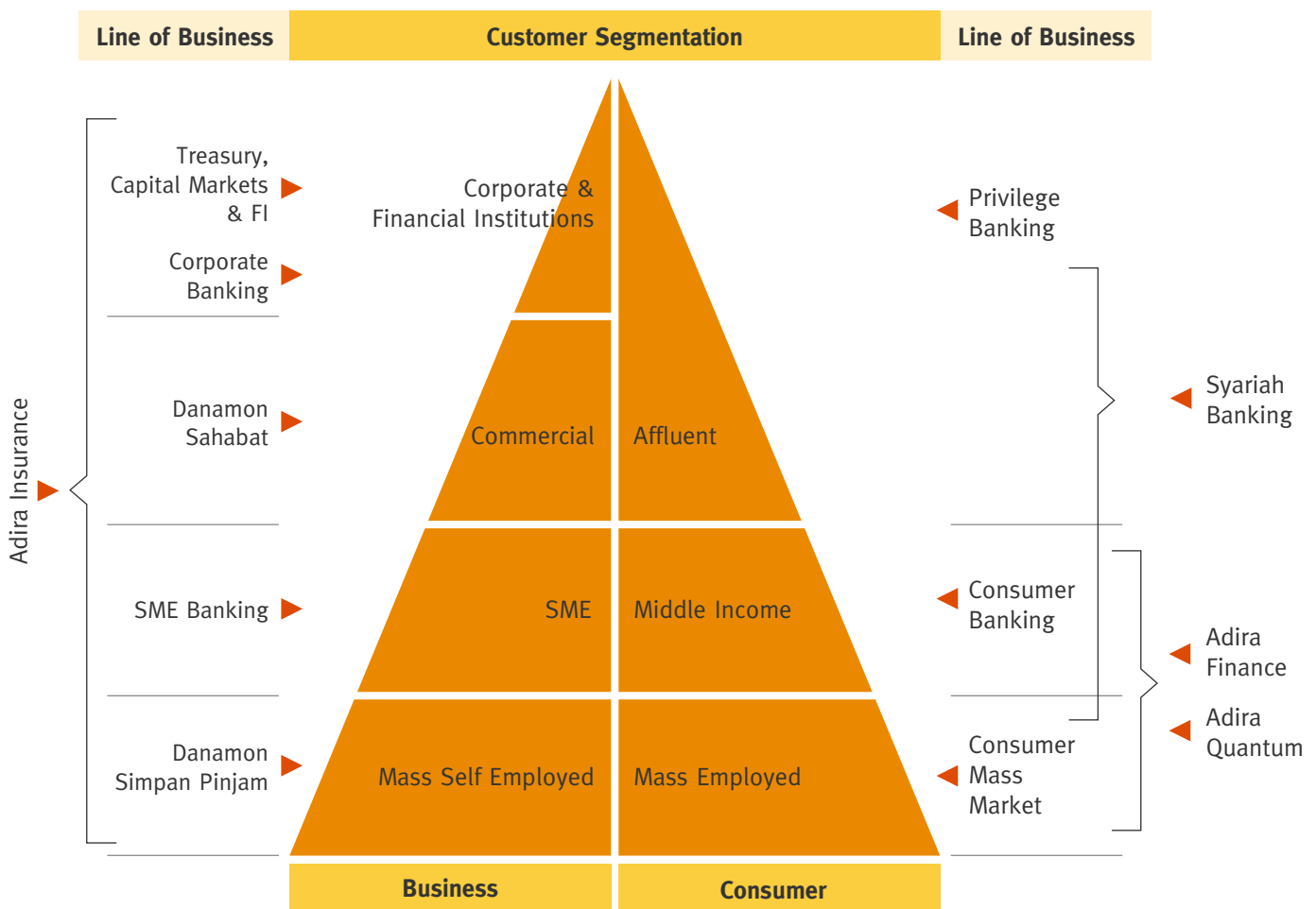


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Universal Bank and Customer Centric Organization

The concept of universal banking has different interpretations in different markets. At Danamon, the key driver is our customer centric focus. We combine the ability to offer services and products to suit targeted customer segments with the discipline of unique value proposition and risk management criteria. We aim to ensure that customer needs are properly supported and inherent risks fully considered.



Self Employed Mass Market

Building Trust, Reaping Benefits

Danamon's Self Employed Mass Market (SEMM) business known as Danamon Simpan Pinjam (DSP) was established in 2004 to serve and help micro and small scale enterprises gain better access to banking services. We offer installment loan bundled with savings and insurance. Danamon's SEMM banking competes by presenting values of speed, simplicity and convenience through execution on the ground and the creative use of information technology. We currently run two distinct business models: the traditional, or wet market and the supply chain models. The wet market model targets traders in agricultural markets across Indonesia, while the recently introduced supply chain model is designed to serve small and micro businesses that belong to certain supply chains, such as retailers of a wholesaler or suppliers of a manufacturer.

In its three years of operation, our SEMM banking division has grown to a large scale network of more than 700 units, employing more than 7,500 people and serving close to 400,000 customers throughout the country.

Despite this exceptional growth, we continue to seek new expansion opportunities in this very promising market.

Six new SEMM branches were opened last year and 51 mobile units were introduced to increase the reach of our wet market business model. We relocated certain operational activities to a centralized location that allows us to place more attention on customer activities. Considerable progress has also been made in strengthening our collection team through capacity increase, process improvement and enhanced incentive systems to deal with our growing and maturing loan portfolio.

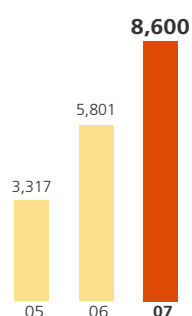
By the end of 2007, our loan portfolio amounted to Rp 8.6 trillion, with a strong 48% loan growth. Danamon's market share in small scale loans,



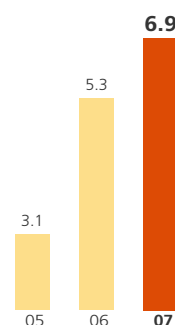
48%
Loan Growth
in 2007

Our DSP business continued to grow strongly this year and contributed significantly to the bank's top line and bottom line results. With this achievement, DSP emerged as the second largest micro lenders in the country in only three years in operation.

Outstanding Loans
(Rp billion)



Loans Market Share
(%)





defined as commercial loans less than Rp 500 million, reached 6.9% as compared to 5.3% a year earlier, positioning our SEMM business as the second largest player in the country's micro lending sector. Thanks to our sharp focus on community banking and uncompromising discipline in process execution, we run one of the most efficient operations in the industry with a cost to income ratio of 37% in 2007.

SEMM loans now contribute to 16% of the bank's total loans as compared to 13.5% a year earlier. In addition, SEMM's contribution to the bank's bottom line has improved significantly in 2007 as the cost to income ratio declined sharply and the cost of credit improved on the back of high loan growth.

Entering 2008, we have defined several key initiatives to meet our double digit growth target. Following the successful pilot of the new supply chain model in 2007, we are ready to massively roll-out this new approach.

Further expansion of our branch channel is in progress with a plan to open new units in East Indonesia and Supply Chain Sales Representative Office mainly in Java. Deeper relationships with existing customers will be built through pre-approved Top-up and Cross Selling Programs.

Consumer Mass Market

Easy, Simple, Quick Turn Around

Our Consumer Mass Market (CMM) business underwent a transformation in 2007. After devising and testing new business models in the previous year, we rolled out well-defined business models in 2007 called the 'Worksite & Cross-sell Models'. The Worksite model focuses on offering an attractive, unsecured cash loan product to salaried individuals with easy access, simple requirements and quick turnaround. This business segment has seen a phenomenal growth rate with total outstanding reaching Rp 996 billion at the end of 2007.

The heart of our successful market development lies in a two-pronged customer acquisition strategy that targets the employed mass market and the Bank's existing customer base. To ensure a cost effective and yet responsive operation, we do not develop dedicated units for the business but rather pursue synergistic potential with other businesses within the Bank. We also leverage Adira's and SEMM's already established infrastructure to build closer relationship with our customers.

The still underserved consumer mass market promises a huge growth opportunity given the country's large population base. For that, we plan to expand further by reaching into new areas not yet served in 2007. We wish to create more excitement in our product proposition by launching fresh, innovative ideas that customers value. Equally important, we will improve our cost structure by looking at ways to improve our productivity and efficiency even further.

