

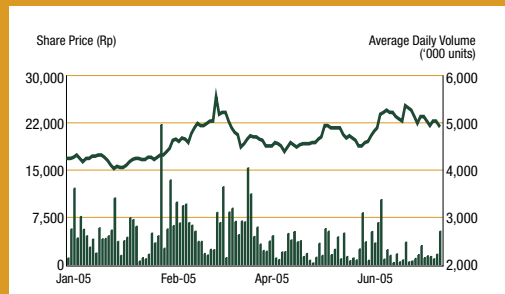
# Investor Newsletter

## July 2005

**Bank Danamon**

We believe in You

### Share Price (Ticker: BDMN)



### Shareholders

	1H 2004	1H 2005	Change
Asia Financial (Indonesia) Pte Ltd	61.9%	65.8%	3.9%
Asset Mgmt Co. qq. Ministry of Finance Republic Indonesia	20.5%	10.5%	(10.0%)
Public	17.6%	23.7%	6.1%

## First Half 2005 Results

- **Net profit after tax increased 17% to Rp. 1,285 billion.**
- **Net Interest Margin improved to 9.1%.**
- **Loans grew 47% to Rp. 33,434 billion.**
- **Adira Finance recorded 35% increase in net profit to Rp. 233 billion.**
- **591 DSP for Self Employed and 142 DSP for Mass Market Consumer have been established as at June 2005**

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## First Half 2005 Financial Results

**B**ank Danamon recorded first half 2005 net profit after tax of Rp. 1,285 billion, up 17% from Rp. 1,101 billion in the same corresponding period last year. This is primarily due to increase in net interest income on the back of expanding interest margin and a significant provision write-back resulting from loan recovery. Accordingly, earnings per share (EPS) were Rp. 261.86 in the first half of 2005 as compared to Rp. 224.43 in the same period last year.

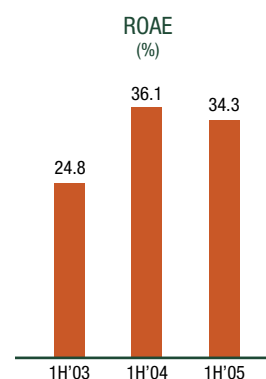
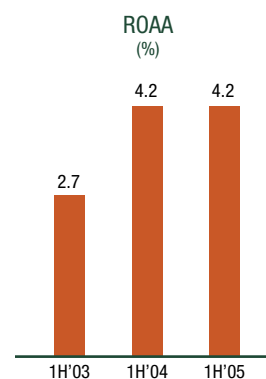
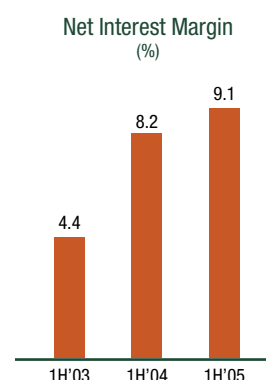
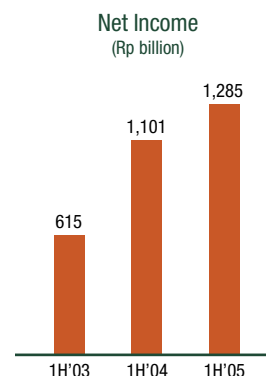
In billion Rupiah	1H 2004	1H 2005	Chg (%)
<b>Income Statement</b>			
Net Interest Income	1,970	2,267	15%
Other Operating Income	593	745	26%
Total Operating Income	2,563	3,012	18%
Other Operating Expenses	927	1,295	40%
Net Operating Income	1,636	1,717	5%
Provision for Possible Losses	35	(383)	N.M.
Net Income	1,101	1,285	17%
Earnings per Share (Rp)	224.43	261.68	17%
Diluted Earnings per Share (Rp)	-	257.85	N.M.
<b>Balance Sheet</b>			
Total Assets	53,138	65,021	22%
Total Loans	22,753	33,434	47%
Total Government Bonds	18,269	16,011	(12%)
Total Liabilities	45,785	56,789	24%
Third Party Funds	36,207	44,822	24%
Total Equity	7,353	8,232	12%
<b>Key Financial Ratios (%)</b>			
Net Interest Margin	8.2	9.1	0.9
Cost to Income	35.9	42.7	6.8
Return on Average Assets	4.2	4.2	-
Return on Average Equity	36.1	34.3	(1.8)
Loan to Deposits Ratio	63.1	77.4	14.3
NPL / Total Loans - Gross	6.2	2.7	(3.5)
NPL / Total Loans - Net	0.0	0.0	0.0
Loan Loss Allowances / NPL	160.9	132.2	(28.7)
Net Open Position	0.3	2.4	2.1
Capital Adequacy Ratio	31.1	23.5	(7.6)
Tier 1 Capital	23.6	18.7	(4.9)

In the first half of 2005, net interest income rose 15% to Rp. 2,267 billion as a result of higher interest income. Interest income grew 18% to Rp. 3,718 billion primarily due to substantial expansion in loan book. On the other hand, interest expense rose 23% to Rp. 1,451 billion due to higher interest expense for customer deposits as well as borrowings and deposits from other banks. **Taken altogether, net interest margin expanded to 9.1% in the first half of 2005** from 8.2% in the same period last year.

