sebesar rata-rata tertimbang harga yang direalisasikan Glencore ditambah biaya transaksi. Untuk dapat melaksanakan opsi tersebut, Perusahaan melakukan pembayaran uang muka tertentu setiap 6 bulan yang jumlahnya ditentukan oleh Glencore. Transaksi ini menghasilkan derivatif liabilitas sampai dengan 31 Desember 2015 dan 2014 adalah sebesar Rp4,2 triliun dan Rp3,4 triliun. Untuk periode yang berakhir pada 31 Desember 2015 dan 2014, perubahan atas nilai wajar dari liabilitas derivatif dicatat dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian masing-masing rugi sebesar Rp462,8 miliar dan laba sebesar Rp540,5 miliar.

# **37. ASET DAN LIABILITAS MONETER DALAM MATA UANG ASING**

Kelompok Usaha memiliki aset dan liabilitas dalam mata uang asing sebagai berikut:

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### **36. DERIVATIVE TRANSACTIONS**

On November 30, 2011, the Company signed a Master Confirmation for Share Swap Transactions with Glencore International AG (Glencore) with transaction commitment amount of USD200.0 million less certain transaction costs. Glencore bought BUMI shares up to the amount of USD200.0 million, net of certain transaction costs. Under the agreement, the Company has the option to purchase those BUMI shares from Glencore starting 6 months until 30 months after the date of first transaction, at the price equal to the weighted average realized by Glencore, plus transaction costs. In order to implement the option, the Company made advance payments given every 6 months of the amount determined by Glencore. This transaction resulted to a derivative liability as of December 31, 2015 and 2014 amounting to Rp4.2 trillion and Rp3.4 trillion, respectively. For the period ended December 31, 2015 and 2014, net changes in fair value of derivative liability recognized in the consolidated statements of profit or loss and other comprehensive income amounted to loss of Rp462.8 billion and income of Rp540.5 billion, respectively.

#### 37. MONETARY ASSETS AND LIABILITIES IN FOREIGN CURRENCIES

The Group had monetary assets and liabilities in foreign currencies as follows:

	2015		20	)14	
	Mata Uang Asing/ Original Currency	Setara Rupiah <i>Equivalent Rupiah</i>	Mata Uang Asing/ Original Currency	Setara Rupiah <i>Equivalent Rupiah</i>	
Aset					Assets
Kas dan setara kas					Cash and cash equivalents
Dolar AS	23.144.834	319.282.987	12.596.525	156.700.772	US Dollar
Yen Jepang	1.238.278	141.808	222.494	23.195	Japanese Yen
Dolar Singapura	162	1.576	151	1.421	Singaporean Dollar
Investasi jangka pendek					Short-term investments
Dolar AS	24.709.444	340.866.787	172.022.983	2.139.965.911	US Dollar
Piutang usaha					Trade receivables
Dolar AS	9.209.972	127.051.558	34.051.950	423.606.261	US Dollar
Piutang pihak berelasi					Due from related parties
Dolar AS	152.622	2.105.419	17.703.952	220.237.161	US Dollar
Piutang lain-lain					Other receivables
Dolar AS	14.569.639	200.988.169	1.398.101	17.392.378	US Dollar
Kas yang dibatasi					
penggunaannya					Restricted cash in bank
Dolar AS	7.200.000	99.324.000	46.761.971	581.718.914	US Dollar
Dolar AS	78.986.511	1.089.618.920	284.535.482	3.539.621.397	US Dollar
Yen Jepang	1.238.278	141.808	222.494	23.195	Japanese Yen
Dolar Singapura	162	1.576	151	1.421	Singaporean Dollar
Total Aset		1.089.762.304		3.539.646.013	Total Assets

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# **37. ASET DAN LIABILITAS MONETER DALAM MATA UANG ASING** (Lanjutan)

### 37. MONETARY ASSETS AND LIABILITIES IN FOREIGN CURRENCIES (Continued)

	14	20	2015		
	Setara Rupiah	Mata Uang Asing/	Setara Rupiah	Mata Uang Asing/	
	Equivalent Rupiah	<b>Original Currency</b>	Equivalent Rupiah	<b>Original Currency</b>	
Liabilities					Liabilitas
Trade payables					Hutang usaha
US Dollar	747.759.552	60.109.289	242.663.948	17.590.718	Dolar AS
Euro	1.805.964	119.337	163.838	10.872	Euro
Singapore Dollar	347.902	36.924	168.324	17.262	Dolar Singapura
Australian Dollar	565.855	55.377	161.258	16.023	Dolar Australia
Other payables					Hutang lain-lain
US Dollar	23.101.086	1.857.001	21.649.991	1.569.409	Dolar AS
Euro	28.147	1.860	28.029	1.860	Euro
Accrued expenses					Biaya masih harus dibayar
US Dollar	621.882.860	49.990.584	855.626.409	62.024.386	Dolar AS
Hongkong Dollar	1.625	1.013	1.803	1.013	Dolar Hongkong
Pound Sterling	182.081	9.400	192.240	9.400	GBP
Singapore Dollar	1.253	133	41.131	4.218	Dolar Singapura
Japanese Yen	2.453	23.530	-	-	Yen Jepang
Short-term loans					Pinjaman jangka pendek
US Dollar	2.790.600.583	224.324.806	1.549.905.442	130.447.545	Dolar AS
Derivative liabilities					Liabilitas derivative
US Dollar	3.383.980.473	272.024.154	4.244.382.330	289.580.564	Dolar AS
Long-term loans					Pinjaman jangka panjang
US Dollar	932.893.147	74.991.411	689.671.006	49.994.274	Dolar AS
US Dollar	8.500.217.700	683.297.243	7.603.899.126	551.206.895	Dolar AS
Euro	1.834.111	121.197	191.867	12.732	Euro
Singapore Dollar	349.155	37.057	209.455	21.480	Dolar Singapura
Pound Sterling	182.081	9.400	192.240	9.400	GBP
Australian Dollar	565.855	55.377	161.258	16.023	Dolar Australia
Hongkong Dollar	1.625	1.013	1.803	1.013	Dolar Hongkong
Japanese Yen	2.453	23.530		-	Yen Jepang
Total Liabilities	8.503.152.980		7.604.655.749		Total Liabilitas
Asset (Liabilities) - Net	(4.963.506.967)		(6.514.893.445)		Aset (Liabilitas) - Neto

# **38. INSTRUMEN KEUANGAN**

Tabel berikut menyajikan nilai tercatat dan taksiran nilai wajar dari instrumen keuangan Kelompok Usaha yang dicatat di laporan posisi keuangan konsolidasian:

# 38. FINANCIAL INSTRUMENTS

The following table sets forth the carrying values and estimated fair values of Group's financial instruments that were carried on the consolidated statement of financial position:

	2015		201	14	
	Nilai Tercatat /	Nilai Wajar /	Nilai Tercatat /	Nilai Wajar /	
	Carrying Amount	Fair value	Carrying Amount	Fair value	
Aset keuangan					Financial assets
Dimiliki untuk diperdagangkan					Held-for-trading
Dana investasi	340.866.787	340.866.787	900.132.461	900.132.461	Investment fund
Saham yang diperdagangkan	12.073.396	12.073.396	12.196.784	12.196.784	Marketable securities
Sub-total	352.940.183	352.940.183	912.329.245	912.329.245	Sub-total
Pinjaman yang diberikan					
dan piutang					Loans and receivables
Kas dan setara kas	418.099.972	418.099.972	279.176.797	279.176.797	Cash and cash equivalents
Deposito berjangka	2.200.000	2.200.000	3.707.400	3.707.400	Time deposit

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#### 38. INSTRUMEN KEUANGAN (Lanjutan)

#### 38. FINANCIAL INSTRUMENTS (Continued)

Piutang usaha	Nilai Tercatat /	Nilai Wajar /	Nilai Tercatat /	N111 · XX7 · /	
Piutang usaha	Carrying Amount	Fair value	Carrying Amount	Nilai Wajar / <i>Fair value</i>	
					Trade receivables
Pihak ketiga	1.128.861.171	1.128.861.171	1.535.955.042	1.535.955.042	Third parties
Pihak berelasi	32.775.850	32.775.850	43.981.312	43.981.312	Related parties
Piutang lain-lain - pihak ketiga	309.753.825	309.753.825	51.047.506	51.047.506	Other receivables - third parties
Piutang pihak berelasi	226.157.503	226.157.503	365.655.147	365.655.147	Due from related parties
Aset keuangan tidak lancar lainnya					Other non-current financial assets
Kas di bank yang					
dibatasi penggunaannya	214.418.266	214.418.266	632.326.593	632.326.593	Restricted cash in banks Receivable from
Piutang dari komisaris,					commissioners, directors
direksi dan karyawan	7.042.137	7.042.137	5.514.499	5.514.499	and employees
Jaminan	5.428.705	5.428.705	6.459.516	6.459.516	Security deposits
Sub-total	2.344.737.429	2.344.737.429	2.923.823.812	2.923.823.812	Sub-tota.
Aset keuangan tersedia untuk dijual					Available-for-sale financial assets
Efek ekuitas tercatat	83.540.282	83.540.282	1.672.889.909	1.672.889.909	Quoted equity securities
Efek ekuitas tidak tercatat	153.286.009	153.286.009	128.907.748	128.907.748	Unquoted equity securities
Sub-total	236.826.291	236.826.291	1.801.797.657	1.801.797.657	Sub-tota
Jumlah aset keuangan	2.934.503.903	2.934.503.903	5.637.950.714	5.637.950.714	Total financial assets
<b>* • • ••</b> •					<b>F</b> 1 <b>1 1 1 1 1 1</b>
Liabilitas keuangan					Financial liabilities
Liabilitas keuangan pada FVTPL Liabilitas derivatif	4 244 292 220	4 244 282 220	2 292 090 472	2 292 090 472	Financial liability at FVTP1 Derivative liabilities
Liabilitas derivatif	4.244.382.330	4.244.382.330	3.383.980.473	3.383.980.473	Derivative habilities
Liabilitas keuangan yang diukur					
pada biaya perolehan					Financial liabilities at amortized cos
Pinjaman jangka pendek	2.290.237.001	2.290.237.001	3.584.651.697	3.584.651.697	Short-term loan
Utang usaha		10.5 - 0.0 0.00			Trade payables
Pihak ketiga	486.793.803	486.793.803	1.027.176.508	1.027.176.508	Third Parties
Pihak berelasi	2.407.915	2.407.915	2.682.865	2.682.865	Related Parties
Utang lain-lain Pihak ketiga	93.321.288	93.321.288	88.554.557	88.554.557	Other payables Third Parties
Pihak berelasi	28.678.360	28.678.360	8.456.268	88.334.337	Related Parties
Beban masih harus dibayar	1.468.015.807	1.468.015.807	1.000.455.000	1.000.455.000	Accrued expenses
Pinjaman jangka panjang	3.751.120.709	3.751.120.709	3.407.779.286	3.407.779.286	Long-term loans
Utang sewa pembiayaan	2.539.558	2.539.558	4.081.009	4.081.009	Obligation under capital lease
Utang pihak berelasi	204.750.100	204.750.100	128.969.653	128.969.653	Due to related parties
Sub-total	8.327.864.541	8.327.864.541	9.252.806.843	9.252.806.843	Sub-tota
	12.572.246.871	12.572.246.871	12.636.787.316	12.636.787.316	Total Financial Liabilities

Berdasarkan PSAK 60, "Instrumen Keuangan: Pengungkapan", terdapat tingkatan hirarki nilai wajar sebagai berikut:

- (a) harga kuotasian (tidak disesuaikan) dalam pasar aktif untuk aset atau liabilitas yang identik (tingkat 1),
- (b) input selain harga kuotasian yang termasuk dalam tingkat 1 yang dapat diobservasi untuk aset atau liabilitas, baik secara langsung (misalnya harga) atau secara tidak langsung (misalnya derivasi dari harga pasar) (tingkat 2), dan
- (c) input untuk aset atau liabilitas yang bukan berdasarkan data pasar yang dapat diobservasi (input yang tidak dapat diobservasi) (tingkat 3).