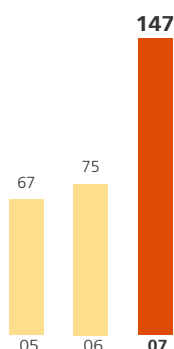


**Rp 996
billion**

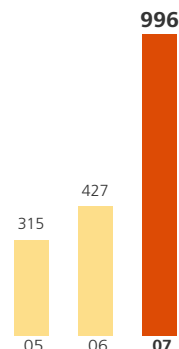
**Outstanding Loans
by the end of 2007**

A successful turnaround in our CMM business resulted in a robust business growth. Loans grew more than double from Rp 427 billion at the end of 2006 to close to Rp 1 trillion now.

Number of Customers
(thousands)



Outstanding Loans
(Rp billion)



Consumer Banking

Delivering Convenience



Consumer Banking remains the major funding provider for the bank, contributing over 61% of the bank's deposits.

Danamon's consumer banking business offers a wide ranging of attractive deposit, personal loan and investment products to the individual customers. These products are supported by a vast banking network of 400 branches and a selection of electronic delivery channels that include over 14,000 ATMs, which deliver an easy, accessible and convenient banking experience for our customers.

As the primary funding provider for the Bank, our Personal Banking business completed 2007 by growing savings by 17% to Rp 9.8 trillion. Total deposits from consumer banking business constitutes 61% of the bank's total deposits. On the loan side, we grew our mortgage and personal loans by 32% and 457% respectively, contributing 36% of consumer banking loan portfolio. Behind these statistics was a well orchestrated effort based on sound customer centric principles.

This includes our highly visible 'Danamon Menjemput Impian' or 'Go for Your Dreams' promotion program, an attractive, 'one of a kind' prize concept that sets us apart from our competitors. This campaign was supported by strong merchandising posters and a force of more than 1,500 dedicated sales personnel.

Personal Banking

Throughout 2007, we completed a number of initiatives to diversify our sources of revenue to strengthen profitability. We successfully groomed our personal loans under the instant@cash branding, featuring a unique 48 hour response time, exclusively promoted to our existing customer base. We relaunched our mortgage business and offers three day maximum response time that was supported by dedicated sales force to broaden our property developer and brokerage network. We also repositioned and expanded our 'bancassurance' product, positioning us to become one of the leading bancassurance providers in Indonesia.

With these efforts, we have significantly evolved from offering basic products to a full range of consumer, deposit, lending and insurance products which will be able to take care of all our customer needs.

We also made important progress in completing all the targets as detailed in our strategic roadmap. In 2007, we concluded the new branding for Bank Danamon to become more modern, dynamic and highly visible which is currently being rolled out to all branches, ATMs and communication materials throughout the Bank. We redesigned our promotional and sales support materials to have a unified look and feel. We have become the only bank in Indonesia to offer customers the freedom to choose individual banking cards according to their lifestyle.



We have also laid out a comprehensive set of infrastructure development initiatives that go along with our new branding agenda. One of them is a program to upgrade our entire ATM network to provide our customers with the latest and most convenient technology available. We are developing the branch model of the future and the system to intelligently clone the look and feel across the network.

At Danamon we never cease developing our human resources because our staff is the principal differentiator of our business success. In 2007, we set the foundation for the launch of Danamon's Retail Business School in order to develop the best prepared personal banking officer in the country. Commencing early 2008, the school will offer a comprehensive training program that embraces both the selling skills and individual development of all participants.

Throughout 2008, more efforts will be implemented to grow our consumer banking business. Dedicated teams will be deployed to all bank branches to intensify our product penetration and cross-selling opportunities. Simultaneously, we will continue to execute our network development plan by completing our new pilot branch, expanding our network and by replacing aging ATMs with newer technology.

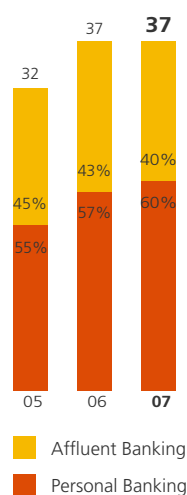
Affluent Banking

Danamon's affluent banking business provides highly personalized banking services to individual customers with an average balance above Rp 1 billion.

Considerable progress has been made to capture the potential of this affluent segment through efforts to increase fee-based income while leveraging this segment as the source of funding.

Consumer Banking's Total Deposits

(Rp trillion)



Composition of Danamon Deposits

(%)



In 2007, we re-entered the mutual fund business in partnership with three key players providing selective choices to our customers who participated in retail bond sales, both obtaining very successful results. We set records in selling sophisticated unit link investment with insurance products provided by Allianz. To continue growing our funding business, we expanded our structured deposit products offering customers a wide range of choices in terms of currency and risk appetite.

We made advances in re-branding this segment, changing from PrimaGold to Danamon Privilege Banking to better reflect our intention to deliver full-fledged, red carpet services to set us apart from competitors. Consistent with our brand promise, we launched a unique reward program which is linked to the American Express Rewards Program, considered as one of the best in the market. We also organized a highly successful seminar series to provide investment education to our customers by fund managers and key opinion leaders. By the end of 2007, Danamon Privilege Banking was available in 25 locations located in major cities throughout Indonesia.

Cards Business

In 2007, the Danamon Cards business was amongst the fastest growing issuers in Indonesia. The business grew close to 25%, significantly improving its rank in the market.

Today, Danamon Cards Business is the only card issuer in Indonesia that can offer the widest selection of Credit Cards from Visa to MasterCard and American Express.

The business follows a differentiated core strategy of providing products that are tailored to various market segments. We offer the American Express Charge Card that provides customers with the convenience of "No pre-set spending limit". American Express Corporate Card provides both convenience and control to companies in managing their Corporate Expense, while our Credit Cards allow more convenient and flexible payment installments. No other issuer in the market has this range of products. Danamon's Visa/MasterCard range of My Own Cards focuses on providing "Cashback" to the customer for their daily expenses such as utility bills and petrol expenses.

In addition, Danamon also provides specialized products formulated for targeted segments. For example:

Manchester United Card: Danamon is today the largest issuer in the world for this card. The card target Red Devil fan and gives them the opportunity of a lifetime to watch a live game at Old Trafford, England.

Prudential Card: Issued for Prudential policyholders who not only gain from more convenient premium payment charged to the Prudential Card, but also enjoy cash-back to their premium policy.

I-Card: The latest product from the Credit Card business, I-Card offers more convenient spending management by automatically dividing each card transaction into equal installments.

World Card: Another recent offering from Danamon that offers top-of-the market mileage programs.



Our Instant Card initiative remains unrivalled and continues to receive positive response all across the country by offering card-issuing process in just 60 minutes.

2007 saw an unprecedented rollout of offerings to the American Express Cardholders. The Sapphire partnership offers frequent travelers quick passage through Immigration and Security in Indonesian airports, while Singapore Outbound program provides special offerings at over 50 outlets in Singapore and up to 20 times Merchant Rewards at over 200 outlets in Indonesia.

American Express has been appointed as the Official Card Partner for the 2008 Visit Indonesia program by the Ministry of Culture and Tourism of Indonesia. Through this appointment, we will help promote Indonesia tourism to over 80 million American Express Cardholders worldwide.

“Seeds for Bali”, is our successful non-profit social responsibility program to raise public awareness on the reforestation effort in Bali. The program was launched by American Express in coordination with the Climate Change Conference in Bali.

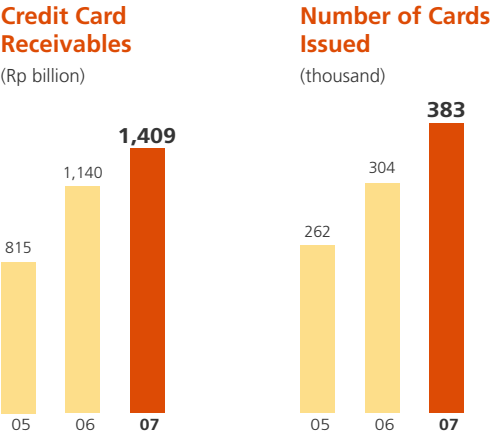
The acquisition of the American Express business brings exclusive status on the merchant business



which resulted in the rapid growth in this area. Our Merchant business grew close to 40% in the Visa and MasterCard area placing Danamon as amongst the top three in the industry.