Other operating income (non-interest income) amounted to Rp. 745 billion in the first half of 2005, up 26% from the same period last year partly due to higher recurring fee-based income from credit related fees and commission that rose 33% to Rp. 332 billion. In addition, non recurring income increased 20% to Rp. 413 billion in the first half of 2005 due to 42% increase in gain on sale of marketable securities and bonds.

In the first half of 2005, other operating expenses rose 40% to Rp. 1,295 billion primarily driven by business expansion. Manpower expenses rose 58% to Rp. 759 billion mainly due the recruitment of 5,124 new hires in relation to our mass market business expansion (DSP and Adira Finance) and increase in salaries and employee benefits. In the meantime general and administrative expenses rose 29% to Rp. 503 billion. **As a result of this expansion, cost-to-income ratio rose to 42.7% in the first half of 2005 from 35.9% in the same period last year.**

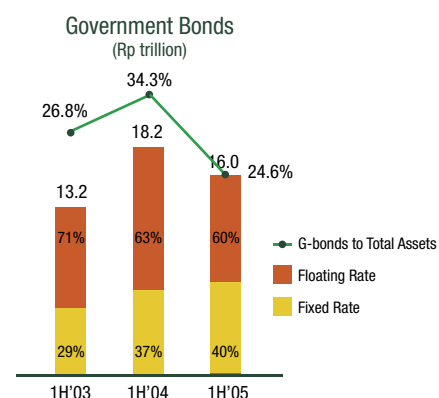
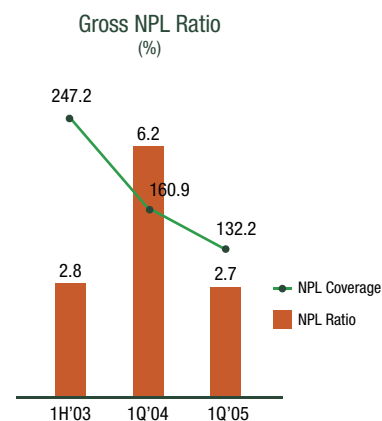
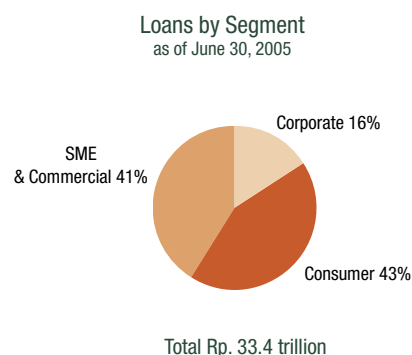
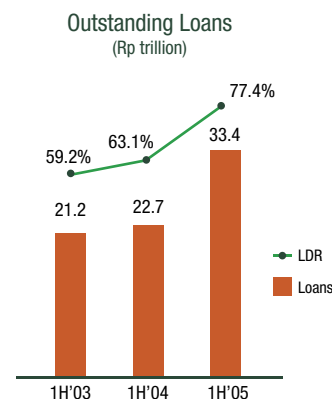
There was a noticeable reduction in allowances for possible losses on earnings assets in the first half of 2005 due to provision write-back resulting from strong loan recovery. The bank managed to recover Rp. 246 billion of bad loans in the first half of 2005, contributing to a provision reversal of Rp. 383 billion as compared to a loss provision of Rp. 35 billion in the same period last year.



**Loans expanded 47% to Rp. 33,434 billion as at June 30, 2005 from Rp. 22,753 billion a year ago derived from robust loan growth in consumer and SME/Commercial segments.** Consumer loans rose 52% to Rp. 14,487 billion largely supported by strong growth in Adira Finance's auto financing. As a result, consumer loans now accounted for 43% of total loans. Within consumer loans portfolio, motorcycle loans contributed 49% of consumer loans, car loans 26%, housing loans 20% and credit card 5%. As at June 30, 2005, loans extended to Self Employed Mass Market, SME and commercial sectors accounted for 41% of the loans portfolio and saw a growth of 75% to Rp. 13,465 billion, in which loans to Self Employed Mass Market was Rp. 1,885 billion, up 72% from the previous quarter. Meanwhile, corporate loans slightly declined 1% to Rp. 5,482 billion as at June 30, 2005, representing 16% of the loan book. This loan growth has led the Bank's loan-to-deposits ratio (LDR) to rise to 77% as at June 30, 2005 from 63% in the previous year.