Based on PSAK 60, "Financial Instruments: Disclosures", there are levels of fair value hierarchy as follows:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1),
- (b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from market prices) (level 2), and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

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#### **38. INSTRUMEN KEUANGAN** (Lanjutan)

Metode dan asumsi berikut ini digunakan untuk mengestimasi nilai wajar untuk setiap kelompok instrumen keuangan yang praktis untuk memperkirakan nilai tersebut:

Aset dan liabilitas keuangan jangka pendek:

 Instrumen keuangan jangka pendek dengan jatuh tempo satu tahun atau kurang (kas dan setara kas, deposito berjangka, kas yang dibatasi penggunaannya, piutang usaha, piutang lain-lain, piutang pihak berelasi, aset keuangan tidak lancar lainnya, utang usaha, utang lain-lain, beban masih harus dibayar, utang sewa pembiayaan dan utang pihak berelasi).

Instrumen keuangan ini sangat mendekati nilai tercatat mereka karena jatuh tempo mereka dalam jangka pendek (tingkat 2).

• Instrumen keuangan perdagangan dan efek ekuitas tercatat

Instrumen ini diukur pada nilai wajarnya dengan menggunakan teknik penilaian kuotasi harga pasar untuk instrumen tersebut (tingkat 1).

• Instrumen derivatif

Nilai wajar dari instrumen derivatif yang dimiliki ditentukan dengan teknik penilaian tertentu, yang menggunakan data pasar yang dapat diobservasi, antara lain dengan mendiskontokan arus kas masa datang menggunakan suku bunga transaksi pasar terkini yang dapat diobservasi yang berlaku untuk instrumen dengan persyaratan, risiko kredit dan jatuh tempo yang sama (tingkat 2).

Aset dan liabilitas keuangan jangka panjang:

• Liabilitas keuangan jangka panjang dengan suku bunga tetap dan variabel (pinjaman bank jangka panjang yang tidak dikuotasikan).

Nilai wajar dari liabilitas keuangan ini ditentukan dengan mendiskontokan arus kas masa datang menggunakan suku bunga yang berlaku dari transaksi pasar yang dapat diamati untuk instrumen dengan persyaratan, risiko kredit dan jatuh tempo yang sama (tingkat 2).

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 38. FINANCIAL INSTRUMENTS (Continued)

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Short-term financial assets and liabilities:

 Short-term financial instruments with remaining maturities of one year or less (cash and cash equivalents, time deposits, restricted cash in banks, trade receivables, other receivables, due from related parties, other non-current financial assets, short-term loans, trade payables, other payables, accrued expenses, obligation under finance lease and due to related parties).

These financial instruments approximate to carrying amounts largely due to their short-term maturities (level 2).

• Trading financial instruments and quoted equity instruments

These instruments are measured at their fair values using quoted market prices existing for such instruments (level 1).

• Derivative instruments

The fair values of derivative instruments were determined using valuation techniques, which maximizing the use of observable market data, among others by discounting future cash flows using applicable rates from observable current market transactions for instruments with similar terms, credit risk and remaining maturities (level 2).

Long-term financial assets and liabilities:

• Long-term fixed-rate and variable-rate financial liabilities (unquoted long-term bank loan).

The fair value of these financial liabilities is determined by discounting future cash flows using applicable rates from observable current market transactions for instruments with similar terms, credit risk and remaining maturities (level 2).

## 38. INSTRUMEN KEUANGAN (Lanjutan)

• Efek ekuitas tidak tercatat

Untuk aset keuangan tidak lancar lainnya yang tidak dikuotasi di harga pasar dan nilai wajarnya tidak dapat diukur secara handal tanpa menimbulkan biaya yang berlebihan, dicatat berdasarkan nilai nominal dikurangi penurunan nilai.

## **39. MANAJEMEN RISIKO KEUANGAN**

Kegiatan Kelompok Usaha terekspos terhadap berbagai risiko keuangan yaitu: risiko pasar (termasuk risiko suku bunga, risiko mata uang asing dan risiko harga), risiko kredit dan risiko likuiditas.

Tujuan manajemen risiko Kelompok Usaha secara keseluruhan adalah untuk secara efektif mengendalikan risiko-risiko ini dan meminimalisasi pengaruh kerugian yang dapat terjadi terhadap kinerja keuangan kelompok usaha. Direksi menelaah dan menyetujui kebijakan untuk mengendalikan setiap risiko ini, yang diringkas di bawah ini, dan juga memonitor risiko harga pasar dari semua instrumen keuangan.

## a. Risiko Pasar

Risiko pasar adalah risiko yang dapat mempengaruhi Kelompok Usaha akibat fluktuasi dari harga saham aset yang dimiliki, tingkat bunga dan kurs nilai tukar yang terkait dengan portofolio investasi sehingga berdampak pada posisi keuangan dan nilai investasi Kelompok Usaha di pasar, baik dari pergerakan yang tidak sesuai dengan harapan Perusahaan dan peningkatan volatilitas.

Identifikasi, penilaian, dan pemantauan risiko pasar dilakukan terhadap kinerja harga saham Perusahaan dan portofolio investasinya di pasar, volatilitas nilai tukar dan tingkat bunga. Faktor-faktor lain yang dinilai memiliki dampak atau kontribusi terhadap kinerja dan atau volatilitas dari indikator risiko pasar tersebut yang dapat digunakan sebagai data pembanding guna memperoleh akurasi penilaian risiko pasar, antara lain: kinerja fundamental keuangan Perusahaan dan portofolio investasinya, kondisi makroekonomi, serta informasi perkembangan industri terkait lainnya.

## PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 38. FINANCIAL INSTRUMENTS (Continued)

# • Unquoted equity instrument

Other non-current assets that are not stated at quoted market price and whose fair value cannot be reliably measured without incurring excessive costs, are carried at their nominal amounts less any impairment losses.

# **39. FINANCIAL RISK MANAGEMENT**

The Group's activities expose it to a variety of financial risks namely: market risk (including interest rate risk, foreign currency risk and price risk), credit risk and liquidity risk.

The Group's overall risk management objective is to effectively manage these risks and minimize potential adverse effects on its financial performance. The Board of Directors reviews and approves the policies for managing each of these risks, which are summarized below, and also monitors the market price risks arising from all financial instruments.

# a. Market Risk

Market risk refers to the risk that arises when the Group is confronted with fluctuations in share price of the assets owned, interest rates and exchange rates related to the investment portfolio that impact the Group's financial position and investment value on the market, both on market movement against the Company's expectations and volatility increase.

Identification, assessment, and monitoring of market risk are performed on market price performance of the Company's share and its investment portfolio, volatility of exchange rates and interest rate. Other factors considered to have impact on or contributing to performance and/or volatility of the market risk indicators that can be used as reference data in order to obtain accurate market risk assessment, are among others: the performance of the Company's financial fundamentals and its investment portfolio, macroeconomic conditions, as well as information on the development of other related industries.

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#### 39. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

Sebagai langkah mitigasi terhadap risiko pasar, Kelompok Usaha melakukan hal-hal sebagai berikut:

- Menyampaikan laporan penilaian risiko secara berkala yang disampaikan kepada Komite Manajemen Risiko, CEO dan/atau pihak-pihak terkait lainnya untuk ditindaklanjuti dan dijadikan acuan dalam proses pengambilan keputusan. Adapun indikator hasil penilaian risiko pasar yang dilaporkan adalah risiko volatilitas, dan eksposur risiko dalam nilai uang.
- Berkaitan dengan risiko ini, dapat dilihat adanya dua tipe risiko yang harus ditimbang, yaitu adanya eksposur nilai pasar yang berkurang dan eksposur nilai pasar yang meningkat. Pada eksposur pertama, tentunya jika Perusahaan mengambil posisi yang mengasumsikan harga pasar yang meningkat, asumsi ini akan menyebabkan adanya risiko kerugian. Namun, pada eksposur kedua, jika Perusahaan mengambil posisi mengasumsikan kejatuhan pasar, hal ini akan menyebabkan terjadinya risiko kesempatan yang hilang (lost opportunity). Berdasarkan kajian-kajian internal yang telah dilakukan dan dengan pengecekan pada beberapa kajian eksternal, Perusahaan berkesimpulan bahwa terutama di negara berkembang pada umumnya, dan Indonesia pada khususnya, pasar akan mengalami peningkatan yang cukup tinggi seiring dengan laju pertumbuhan ekonomi di negaranegara di luar negara maju. Dalam hal ini, secara singkat, analisa internal menunjukkan bahwa risiko kesempatan yang hilang lebih besar daripada risiko kejatuhan pasar. Penempatan posisi portofolio Perusahaan pada pasar yang sedang meningkat tersebut berkaitan dengan mitigasi faktor risiko pasar.
- Menetapkan limit risiko yang terdiri dari peringkat risiko (*risk rating*) berdasarkan volatilitas harga, rentang nilai beta, rentang nilai eksposur risiko yang masih dapat diterima, dan rentang nilai harga asset dipasar.

## (1) Risiko Suku Bunga

Eksposur Kelompok Usaha terhadap risiko tingkat suku bunga terutama berasal dari simpanan di bank dan fasilitas pinjaman yang didasarkan pada tingkat suku bunga mengambang. Kelompok Usaha mengelola risiko keuangan ini dengan melakukan monitor terhadap tingkat suku bunga pasar.

## PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 39. FINANCIAL RISK MANAGEMENT (Continued)

*As initiatives for mitigating market risk, the Group practices the following:* 

- Delivers periodic risk assessment report to the Risk Management Committee, CEO and/or other relevant parties to be followed-up and used as a reference in the decision-making process. The reported assessment result of market risk indicators are volatility risk, and exposure to the value of money.
- Related to this particular risk, there are two types of risks that need to be considered, i.e., shrinking market value exposure and growing market value exposure. In the first exposure, if the Company takes a position that assumes that the market value is to grow, such a position will create a risk of a loss. On the other hand, in the second exposure, if the Company takes a bearish position, it will create a risk of loss of opportunities. Based on internal analyses and through cross-checking with certain external analyses, the Company concludes that emerging markets in general, and that of Indonesia specifically, will expand as associated with the substantial economic growth experienced with countries outside the developed world. In summary, internal analyses thus show that the risk of having loss of opportunity is greater than the risk of experiencing losses in a bear market. The Company's portfolio's placement in growing markets is related to the market risk factor's mitigation initiatives.
- Sets risk limit that consists of risk rating based on price volatility, beta value range, the acceptable range of risk exposures, and the range of prices of assets on the market.

## (1) Interest Rate Risk

The Group's exposure to interest rate risk is resulted from deposits with banks and credit facilities based on floating interest rates. The Group manages this financial risk by monitoring the market interest risk movement.

Additional Informa

## 39. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

Berdasarkan estimasi manajemen, sampai dengan tanggal pelaporan Perusahaan berikutnya, suku bunga mungkin meningkat/ menurun 50 basis poin dibandingkan tingkat bunga pada tanggal 31 Desember 2015 dan 2014.

Jika selama 31 Desember 2015 dan 2014 suku bunga lebih tinggi/rendah 50 basis poin dengan seluruh variabel lain tetap, maka dampak terhadap laba sebelum pajak pada 31 Desember 2015 dan 2014 akan berupa peningkatan/ penurunan biaya bunga sekitar Rp32,4 miliar dan Rp36,5 miliar.

#### (2) Risiko Mata Uang Asing

Kelompok Usaha terekspos risiko perubahan nilai tukar mata uang asing terutama dari biaya, aset dan liabilitas tertentu dalam Dolar AS, Dolar Singapura, Euro, Dolar Australia dan Yen yang timbul karena aktivitas pendanaan dan kegiatan operasional seharihari. Kelompok Usaha memonitor dan mengelola risiko ini dengan menyepadankan liabilitas keuangan dalam mata uang asing dengan aset keuangan dalam mata uang asing terkait dan melakukan pembelian atau penjualan mata uang asing saat diperlukan.