Danamon’s credit card business closed the year with a 31% increase of card receivables. NPL was brought down close to 3%, which was one of the best amongst credit card issuers.

Entering 2008, we will further capitalize on our wide product mix to strengthen our presence in the upper end segment. With the growth engines now in place, cross selling strategy to all Danamon businesses, active use of marketing and risk analytics, and rapid expansion of the distribution and merchant network, the Credit Card business is poised to deliver high growth momentum in the future.



Auto Financing Business

Providing Affordability



30%

Increase in New Financing Units

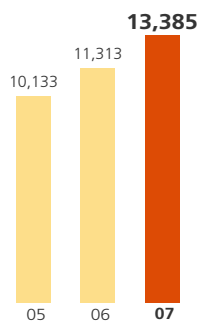
Adira Finance performance outpaced market growth. Market share increased to 14.7% from 12.2% in the previous year. Outstanding receivables rose by 18% to Rp 13.4 trillion, representing 25% of the Bank's loans book.

Danamon's consumer auto financing business interests are managed through our subsidiary PT Adira Dinamika Multi Finance Tbk (Adira Finance). Operating an extensive distribution network of 253 outlets in more than 170 cities throughout the country, Adira Finance is currently one of the largest auto financing companies in Indonesia. It offers the widest range of consumer auto financing products accompanied by over 13,000 employees that offer an unrivalled level of service to more than 1.65 million customers.

In line with the recovery in automotive sales throughout 2007, we continue to expand our network reach by strengthening our presence outside Java and Bali. Almost thirty new outlets were opened and twelve sub-branches were elevated to branch level. More cooperative efforts with other Danamon businesses were also launched, including a cross selling program with Danamon's CMM business for personal loans to Adira Finance's existing customer base. Introduced since March 2007, this program is currently available in 80 Adira Finance branches.

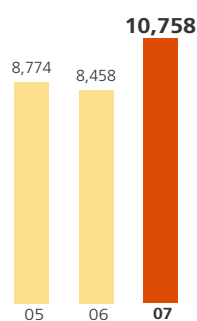
Outstanding Receivables

(Rp billion)



New Financing Volume

(Rp billion)



Simultaneously, we ensured that our capacity expansion strategy was paired with commitment over service and productivity enhancements. Various initiatives have been completed to further strengthen Adira Finance's relationships with automotive insurance companies, Agen Tunggal Pemegang Merek (ATPM), automotive dealers as well as consumers. This includes the introduction of a branch operation support platform to closely monitor administration quality at the branch level and ensure that continuous improvements are aimed at increasing the level of service to our business partners and consumers.

We also recorded important progress last year in centralizing all operations, a key enabler for keeping

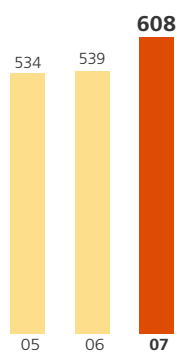


productivity and quality in check while ensuring growth. Also last year, Adira Finance worked closely with Danamon to further enhance and align risk management practices. This initiative has positioned Adira Finance as one of the most prudently operated financing companies that adopts banking industry standard risk management practices.

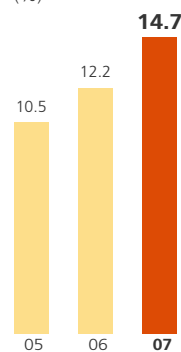
By the end of 2007, Adira Finance recorded new sales bookings of Rp 10.8 trillion, 27% higher than the previous year's performance, with outstanding receivables increasing by 18% to Rp 13.4 trillion.

Motorcycle financing accounted for 76% of all loans, while the remaining 24% was contributed by car financing. Interest rates for motorcycle financing

New Motorcycles Financing Units
(thousand)



Market Share of New Motorcycles Financing
(%)



ranged between 31% and 38% with an average maturity period of thirty months, while car financing interest rates stayed between 19% and 26% with an average maturity period of 3 years. With these results, Adira was able to grow our market share in new motorcycle financing from 12.2% to 14.7%.

Net interest income rose by 49% to Rp 2.3 trillion and contributed to 32% of our net interest income in 2007. At the same time we were able to normalize our cost of credit to 4.6% of average receivables in 2007, as compared to 5.8% in the previous year, largely due to successful efforts in lowering losses on sale of repossessed assets and write off. This outstanding performance has received a number of recognitions from the market including 'Best Multi-finance Company Award' from InfoBank 2007, 'Top Brand Award 2007 on Automotive Leasing Company' from Marketing and Frontier Consulting Group, 'Gold Medal on Indonesia Quality Convention 2007'

from Perhimpunan Manajemen Mutu Indonesia (The Association of Quality Management in Indonesia), 'Service Quality Award 2007' from Marketing and Care Center for Customer, 'Indonesian Employer of Choice Award 2007: The Fourth Place for Financial Category' from IECA, 'Gold Medal on International Convention on Quality Control Circle' from China Association for Quality (Beijing), 'International Gold Star for Quality' from World Quality Commitment Convention 2007 (Paris).

In 2008, Adira Finance plans to place priority on pursuing growth by enhancing our customer relationships. To ensure this, we will continue to develop our service culture throughout all service points. New and innovative products will also be introduced and more cross-selling efforts with Danamon will be launched to deepen customer relationships. While pursuing these tasks, we will retain our vision to maximize technology use to bring operational excellence to the market.

General Insurance Business

A Reliable Partner

PT Adira Insurance is a subsidiary of Bank Danamon that offers a wide range of general insurance products. These products are classified into two main categories: motor vehicle and non-motor vehicle.

Established in 2002, Adira Insurance, bearing the Autocillin trademark, now has 31 outlets across Indonesia. Currently, we rank among the top three largest providers of motor vehicle insurance in the country.

Adira Insurance is one of the few insurance companies that have a close working relationship with many trusted motor vehicle service centers and workshops across the country. These alliances have enabled us to offer Simple, Unique and Reliable (SURE) solutions to the market.

In 2007, we posted a net income of Rp 117 billion on total gross written premium of Rp 524 billion. Total assets grew by 32% to Rp 917 billion, while total investments rose by 27% to Rp 731 billion. Adira Insurance was also awarded "The Best General Insurance Company" by Business Indonesia and Investor Magazine, an "Excellent General Insurance Company" by InfoBank Magazine, "Best Sharia General Insurance Company" also by Investor Magazine, and some other numerous awards from several organizations in Indonesia.

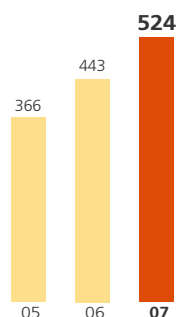


28%

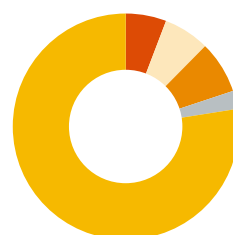
Net Premium
Growth

Underwriting surplus grew by 32% to Rp 168 billion by the end of the year. Gross premium reached Rp 524 billion, positioning Adira Insurance among the top 3 largest providers of motor vehicle insurance in the country.

Gross Premium
(Rp billion)



Gross Premium by Products in 2007
(%)



- Personal Accident (7%)
- Motor Vehicle (77%)
- Fire (7%)
- Heavy Equipments (6%)
- Others (3%)



During 2007, various initiatives were completed to extend our range of products. A new motor vehicle product, Motopro, was introduced to expand our presence in this sector. We launched Asteka, a unique insurance product that targets the needs of Indonesian migrant workers. We also repackaged our champion auto insurance product line, Autocillin, to further differentiate our offerings from our competitors.

Progress was made last year in expanding Adira Insurance's network, including the launching of our outbound call center service. Closer synergy with Danamon was developed to promote the growth of non-motor vehicle insurance by linking our products to the bank's core Commercial, SME and SEMM loans.

To facilitate faster and more streamlined service, a redesign was undertaken last year that greatly enhanced workflow throughout the company. This led to our ISO certification in 2007. To further enhance efficiency, preparations are underway for a PDA-based mobile application to be launched in 2008 to enable fast, on the spot insurance approval processing.