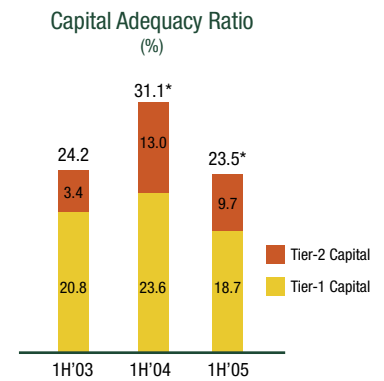
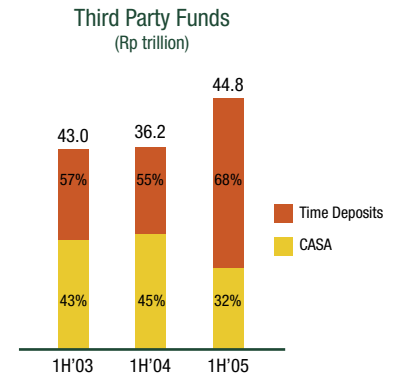
Bank Danamon continues to prudently manage its asset quality amid loan expansion. Non-performing loans (NPLs) reduced substantially to Rp. 905 billion as at June 30, 2005 from Rp. 1,479 billion a year earlier primarily due to strong loan recovery. **Nevertheless, NPLs rose slightly by Rp. 39 billion to Rp. 905 billion from Rp. 866 billion in March 2005 due to the implementation of BI's new ruling regarding loan classification.** As such, gross NPL ratio was down to 2.7% as at June 30, 2005 as compared with 6.2% a year earlier. **Net NPL remained zero** as loan loss allowances of Rp. 1,196 billion far exceeding the NPL with NPL coverage ratio of 132% as at June 30, 2005.

Exposure to government bonds continue to decline steadily. Government bonds portfolio reduced to Rp. 16,011 billion as at June 30, 2005 from Rp. 18,269 billion a year earlier. As at June 30, 2005, 40% of total government bonds are fixed rate bonds and the remaining 60% are floating rate bonds with an average duration of 1.9 years. **Government bonds now accounted for 25% of the Bank's assets**, down from 34% a year earlier and their contribution to interest income declined to 21% in the first half of 2005 against 29% in the same corresponding period last year.



Third party funds (deposits) which accounted for 79% of total liabilities grew 24% to Rp. 44,822 billion as at June 30, 2005 from Rp. 36,207 billion a year earlier. In addition, deposit grew Rp. 4.7 trillion or 12% from 1Q 2005. Current accounts and savings (CASA) accounted for 32% of third party funds as at June 30, 2005.

The Bank's capitalization, as measured by equity to asset ratio, declined to 12.6% against 13.8% last year largely due to asset expansion. Furthermore, the Bank's **capital adequacy ratio (CAR) was at 23.5%** as at June 30, 2005 against 31.1% last year due to increase in risk-weighted assets on the back of loan growth as well as the inclusion of call option as part of the Bank's investment in Adira Finance. Tier-1 Capital ratio stood at 18.7% as compared with 23.6% as at June 30, 2004.



Note : with Market Risk charge

## UPDATES

### ■ Sebastian Paredes was named as President Director

Mr. Sebastian Paredes joined Bank Danamon on March 1, 2005 and was appointed as President Director on May 9, 2005, succeeding Mr. Francis A. Rozario who was appointed as Executive Director/CEO of Asia Financial Holdings of Temasek Holdings.

Prior joining Bank Danamon, Sebastian Paredes spent over 20 years in Citigroup (Citibank) as Head of Citigroup in Ecuador and Honduras; Head of Citigroup Corporate and Consumer Business in Turkey and Regional Head for Turkey and Israel; with last position as Managing Director/Country Officer of Citigroup in South Africa and Division Head of Sub-Saharan Africa (comprised of 11 countries).

The Bank's new President Director will continue the Bank's strategic direction to serve all major segments in the market with a relationship driven business model. In addition, he plans to further raise the proportion of high yielding assets, especially in mass market by taking the following initiatives:

- Continue to invest in mass market
- Expand line of consumer products (.i.e. white goods financing through Adira Quantum).
- Enter into asset based financing (ABF) using Adira Finance as a platform
- Reposition credit card as a customer business

He will also restructure the Banks' distribution network as part of the effort to improve the Bank's funding franchise. All of the efforts are aimed to position Bank Danamon to be a leading financial institution in Indonesia within next 3 – 5 years.

### ■ Annual General Meeting of Shareholders (AGMS). Bank Danamon held its Annual General Shareholder Meeting on May 9, 2005 that has adopted resolutions, substantially, as follow:

- Approved the report of the Board of Directors for the fiscal year 2004 and the Balance Sheet and Profit/Loss Statement for 2004 book year;
- Approved the appropriation of 50% of the bank's profit in 2004 or Rp. 1,204 billion as dividend;
- Appointed the following person in the Board of Commissioners and the Board of Directors:

#### Board of Commissioners

President Commissioner	:	Sim Kee Boon
Vice President Commissioner	:	<b>J.B. Kristiadi *</b> )
Commissioner	:	Milan Robert Shuster
Commissioner	:	Harry Arief Soepardi Sukadis
Commissioner	:	<b>Manggi T. Habir</b>
Commissioner	:	Gan Chee Yen
Commissioner	:	Ng Kee Choe
Commissioner	:	Liew Cheng San Victor
Commissioner	:	<b>Francis Andrew Rozario *</b> )
Commissioner	:	<b>Philip Eng *</b> )

### Board of Directors

President Director	:	<b>J.E. Sebastian Paredes M</b>
Vice President Director	:	Jerry Ng
Director	:	Muliadi Rahardja
Director	:	Anika Faisal
Director	:	<b>Hendarin Sukardmaji</b>
Director	:	Hora Tejpal Singh