Manajemen memperkirakan bahwa nilai tukar Rupiah terhadap Dolar Amerika Serikat, Dolar Singapura, Euro, Dolar Australia dan Yen dapat melemah/menguat dalam kisaran hingga 3% dan 3,5% dibandingkan dengan nilai tukar pada tanggal 31 Desember 2015 dan 2014.

Jika Rupiah melemah/menguat hingga 3,5% untuk tahun 2015 dan 2% untuk tahun 2014 terhadap mata uang Dolar Amerika Serikat, Dolar Singapura, Euro, Dolar Australia dan Yen dengan seluruh variabel lain tetap, maka laba sebelum pajak akan menjadi lebih tinggi/rendah masing-masing sebesar sekitar Rp225,9 miliar dan Rp143,4 miliar untuk tahun yang berakhir pada tanggal 31 Desember 2015 dan 2014.

## PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 39. FINANCIAL RISK MANAGEMENT (Continued)

Based on management's estimate, until the Company's next reporting date, the interest rates may increase/ decrease by 50 basis points, compared to the interest rate at December 31, 2015 and 2014.

If during December 31, 2015 and 2014 interest rate had been 50 basis points higher/lower with all other variables held constant, the effect on December 31, 2015 and 2014 income before tax would have been an increase/decrease of interest expense by approximately Rp32,4 billion and Rp36.5 billion, respectively.

## (2) Foreign Currency Risk

The Group is exposed to changes in foreign currency exchange rate primarily from certain expenses, assets and liabilities in US Dollar, Singapore Dollar, Euro, Australian Dollar, and Yen which arise from financing activities and daily operations. The Group monitors and manages the risk by matching the foreign currency financial liabilities with relevant foreign currency assets and buying or selling foreign currencies at spot rate when necessary.

Management estimates that the exchange rate of Rupiah against US Dollar, Singapore Dollar, Euro, Australian Dollar and Yen may weaken/strengthen within a range of up to 3% and 3.5% compared to the exchange rate as of December 31, 2015 and 2014.

If Rupiah had weakened/strengthened by up to 3.5% for 2015 and 2% for 2014 against US Dollar, Singapore Dollar, Euro, Australian Dollar, and Yen with all other variables held constant, income before tax would have increased/decreased approximately by Rp225.9 billion and Rp143.4 billion for the years ended December 31, 2015 and 2014, respectively.

Corporate Profile

#### 39. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

## (3) Risiko Harga

Kelompok Usaha menghadapi risiko harga ekuitas sekuritas karena investasi perdagangan sekuritas dan perdagangan investasi efek tersedia untuk dijual yang dimiliki oleh Kelompok Usaha. Untuk mengelola risiko harga yang timbul dari investasi pada efek ekuitas, Kelompok Usaha mendiversifikasi portofolionya. Diversifikasi portofolio dilakukan dalam batas-batas yang ditetapkan oleh Kelompok Usaha.

Dampak dari kenaikan atau penurunan indeks ekuitas sebesar 10% dan 20% pada tanggal 31 Desember 2015 dan 2014 dengan semua variabel lainnya yang dimiliki secara konstan dan semua instrumen ekuitas Kelompok usaha dipindahkan sesuai dengan korelasi historis indeks, pada komponen ekuitas Kelompok Usaha sebelum pajak untuk tahun akan menjadi lebih tinggi/lebih rendah masing-masing sebesar Rp2,9 miliar dan Rp8,8 miliar.

### b. Risiko Kredit

Risiko kredit adalah risiko di mana arus kas yang telah dijanjikan dari piutang Kelompok Usaha maupun dari sekuritas yang dipegang Kelompok Usaha tidak dibayar penuh atau gagal dibayar. Transaksi ini dapat bersumber dari berbagai aktivitas operasi dan investasi.

Proses identifikasi risiko kredit dilakukan terhadap berbagai faktor, yaitu antara lain: tujuan kredit dan sumber pembayaran; profil risiko terkini dari calon debitur; kecukupan dan kualitas agunan/jaminan; analisis kemampuan untuk membayar kembali; analisis kemampuan bisnis internal dan perbandingan (*benchmarking*) dengan industri sejenis; serta rencana mitigasi risiko debitur apabila mengalami gagal bayar. Dalam proses pengelolaan risiko kredit tersebut, Kelompok Usaha menetapkan suatu *limit* risiko yang harus dipatuhi dan dijadikan acuan dalam pengelolaan transaksi investasi dan non-investasi yang termasuk kategori risiko kredit.

## PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 39. FINANCIAL RISK MANAGEMENT (Continued)

#### (3) Price Risk

The Group is exposed to equity securities price risk because of the trading securities investment and available for sale securities investments held by the Group. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done within the limits set by the Group.

The impact of increase or decrease on equity index amounting to 10% and 20% for December 31, 2015 and 2014 with all other variables held constant and all the Group's equity instruments moved according to the historical correlation of the index, on the Group's component of equity before tax for the year would have been higher/ lower amounting to Rp2.9 billion and Rp8.8 billion, respectively.

## b. Credit Risk

Credit risk is the risk that promised cash flows from receivables and securities held by the Group are not paid in full or are subject to default. The transactions may come from various operating or investing activities.

Credit risk identification process is carried out on various factors, including among other things: the purpose of credit and sources of payment; current risk profile of prospective borrowers, the adequacy and quality of collateral; analysis of ability to pay back; internal business capabilities analysis and comparison (benchmarking) with similar industry, as well as risk mitigation plan if the debtor has defaulted. In the process of managing credit risk, the Group has set a limit of risk that must be observed and used as a reference in the management of investment and non-investment transactions that include credit risk category.

## PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 39. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

Eksposur maksimum risiko kredit adalah sebagai berikut:

## 39. FINANCIAL RISK MANAGEMENT (Continued)

Maximum exposure to credit risk is as follows:

	2015	2014	
Dimiliki untuk diperdagangkan			Held-for-trading
Dana Investasi	340.866.787	900.132.461	Investment fund
Saham yang diperdagangkan	12.073.396	12.196.784	Marketable securities
Pinjaman yang diberikan			
dan piutang			Loans and receivables
Kas dan setara kas	417.036.156	278.198.331	Cash and cash equivalents
Deposito berjangka	2.200.000	3.707.400	Time deposits
Piutang usaha			Trade receivables
Pihak ketiga	1.128.861.171	1.535.955.042	Third parties
Pihak berelasi	32.775.850	43.981.312	Related parties
Piutang lain-lain - pihak ketiga	309.753.825	51.047.506	Other receivables - third parties
Piutang pihak berelasi	226.157.503	365.655.147	Due from related parties
Aset keuangan tidak lancar			Other non-current
lainnya			financial assets
Kas di bank yang dibatasi			
penggunaannya	214.418.265	632.326.593	Restricted cash in banks
Piutang dari komisaris,			Receivable from commissioners,
direksi dan karyawan	7.042.137	5.514.499	directors and employees
Jaminan	5.428.705	6.459.516	Security deposits
Aset keuangan tersedia untuk dijual			Available-for-sale financial assets
Efek ekuitas tercatat	83.540.282	1.672.889.909	Quoted equity securities
Efek ekuitas tidak tercatat	153.286.009	128.907.748	Unquoted equity securities
Total	2.933.440.086	5.636.972.248	Total
Per mitra penyeimbang			By counterparty
Bank - pihak ketiga	633.654.421	914.232.324	Bank - third parties
Pihak ketiga	1.796.983.884	2.519.166.359	Third party
Pihak berelasi	502.801.781	2.203.573.565	Related party
Total	2.933.440.086	5.636.972.248	Total

Analisis umur aset keuangan yang belum jatuh tempo atau tidak mengalami penurunan nilai dan yang lewat jatuh tempo pada akhir periode pelaporan tetapi tidak mengalami penurunan nilai adalah sebagai berikut: The aging analysis of financial assets that are not yet due or are not impaired and were past due at the end of the reporting period but not impaired was as follows:

		2015					
	Belum						
	Jatuh Tempo	Telah Jat	Telah Jatuh Tempo tetapi Tidak Mengalami Penurunan Nilai/				
	ataupun		Past Due but	Not Impaired			
	Mengalami	Kurang dari					
	Penurunan Nilai/	3 bulan/	3 bulan - 6 bulan/	6 bulan - 1 tahun/	Lebih dari		
	Neither Past Due	Less than	3 months -	6 months -	1 tahun/	Total/	
	nor Impaired	3 months	6 months	1 year	Over 1 year	Total	
Dimiliki untuk diperdagangka	n						Held-for-trading
Dana Investasi	340.866.787	-	-	-	-	340.866.787	Investment Fund
Saham yang diperdagangkan	12.073.396	-	-	-	-	12.073.396	Marketable securities

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## PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

# 39. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

## 39. FINANCIAL RISK MANAGEMENT (Continued)

	2015						
	Belum Jatuh Tempo ataupun	Telah Jatuh Tempo tetapi Tidak Mengalami Penurunan Nilai/ Past Due but Not Impaired					
	Mengalami Penurunan Nilai/ Neither Past Due nor Impaired	Kurang dari 3 bulan/ Less than 3 months	3 bulan - 6 bulan/ 3 months - 6 months	6 bulan - 1 tahun/ 6 months - 1 year	Lebih dari 1 tahun/ Over 1 year	Total/ <i>Total</i>	
Pinjaman yang diberikan dan							
piutang							Loans and receivables
Kas dan setara kas	354.958.656	62.077.500	-	-	-	417.036.156	Cash and cash equivalents
Deposito berjangka	-	-	-	-	2.200.000	2.200.000	Time Deposit
Piutang usaha	738.352.095	157.746.109	39.721.059	129.286.987	96.530.771	1.161.637.021	Trade receivables
Piutang lain-lain	-	380.192	-	-	309.373.633	309.753.825	Other receivables
Piutang pihak berelasi Aset keuangan tidak lancar lainnya	-	-	-	-	226.157.503	226.157.503	Due from related parties Other non-current financial assets
Kas di bank yang dibatasi penggunaannya	214.418.265	-	-	-	-	214.418.265	Restricted cash in banks Receivable from
Piutang dari komisaris,							commissioners, directors
direksi dan karyawan	-	-	-	-	7.042.137	7.042.137	and employees
Jaminan	5.428.705	-	-	-	-	5.428.705	Security deposits
Aset keuangan tersedia untuk dijual							Available-for-sale financial assets
Efek ekuitas tercatat	83.540.282	-	-	-	-	83.540.282	Quoted equity securities
Efek ekuitas tidak tercatat	153.286.009				-	153.286.009	Unquoted equity securities
Total	1.902.924.195	220.203.801	39.721.059	129.286.987	641.304.044	2.933.440.086	Total

			20	)14				
	Belum Jatuh Tempo ataupun	Telah Jatuh Tempo tetapi Tidak Mengalami Penurunan Nilai/ Past Due but Not Impaired			Jatuh Tempo Telah Jatuh Tempo ataupun			
	Mengalami Penurunan Nilai/ Neither Past Due nor Impaired	Kurang dari 3 bulan/ <i>Less than</i> 3 months	3 bulan - 6 bulan/ 3 months - 6 months	6 bulan - 1 tahun/ 6 months - 1 year	Lebih dari 1 tahun/ <i>Over 1 year</i>	Total/ <i>Total</i>		
Dimiliki untuk diperdagangka	ın						Held-for-trading	
Dana Investasi Saham yang diperdagangkan	900.132.461 12.196.784	-	-	-	-	900.132.461 12.196.784	Investment Fund Marketable securities	
Pinjaman yang diberikan dan								
piutang							Loans and receivables	
Kas dan setara kas	270.002.703	8.195.628	-	-	-	278.198.331	Cash and cash equivalents	
Deposito berjangka	-	-	-	-	3.707.400	3.707.400	Time Deposit	
Piutang usaha	785.945.463	447.464.383	158.773.282	78.912.637	108.840.589	1.579.936.354	Trade receivables	
Piutang lain-lain	-	380.192	-	-	50.667.314	51.047.506	Other receivables	
Piutang pihak berelasi	-	-	-	4.292.974	361.362.173	365.655.147	Due from related parties	
Aset keuangan tidak lancar							Other non-current	
lainnya							financial assets	
Kas di bank yang dibatasi								
penggunaannya Piutang dari komisaris,	632.326.593	-	-	-	-	632.326.593	Restricted cash in banks Receivable from commissioners, directors	
direksi dan karyawan	-	_	-	-	5,514,499	5,514,499	and employees	
Jaminan	6.459.516	-	-	-	-	6.459.516	Security deposits	
Aset keuangan tersedia untuk dijual							Available-for-sale financial assets	
Efek ekuitas tercatat	1.672.889.909	-	-	-	-	1.672.889.909	Quoted equity securities	
Efek ekuitas tidak tercatat	128.907.748	-				128.907.748	Unquoted equity securities	
Total	4.408.861.177	456.040.203	158.773.282	83.205.611	530.091.975	5.636.972.248	Total	