Further development of our products, process and people will be the determining factors of our future. New products, which include travel insurance and health insurance, will be introduced in 2008 to reinforce our position in the market. Simultaneously, more intensive cross-selling efforts will be launched to further leverage the Group's huge customer base. Plans are also laid out to improve our business processes and human resources capabilities in alignment with our expansion strategy.



Syariah Banking

An Alternative Solution

Danamon's Syariah Banking division offers a range of products, including Danamon Syariah Savings Account, Danamon Syariah Hajj Savings Account, Danamon Syariah Demand Deposits, Danamon Syariah Time Deposits and the latest is Syariah Unit-Link based product, RencanaKU Syariah Pension. All of our products are offered to fulfill the needs of the modern upper and middle class segments. Danamon Syariah customers can also enjoy convenient access through 10 (ten) dedicated Syariah branches and 70 Office Channeling branches conveniently located in Jakarta, Surabaya, Solo, Semarang, Makasar, Bukittinggi, Aceh and Martapura. We also offers electronic banking facilities that include over 14,000 ATMs network both Danamon's and ATM Bersama, the Danamon Access Center, e-banking and mobile phone banking facilities.

Our growth strategy focuses on seeking opportunities to take advantage of the strengths in our conventional banking business. Important initiatives were completed last year that included successes in exploiting the bank's vast branch network system and progress in building closer ties with other businesses.

In order to better serve our customers, we also launched a number of new products. These include the Dirham Card, the first ever credit card based on syariah principles introduced in Indonesia. As a product introduced in collaboration with MasterCard, cardholders enjoy a vast network of merchants throughout the world to provide payment services. The introduction of the Dirham Card is considered as a significant breakthrough by the market and received the Most Innovative Syariah Product Award from Investor Magazine.



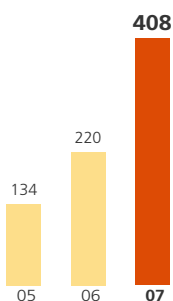
85%

Total Financing Growth

Syariah Banking expanded its network through office channeling and is now accessible in more than 70 locations throughout the country.

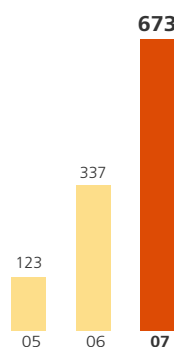
Total Financing

(Rp billion)



Total Funding

(Rp billion)





From the financial perspective, our Syariah banking business grew strong in 2007. Total assets grew 57% to Rp 766 billion by the end of 2007, well above the industry average growth of 12%. Total financing and funding figures also grew 85% and 99% respectively reaching Rp 408 billion and Rp 673 billion.

Going forward, we will continue to solidify our presence in this growing market. Despite rapid growth over the past five years, Indonesian Syariah banking is still in its early stages of development and currently accounts for less than 3% of the banking industry, offering much room for growth. We will further leverage Danamon's strengths by mirroring the Bank's current conventional products and maximum use of the Bank's service point network. Furthermore, we intend to develop our Syariah business by broadening our target market as potential new growth engines.

SME & Commercial Banking

A Loyal ‘Sahabat’

2007 continued to be a good year for the Commercial and Small and Medium Enterprises (SMEC) businesses. Commercial Banking lending increased by 32%, while SME Banking grew by 7% in 2007. Both businesses generated good growth in funding. NPAT also increased significantly. Total loans outstanding for Commercial and SME Banking contributed 30% of the total loans, making these businesses an important contributor to the Bank’s growth strategy.

Commercial Banking

Customers in this segment are comprised of entities with an annual sales turnover of Rp 40-500 billion with loan sizes ranging from Rp 7-100 billion.

At Danamon, we aim to become a reliable partner for customers by providing a one-stop solution for customers’ financial needs under our full relationship banking approach. Our emphasis is to deliver value-added solutions at a competitive price with a fast and flexible approach. We position ourselves as a “Sahabat” to our customers.

In 2007, we enhanced our focus on high growth industries such as CPO (crude palm oil) and intensified cross-selling of foreign exchange hedging products which received positive response from customers. The Asset Based Finance (ABF) products are broadened by adding new asset classes. We also signed an important strategic partnership agreement with JP Morgan that opens up new opportunities for financing exporters.

Commercial Banking extended its footprint by adding more people in Samarinda, Batam, Pekanbaru and Palembang. By the end of 2007, “Danamon Sahabat” Commercial Banking service are available in 13 cities, efficiently serving almost 3,000 customers across the country.



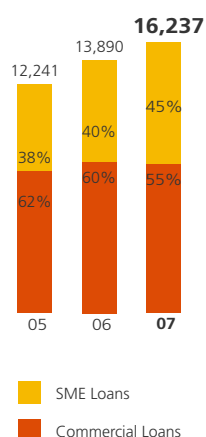
32%

**Commercial
Loan Growth**

Strong performance in asset based financing drove the growth of our commercial banking business. At the end of 2007, commercial loans contributed 14% to the bank’s loan portfolio.

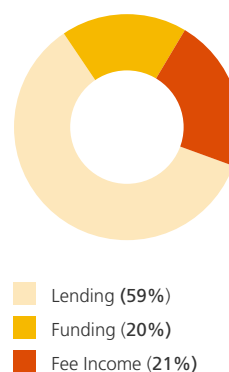
Outstanding Loans

(Rp billion)



Revenue Composition of SMEC in 2007

(%)



Considerable progress was also made in human resources development as the successful Management Trainee program which has produced high quality people was extended to a new batch of trainees. The "Sahabat University" programs continued to improve the skills and capabilities of sales people through specialized training programs. An improved performance management tracking process was initiated to align our employees with our growth aspirations. Business processes were also re-aligned to significantly improve turnaround time and enhance lead generation capabilities.

Plans are in place to further expand our reach in 2008 to new cities across the country. New products will be introduced catering to the specific needs of our customers in various segments, ranging from the agriculture sector to exporters. This includes extension of our Asset-Based Finance offerings with new asset classes as well as the launching of attractive investment products for our funding customers.

Small and Medium Enterprise (SME) Banking

Danamon SME Banking serves businesses with annual sales turnover of Rp 2 - 40 billion with loan sizes ranging from Rp 0.5 to 7 billion. SME customers can access a full range of products and services delivered through a lean end-to-end processes in more than 90 branches across the country.

Several new products were launched in 2007. Dana Oto, an unsecured loan facility for motorcycle dealers in partnership with Adira Finance was well received by dealers. Quick Cash, designed to reward our existing SME customers by providing loans for contingencies also performed well. Our lending program to rural banks or Bank Perkreditan Rakyat (BPR) was reinvigorated, leading to doubling our lending to this segment in 2007. This achievement was acknowledged by Bank Indonesia by awarding us the Kriya Pranala Award, as one of the top financiers to Rural Credit Banks (BPRs). Internal processes were revamped to allow us deliver better than market experience to our customers. We also started a pioneering analytics unit toward better understanding of customer needs and to support the growing business.

Going forward, we will continue to pursue our growth strategy to be at the heart of SME businesses both by extending our network reach and introducing attractive financial solutions for our customers in a fast, flexible and friendly environment. A more aggressive target has also been set to increase our lending growth through BPR.

All our processes are being designed to bring the most pleasurable and convenient banking experience to the SME customers.



Corporate Banking

Customized Solutions

Danamon's Corporate Banking division focuses on the 1,500 largest globally competitive companies in Indonesia. These companies are located in industries that are critical to the development of domestic economy and national employment.

Soaring oil prices, currency volatility and escalating values in both hard and soft commodities in 2007 brought new challenges and opportunities to the corporate banking industry. The downward pressure on margins also continued during 2007 driven mainly by intensified competition in banking industry, as well as the resurgence of the Indonesian bonds market.

In response to challenges in the lending environment, our Corporate Banking division worked closely with various groups to expand the range of products available to our clients. To further deepen our relationship with our valued clients, we offer:

- Tailored trade financial solutions to facilitate import and export requirements
- Attractive treasury products to satisfy foreign exchange and alternative investment product needs
- Cash management collection and payment solutions

We also extended the syndication and structured finance businesses (multiple products embedded) by expanding our Corporate Finance services. Corporate Banking remains focused on those dominating industries such as mining, oil and plantation industries where Indonesia has a competitive advantage globally. In 2007, for example, we succeeded in refinancing and completing a club deal for one of the largest petrochemical companies in the country. We also participated in a number of well-structured infrastructure projects with reputable sponsors.