*\*) subject to Bank Indonesia's approval (fit and proper test)*

### ■ Corporate Actions & Initiatives

- Final Dividend.** On June 30, 2005, Bank Danamon paid its final dividend for year 2004 amounted to Rp. 327 billion or Rp. 66.67 per share. In total, Bank Danamon has distributed a total cash dividend of Rp. 1,204 billion, representing 50% dividend payout ratio from the Bank's full year profit in 2004.
- Employee Stock Option.** As at June 30, 2005, Bank Danamon has granted options to purchase 150 million shares in relation to its Employee Stock Option Program. Compensation costs recognised in relation to this employee stock options for the year ended June 30, 2005 were Rp. 46,542 million.
- Adira Finance.** In the first half of 2005, Adira Finance (75% owned by Bank Danamon) posted Rp. 233 billion in net profit, up 35% compared to 2004 first half. This increase was primarily due to strong growth in its auto financing. Total new financing during the first half of 2005 amounted to Rp. 4,413 billion, up 79% compared to the prior year. New motorcycle financing is the main contributor as total number of units financed reached 268,241 units as at June 30, 2005, representing a 40% growth from last year. While used motorcycle financing unit increased almost three fold to approximately 52,000 units. New car and used car financing also increased substantially by 209% and 121%, respectively, to 9,932 units and 10,045 units. Electronic goods financing has shown an encouraging growth from nil in the first half of 2004 to 25,582 units or Rp. 67 billion in the first half of 2005.
- Danamon Simpan Pinjam (DSP).** DSP Self-Employed Mass Market now has operated 591 units with total lending of Rp. 1,885 billion and Rp. 198 billion in funding. NPL ratio for these units remain at a low level of 0.7%. DSP Consumer Mass Market now has 142 units in operation, generating Rp. 564 billion in lending and Rp. 532 billion in funding.

### ■ Divestment of KEBD

Bank Danamon has agreed to sell its 15% stakes in PT Korean Exchange Bank Danamon (KEBD) to Korean Exchange Bank (KEB) and other party designated by KEB. The transaction for 14% stake worth Rp. 104 billion was completed in July 2005. While the remaining 1% stake transaction will be effective upon fulfillment of other terms and conditions. The carrying value of the 15% stake in KEBD was Rp. 13 billion as of June 2005.

### ■ Credit Ratings

On July 11, 2005, Standard & Poor's assigned D+ for Bank Danamon's Bank Fundamental Strength Rating (BFSR). BFSR complements Standard & Poor's counterparty ratings on banks by providing an indicator of the intrinsic credit profile of the Bank.

On June 28, 2005, Moody's raised Bank Danamon's bank financial strength rating (BFSR) to D- from E+ with a Stable Outlook, considering the Bank's improving financial performance.

Rating Agencies	Ratings and Outlook	
Standard & Poor's July 2005	Long Term & Short Term Local Currency	BB-/Stable/B
	Long Term & Short Term Foreign Currency	B+/Positive/B
	<b>Bank Fundamental Strength</b>	<b>D+</b>
	Subordinated Debt	B/Stable
Moody's June 2005	Long Term & Short Term Bank Deposit	B3/ Pos/ Not Prime
	<b>Bank Financial Strength</b>	<b>D-/Stable</b>
	Subordinated Debt	B3/Positive
PEFINDO (Indonesia) March 2005	Corporate Rating	<sub>id</sub> A+/Stable
	Bond Rating	<sub>id</sub> A+/Stable
Fitch Ratings February 2005	Long Term & Short Term Foreign Currency	BB-/Positive/B
	National (Long-Term)	A- (idn)/Positive

### ■ Awards & Accolades

- Asia's Best Companies 2005 in Indonesia from Finance Asia for category: Best Corporate Governance (Ranked 7th), Best Investor Relations (Ranked 9th), and Best Commitment to Strong Dividend Payments (Ranked 5th)
- Best Social Reporting 2004 from Institute of Accountants of Indonesia (IAI)
- Excellent Bank for Go Public and Assets above IDR 20 Trillion Category from InfoBank award 2005
- Best Commercial Bank in Indonesia from Asiamoney Award 2005
- Best Bank 2005 from Investor Magazine
- Best Bank in Indonesia from Global Finance Best Emerging Market Banks Award 2005
- The Best Call Centre for Banking Category from Call Centre Award 2005 for Service Excellence.
- First rank for service excellence from MRI & InfoBank Award 2005
- Best Trade Finance Banks and Providers 2005 in Indonesia from Global Finance