## 39. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

#### c. Risiko Likuiditas

Risiko likuiditas adalah risiko atau kerugian yang mungkin diderita ketika ada pelunasan liabilitas yang menyebabkan Kelompok Usaha berada dalam posisi harus melikuidasi aset dalam waktu sangat singkat dan dengan harga rendah. Termasuk dalam kategori risiko likuiditas yang harus dikelola adalah risiko likuiditas aset dan risiko ketersediaan arus kas. Risiko likuiditas aset dihasilkan dari posisi pelaku pasar dengan jumlah besar telah mempengaruhi harga sekuritas aset Kelompok Usaha di pasar. Karena itu, risiko likuiditas aset Kelompok Usaha banyak tergantung kepada fluktuasi harga saham di pasar, yang dipengaruhi oleh beberapa faktor yaitu: besarnya volume transaksi aset saham Perusahaan, selisih antara harga penawaran dan permintaan di pasar, dan total nilai pasar dari saham yang beredar. Dampak risiko ini terhadap Perusahaan adalah munculnya kewajiban untuk menambah nilai jaminan pinjaman Perusahaan kepada pihak terkait sesuai dengan perjanjian yang disepakati. Risiko arus kas muncul akibat ketidak-tersediaan dana tunai Kelompok Usaha untuk membayar pokok dan atau bunga yang telah jatuh tempo.

Sebagai langkah mitigasi terhadap risiko likuiditas, maka Kelompok Usaha melakukan hal-hal sebagai berikut:

- Pemantauan eksposur risiko likuiditas aset Kelompok Usaha dan risiko ketersediaan arus kas yang diikuti oleh pengujian model kondisi model keuangan Kelompok Usaha di dalam situasi yang sulit (stress testing);
- Hasil uji di atas dipakai selanjutnya untuk mengidentifikasi faktor-faktor risiko berdasarkan skala sensitivitasnya pada kinerja keuangan Kelompok Usaha yang akan menuntun Kelompok Usaha untuk pengambilan langkahlangkah pencegahan lebih spesifik;
- Upaya-upaya berkesinambungan untuk jika memungkinkan dan lebih menguntungkan Kelompok Usaha melakukan proses pelunasan utang melalui skema tanpa penggunaan arus kas adalah bentuk lain dari mitigasi risiko likuiditas ini.

#### PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 39. FINANCIAL RISK MANAGEMENT (Continued)

## c. Liquidity Risk

Liquidity risk is the risk incurred when a surge in liability withdrawals may put the Group in a position of having to liquidate assets in a very short period of time and at low prices. Included in the category of liquidity risk to be managed are the asset liquidity risk and cash flow availability. Asset liquidity risk resulting from the large quantity positions taken by market participants has affected the securities market price of the Group's assets. Therefore, liquidity risk on the assets of the Group depends largely on stock price fluctuations on the market, which is influenced by several factors: the volume of transactions of shares of the Company assets, the difference between bid and ask price on the market, and the total market value of shares outstanding. The impact of risk on the Company is the top-up obligations to increase the value of the Company's loan collateral to related parties in accordance with the agreed contract. Cash flow risk arises due to lack of cash availability for the Group to pay principal and/or interest that becomes due.

As initiatives for mitigating liquidity risk, the Group practices the following:

- Monitors liquidity risk exposure of Group assets and the availability of cash flow risk, followed by testing the model conditions in the Group's financial model in a difficult situation (stress testing);
- The above test results are then used to identify risk factors based on the scale of sensitivity on the financial performance of the Group which will lead the Group to take more specific preventive measures;
- Ongoing attempts to obtain non-cash debt settlement that may benefit the Group more, if possible, are other forms of liquidity risk mitigation initiatives.

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## 39. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

Tabel di bawah ini menganalisis kewajiban keuangan Kelompok Usaha menuju jatuh tempo yang relevan berdasarkan sisa jatuh tempo kontrak dari instrumen keuangan. Jumlah yang diungkapkan adalah arus kas kontraktual yang tidak didiskontokan. Saldo jatuh tempo dalam satu tahun sama dengan nilai tercatatnya sebagai dampak dari diskonto yang tidak signifikan.

## PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 39. FINANCIAL RISK MANAGEMENT (Continued)

The table below analyses the Group's financial liabilities into its relevant maturity based on the remaining contractual maturity of the financial instruments. The amounts disclosed are the contractual undiscounted cash flows. Balances due within one year equal their carrying balances as the impact of discounting is not significant.

	Aru				
	Jumlah tercatat / Carrying amount	Kurang dari 1 tahun / Less than 1 year	Antara 1 dan 5 tahun / <i>Between</i> <u>1 and 5 years</u>	Lebih dari 5 tahun / Over 5 years	
Tanggal 31 Desember 2015					As of December 31, 2015
Pinjaman dan hutang					Loans and borrowings
Pinjaman jangka pendek	2.290.237.001	2.290.237.001	-	-	Short-term loan
Utang usaha	489.201.718	489.201.718	-	-	Trade payables
Utang lain-lain	121.999.649	121.999.649	-	-	Other payables
Beban masih harus dibayar	1.468.015.807	1.468.015.807	-	-	Accrued expenses
Pinjaman jangka panjang	3.751.120.709	2.880.413.326	870.707.383	-	Long-term loans
Utang sewa pembiayaan	2.539.559	1.807.752	731.807	-	Obligation under capital lease
Utang pihak berelasi	204.750.100		204.825.100	-	Due to related parties
Total	8.327.864.543	7.251.675.253	1.076.264.290	-	Total

	Aru				
	Jumlah tercatat / <i>Carrying</i> amount	Kurang dari 1 tahun / Less than 1 year	Antara 1 dan 5 tahun / <i>Between</i> 1 and 5 years	Lebih dari 5 tahun / <i>Over</i> 5 years	
Tanggal 31 Desember 2014					As of December 31, 2014
Pinjaman dan hutang					Loans and borrowings
Pinjaman jangka pendek	3.584.651.697	3.584.651.697	-	-	Short-term loan
Hutang usaha	1.029.859.373	1.029.859.373	-	-	Trade payables
Hutang lain-lain	97.010.826	97.010.826	-	-	Other payables
Beban masih harus dibayar	1.000.455.000	1.000.455.000	-	-	Accrued expenses
Pinjaman jangka panjang	3.407.779.286	2.263.865.218	1.143.914.068	-	Long-term loans
Hutang sewa pembiayaan	4.081.009	2.153.420	1.927.589	-	Obligation under capital lease
Hutang pihak berelasi	128.969.653		128.969.653	-	Due to related parties
Total	9.252.806.844	7.977.995.534	1.274.811.310	-	Total

Additional Information



#### 39. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

#### Pengelolaan Modal

Tujuan utama dari pengelolaan modal Kelompok Usaha adalah untuk memastikan bahwa dipertahankannya peringkat kredit yang kuat dan rasio modal yang sehat agar dapat mendukung kelancaran usahanya dan memaksimalkan nilai dari pemegang saham. Kelompok Usaha mengelola struktur modalnya dan membuat penyesuaianpenyesuaian sehubungan dengan perubahan kondisi ekonomi dan karakteristik dari risiko usahanya. Agar dapat menjaga dan menyesuaikan struktur modalnya, Kelompok Usaha akan menyesuaikan jumlah dari pembayaran dividen kepada para pemegang saham atau tingkat pengembalian modal atau menerbitkan surat saham. Tidak ada perubahan dalam tujuan, kebijakan dan proses dan sama seperti penerapan tahun-tahun sebelumnya.

Kelompok Usaha memonitor struktur modalnya dengan menggunakan rasio utang terhadap modal dimana total utang dibagi dengan total modal. Total utang ini adalah utang pokok dari pinjaman yang berbunga dan total modal adalah total ekuitas yang dapat diatribusikan kepada pemilik entitas induk.

## 40. MANAJEMEN RISIKO LAIN

Kelompok Usaha mengklasifikasikan beberapa kategori risiko yang dinilai memiliki potensi yang cukup besar untuk dihadapi oleh Kelompok Usaha. Namun, hal ini tidak menutup kemungkinan eksposur dari jenis risiko lainnya yang juga dapat dihadapi oleh Kelompok Usaha.

#### a. Risiko Strategis

Risiko strategis adalah risiko atau potensi kerugian yang mungkin diderita oleh Perusahaan sebagai perusahaan investasi akibat tidak tercapainya target pendapatan dari strategi investasi dan atau langkah strategis Perusahaan yang telah ditetapkan oleh Manajemen di level Perusahaan ataupun portofolio inti dan/atau Entitas Anak dalam kurun waktu satu tahun. Termasuk juga di dalam risiko strategis adalah risiko negara Indonesia (*country risk*) sebagai tempat dan kedudukan Kelompok Usaha dalam menjalankan sebagian besar aktivitas bisnisnya dan citra/reputasi (*reputation risk*) yang tidak hanya mencakup Perusahaan beserta portofolionya namun Kelompok Usaha secara keseluruhan. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 39. FINANCIAL RISK MANAGEMENT (Continued)

#### Capital Management

The main objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments with respect to changes in economic conditions and the characteristics of its business risks. In order to maintain and adjust its capital structure, the Group may adjust the amount of dividend payments to shareholders, return capital structure or issue shares certificates. No changes have been made in the objectives, policies and processes as they have been applied in previous years.

The Group monitors its use of capital structure using a debt-to-equity ratio which is total debt divided by total equity. Total debt represents interest bearing borrowings, while equity represents total equity attributable to owners of the parent.

## 40. OTHER RISK MANAGEMENT

The Group classifies several categories of certain risks that are assessed to have quite significant exposures for the Group. However, there may also be other risk exposures that the Group may deal with.

#### a. Strategic Risk

Strategic risk is the risk or potential loss that the Company may suffer as an investment company reaching its targets for earnings and investment strategy or strategic steps of the Company established by the Management at the Company or core portfolio level and/or its Subsidiaries within one year. Included also in strategic risk are country risk of Indonesia, as the place and position where the Group carries out most of its business activities, and reputational risk, which includes not only the reputational risk of the Company and its portfolio but also the Group as a whole.

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## 40. MANAJEMEN RISIKO LAIN (Lanjutan)

Terkait dengan portofolio investasi dan penilaian terhadap kondisi makroekonomi, Kelompok Usaha dapat terekspos risiko terhadap perubahan komposisi portofolio investasi di mana Kelompok Usaha dapat mengambil keputusan untuk menambah atau mengurangi eksposur pada industri-industri dan asetaset investasi tertentu. Di samping itu, Kelompok Usaha mempunyai risiko terhadap perubahan komposisi pembiayaannya, yang dibatasi oleh ketentuan dan perundang-undangan yang berlaku.

Identifikasi, penilaian dan pemantauan risiko mulai dilakukan pada tahap perencanaan dan penganggaran setiap strategi investasi yang akan dijalankan oleh Perusahaan, operasionalisasi, dan hasil akhirnya. Faktor-faktor risiko utama yang dapat menciptakan risiko strategis apabila tidak dikelola dengan baik antara lain yaitu sumber permodalan, sinergi kegiatan operasional, praktek tata kelola perusahaan yang baik, kondisi makroekonomi, regulasi Pemerintah, situasi politik, reputasi Kelompok Usaha, serta sistem keuangan dan perbankan.