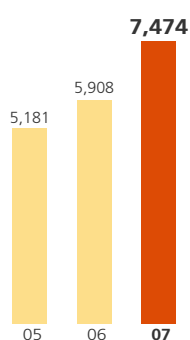
A customer profiling platform was developed in 2007 that allows us to perform improved analysis, target definition and setting as well as tracking processes.



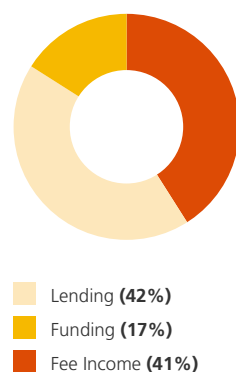
27%
Loan Growth

Corporate Banking showed a strong performance this year on the back of strong fee income growth. Over 58% of its revenue was generated from non lending activities.

Corporate Loans
(Rp billion)



Revenue Composition of Corporate Banking in 2007
(%)





2007 Transactions Highlights

Client's Sector	Danamon Financing
Coal Mining	Guarantee facility for large coal producers in the country
Oil & Gas	Trade facility for the largest local private oil and gas company
Plantation	Investment loan & working capital facility
Petrochemical	Structured trade financing
Construction	Working capital facility and trade facility
Food & Beverages	Working capital and cash management facility
Automotive	Investment loan as well as cross-selling for treasury products and trade facilities
Steel Manufacturing	Trade finance facility and treasury products

Trade Finance and Cash Management

Considerable progress has also been made in extending our capability to deliver more sophisticated and tailored solutions. Danamon was the first Indonesian bank that embraced the newly launched SWIFT Trade Service Utility, which will allow our customers to electronically transact and exchange documents through our e-banking systems. In 2007,

Danamon was also voted as the "Best Trade Finance Bank in Indonesia" by Trade Finance Magazine, two years running, and by Global Finance Magazine for three consecutive years. These achievements clearly demonstrate our capabilities as well as our unwavering commitment to deliver the best for our customers.

In 2007, we also signed an agreement with Eco Securities to develop a new business strategy in Carbon Credit Program by providing trade facilities for Crude Palm Oil (CPO) producers.

Our cash management services continue to develop unique value propositions that emphasize customized solutions, comprehensive product suites, automated processing and easy access. In 2007, we further enhanced our internet banking service, Cash@work and forged strategic partnerships with PT Pos Indonesia and state electricity company, PT Perusahaan Listrik Negara (PLN).

Superior results were also posted in the custodian business as evidenced by the growth of our Asset under Custody up to more than one hundred percent compared to the previous year. More strategic partnerships were established as we forged alliances with The Bank of New York, widely recognized as the world largest corporate trust bank, and JP Morgan Chase to handle their transactions in Indonesia.

The Corporate Banking team ended 2007 with loan growth of 25% to Rp 7.6 trillion. Revenues from non-lending activity (NII funding & Fee) rose by 16% and contributed 58% to the total corporate banking revenue.

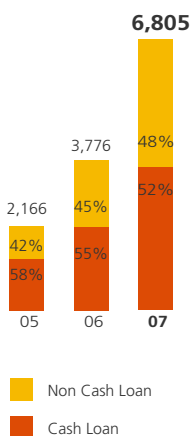
Total outstanding loans from Joint Financing and Asset Buy business with other finance companies reached Rp 1.4 trillion.

2008 Outlook

In 2008, we will continue to intensify our new customer acquisition efforts within industries in our target market. In line with our focus on fee generated businesses, more initiatives will be launched to continue cross-selling our Treasury, Trade and Structured Trade products. We will also continue to further strengthen the sales culture within good governance banking practice, product knowledge, product synergy package and credit skills of our staff through formal training and individual coaching. Targeted company names will be clearly defined, high productivity targets set and the appropriate tracking mechanisms further improved.

Trade Finance

(Rp billion)



Treasury, Capital Markets and Financial Institutions

Offering Professional Solutions



Rp 1.5
trillion
Senior Bonds raised

To support the bank's strategic initiatives, Treasury succeeded in raising Rp 1.5 trillion senior bonds. Long-term funding rose by 22% and contributed to 16% of the bank's funding.

The Treasury and Capital Markets division (TCM) holds a prominent role in managing the bank's liquidity and serves as a profit center for the bank through trading of financial instruments and from the offering of wide-ranging fixed income, foreign exchange and interest rate products. Under the same leadership, the Financial Institution division (FI) works closely with TCM in providing professional services to the bank's financial institutions client and in extending the distribution of TCM products to the market.

The activities within the Treasury Division are grouped through six functional desks. The Asset & Liability Management (ALM) Desk, the Foreign Exchange and Interest Rate Trading Desk, the Fixed Income Trading Desk, the Treasury Sales Desk, the Product Development and Structuring Desk, and the Business Management desk.

The ALM Desk is tasked with managing the market and liquidity risks of the Bank. The ALM is also responsible for securing Danamon's structured funding as part of the Bank's strategic initiative to manage asset and liability mismatch according to the prescribed risk parameters. One key achievement completed during the year was the implementation of a robust fund transfer pricing mechanism that enables us to better manage market and liquidity risks for the bank. To benefit from the low interest rate environment, we also successfully issued our inaugural fixed-rate, Rupiah denominated bond with total amount of Rp 1.5 trillion. Also, a US\$ 150 million Floating Rate Certificate of Deposit (FRCD) was issued in 2007 with a one year tenor that further strengthened our funding base.



Our Foreign Exchange and Interest Rate Trading Desk is one of the dominant players in Indonesia's IDR FX and interest rate markets. We are also the first and only bank in Indonesia that participates in the US interest rate future market. On the 2007 AsiaMoney FX Poll survey, Danamon Treasury and Capital Market were voted for the best FX and Option provider for the Indonesian Rupiah.

Furthermore, the trading team also manages a deep range of foreign exchange products, from plain vanilla to more complex products such as foreign exchange options and structured foreign exchange options, usually traded in local currency.

The Fixed Income Trading Desk is responsible for trading and distribution of Fixed Income related instruments in both local and international markets. The trading instrument ranges from the Indonesian Sovereign bonds, Corporate and Government Retail bonds to US Treasury Notes. Recognizing our progressive position in this field, in 2007 Danamon was named as the fourth largest bank in the country

in terms of market share and trading volume in the fixed income market by Asset Magazine.

To support our growth strategy and to enhance the level of service, in 2007 we divided the Treasury Sales Desk into two separate platforms. The wholesale platform serves the corporate, financial institution and commercial segments, while the retail platform caters the needs of our personal banking, affluent and SME segments. With the resources and the product platform that we have, we now surely have the competitive advantage to gain the upper-hand on the derivative and structured products in the Indonesian financial markets. According to the Corporate FX Poll 2007 by Asia Money, the TCM Corporate Sales team was recognized as the best customer service team in "Best Domestic FX Providers" award.

In order to support our growing Treasury business, we develop a Product Development and Structuring Desk, whose main function is to manufacture off-the-shelf products that suit the need of our client's

business or personal needs. The products created were mainly designated for investment purposes, hedging against foreign exchanges and interest rate volatility, hedging for the clients' liabilities, and cost reduction structure for loans. Also, our interest rate products are supported by robust risk management and trading capabilities that position ourselves as one of the very few local banks that can offer the best of offshore and onshore markets to clients.

We also have the Business Management Desk to support the Treasury Division operation not only in business planning, budgeting, internal reporting but also in coordinating periodic policy and procedure review as well as assisting in audit, maintenance, product program and contracts with third parties.

The Financial Institution Group is responsible for serving financial institution by building closer relationships with banks, securities companies, asset management houses, pension funds and insurance companies. It offers a broad range of services such as correspondent banking, international remittance, Trade Finance, Custody, Cash Management, Treasury products and solutions. This year, the group extended its line of business from funding oriented to lending and other treasury products such as foreign exchange and derivatives.

Next year, we are looking forward to carry the momentum of our business growth in 2007

through the expansion of our Treasury Sales business and to penetrate the market through the distribution of our Treasury product to increase our market share. Additionally, we are also looking to expand our Capital Market arms in order to provide diversifications in TCM product and service offering such as corporate finance, underwriting services, equity linked products and etc. We are confident that this kind of expansion would bring added-value to Treasury and Financial Institution and to Danamon as a whole.