**BALANCE SHEETS**  
**AS AT 30 JUNE 2005 AND 2004**  
(In million Rupiah)

No.	ACCOUNTS	BANK DANAMON		CONSOLIDATED	
		2005	2004	2005	2004
<b>ASSETS</b>					
1.	Cash	687,332	630,789	703,661	639,833
2.	Placements with Bank Indonesia				
	a. Current accounts with Bank Indonesia	3,867,191	1,820,184	3,867,191	1,820,184
	b. Certificates of Bank Indonesia	909,875	2,325,740	909,875	2,325,740
	c. Wadiah Certificates of Bank Indonesia	2,500	-	2,500	-
	d. Others	-	-	-	-
3.	Current accounts with other banks				
	a. Rupiah	16,624	36,333	85,938	101,960
	b. Foreign currencies	433,372	573,708	433,372	573,708
	Allowance for possible losses on current accounts with other banks -/-	(4,500)	(6,100)	(4,500)	(6,100)
4.	Placements with other banks				
	a. Rupiah	405,000	172,000	507,010	174,010
	Allowance for possible losses on placements with other banks -/-	(4,050)	(1,720)	(4,050)	(1,720)
	b. Foreign currencies	2,761,672	2,768,575	2,761,672	2,768,575
	Allowance for possible losses on placements with other banks -/-	(27,617)	(27,686)	(27,617)	(27,686)
5.	Placement with other Syariah banks	-	5,000	-	5,000
	Allowance for possible losses on placement with other Syariah banks -/-	-	(50)	-	(50)
6.	Marketable securities				
	a. Rupiah				
	i. Trading	9,975	40,285	9,975	40,285
	ii. Available for sale	326,050	256,196	326,050	256,196
	iii. Held to maturity	327,645	175,000	327,645	175,000
	Allowance for marketable securities -/-	(6,637)	(5,104)	(6,637)	(5,104)
	b. Foreign currency				
	i. Trading	19,299	119,846	19,299	119,846
	ii. Available for sale	447,908	390,402	447,908	390,402
	iii. Held to maturity	674,670	181,644	674,670	181,644
	Allowance for marketable securities -/-	(11,418)	(6,945)	(11,418)	(6,945)
7.	Marketable securities - Syariah bonds	125,113	90,046	125,113	90,046
	Allowance for possible losses on marketable securities - Syariah bonds -/-	(1,251)	(901)	(1,251)	(901)
8.	Government bonds				
	i. Trading	282,222	219,630	282,222	219,630
	ii. Available for sale	6,070,891	6,516,619	6,070,891	6,516,619
	iii. Held to maturity	9,658,276	11,532,385	9,658,276	11,532,385
9.	Securities purchased under resale agreements (reverse repo)				
	a. Rupiah	17,920	10,177	17,920	10,177
	Allowance for possible losses on securities purchased under resale agreements -/-	(179)	(102)	(179)	(102)
	b. Foreign currencies	-	-	-	-
	Allowance for possible losses on securities purchased under resale agreements -/-	-	-	-	-
10.	Derivative receivables	63,550	10,207	63,550	10,207
	Allowance for possible losses on derivative receivable -/-	(635)	(102)	(635)	(102)
11.a.	Loans (excluding loans purchased from IBRA)				
	a. Rupiah				
	i. Related parties	228,030	8,137	228,030	8,137
	ii. Third parties	29,512,994	19,509,872	29,512,994	19,510,380
	Allowance for possible losses on loans (excluding loans purchased from IBRA) -/-	(863,063)	(1,432,991)	(863,063)	(1,432,991)
	b. Foreign currencies				
	i. Related parties	-	-	-	-
	ii. Third parties	3,294,175	2,334,273	3,294,175	2,334,273
	Allowance for possible losses on loans (excluding loans purchased from IBRA) -/-	(48,052)	(218,036)	(48,052)	(218,036)
	Deferred income -/-	-	(69,882)	-	(69,882)
11.b.	Loans purchased from IBRA				
	a. Rupiah	67,655	150,967	67,655	150,967
	Allowance for possible losses on loans (excluding loans purchased from IBRA) -/-	(62,786)	(139,104)	(62,786)	(139,104)
	Deferred income -/-	(4,869)	(11,863)	(4,869)	(11,863)
	b. Foreign currencies	184,182	577,528	184,182	577,528
	Allowance for possible losses on loans purchased from IBRA -/-	(183,808)	(545,777)	(183,808)	(545,777)
	Deferred income -/-	(374)	(31,751)	(374)	(31,751)
12.	Consumer financing receivables	-	-	856,703	1,109,169
	Allowance for possible losses on consumer financing receivables -/-	-	-	(21,611)	(40,880)
13.	Syariah financing				
	a. Murabahah receivable	124,794	160,233	124,794	160,233
	b. Istishna receivable	-	-	-	-
	c. Qardh financing	2,445	2,845	2,445	2,845
	c. Mudharabah financing	18,771	479	18,771	479
	d. Musyarakah financing	655	8,387	655	8,387
	Allowance for possible losses on Syariah financing -/-	(17,239)	(3,052)	(17,239)	(3,052)
14.	Acceptance receivables	678,798	502,695	678,798	502,695
	Allowance for possible losses on acceptance receivables -/-	(7,230)	(5,715)	(7,230)	(5,715)
15.	Investments	942,221	934,312	45,335	75,074
	Allowance for possible losses on investments -/-	(9,424)	(8,054)	(455)	(8,054)
16.	Goodwill - net	-	-	565,328	608,815
17.	Interest receivable	727,365	483,673	727,365	483,673
18.	Prepaid expenses	204,344	125,012	204,344	125,012
19.	Prepaid taxes	-	3,226	-	19,884
20.	Deferred tax assets	106,288	96,370	106,288	96,522
21.	Fixed assets	1,879,731	1,013,438	2,043,462	1,128,874
	Accumulated depreciation of fixed assets -/-	(612,263)	(415,923)	(650,044)	(443,874)
22.	Unutilized properties	35,831	-	35,831	-
23.	Leased assets	-	-	-	-
	Accumulated depreciation of leased assets -/-	-	-	-	-
24.	Foreclosed assets	156,821	7,088	156,821	7,088
25.	Other assets	515,147	1,063,098	788,173	1,296,784
	<b>TOTAL ASSETS</b>	<b>63,921,937</b>	<b>51,925,542</b>	<b>65,021,069</b>	<b>53,158,578</b>