Sebagai langkah mitigasi terhadap risiko strategis, maka Kelompok usaha melakukan hal-hal berikut:

- Melakukan identifikasi dan penilaian risiko, dan memberikan rekomendasi kepada Dewan Direksi dan Komite Manajemen Risiko terhadap semua rencana investasi terutama yang berhubungan dengan perubahan portofolio investasi dan pembiayaan dan/atau langkah strategis Kelompok usaha secara akurat serta memenuhi prinsip kehati-hatian.
- Bekerjasama dalam *IFRLWG* (*Investment*, *Finance*, *Risk & Legal Working Group*) Kelompok Usaha untuk menyukseskan terjadinya transaksi, pemantauan operasionalisasi, dan pencapaian target pendapatan.
- Melakukan penelaahan dan pengawasan atas profil risiko yang telah diidentifikasi dan dinilai sebelumnya secara berkala dan melaporkannya kepada Direksi dan Komite Manajemen Risiko.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

#### 40. OTHER RISK MANAGEMENT (Continued)

In relation to investment portfolio and assessment of macroeconomic conditions, the Group may be exposed to the risk of changes in investment portfolio composition in which the Group may decide to increase or reduce exposure to certain industries and investment assets. In addition, the Group is exposed to the risk of changes in its financing composition, which is limited by regulations and legislations in force.

Risk identification, assessment and monitoring start at planning and budgeting of each investment strategy that will be executed by the Company, operationalization, and the end result. The main risk factors that may create strategic risk if not properly managed, are among others, the source of capital, operational synergies, practice of good corporate governance, macroeconomic conditions, government regulations, political situation, reputation of the Company and the Group, and the financial and banking systems.

As initiatives for mitigating strategic risks, the Group practices the following:

- Identifies and assesses risk, and provides recommendations to the Board of Directors and the Risk Management Committee on all investment plans especially the ones that are related to investment portfolio changes and financing and/or strategic initiatives of the Group on an accurate and prudent basis.
- Works together in IFRLWG (Investment, Finance, Risk & Legal Working Group) for transactions' success, monitoring of operations, and achievement of revenue targets.
- Reviews and monitors risk profiles that have been previously identified and assessed periodically and reports them to the Board of Directors and the Risk Management Committee.

## 40. MANAJEMEN RISIKO LAIN (Lanjutan)

• Membangun *brand* Bakrie & Brothers yang unik dan positif di antara usaha-usaha di dalam Kelompok Usaha Bakrie sehingga dapat mendukung reputasi yang lebih baik lagi dari Kelompok Usaha dengan membangun kerjasama secara intensif dan profesional dengan pihakpihak terkait, antara lain kreditur, media cetak/elektronik, regulator, analis, investor, dan manajemen portofolio inti dan/atau Entitas anak serta kegiatan-kegiatan yang berdampak langsung pada masyarakat.

## b. Risiko Kebangkrutan

Risiko kebangkrutan adalah risiko atau kerugian yang mungkin diderita oleh Kelompok Usaha akibat dari Kelompok Usaha tidak mempunyai aset yang cukup untuk menutup klaim yang diterima Kelompok Usaha termasuk juga klaim yang bersifat jangka panjang. Dampak risiko ini terhadap Kelompok Usaha adalah kemungkinan Kelompok Usaha dianggap tidak sanggup untuk membayar klaim yang ada.

Sebagai langkah mitigasi terhadap risiko solvabilitas, maka Kelompok Usaha melakukan pemantauan terhadap rasio-rasio keuangan Kelompok Usaha yang terkait dengan risiko solvabilitas sehingga Kelompok Usaha dapat mendeteksi secara dini kemungkinan terjadinya risiko tersebut dan dapat mengambil langkah-langkah pencegahan yang lebih awal. Langkah-langkah tersebut antara lain:

- Kelompok Usaha telah berusaha merubah profil utang terutamanya dengan melakukan *debt-toasset settlement* untuk menjauhkan Kelompok Usaha dari kemungkinan *insolvency* yang dapat dilihat dari rasio antara selisih aset lancar dan liabilitas lancar dan jumlah aset.
- Kelompok Usaha berusaha mengurangi adanya kemungkinan *cash-call* yang mendadak dengan adanya program *asset liability management* yang mengingatkan Kelompok Usaha akan adanya jadwal *cash call* secara lebih dini sehingga memungkinkan pengelolaan arus kas yang lebih baik.
- Kelompok Usaha berusaha mengarahkan pembiayaan proyek-proyek besar dengan skema *project financing* bukan dengan *corporate financing*.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 40. OTHER RISK MANAGEMENT (Continued)

• Builds a unique and positive brand of Bakrie & Brothers among the efforts in Bakrie Group to support a better reputation for the Bakrie Group in order to develop intensively professional cooperation with relevant parties, including creditors, print/electronic media, regulators, analysts, investors, and management of core portfolio and/or its Subsidiaries and the activities that have direct impact on society.

## b. Insolvency Risk

In solvency risk is the risk or loss that the Group may suffer as a result of the Group not having sufficient assets to cover claims received by the Group including claims of long-term nature. The impact of risk on the Group is the possibility of the Group being unable to pay existing claims.

As initiatives toward mitigation of solvency risk, the Group monitors the financial ratios associated with the risk of solvency, thus, enabling the early detection of the possibility of those risks and hence taking preventive measures earlier. Some of these measures include:

- The Group has been trying to reprofile its debts mainly through debt-to-asset settlement to move the Group further away from insolvency possibility which can be checked against the ratio on the difference between current asset and liabilities and the total assets.
- The Group has been trying to reduce the possibility of having sudden cash-calls by having an asset-liability management program that will alert the Group earlier on the cash-call schedule so that cash flow management may improve.
- The Group has been trying to direct large-scale project funding through project financing schemes instead of corporate financing.

## 40. MANAJEMEN RISIKO LAIN (Lanjutan)

# c. Risiko Ketidak-sesuaian Jangka Waktu (Mismatch Risk)

Risiko Mismatch adalah risiko atau kerugian yang mungkin diderita oleh Kelompok Usaha akibat dari ketidaksesuaian antara maturity atau waktu jatuh tempo liabilitas dibandingkan dengan asset Kelompok Usaha yang dibiayai oleh liabilitas tersebut. Dampak risiko ini terhadap Kelompok Usaha dapat berlanjut kepada risiko Kelompok Usaha yang lainnya seperti risiko likuiditas. Risiko mismatch dapat terjadi dari Risiko Pendanaan Ulang (refinancing risk) di mana biaya untuk pendanaan ulang di masa yang akan datang meningkat dan menjadi lebih besar dari imbal hasil yang didapat dari kegiatan investasi Kelompok Usaha, dan risiko investasi ulang (reinvestment risk) di mana imbal hasil dana yang diperoleh untuk diinvestasikan kembali menurun dan menjadi lebih kecil dari biaya pendanaan.

Sebagai langkah mitigasi terhadap risiko *mismatch*, maka Kelompok Usaha melakukan identifikasi kemungkinan terjadinya ketidak-sesuaian antara waktu jatuh tempo liabilitas dibandingkan dengan asset yang dibiayainya serta melakukan koordinasi dengan fungsi-fungsi terkait Kelompok Usaha, yaitu fungsi Investasi dan Keuangan, terutama melalui upaya profil ulang portofolio investasi dan pembiayaan.

#### d. Risiko Operasional (Operational Risk)

Risiko operasional adalah risiko atau kerugian Kelompok Usaha yang mungkin datang dari kelalaian, kesalahan, dan atau manipulasi/kecurangan (fraud) dalam pengelolaan bisnis internal terkait dengan sistem Kebijakan dan Prosedur (SOP), Sumber Daya Manusia, pengelolaan aktivitas trading saham, sistem manajemen aset dan kewajiban keuangan, dan perangkat pendukung lainnya maupun juga yang terkait dengan peraturan perundangundangan dan aspek legal yang lain. Dalam kategori risiko ini, Kelompok Usaha dapat terekspos risiko pajak terkait dengan kemungkinan adanya perbedaan tafsir tentang peraturan pajak yang berlaku antar pihak-pihak yang berwewenang, di mana Kelompok Usaha telah mengambil kebijakan untuk menaati dan mematuhi semua peraturan yang terkait. Di samping itu, risiko operasional dapat juga ditimbulkan oleh adanya proses pengambilan keputusan yang tidak tepat dan koordinasi yang kurang baik antar fungsi dan struktur di lingkungan Kelompok Usaha.

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## 40. OTHER RISK MANAGEMENT (Continued)

## c. Mismatch Risk

Mismatch risk is the risk or loss that the Group may suffer from the mismatch between the maturity or maturing liabilities compared to assets of the Group that are financed by such obligations. The impact of such a risk on the Group may spread to other types of risks of the Group such as liquidity risk. Mismatch risk can occur from refinancing efforts (refinancing risk) in which the cost for refinancing in the future increases and becomes greater than the yield obtained from the investing activities of the Group, and reinvesting efforts (reinvestment risk) in which yields of the proceeds to be reinvested decrease and become lower than the cost of funds.

As initiatives towards the mitigation of mismatch risk, the Group identifies the possibility of the discrepancy between maturing liabilities against assets to be financed as well as coordinates with the relevant functions of the Group, i.e., the Investment and Finance functions, mainly through reprofiling efforts on investment portfolio and financing.

#### d. Operational Risk

Operational risk is risk or loss that the Group may suffer as a result of negligence, mistakes, and/or fraud that occurs internally as related to the system of Policy & Procedure (SOP), human resource management, stock trading activity, asset and liability management system, and other supporting structures along with laws and other legal aspects. In this risk category, the Group may be exposed to tax risk due to possibility of differing interpretations on the tax laws among parties, wherein the Group has adopted the policy to adhere and abide by all standing regulations. Operational risk may also arise due to ineffective decision making process and poor coordination among various functions and structures in the Group.

#### 40. MANAJEMEN RISIKO LAIN (Lanjutan)

Langkah mitigasi terhadap risiko ini meliputi penerapan sanksi atas ketidakpatuhan terhadap sistem, implementasi kerangka kerja *Enterprise Risk Management*, dan pemantauan bersama antara fungsi Kepatuhan (*Compliance*) dan fungsi legal atas kepatuhan Kelompok Usaha terhadap berbagai macam peraturan perundang-undangan dan aspek legal.

#### 41. KUASI-REORGANISASI

Sampai dengan tanggal 30 Juni 2011, Perusahaan mencatat saldo defisit sebesar Rp27,7 triliun. Saldo ini merupakan akumulasi defisit dari dua krisis finansial yang menimpa Indonesia dan dunia, yakni krisis finansial Asia di tahun 1998 dan resesi global di tahun 2008. Mayoritas defisit ini merupakan akumulasi dari kerugian bersih Perusahaan sebesar Rp16,5 triliun di tahun 2008, Rp1,7 triliun di tahun 2009 dan Rp7,6 triliun di tahun 2010.

Untuk mengeliminasi defisit, Perusahaan melakukan kuasi-reorganisasi sesuai dengan PSAK No. 51 (Revisi 2003) dengan menggunakan laporan posisi keuangan tanggal 30 Juni 2011 yang disetujui oleh para pemegang saham Perusahaan melalui Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) yang diselenggarakan pada tanggal 6 Oktober 2011, yang diaktakan dengan Akta Notaris No. 26 oleh Humberg Lie, S.H., S.E., M.Kn tanggal 6 Oktober 2011.

Pengeliminasian saldo defisit Perusahaan dilakukan dengan urutan prioritas sebagai berikut:

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#### 40. OTHER RISK MANAGEMENT (Continued)

This risk can be mitigated by imposing sanctions on system non-compliance, Enterprise Risk management framework implementation, and co-monitoring by both legal and compliance functions on the Group's compliance to various laws and other legal aspects.

#### 41. QUASI-REORGANIZATION

As of June 30, 2011, the Company recorded a deficit balance of Rp27.7 trillion. This balance represents the accumulated deficit of two financial crises that hit Indonesia and the world, namely the Asian financial crisis in 1998 and the global recession in 2008. The majority of this deficit is an accumulation of the Company's net loss of Rp16.5 trillion in 2008, Rp1.7 trillion in 2009 and Rp7.6 trillion in 2010.