In order to realize this strategy, we are committed in the development of the technical infrastructure such as the implementation of Numerix, a world-class structured product pricing designed to provide competitive pricing for our customized structured products. Beside this, new regional offices dedicated to serve Treasury Retail customers will be opened in 2008 as the sign of our commitment to achieve sustainable growth in the retail segment. Furthermore, we are planning to launch another Danamon bond series II, after a successful series I launch in 2007, in order to support the strategic growth of the bank.

Apart from technical development, we are launching the second batch of Management Associates program as part of our commitment to employ the brightest people for the continuation of our business growth.

Human Resources

Grow Yourself, Grow Your Team, Grow Your Business

A key success factor for any company to grow is the ability to attract, develop, and retain its talent. Danamon has determined to be the Employer of Choice by becoming a company with great working environment where individuals can grow to their maximum potentials. To achieve this we have developed four pillars below :

- **Leadership** : Our leaders are well respected, competent, and committed to their professions and to the well being of the employees
- **Image** : We are a leading financial Institution in Indonesia, managed by professional leaders with international standard of practices
- **Working Environment** : We provide a dynamic, challenging, and fun environment where people care for each other
- **Opportunity to Grow** : We provide employees with fair opportunities to grow and to contribute based on their strengths and potentials in line with company needs

Nurturing Leadership

In 2007 we launched the Danamon Leadership Academy (DLA) program. This program was developed in association with INSEAD Singapore, one of the best business schools in the world. This unique fully customized program aims at grooming leaders to have a global perspectives. The program also includes extensive mentorship sessions and has been attended by more than 600 first-line to senior level managers so far. As part of our strategy to continue attracting the best talent in the market, we also invited the winners of Danamon Young Leader



**>35
thousand
Total Employees**

Our aspiration to be the Employer of Choice is gaining momentum as evidenced by results of our annual employee opinion survey. All measures showed improvement and exceeding the scores of Indonesia and Asia Pacific corporations.

Award from leading universities in Indonesia to attend classes in Singapore.

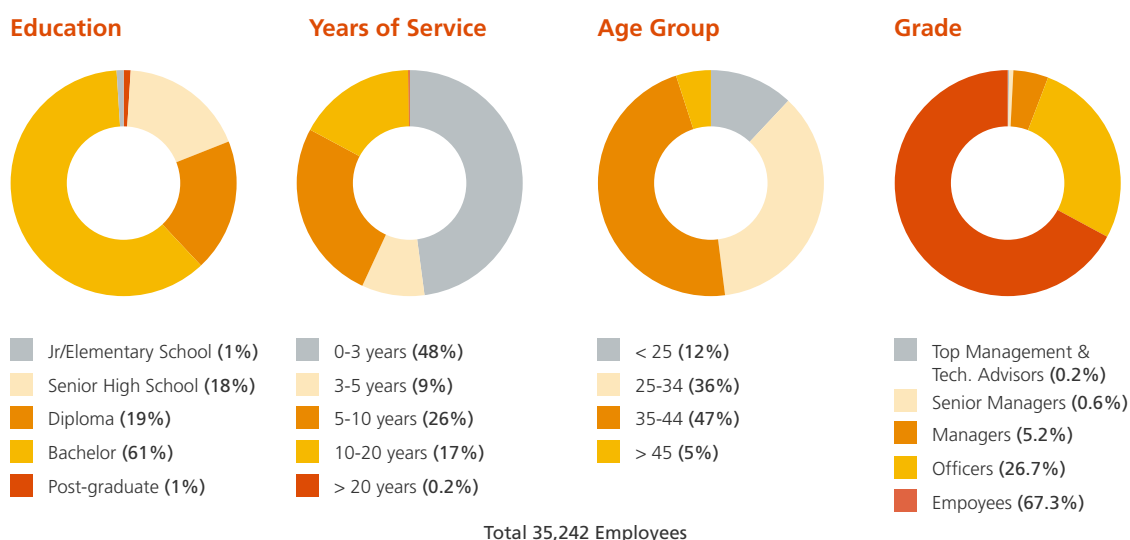
2007 was also marked as the year where we initiated our corporate university concept. Danamon University is envisioned as the realization of our conviction on the importance of life-long learning. Our employees will be able to choose from a rich menu of educational programs, developed and conducted by best-in-class faculties.

Our campus in Ciawi, Bogor, was busy in conducting trainings needed to support our business growth as well as to enhance and refresh employee skill and banking knowledge. During 2007, we conducted over 90,000 man days trainings to over 6,000 employees.

Including our subsidiaries, we added over 4,000 new employees last year, bringing our total workforce to over 35,000 by the end of 2007. This makes us one of the largest employers in the financial sector in Indonesia.



Composition of Employees in 2007



Pursuing Excellence in Human Resources Operation

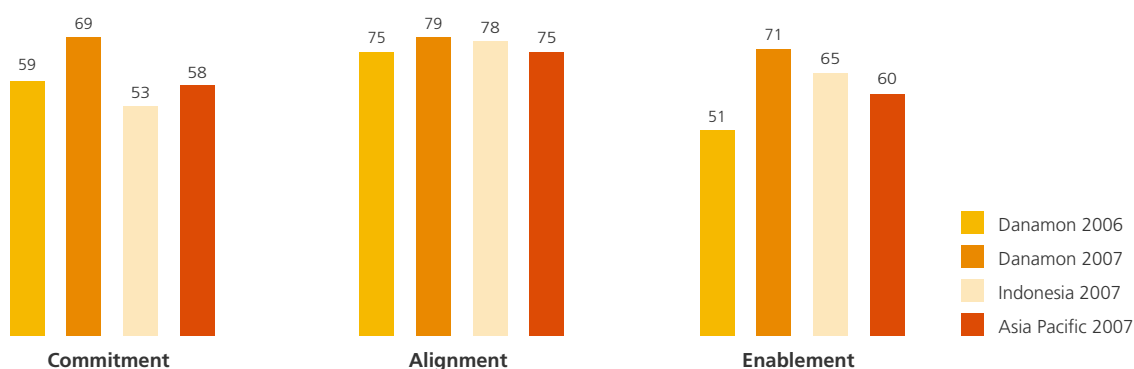
Achieving excellence in human resources is always among our top priorities to ensure that we can deliver the highest level of care and service to our employees.

In 2006, we successfully launched our Employee Service Center which includes a call center and internet access facilities where employees across the country can easily access various kinds of human resources services and assistance anytime

they need. In 2007, we extended our of service level to our employees by introducing a new service called SMS Push. The SMS Push service delivers answers for frequently asked questions such as overtime and incentive payment as well as medical reimbursements to employees without requiring them to post queries. In average, more than 24,000 text messages are delivered to the employees every month.

Also in 2007, we successfully replaced our cumbersome, paper based, pay slip system with a

Employee Satisfaction Index





more robust and cost effective electronic pay slip system (e-Pay) that delivers over 19,000 pay slips electronically every month. Every employee can then access their monthly payment details anytime from Danamon's intranet infrastructure.

With the introduction of these innovative systems, we were able to increase our service level while simultaneously improving overall productivity level.

Engaging our People

A committed and engaged workforce is the key to performance. For that reason, throughout the year we have been systematically improving employee involvement by focusing on continuous two-way communication designed to engage all employees to our aspirations. In July 2007 for example, we completed the Collective Labor Agreement with the Bank's labor union. The successful signing of the agreement reflects the close relationship between management and all employees to build a strong and productive working culture.

Also central to our efforts in engaging employees is our annual working employment survey where we measure ourselves against the expectations of our people and against industry best practices. This was the third year where we conducted the Danamon Employee Opinion Survey (DEOS). The survey is one

of the largest ever climate surveys ever undertaken by a bank in the region as it is participated by over 14,000 employees. Survey results continue to highlight strong year-on-year increases in employees engagement. The Employee Commitment measure, a leading indicator of our employees' commitment to the bank shows progressively higher scores from 60% last year to 69% in 2007. This score exceeds the scores of 53% and 58% for Indonesian and Asia Pacific corporations respectively. We also posted improvement in our Employee Alignment from 77% to 79% in 2007, which measure alignment between employees and management objectives. Employee Enablement scores, which measure our capability to enable our employees to realize their full potential is significantly improved from 61% to 71% in 2007.