**BALANCE SHEETS**  
**AS AT 30 JUNE 2005 AND 2004**  
(In million Rupiah)

No.	ACCOUNTS	BANK DANAMON		CONSOLIDATED	
		2005	2004	2005	2004
<b>LIABILITIES</b>					
1.	Current accounts				
a.	Rupiah	2,765,168	2,540,296	2,714,504	2,522,511
b.	Foreign currencies	1,916,058	2,282,200	1,916,058	2,282,200
2.	Wadiah current accounts	8,102	9,447	8,102	9,447
3.	Other current liabilities	198,540	140,078	198,540	140,078
4.	Savings	9,663,608	11,246,039	9,663,608	11,246,039
5.	Syariah savings				
a.	Wadiah savings	1,000	2,338	1,000	2,338
b.	Mudharabah savings	30,594	34,049	30,594	34,049
6.	Time deposits				
a.	Rupiah				
i.	Related parties	6,022	1,161	6,022	1,161
ii.	Third parties	24,638,374	17,536,205	24,638,374	17,536,205
b.	Foreign currencies				
i.	Related parties	135	129	135	129
ii.	Third parties	3,985,080	2,237,804	3,985,080	2,237,804
7.	Mudharabah time deposits	83,893	60,801	83,893	60,801
8.	Certificates of deposits				
a.	Rupiah	-	-	-	-
b.	Foreign currencies	-	-	-	-
9.	Mudharabah time deposits from other banks	140,430	21,300	140,430	21,300
10.	Wadiah current accounts from other banks	19	31	19	31
11.	Deposits from other banks	2,164,794	670,319	2,164,794	670,319
12.	Securities sold under repurchase agreement (Repo)	2,875,000	1,000,000	2,875,000	1,000,000
13.	Derivative payables	34,398	11,607	34,398	11,607
14.	Acceptance payables	678,798	502,696	678,798	502,696
15.	Marketable securities issued				
a.	Rupiah	292,905	2,145	787,335	2,145
b.	Foreign currencies	111	38,212	111	38,212
16.	Borrowings				
a.	Short term funding facilities from Bank Indonesia	-	-	-	-
b.	Others				
i.	Rupiah				
-	Related parties	-	-	-	-
-	Third parties	542,355	578,275	617,355	1,540,906
ii.	Foreign currencies				
-	Related parties	-	-	-	-
-	Third parties	503,228	180,710	503,228	180,710
17.	Estimated allowance for possible losses on off balance sheet transactions	13,711	10,142	13,711	10,142
18.	Lease payables	-	-	-	-
19.	Accruals	296,022	258,330	432,147	258,330
20.	Estimated tax payable	127,520	-	127,520	-
21.	Deferred tax liabilities	-	-	102,323	20,476
22.	Other liabilities	961,504	1,551,272	1,192,904	1,724,555
23.	Subordinated loans				
a.	Related parties	-	-	-	-
b.	Third parties	3,607,263	3,501,256	3,607,263	3,501,256
24.	Loan capital				
a.	Related parties	-	-	-	-
b.	Third parties	155,000	155,000	155,000	155,000
25.	Minority interests	-	-	110,519	95,344
26.	Equity				
a.	Paid up capital	3,562,261	3,562,261	3,562,261	3,562,261
b.	General and reserve	24,873	24,873	24,873	24,873
c.	Additional paid up capital	109,280	25,412	109,280	25,412
d.	Capital donation	-	-	-	-
e.	Paid up capital fund	-	-	-	-
f.	Difference in foreign currency translation	2,940	2,830	2,940	2,830
g.	Differences arising from the revaluation of the assets and liabilities due to quasi reorganization	-	-	-	-
h.	Unrealized gain (loss) from marketable securities and government bonds	275,379	795,155	275,379	795,155
i.	Other comprehensive income	-	-	-	-
j.	Retained earnings*)	4,257,572	2,943,169	4,257,571	2,942,256
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>63,921,937</b>	<b>51,925,542</b>	<b>65,021,069</b>	<b>53,158,578</b>

\*) After eliminated with deficit of 32,968.831 through quasi - reorganization on 1 January 2001

**STATEMENTS OF INCOME AND RETAINED EARNINGS  
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2005 AND 2004**

(In million Rupiah, except earnings per share)