In order to eliminate the deficit, the Company conducted a quasi-reorganization in accordance with PSAK No. 51 (Revised 2003) using statement of financial position dated June 30, 2011 which was approved by the shareholders of the Company during the Extraordinary General Meeting of Shareholders (EGMS) held on October 6, 2011, of which the minutes was notarized by Notarial Deed No. 26 of Humberg Lie, S.H., S.E., M.Kn dated October 6, 2011.

*Elimination of the Company's deficit were made in the following order of priority:* 

	30 Juni/ <i>June 30,</i> 2011	
Defisit	(27.664.605.572)	Deficit
		Difference in value from restructuring
Selisih nilai transaksi restrukturisasi		transactions of entities under
entitas sepengendali	(5.265.443.159)	common control
Rugi investasi jangka pendek		Unrealized loss on short-term
yang belum terealisasi	(2.059.761.878)	investments
Surplus revaluasi aset tetap	993.308.128	Revaluation surplus of fixed assets
Selisih transaksi perubahan ekuitas		Difference in equity transactions of
entitas asosiasi dan entitas anak	273.699.377	associated entities and subsidiaries
Tambahan modal disetor	24.471.354.348	Additional paid-in capital
Agio saham dari penurunan nilai		Share premium from decline in
nominal saham	9.251.448.756	par value of share
Neto		Net

PT BAKRIE & BROTHERS TBK

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## 41. KUASI-REORGANISASI (Lanjutan)

Penentuan nilai wajar aset tetap Perusahaan dan Entitas Anak pada 30 Juni 2011 telah dilaksanakan oleh KJPP Nana, Imaddudin & Rekan, penilai independen, dalam laporannya tanggal 28 September 2011 dengan menggunakan metode penilaian kembali memakai Pendekatan Data Pasar dengan Perbandingan Data Pasar dan Metode Pendekatan Biaya. Selain itu, penentuan nilai wajar dari aset selain aset tetap dan utang dari Kelompok Usaha pada 30 Juni 2011 telah dilaksanakan oleh KJPP Jennywati, Kusnanto & Rekan, penilai independen, dalam laporannya tanggal 3 Oktober 2011 menggunakan Metode Penyesuaian Aset Neto.

Berdasarkan laporan penilai independen per tanggal 30 Juni 2011, Perusahaan mencatat surplus penilaian kembali aset tetap berdasarkan selisih lebih nilai wajar aset tetap Perusahaan dan Entitas Anak dibandingkan dengan nilai buku sebesar Rp1,1 triliun yang diatribusikan kepada pemilik entitas induk dan kepentingan nonpengendali sebagai berikut:

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## 41. QUASI-REORGANIZATION (Continued)

The determination of fair values of fixed assets of the Company and certain Subsidiaries as of June 30, 2011 was performed by KJPP Nana, Imaddudin & Rekan, an independent appraiser, in its report dated September 28, 2011 using revaluation methods employing the Market Data Approach such as Market Data Comparison and Cost Approach Method. Moreover, the determination of fair values of the assets other than fixed assets and liabilities of the Group as of June 30, 2011 was performed by KJPP Jennywati, Kusnanto & Rekan, an independent appraiser, in its report dated October 3, 2011 using Net Asset Adjustment Method.

Based on the reports of the independent appraisers as of June 30, 2011, the Company recorded a revaluation surplus of fixed assets based on the difference over the fair value of fixed assets of the Company and Subsidiaries compared to book values amounting to Rp1.1 trillion which are attributable to the owners of the parent entity and the non-controlling interest as follows:

	30 Juni/ <i>June 30,</i> 2011	
Surplus Revaluasi Aset Tetap	1.133.783.452	Revaluation surplus of fixed assets
Diatribusikan kepada: Pemilik entitas induk Kepentingan nonpengendali	993.308.128 140.475.324	Attributable to: Owners of the parent Non-controlling interest
Total	1.133.783.452	Total

## 42. KELANGSUNGAN USAHA

Kelompok Usaha mengalami defisiensi modal sebesar Rp3,94 triliun pada tanggal 31 Desember 2015. Kondisi ini sebagian besar disebabkan oleh rugi penurunan nilai investasi jangka pendek dan perubahan nilai wajar derivatif.

Sehubungan dengan hal tersebut, manajemen telah membuat langkah-langkah dan rencana untuk menghadapi hal tersebut antara lain sebagai berikut:

- a. Restrukturisasi utang melalui konversi utang menjadi saham.
- b. Peningkatan modal melalui penerbitan saham dan penjualan aset.
- c. Mengurangi investasi dalam bentuk saham.

## 42. GOING CONCERN

The Group is in a capital deficiency position amounting to Rp3.94 trillion as of December 31, 2015. This condition is mainly caused by the impairment losses of short-term investments and fair value changes of derivatives.

In relation to this, management has taken actions and plans to address the going concern issue through, which include among others, the following measures:

- a. Debt restructuring through debt to equity conversion.
- b. Increase in capital raise through rights issue and asset disposal.
- c. Reduction in investment in shares.

## 42. KELANGSUNGAN USAHA (Lanjutan)

- d. Fokus dalam pengembangan kegiatan usaha manufaktur.
- e. Mengembangkan proyek infrastruktur utama untuk mendapatkan sumber pendapatan yang berkelanjutan.

Sampai dengan tanggal penyelesaian laporan keuangan konsolidasian ini, Perusahaan dalam proses finalisasi restrukturisasi dengan beberapa kreditur dalam rangka konversi utang menjadi saham.

## 43. INFORMASI TAMBAHAN ARUS KAS

Aktivitas yang tidak mempengaruhi arus kas:

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 42. GOING CONCERN (Continued)

- *d.* Focus in growing the manufacturing business operations.
- *e. Develop main infrastructure projects to tap on sources of recurring income.*

As of completion date of the consolidated financial statements, the Company still in process finalization of the restructuring with the creditors in the conversion of debt into shares.

## 43. SUPPLEMENTARY CASH FLOW INFORMATION

Activities not affecting cash flows:

	2015	2014	
Penyelesaian pinjaman			Settlement of short-term loan
jangka pendek dengan			through:
Piutang	(1.121.180.764)	(876.010.126)	Receivables
Investasi jangka pendek	(238.000.615)	(442.195.611)	Short-term investments
Reklasifikasi piutang pihak			Reclassification of due from
berelasi ke piutang			related parties to other
lain-lain - pihak ketiga	217.700.000	-	receivables - third parties
Reklasifikasi aset dalam			Reclassification of construction-
penyelesaian menjadi aset tetap	129.536.485	14.292.344	in-progress to fixed assets
Reklasifikasi piutang pihak			Reclassification of due from
berelasi ke uang muka			related parties to advances
investasi saham	13.375.050	-	for investments in shares
Pembelian aset tetap melalui			Acquisition of fixed assets
sewa pembiayaan	-	7.099.213	through finance lease
Pinalti dan bunga masih harus dibayar			Accrued penalty and interest
menjadi pokok pinjaman	-	(667.744.354)	converted to principal loan
Penambahan investasi di			Additional investment in
entitas asosiasi	-	(14.915.900)	associated companies

#### 44. PERISTIWA SETELAH PERIODE PELAPORAN

Peristiwa penting setelah tanggal pelaporan sampai dengan tanggal penyelesaian laporan keuangan konsolidasian adalah sebagai berikut:

Pada tanggal 28 Januari 2016, Kelompok Usaha melunasi sebagian fasilitas pinjaman kepada Bank MNC sebesar Rp9,5 miliar (Catatan 18c).

#### 44. EVENTS AFTER THE REPORTING PERIOD

Important transactions after the reporting date until the completion date of the consolidated financial statements were as follows:

On January 28, 2016, the Group partially repay loan facility to MNC Bank amounting to Rp9.5 billion (Note 18c).

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## 45. PENYAJIAN KEMBALI

Pada bulan Desember 2013, Dewan Standar Akuntansi Keuangan menerbitkan PSAK 24 (Revisi 2013) "Imbalan Kerja" untuk menggantikan PSAK 24 (Revisi 2010) "Imbalan Kerja", yang wajib diterapkan untuk tahun buku yang dimulai pada atau setelah tanggal 1 Januari 2015. Kelompok Usaha mengadopsi standar ini efektif pada tanggal 1 Januari 2015 sesuai dengan ketentuan transisi dari PSAK 24.

Ada tiga perubahan utama pada kebijakan akuntansi Kelompok Usaha sebelumnya akibat penerapan PSAK 24 (Revisi 2013), sebagai berikut:

a. Pengakuan aktuaria keuntungan (kerugian)

Keuntungan dan kerugian aktuaria, efek dari batas atas aset dan pengembalian aktual dari aset program diakui dalam laporan posisi keuangan segera, dengan biaya atau kredit untuk pendapatan komprehensif lain (OCI) pada periode di mana mereka terjadi. Mereka tidak didaur ulang kemudian.

b. Perhitungan beban pensiun

Beban pensiun yang diakui dalam laporan laba rugi akan dibagi menjadi (i) biaya manfaat yang diperoleh pada periode berjalan (biaya jasa) dan manfaat perubahan (biaya jasa lalu, *settlement* dan *curtailment*); dan (ii) beban atau pendapatan keuangan.

Dalam menghitung hasil yang diharapkan dari aset program, standar sebelumnya menggunakan presentasi hasil yang diharapkan dari aset program, sementara untuk standar yang baru, asumsi berdasarkan tingkat diskonto.

c. Pengungkapan

Pengungkapan ditingkatkan untuk menjelaskan karakteristik program imbalan dan risiko yang terkait, dan mengidentifikasi dan menjelaskan jumlah yang diakui dalam laporan keuangan. Perubahan tersebut akan memerlukan pengungkapan untuk:

- Penjelasan karakteristik dan risiko yang terkait dengan program imbalan pasti;
- Identifikasi dan penjelasan jumlah dalam laporan keuangan Kelompok Usaha yang timbul dari program imbalan pasti; dan

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## 45. RESTATEMENTS

In December 2013, the Indonesian Financial Accounting Standards Board issued PSAK 24 (Revised 2013) "Employee Benefits" to replace PSAK 24 (Revised 2010) "Employee Benefits", which is required to be applied for financial years beginning on or after January 1, 2015. The Company has adopted this interpretation effective January 1, 2015 in accordance with the transitional provisions of PSAK 24.

There are three key changes to the Group's previous accounting policy because of the adoption of PSAK 24 (Revised 2013), as follows:

a. Recognition of actuarial gains (losses)

Actuarial gains and losses, the effect of the asset ceiling and the actual return on plan assets (remeasurements) are recognized in the statements of financial position immediately, with a charge or credit to other comprehensive income (OCI) in the periods in which they occur. They are not recycled subsequently.

b. Calculation of pension expenses

Pension expense recognized in profit and loss will be split between (i) the cost of benefits accrued in the current period (service cost) and benefit changes (past-service cost, settlements and curtailments); and (ii) finance expense or income.

To calculate expected return on asset, previous standard uses expected return on assets percentage, while in the new standard, the assumption is based on discount rate.

c. Disclosure items

Enhanced disclosures are required to explain the characteristics of benefit plans and risks associated with them, and identify and explain the amounts recognized in the financial statements. The amendment will require disclosures to:

- *Explain the characteristics of and risks associated with its defined benefit plans;*
- Identify and explain the amounts in the Group's financial statements arising from its defined benefti plans; and

## 45. PENYAJIAN KEMBALI (Lanjutan)

• Penjelasan bagaimana program imbalan dapat mempengaruhi arus kas masa depan Kelompok Usaha terkait waktu, jumlah dan ketidakpastian.

Perbandingan angka-angka yang dilaporkan sebelumnya dan setelah penyajian kembali pada tanggal 31 Desember 2014 adalah sebagai berikut:

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## 45. RESTATEMENTS (Continued)

• Explain how the defined benefit plans may affect the Group's future cash flows regarding timing, amount and uncertainty.