Future Plans

As we move forward, we will retain our belief that human resources are our most important asset. We will continue our Danamon Leadership Academy program and build closer collaborations with leading universities in the world. We will also continue to invest in Danamon University initiatives to become the best corporate university in the industry. At the same time we will seek opportunities to further revitalize the human resources function to become a strategic partner for business growth.



Information Technology

Technology Serving People



>1,100

on line, real time branches

We completed the first phase of our new core banking system implementation. The new technology, when fully deployed, will provide superior service, relationship pricing and scalability to support business growth.

As stated in our mission statement, Danamon aims to become the leading financial institution supported by world class technology. Significant progress has been accomplished over the past year bringing the Bank closer to its aspiration.

In 2007, we commenced our strategic project of New Core Banking System (NCBS). We completed the first phase of implementation with Oracle GL as the Enterprise General Ledger (EGL) in September 2007. During the second phase, the Self Employed Mass Market (SEMM) business would be migrated to NCBS. After completing the necessary milestones of training, system integration test (SIT), user acceptance test (UAT) and data conversion, we successfully migrated two pilot branches in December 2007. All 700+ branches of SEMM business will be rolled out to NCBS during the first half of 2008.

The second important project was for the American Express business, a key component of our Cards strategy. We commenced the project in March 2007 and by November 2007, we successfully migrated from American Express proprietary systems to ASCEND, that also supports our Visa & MasterCard business.

The next two projects are related to improving our electronic channels capability. The first project of migrating to NSwitch (Base 24/ES) commenced in February 2007. We completed capacity increase in DRC, full replication and functionality to support Triple Data Encryption Standard (DES) by June 2007. The functionality to support American Express went live in November 2007. EMV compliance capability is planned to be implemented in 2008.

Further, we purchased 630 new ATMs that will support the Triple Data Encryption Standard (DES) including encrypted pin pad. The roll-out of the state-of-the-art ATMs commenced in the last quarter of 2007 and is expected to be completed in the mid of 2008. By the end of 2008, Danamon ATMs and Switch will have the capability to read EMV cards.

We also upgraded our PC Cash Management system from VPN to Internet platform for our Corporate, Commercial and SME customers in April 2007.

During 2007, we also implemented loan origination system for Cards, CMM, Adira Quantum and Consumer Mortgage businesses. The system is interfaced with ASCEND and ICBS and has increased the level of Straight-through-processing (STP) capability within Danamon.

On the infrastructure front, we have redesigned our Core Network Switches at both of our Network Operating Centers, to provide higher resilience and throughput capacity. This project would be completed in the first quarter of 2008. We have also built and tested full replication capability between our Main Data Centre and Disaster Recovery Centre. This demonstrates our commitment to deliver a

level of system resilience and reliability that is the best in the country and comparable to the highest standards available in the world.

As we enter a new year, we will continue on our roadmap towards the Bank's End-State IT blueprint.

In parallel with the second phase of the NCBS project (roll-out of all SEMM branches), the third phase will continue. As part of the third phase, user training, SIT, UAT and data conversion for conventional businesses will be conducted and the pilot branches are expected to go live by the end of 2008. When it becomes fully operational in 2009, the new core banking system will deliver high level of scalability, reliability and flexibility to all businesses in Danamon. That will enable them to provide superior service quality to their customers and improve their speed to market new products and services.

In addition to revamping our infrastructure and back-office systems, we will further strengthen our customer touch points by building the internet banking for Consumer Banking and a new bank-wide Call Center in 2008. We will also enhance our decision support capabilities utilizing sophisticated analytical tools.



Corporate Social Responsibility

Caring and Sharing



558
thousand

Beneficiaries of our
'My clean, healthy
and prosperous
market' program

In 2007, Danamon Peduli Foundation has improved public facilities and given free medical check ups in 1,111 traditional markets all over Indonesia.



In order to enhance the impact of Danamon's corporate social responsibility activities, we have established the Danamon Peduli Foundation. The Danamon Peduli Foundation is a social foundation that supports sustainable development based on community need and volunteerism. To deliver its mission effectively, the foundation adopts internationally accepted best practices from world class non-profit organizations. This includes the establishment of a Board of Trustees consisting of some of the most highly reputable individuals in the nation. The foundation also implements transparent financial accountability through an annual financial audit by a certified public accountant. With this solid platform, the foundation runs various high impact programs to help build a better society.

Danamon Peduli Foundation

Founders	PT Bank Danamon Indonesia Tbk
	PT Adira Dinamika Multifinance Tbk
Board of Trustees	Mar'ie Muhammad (Chairman)
	Edward Lee
	Teddy P. Rahmat
	Sebastian Paredes
	Stanley Setia Atmadja
Supervisors	Manggi T. Habir (Chairman)
	Kartini Muljadi
	Palgunadi T. Setyawan
	Muliadi Rahardja
	Anika Faisal
Management	Risa Bhinekawati (Chairwoman)
	Djemi Suhenda (Vice Chairman)
	Dini Herdini (Vice Chairwoman)
	Muljono Tjandra (Treasurer)
	Ronny Tedjasukmana (Secretary)

My Clean, Healthy and Prosperous Market

The traditional market is one of Indonesia's economics pillars. Latest statistics indicate that there are over 13,000 traditional markets across the country with about 13 million vendors that support the livelihoods of more than 25 percent of the Indonesian population.

Launched in 2004, 'My Clean, Healthy and Prosperous Market' is a Danamon Peduli program aimed at revitalizing these traditional markets. So far, it has grown to 1,111 activities involving over 11,000 volunteers and touching more than 558,000 beneficiaries all over Indonesia.

Danamon Peduli volunteers – who are SEMM employees in 700 SEMM branches covering 1,500 traditional markets – work with traders, market managers, local Non Government Organization (NGOs) and local governments to clean markets in their communities. Activities include:

- Small-scale infrastructure development based on urgent needs of the traditional market community, such as public toilets, access roads, sanitation system and information board renovations.

- Prevention of disease in the market community through donations of fogging machines to prevent dengue fever and washing facilities to reduce the risk of diarrhea and avian flu.
- Health campaigns, free medical check-ups and blood donation.
- Integrated market waste management to transform market waste into profitable organic fertilizer.
- Clean market competitions to build awareness and excitement of market vendors and visitors on the importance of quality market environment.
- Training programs on healthy market and simple financial management for the self-employed and small medium market vendors.

Broader programs are already being developed for 2008, including the launching of National Clean and Healthy Market Day where over small scale infrastructure improvements in over 700 traditional markets are inaugurated in one day. It is expected that this activity will create nationwide awareness about the importance of sustaining Indonesian economy by strengthening traditional markets through improvements of their environmental health and hygiene.





During 2007, we also started the development of a pilot project on integrated market waste management in close cooperation with the regents of Sragen and Bantul. This project adopts the concept of transforming market waste into profitable organic fertilizer to generate revenue for the traditional market community. One composting unit can transform five tons of organic waste into two tons of compost, absorb three-four workers, solve scarcity issues of fertilizers, improve land condition, reduce waste management burden of local government, and prevent global warming. Plans are laid out to replicate the composting program into 66 more districts in 2008.

Relief, Recovery and Reconstruction Initiatives

The Danamon Peduli 3R (Relief, Recovery, Reconstruction) program aims to provide relief to victims of natural disasters. Through Danamon's vast network of 1,000 branches and 30,000 employees spread throughout the country, quick action can be taken immediately in areas stricken by disasters. We have also developed an SMS based, quick approval system that allows our employees at the branch level to organize relief efforts within 24 hours. This system enables us to become among the first private sector companies to respond to disasters in various regions in Indonesia.

In 2007 we helped victims of 24 natural disaster incidents of floods, earthquake, landslides, market burned, and volcanic eruptions in Aceh, North Sumatera, West Sumatera, South Sumatera, Bengkulu, Jakarta, West Java, Central Java, East Java, South Sulawesi, and East Kalimantan. For the recovery of victims of the Bengkulu and Padang earthquakes in September 2007, these donations were used to support the rebuilding of



public facilities – especially schools and houses in the affected areas. Total donations disbursed was around Rp 1.1 billion.