No.	ACCOUNTS	BANK DANAMON		CONSOLIDATED	
		2005	2004	2005	2004
<b>INCOME AND EXPENSES FROM OPERATIONS</b>					
1.	Interest income, fees and commissions				
1.1.	Interest income				
a.	Rupiah	2,836,982	2,592,531	3,456,307	3,008,742
b.	Foreign currencies	242,150	122,369	242,150	122,369
1.2.	Fees and commissions income				
a.	Rupiah	88,167	67,550	130,577	133,581
b.	Foreign currencies	9,107	15,049	9,107	15,049
	<b>Total interest income, fees and commissions</b>	<b>3,176,406</b>	<b>2,797,499</b>	<b>3,838,141</b>	<b>3,279,741</b>
2.	Interest expenses, fees and commissions				
2.1.	Interest expenses				
a.	Rupiah	1,208,807	963,149	1,253,034	1,036,065
b.	Foreign currencies	140,560	82,075	140,560	82,075
2.2.	Fees and commissions expenses	242	144	7,364	10,151
	<b>Total interest expenses, fees and commissions</b>	<b>1,349,609</b>	<b>1,045,368</b>	<b>1,400,958</b>	<b>1,128,291</b>
	<b>Net interest income</b>	<b>1,826,797</b>	<b>1,752,131</b>	<b>2,437,183</b>	<b>2,085,419</b>
3.	Syariah income				
3.1.	Murabahah margin	9,613	9,639	9,613	9,639
3.2.	Mudharabah profit sharing	9,809	5,949	9,809	5,949
3.3.	Wadiah bonus income	4	479	4	479
	<b>Total Syariah income</b>	<b>19,426</b>	<b>16,067</b>	<b>19,426</b>	<b>16,067</b>
4.	Syariah expenses				
4.1.	Mudharabah loss sharing	5,865	6,398	5,865	6,398
4.2.	Wadiah bonus expenses	-	-	-	-
	<b>Total Syariah expenses</b>	<b>5,865</b>	<b>6,398</b>	<b>5,865</b>	<b>6,398</b>
	<b>Net interest income - Syariah</b>	<b>13,561</b>	<b>9,669</b>	<b>13,561</b>	<b>9,669</b>
5.	Other operating income				
5.1.	Fees and commissions	114,677	106,450	114,677	106,450
5.2.	Gain on foreign exchange transactions	19,914	(30,397)	19,914	(30,397)
5.3.	Gain from increase in fair value of marketable securities and government bonds	-	-	-	-
5.4.	Other income	477,742	377,192	477,742	378,011
	<b>Total other operating income</b>	<b>612,333</b>	<b>453,245</b>	<b>612,333</b>	<b>454,064</b>
6.	Income from investment in subsidiary	174,838	129,088	-	-
7.	Allowance for possible losses in earning assets	(409,861)	21,979	(382,962)	34,604
8.	Allowance for possible losses on commitments and contingencies	(129)	762	(129)	762
9.	Other operating expenses				
9.1.	General and administrative expenses	419,663	337,946	502,563	390,907
9.2.	Salaries and employee benefits	629,306	412,723	758,572	478,958
9.3.	Losses from decline in fair value of marketable securities and government bonds	2,065	6,525	2,065	6,525
9.4.	Losses on foreign exchange transactions	-	-	-	-
9.5.	Third party premium expenses	51,575	52,228	51,575	52,228
9.6.	Promotion expenses	21,403	40,880	22,206	42,040
9.7.	Other expenses	10,865	8,143	10,865	8,362
	<b>Total other operating expenses</b>	<b>1,134,877</b>	<b>858,445</b>	<b>1,347,846</b>	<b>979,020</b>
10.	Amortization of goodwill	43,487	86,974	43,487	86,974
	<b>NET OPERATING INCOME</b>	<b>1,859,155</b>	<b>1,375,973</b>	<b>2,054,835</b>	<b>1,513,823</b>
<b>NON-OPERATING INCOME AND EXPENSES</b>					
11.	Non - operating income	32,026	131,486	38,275	139,197
12.	Non - operating expenses	110,206	30,142	142,183	75,108
	<b>NON OPERATING INCOME/(EXPENSES) - NET</b>	<b>(78,180)</b>	<b>101,344</b>	<b>(103,908)</b>	<b>64,089</b>
13.	Extraordinary Income / (Expense)	-	-	-	-
	<b>INCOME BEFORE TAX</b>	<b>1,780,975</b>	<b>1,477,317</b>	<b>1,950,927</b>	<b>1,577,912</b>
14.	Income tax -/-				
-	Deferred	72,203	189,129	97,680	196,567
-	Current year	423,844	186,000	510,041	237,141
	<b>INCOME AFTER TAX</b>	<b>1,284,928</b>	<b>1,102,189</b>	<b>1,343,206</b>	<b>1,144,205</b>
16.	Minority interest -/-	-	-	(58,279)	(42,929)
17.	Retained earnings balance at the beginning of year	3,352,425	2,467,381	3,352,425	2,467,381
18.	Dividend -/-	(327,061)	(611,200)	(327,061)	(611,200)
19.	Others -/-	(52,720)	(15,200)	(52,720)	(15,200)
20.	Retained earnings at the end of year	4,257,572	2,943,169	4,257,571	2,942,256
21.	<b>Basic earning per share</b>	-	-	<b>261.86</b>	<b>224.43</b>
22.	Diluted earning per share *)	-	-	257.85	-**)