A comparison of the amounts as previously reported and as restated as of December 31, 2014 was as follows:

	Dilaporkan Sebelumnya/ Previously Reported	Disajikan kembali/ As Restated	
Laporan posisi keuangan konsolidasian Aset tidak lancar			Consolidated statement of financial position Non-current assets
Aset pajak tangguhan	58.197.724	76.643.823	Deferred tax assets
Liabilitas jangka panjang			Long-term liabilities
Liabilitas imbalan pasti	(150.409.714)	(270.669.585)	Employee benefits liability
Liabilitas pajak tangguhan	(147.392.434)	(141.356.367)	Deferred tax liability
Ekuitas			Equity
Kerugian aktuarial			Actuarial losses on
atas liabilitas imbalan kerja	-	(89.994.293)	employee benefits liability
Defisit	(12.075.446.236)	(12.078.460.677)	Deficit
Kepentingan non pengendali	22.022.221	19.253.251	Non-controlling interest

Perbandingan angka-angka yang dilaporkan sebelumnya dan setelah penyajian kembali pada tanggal 1 Januari 2014 adalah sebagai berikut: A comparison of the amounts as previously reported and as restated as of January 1, 2014 is as follows:

	Dilaporkan Sebelumnya/ Previously Reported	Disajikan kembali/ <i>As Restated</i>	
Laporan posisi keuangan konsolidasian Aset tidak lancar Aset pajak tangguhan	29.044.912	40.753.759	Consolidated statement of financial position Non-current assets Deferred tax assets
<b>Liabilitas jangka panjang</b> Liabilitas imbalan pasti Liabilitas pajak tangguhan	(130.033.129) (140.311.778)	(215.227.015) (136.241.815)	<b>Long-term liabilities</b> Employee benefits liability Deferred tax liabilities
Ekuitas Selisih kurs penjabaran laporan keuangan Kerugian aktuarial atas liabilitas imbalan kerja Defisit Kepentingan non pengendali	120.856.526 (12.228.319.982) 205.439.847	120.612.712 (55.394.609) (12.233.565.627) 196.908.838	Equity Exchange differences due to financial statements translation Actuarial losses on employee benefits liability Deficit Non-controlling interest

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## PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 45. PENYAJIAN KEMBALI (Lanjutan)

Perbandingan angka-angka yang dilaporkan sebelumnya dan setelah penyajian kembali untuk tahun yang berakhir pada tanggal 31 Desember 2014 adalah sebagai berikut:

## 45. RESTATEMENTS (Continued)

A comparison of the amounts as previously reported and as restated for the year ended December 31, 2014 is as follows:

	Dilaporkan Sebelumnya/ Previously Reported	Disajikan kembali/ <i>As Restated</i>	
Laporan laba rugi dan penghasilan komprehensif lain konsolidasian Beban Beban karyawan	(287.269.559)	(288.149.157)	Consolidated statement of profit or loss and other comprehensive income Expenses Personnel expenses
<b>Penghasilan komprehensif lain</b> Kerugian aktuarial atas liabilitas imbalan kerja Manfaat pajak penghasilan terkait	-	(45.396.635) 9.283.085	Other comprehensive income Actuarial losses on employee benefits liability Related income tax benefit

Selanjutnya, beberapa angka perbandingan dalam laporan posisi keuangan konsolidasian pada tanggal 31 Desember 2014 telah direklasifikasi agar sesuai dengan penyajian laporan keuangan konsolidasian tahun 2015. Reklasifikasi tersebut adalah sebagai berikut:

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Furthermore, certain comparative figures in the consolidated statement of financial position as of December 31, 2014 have been reclassified to conform to the 2015 consolidated financial statement presentation. These reclassifications were as follows:

	Dilaporkan Sebelumnya/ Previously Reported	Disajikan kembali/ As Reclassified	
Laporan posisi keuangan konsolidasian Liabilitas jangka pendek			Consolidated statement of financial position Short-term liabilities
Pinjaman jangka pendek Utang jangka panjang yang jatuh	3.543.151.697	3.584.651.697	Short-term bank loans Current maturities of
tempo dalam satu tahun	2.305.365.218	2.263.865.218	long term loans
Laporan laba rugi dan penghasilan komprehensif lain konsolidasian Pendapatan Neto Lain-lain	305.936.109	305.245.546	Consolidated statement of profit or loss and other comprehensive income Net Revenues Others
<b>Beban</b> Umum dan administrasi	(329.102.092)	(331.455.495)	<b>Expenses</b> General and administrative
<b>Manfaat (beban) pajak penghasilan</b> Kini	(151.002.321)	(144.257.960)	<b>Income tax benefit (expense)</b> Current

Manajemen berpendapat bahwa reklasifikasi akun diatas tidak berdampak signifikan terhadap penyajian laporan keuangan konsolidasian tahun sebelumnya.

The management believes that the above reclassification of accounts have no significant impact to the presentation of previous year's consolidated financial statements.

## 46. PERNYATAAN STANDAR AKUNTANSI KEUANGAN BARU DAN YANG DISESUAIKAN

Standar akuntansi dan interpretasi yang telah disahkan oleh Dewan Standar Akuntansi Keuangan (DSAK) dan Dewan Standar Akuntansi Syariah (DSAS), tetapi belum berlaku efektif untuk laporan keuangan tahun berjalan diungkapkan di bawah ini. Perusahaan bermaksud untuk menerapkan standar tersebut, jika dipandang relevan, saat telah menjadi efektif.

 a) Amandemen PSAK 1: Penyajian Laporan Keuangan tentang Prakarsa Pengungkapan, berlaku efektif 1 Januari 2017.

Amandemen ini mengklarifikasi, bukan mengubah secara signifikan, persyaratan PSAK 1, antara lain, mengklarifikasi mengenai materialitas, fleksibilitas urutan sistematis penyajian catatan atas laporan keuangan dan pengidentifikasian kebijakan akuntansi signifikan.

b) Amandemen PSAK 4: Laporan Keuangan Tersendiri tentang Metode Ekuitas dalam Laporan keuangan Tersendiri, berlaku efektif 1 Januari 2016.

Amandemen ini memperkenankan penggunaan metode ekuitas untuk mencatat investasi pada entitas anak, ventura bersama dan entitas asosiasi dalam laporan keuangan tersendiri.

c) Amandemen PSAK 15: Investasi pada Entitas Asosiasi dan Ventura Bersama tentang Entitas Investasi: Penerapan Pengecualian Konsolidasi, berlaku efektif 1 Januari 2016.

Amandemen ini membahas isu yang telah timbul dari penerapan pengecualian entitas investasi dalam PSAK 65 Laporan Keuangan Konsolidasian, memberikan klarifikasi atas pengecualian dari penyajian laporan keuangan konsolidasian yang diterapkan pada entitas induk yang merupakan entitas anak dari entitas investasi, ketika entitas investasi tersebut mengukur semua entitas anaknya dengan nilai wajar.

d) Amandemen PSAK 16: Aset Tetap tentang Klarifikasi Metode yang Diterima untuk Penyusutan dan Amortisasi, berlaku efektif 1 Januari 2016.

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## 46. NEW AND REVISED STATEMENTS OF FINANCIAL ACCOUNTING STANDARDS

The standards and interpretations that are issued by Financial Accounting Standards Board (DSAK) and the Sharia Accounting Standard Boards (DSAS), but not yet effective for current financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

a) Amendments to PSAK 1: Presentation of Financial Statements on Disclosures Initiative, effective January 1, 2017.

This amendments clarify, rather than significantly change, existing PSAK 1 requirements, among others, to clarify the materiality, flexibility as to the order in which they present the notes to financial statements and identification of significant accounting policies.

b) Amendments to PSAK 4: Separate Financial Statements on Equity Method in Separate Financial Statements, effective January 1, 2016.

The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.

c) Amendments to PSAK 15: Investments in Associates and Joint Ventures on Investment Entities: Applying the Consolidation Exception, effective January 1, 2016.

The amendments address issues that have arisen in applying the investment entities exception under PSAK 65 Consolidated Financial Statements, provide clarification on the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value.

d) Amendments to PSAK 16: Property, Plant and Equipment on Clarification of the Accepted Method for Depreciation and Amortization, effective January 1, 2016.

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## 46. PERNYATAAN STANDAR AKUNTANSI KEUANGAN BARU DAN YANG DISESUAIKAN (Lanjutan)

Amandemen ini mengklarifikasi prinsip yang terdapat dalam PSAK 16 dan PSAK 19 Aset Takberwujud bahwa pendapatan mencerminkan suatu pola manfaat ekonomik yang dihasilkan dari pengoperasian usaha (yang mana aset tersebut adalah bagiannya) daripada manfaat ekonomik dari pemakaian melalui penggunaan aset. Sebagai kesimpulan bahwa penggunaan metode penyusutan aset tetap yang berdasarkan pada pendapatan adalah tidak tepat.

e) Amandemen PSAK 19: Aset Takberwujud tentang Klarifikasi Metode yang Diterima untuk Penyusutan dan Amortisasi, berlaku efektif 1 Januari 2016.

Amandemen ini mengklarifikasi prinsip yang terdapat dalam PSAK 16 Aset Tetap dan PSAK 19 bahwa pendapatan mencerminkan suatu pola manfaat ekonomik yang dihasilkan dari pengoperasian usaha (yang mana aset tersebut adalah bagiannya) daripada manfaat ekonomik dari pemakaian melalui penggunaan aset. Sebagai kesimpulan bahwa penggunaan metode penyusutan aset tetap yang berdasarkan pada pendapatan adalah tidak tepat dan hanya dapat digunakan dalam situasi yang sangat terbatas untuk amortisasi aset takberwujud.

 f) Amandemen PSAK 24: Imbalan Kerja tentang Program Imbalan Pasti: Iuran Pekerja, berlaku efektif 1 Januari 2016.

PSAK 24 meminta entitas untuk mempertimbangkan iuran dari pekerja atau pihak ketiga ketika memperhitungkan program manfaat pasti. Ketika iuran tersebut sehubungan dengan jasa, iuran tersebut harus diatribusikan pada periode jasa sebagai imbalan negatif. Amandemen ini mengklarifikasi bahwa, jika jumlah iuran tidak bergantung pada jumlah tahun jasa, entitas diperbolehkan untuk mengakui iuran tersebut sebagai pengurang dari biaya jasa dalam periode ketika jasa terkait diberikan, daripada mengalokasikan iuran tersebut pada periode jasa. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 46. NEW AND REVISED STATEMENTS OF FINANCIAL ACCOUNTING STANDARDS (Continued)

The amendments clarify the principle in PSAK 16 and PSAK 19 Intangible Asset that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate the property, plant and equipment.

e) Amendments to PSAK 19: Intangible Assets on Clarification of the Accepted Method for Depreciation and Amortization, effective January 1, 2016.

The amendments clarify the principle in PSAK 16 Property, Plant and Equipment and PSAK 19 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate the property, plant and equipment and may only be used in very limited circumstances to amortize intangible assets.

f) Amendments to PSAK 24: Employee Benefits on Defined Benefit Plans: Employee Contributions, effective January 1, 2016.

PSAK 24 requires an entity to consider contributions from employees or third parties when accounting for defined benefit plans. Where the contributions are linked to service, they should be attributed to periods of service as a negative benefit. These amendments clarify that, if the amount of the contributions is independent of the number of service years, an entity is permitted to recognize such contributions as a reduction in the service cost in the period in which the service is rendered, instead of allocating the contributions to the periods of service.

## 46. PERNYATAAN STANDAR AKUNTANSI KEUANGAN BARU DAN YANG DISESUAIKAN (Lanjutan)

g) Amandemen PSAK 65: Laporan Keuangan Konsolidasian tentang Entitas Investasi: Penerapan Pengecualian Konsolidasi, berlaku efektif 1 Januari 2016.

Amandemen ini membahas isu yang telah timbul dari penerapan pengecualian entitas investasi dalam PSAK 65, memberikan klarifikasi atas pengecualian dari penyajian laporan keuangan konsolidasian yang diterapkan pada entitas induk yang merupakan entitas anak dari entitas investasi, ketika entitas investasi tersebut mengukur semua entitas anaknya dengan nilai wajar.

h) Amandemen PSAK 66:Pengaturan Bersama tentang Akuntansi Akuisisi Kepentingan dalam Operasi Bersama, berlaku efektif 1 Januari 2016.