To respond to large scale natural disasters, such as the tsunami in Aceh/Nias and the earthquake in Yogyakarta and Central Java, Danamon Peduli also manages donations from the bank customers, employees and society through Danamon Peduli Aceh Funds and Danamon Peduli Yogya/Central Java Funds. Program executions are implemented in collaboration with reputable partners such as the Ministry of Trade, Ministry of Health, Bank Indonesia, the Indonesian Red Cross, Habitat for Humanity, USINDO, SOKOLA, Yayasan Lontar, Forum Merti Dusun as well as local governments, local NGOs and volunteers.

Since the December 2004 tsunami that hit Aceh and Nias, Danamon Peduli has channeled more than Rp 7.5 billion in donations to finance the following programs:

- Quick relief and evacuation programs in cooperation with the Indonesian Red Cross.
- Construction of 200 permanent houses in Mulia and Tibang villages, developed by Danamon Peduli's volunteers in cooperation with Habitat for Humanity.
- Rebuilding of the livelihood of Ujung Muloh fisherman village in cooperation with SOKOLA.
- Development of waste management and public facilities in Upah market located in Aceh Tamiang with Department of Trade.
- Construction of a community center in Syah Kuala University, Banda Aceh in cooperation with USINDO.
- Publications of children books with Lontar Foundation.



- Public facility and waste management development for the Lambaro market in cooperation with the Ministry of Trade and Bupati Aceh Besar.
- Development of public toilets and clean water installations in Gunung Sitoli, Nias in cooperation with Bupati Nias.

Total disbursements in 2007 of Danamon Peduli Aceh Funds was Rp 572 million.

To conclude its contributions to the reconstruction of Yogyakarta and Central Java post earthquake, Danamon Peduli developed five community and learning centers equipped with PCs in five villages in the regions. We have also established public facilities and integrated waste management system in Piyungan market, Bantul. Total disbursements of Danamon Peduli Yogya/Central Java Funds in 2007 was Rp 730 million.

Danamon Award 2007

Last year was the second year we launched the Danamon Award, a program aimed at identifying and honoring members of society who strive towards improving the welfare of others. These are individuals who dedicate their time and efforts to

create a lasting impact on the development of many people.

Danamon Award 2007 received participation from 2,111 entrants from which we selected five award recipients representing the individuals; small, medium and large scale businesses and non-profit award categories as well as two recipients of Danamon Award Special Recognitions. In line with Danamon's vision: "We care and enable millions to prosper", the award allows us to inspire many others by learning from the experiences of these heroes of the society.

Danamon Peduli Scholarships

Since 2004, the Danamon Peduli Scholarship program has awarded 422 full scholarships for elementary school to university level students from less privileged families. Scholarship recipients include nine students from the Bogor Agricultural Institute who receive monthly stipends for books and accommodations. In the future, our education program will focus on building capacities of traditional market communities as well as small medium enterprises to improve their ways of working and to find alternatives for income generating.

Millennium Development Goals Award

Recognizing our contributions to society, in November 2007, Danamon Peduli Foundation was nominated for the Millennium Development Goals (MDGs) Award in the category of Poverty Eradication organized by United Nation Development Program (UNDP) and a local TV station (Metro TV). Previously in 2006, we were selected to represent Indonesia at the Worldwide Initiatives for Grant making Support Forum and received the "Best Social Reporting 2004" from the Indonesian Sustainability Award.



Actual Spending of Danamon Peduli Foundation 2007

Activities	Amount Donated/ Invested (Rp)
Danamon Peduli Funds	
1. My Clean, Healthy and Prosperous Markets:	6,564,571,301
<ul style="list-style-type: none"> 1,111 activities to improve the health and hygiene of over 700 markets all over Indonesia. The formats include free medical check ups, small-scale infrastructure improvements such as public toilets, market access path, market sign and zoning, renovation of dumping area, training on clean market, donation of fogging machines, water pumps and market roofs, etc. Clean Market Contest in Yogyakarta and Semarang Pilot projects of composting in Ciputat Market, Tangerang and Bantul Market, Yogyakarta Avian Influenza training and biosecurity improvements in Kemiri Market, Depok 	
2. Relief, Recovery and Reconstructions:	1,052,416,613
A total of 24 activities for:	
<ul style="list-style-type: none"> Relief efforts for victims of floods in Morowali, Batang Toru, Jakarta and Padang Sidempuan; Relief efforts for victims of Lumpur Lapindo Relief efforts for victims of earthquake in Tanah Datar, Mandailing Natal, Asem Bagus, Batu Sangkar, and Medan Recovery efforts (built temporary stalls) for victims of market burned down in Jombang, Ungaran, Mojosari, Balikpapan Reconstruction efforts (housing and school renovations) for victims of earthquake in Bengkulu (Ketahun and Ipuh) and Padang (Lunang Silaut and Padang) Preparation for Mount Kelud, East Java eruptions Reconstruction efforts (master plan and development of kiosks and public facilities) in Aceh Tamiang post flood. 	
3. Scholarships	104,062,395
4. Outreach/Communications	153,928,720
5. Programs Development	110,000,000
6. Reestablishment/Strengthening Executive Office	215,850,170
7. Management Process, Coordination, Governance	83,303,450
8. Monitoring and Evaluation	84,198,485
9. Operating Expenses	1,602,146,092
Total Danamon Peduli Funds	9,970,477,226
Danamon Peduli Aceh Funds	571,762,894
<ul style="list-style-type: none"> * Construction of public facilities (public toilets, common area, washing facilities, waste collection facilities) in Pasar Lambaro, Nangroe Aceh Darussalam * Additional donations to Syah Kuala model high school, Banda Aceh * Public toilets and washing facilities in Gunung Sitoli, Nias 	
Danamon Peduli Yogyakarta/Central Java Funds	729,951,524
<ul style="list-style-type: none"> * Community/Learning Centers in 5 villages: Breba, Celeban, Sorowulan, Nglangran & Lendah: Common Areas, Classrooms with 10 PCs each, Public toilets * Public facilities in Piyungan market, Bantul, Yogyakarta: Community Center/Cultural Stage, Waste Composting Units, 10 Public Toilets 	
GRAND TOTAL	11,272,191,644

Yayasan Danamon Peduli

Statements of Financial Position

As at 31 December 2007 and 31 December 2006

(Expressed in Rupiah)

	2007 (Unaudited)	2006 (Audited)
Assets		
Cash and Cash Equivalents	1,506,075,432	1,414,760,235
Other Assets	28,954,500	25,959,939
Fixed Assets	135,014,327	136,695,219
Total Assets	1,670,044,259	1,577,415,393
Liabilities and Net Assets		
Liabilities		
Accrued Expenses	1,183,215,255	361,792,000
Taxes Payable	34,788,162	143,738,126
Other Payable	143,169,675	94,800,000
Total Liabilities	1,361,173,091	600,330,126
Net Assets		
Unrestricted Net Assets	335,129,581	335,435,830
Temporarily Restricted Net Assets	(26,258,414)	641,649,437
Total Net Assets	308,871,168	977,085,267
Total Liabilities and Net Assets	1,670,044,259	1,577,415,393

Yayasan Danamon Peduli
Statements of Activities

For the Period from 1 January 2007 to 31 December 2007 and from 17 February 2006 to 31 December 2006

(Expressed in Rupiah)

	2007 (Unaudited)	2006 (Audited)
Changes in Unrestricted Net Assets		
Revenues	1,579,340,340	2,494,603,280
General and administration expenses	(1,602,146,092)	(2,261,345,788)
	(22,805,752)	233,257,492
Other Income		
Interest Income	50,547,402	149,660,977
Increase in unrestricted net assets before income tax	27,741,650	382,918,469
Corporate Tax	(28,047,899)	(47,482,639)
(Decrease)/Increase unrestricted net asset after income tax	(306,249)	335,435,830
Unrestricted net asset at the beginning of the period	335,435,830	-
Unrestricted net asset at the end of period	335,129,581	335,435,830
Changes in Temporarily Restricted Net Assets		
Contribution	7,336,803,283	3,000,347,226
Net Assets released from restriction	(8,004,711,134)	(2,358,697,789)
(Decrease)/Increase in temporarily restricted net assets	(667,907,851)	641,649,437
Temporarily restricted net assets at the beginning of the period	641,649,437	-
Temporarily restricted net assets at the end of period	(26,258,414)	641,649,437