Amandemen ini mensyaratkan untuk mencatat akuisisi kepentingan dalam operasi bersama, yang mana aktifitas dari operasi bersamanya merupakan bisnis harus menerapkan prinsip terkait dari PSAK 22 untuk pencatatan kombinasi bisnis.

 i) Amandemen PSAK67: Pengungkapan Kepentingan dalam Entitas Lain tentang Entitas Investasi: Penerapan Pengecualian Konsolidasi, berlaku efektif 1 Januari 2016.

Amandemen ini membahas isu yang telah timbul dari penerapan pengecualian entitas investasi dalam PSAK 65 Laporan Keuangan Konsolidasian, memberikan klarifikasi atas pengecualian dari penyajian laporan keuangan konsolidasian yang diterapkan pada entitas induk yang merupakan entitas anak dari entitas investasi, ketika entitas investasi tersebut mengukur semua entitas anaknya dengan nilai wajar.

 j) Interpretasi Pernyataan Standar Akuntansi Keuangan ("ISAK") 30 (2015): Pungutan, yang diadopsi dari International Financial Reporting Interpretations Committee ("IFRIC") 21, berlaku efektif 1 Januari 2016. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 46. NEW AND REVISED STATEMENTS OF FINANCIAL ACCOUNTING STANDARDS (Continued)

g) Amendments to PSAK 65: Consolidated Financial Statements on Investment Entities: Applying the Consolidation Exception, effective January 1, 2016.

The amendments address issues that have arisen in applying the investment entities exception under PSAK 65. The amendments clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value.

h) Amendments to PSAK 66: Joint Arrangements on Accounting Acquisition of Interests in Joint Operations, effective January 1, 2016.

The amendments require that a joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business must apply the relevant PSAK 22 principles for business combinations accounting.

*i)* Amendments to PSAK 67: Disclosure of Interests in Other Entities on Investment Entities: Applying the Consolidation Exception, effective January 1, 2016.

The amendments address issues that have arisen in applying the investment entities exception under PSAK 65 Consolidated Financial Statements. The amendments clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value.

*j)* Interpretations of Statements of Financial Accounting Standard (ISAK) 30 (2015): Levies, adopted from International Financial Reporting Interpretations Committee ("IFRIC") 21, effective January 1, 2016.

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## 46. PERNYATAAN STANDAR AKUNTANSI KEUANGAN BARU DAN YANG DISESUAIKAN (Lanjutan)

Interpretasi ini membahas akuntansi liabilitas membayar pungutan jika termasuk dalam ruang lingkup PSAK 57 Provisi, Liabilitas Kontinjensi dan Aset Kontinjensi. Interpretasi ini juga membahas akuntansi liabilitas membayar pungutan yang waktu dan jumlahnya pasti.

 k) ISAK 31 (2015): Interpretasi atas Ruang Lingkup PSAK 13: Properti Investasi, berlaku efektif 1 Januari 2017.

Interpretasi ini membahas definisi yang digunakan untuk Bangunan dalam properti investasi.

 PSAK 5 (Penyesuaian 2015): Segmen Operasi, berlaku efektif 1 Januari 2016.

Penyesuaian ini mengklarifikasi:

- Entitas mengungkapkan pertimbangan yang dibuat oleh manajemen dalam penerapan kriteria agregasi PSAK 5 paragraf 12 termasuk penjelasan singkat mengenai segmen operasi yang digabungkan dan karakteristik ekonomi.
- Pengungkapan rekonsiliasi aset segmen terhadap total aset jika rekonsiliasi dilaporkan kepada pengambil keputusan operasional, demikian juga untuk pengungkapan liabilitas segmen.
- m) PSAK 7 (Penyesuaian 2015): Pengungkapan Pihak-pihak Berelasi, berlaku efektif 1 Januari 2016.

Penyesuaian ini mengklarifikasi bahwa entitas manajemen (entitas yang menyediakan jasa personil manajemen kunci) adalah pihak berelasi yang dikenakan pengungkapan pihak berelasi. Di samping itu, entitas yang memakai entitas manajemen mengungkapkan biaya yang terjadi untuk jasa manajemennya.

n) PSAK 13 (Penyesuaian 2015): Properti Investasi, berlaku efektif 1 Januari 2016.

Penjelasan tambahan jasa PSAK 13 membedakan antara properti investasi dan properti yang digunakan sendiri. Penyesuaian ini mengklarifikasi bahwa PSAK 22, dan bukan penjelasan tambahan jasa PSAK 13, digunakan untuk menentukan apakah transaksi tersebut adalah pembelian aset atau kombinasi bisnis. PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 46. NEW AND REVISED STATEMENTS OF FINANCIAL ACCOUNTING STANDARDS (Continued)

This Interpretation addresses the accounting for a liability to pay a levy if that liability is within the scope of PSAK 57 Provisions, Contingent Liabilities and Contingent Assets. It also addresses the accounting for a liability to pay a levy whose timing and amount is certain.

*k) ISAK 31 (2015): Interpretation on scope of PSAK 13 Investment Property, effective January 1, 2017.* 

*This Interpretation addresses the definition used for Building under the investment property.* 

*l) PSAK 5 (2015 Improvement): Operating Segments, effective January 1, 2016.* 

The improvement clarifies that:

- An entity must disclose the judgements made by management in applying the aggregation criteria in paragraph 12 of PSAK 5 including a brief description of operating segments that have been aggregated and the economic characteristics.
- Disclose the reconciliation of segment assets to total assets if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities.
- m) PSAK 7 (2015 Improvement): Related Party Disclosures, effective January 1, 2016.

The improvement clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services.

n) PSAK 13 (2015 Improvement): Investment Property, effective January 1, 2016.

The description of ancillary services in PSAK 13 differentiates between investment property and owner-occupied property. The improvement clarifies that PSAK 22, and not the description of ancillary services in PSAK 13, is used to determine if the transaction is the purchase of an asset or business combination.

## 46. PERNYATAAN STANDAR AKUNTANSI KEUANGAN BARU DAN YANG DISESUAIKAN (Lanjutan)

o) PSAK 16 (Penyesuaian 2015): Aset Tetap, berlaku efektif 1 Januari 2016.

Penyesuaian ini mengklarifikasi bahwa dalam PSAK 16 dan PSAK 19 aset dapat direvaluasi dengan mengacu pada data pasar yang dapat diobservasi terhadap jumlah tercatat bruto ataupun neto. Dan akumulasi penyusutan atau amortisasi adalah perbedaan antara jumlah tercatat bruto dan jumlah tercatat aset tersebut. Jumlah tercatat aset tersebut disajikan kembali pada jumlah revaluasiannya.

 p) PSAK 19 (Penyesuaian 2015): Aset Takberwujud, berlaku efektif 1 Januari 2016.

Penyesuaian ini mengklarifikasi bahwa dalam PSAK 16 dan PSAK 19 aset dapat direvaluasi dengan mengacu pada data pasar yang dapat diobservasi terhadap jumlah tercatat bruto ataupun neto. Dan akumulasi penyusutan atau amortisasi adalah perbedaan antara jumlah tercatat bruto dan jumlah tercatat aset tersebut. Jumlah tercatat aset tersebut disajikan kembali pada jumlah revaluasiannya.

 q) PSAK 22 (Penyesuaian 2015): Kombinasi Bisnis, berlaku efektif 1 Januari 2016.

Penyesuaian ini mengklarifikasi:

- Pengaturan bersama, tidak hanya ventura bersama, adalah di luar dari ruang lingkup PSAK 22, pengecualian ruang lingkup ini diterapkan untuk akuntansi dalam laporan keuangan pengaturan bersama itu sendiri.
- Seluruh imbalan kontinjensi yang timbul dari kombinasi bisnis dan tidak diklasifikasi sebagai ekuitas diukur pada nilai wajar dengan perubahan nilai wajar diakui dalam laba rugi terlepas apakah itu termasuk dalam ruang lingkup PSAK 55.
- r) PSAK 25 (Penyesuaian 2015): Kebijakan Akuntansi, Perubahan Estimasi Akuntansi dan Kesalahan.

Penyesuaian ini memberikan koreksi editorial pada PSAK 25 paragraf 27.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 46. NEW AND REVISED STATEMENTS OF FINANCIAL ACCOUNTING STANDARDS (Continued)

*o) PSAK 16 (2015 Improvement): Property, Plant and Equipment, effective January 1, 2016.* 

The improvement clarifies that in PSAK 16 and PSAK 19 that the asset may be revalued by reference to observable data on either the gross or the net carrying amount. In addition, the accumulated depreciation or amortization is the difference between the gross and carrying amounts of the asset. Carrying amounts of the asset is restated by revaluated amounts.

*p) PSAK* 19 (2015 Improvement): Intangible Assets, effective January 1, 2016.

The improvement clarifies that in PSAK 16 and PSAK 19 that the asset may be revalued by reference to observable data on either the gross or the net carrying amount. In addition, the accumulated depreciation or amortization is the difference between the gross and carrying amounts of the asset. Carrying amounts of the asset is restated by revaluated amounts.

*q) PSAK* 22 (2015 Improvement): Business Combinations, effective January 1, 2016.

The improvement clarifies that:

- Joint arrangements, not just joint ventures, are outside the scope of PSAK 22, this scope exception applies only to the accounting in the financial statements of the joint arrangement itself.
- All contingent consideration arrangements arising from a business combination that not classified as equity should be measured at fair value through profit or loss whether or not they fall within the scope of PSAK 55.
- *r) PSAK 25 (2015 Improvement): Accounting Policies, Changes in Accounting Estimates and Errors.*

The improvement provides editorial correction for paragraph 27 of PSAK 25.

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## 46. PERNYATAAN STANDAR AKUNTANSI KEUANGAN BARU DAN YANG DISESUAIKAN (Lanjutan)

s) PSAK 53 (Penyesuaian 2015): Pembayaran Berbasis Saham, berlaku efektif 1 Januari 2016.

Penyesuaian ini mengklarifikasi beberapa isu yang berkaitan dengan definisi kondisi kinerja dan kondisi jasa yang mana merupakan kondisi vesting.

t) PSAK 68 (Penyesuaian 2015): Pengukuran Nilai Wajar, berlaku efektif 1 Januari 2016.

Penyesuaian ini mengklarifikasi bahwa pengecualian portofolio dalam PSAK 68 dapat diterapkan tidak hanya pada kelompok aset keuangan dan liabilitas keuangan, tetapi juga diterapkan pada kontrak lain dalam ruang lingkup PSAK 55.

u) PSAK No. 110 (Revisi 2015): Akuntansi Sukuk.

Penerapan dini sebelum 1 Januari 2016 diijinkan.

Pada saat penerbitan laporan keuangan konsolidasian, manajemen Kelompok Usaha masih mempelajari dampak yang mungkin timbul dari penerapan PSAK baru, beserta amandemen dan interpretasinya tersebut, serta pengaruhnya pada laporan keuangan konsolidasian.

PT BAKRIE & BROTHERS Tbk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 (Amounts in tables are expressed in thousands of Rupiah, unless otherwise stated)

## 46. NEW AND REVISED STATEMENTS OF FINANCIAL ACCOUNTING STANDARDS (Continued)

s) PSAK 53 (2015 Improvement): Share-based Payment, effective January 1, 2016.

The improvement clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions.

t) PSAK 68 (2015 Improvement): Fair Value Measurement, effective January 1, 2016.

The improvement clarifies that the portfolio exception in PSAK 68 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of PSAK 55.

u) PSAK No. 110 (Revised 2015): Sukuk Accounting.

Early adoption prior to January 1,2016 is permitted.

As of the issuance date of these consolidated financial statements, the management of Group is still evaluating the impact of amendment and interpretation of these new standard, and the impact to consolidated financial statements. THIS PAGE IS INTENTIONALLY LEFT BLANK



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