\*) After considering the effect of stock option granted to qualified employees in 2004

\*\*) Diluted earnings per share is not applicable for year 2004

**COMMITMENTS AND CONTINGENCIES**

**AS AT 30 JUNE 2005 AND 2004**

(In million Rupiah)

No.	ACCOUNTS	BANK DANAMON		CONSOLIDATED	
		2005	2004	2005	2004
<b>COMMITMENTS</b>					
<b>Commitment Receivables</b>					
1.	Unused Borrowing Facilities				
	a. Rupiah	-	-	-	-
	b. Foreign currencies	-	-	-	-
2.	Others	-	-	-	-
	<b>Total Commitment Receivables</b>	-	-	-	-
<b>Commitment Payables</b>					
1.	Unused Loans Facilities				
	a. Rupiah	6,359,907	4,232,170	6,359,907	4,232,170
	b. Foreign currencies	1,649,607	852,491	1,649,607	852,491
2.	Outstanding Irrevocable letters of credit	596,949	495,278	596,949	495,278
3.	Others	445	480	445	480
	<b>Total Commitment Payables</b>	<b>8,606,908</b>	<b>5,580,419</b>	<b>8,606,908</b>	<b>5,580,419</b>
	<b>Commitment Payables, Net</b>	<b>(8,606,908)</b>	<b>(5,580,419)</b>	<b>(8,606,908)</b>	<b>(5,580,419)</b>
<b>CONTINGENCIES</b>					
<b>Contingent Receivables</b>					
1.	Guarantees Received				
	a. Rupiah	-	-	-	-
	b. Foreign currencies	-	282	-	282
2.	Interest Receivables on Non Performing Assets				
	a. Rupiah	73,232	63,142	73,232	63,142
	b. Foreign currencies	5,928	12,706	5,928	12,706
3.	Others	117,030	-	117,030	-
	<b>Total Contingent Receivables</b>	<b>196,190</b>	<b>76,130</b>	<b>196,190</b>	<b>76,130</b>
<b>Contingent Payables</b>					
1.	Guarantees Issued in the form of :				
	a. Bank Guarantees				
	- Rupiah	593,545	419,424	593,545	419,424
	- Foreign currencies	181,328	58,583	181,328	58,583
	b. Others	-	-	-	-
2.	Outstanding Irrevocable letters of credit	-	-	-	-
3.	Others	117,030	-	117,030	-
	<b>Total Contingent Payables</b>	<b>891,903</b>	<b>478,007</b>	<b>891,903</b>	<b>478,007</b>
	<b>Contingent Payables, Net</b>	<b>(695,713)</b>	<b>(401,877)</b>	<b>(695,713)</b>	<b>(401,877)</b>

**EARNING ASSET QUALITY AND OTHER INFORMATION**

**AS AT 30 JUNE 2005**

(In million Rupiah)

No.	ACCOUNTS	(30 JUNE 2005)					Total
		Current	Special Mention	Substandard	Doubtful	Loss	
<b>I. RELATED PARTIES</b>							
<b>A. PRODUCTIVE ASSET</b>							
1.	Placement with Other Banks	-	-	-	-	-	-
2.	Marketable Securities issued by third parties or Bank Indonesia	-	-	-	-	-	-
3.	Loans to third parties						
	a. Small Business Credit (KUK)	-	-	-	-	-	-
	b. Property Loans						
	i. Restructured	-	-	-	-	-	-
	ii. Unrestructured	-	-	-	-	-	-
	c. Other Restructured Loan	-	-	-	-	-	-
	d. Others	228,030	-	-	-	-	228,030
4.	Investment in third parties						
	a. Non-bank Financial Institution	896,887	-	-	-	-	896,887
	b. For Loans Restructuring Purposes	-	-	-	-	-	-
	c. Others	-	-	-	-	-	-
5.	Other Receivables from third parties	-	-	-	-	-	-
6.	Commitments and Contingencies to third parties	-	-	-	-	-	-
<b>B. NON PRODUCTIVE ASSET</b>							
1.	Unutilized properties	-	-	-	-	-	-
2.	Foreclosed Asset	-	-	-	-	-	-
3.	Interbranch and Suspense Account	-	-	-	-	-	-
<b>II. NON RELATED PARTIES</b>							
<b>A. PRODUCTIVE ASSET</b>							
1.	Placement with Other Banks	4,638,979	-	103	-	-	4,639,082
2.	Marketable Securities & Government Bonds issued by third parties or Bank Indonesia	17,964,268	-	-	-	-	17,964,268
3a.	Loans (gross) to third parties excluding loans purchased from IBRA						
	a. Small Business Credit (KUK)	3,528,182	257,251	23,830	26,013	31,482	3,866,758
	b. Property Loans						
	i. Restructured	66,225	16,949	3,423	-	24,052	110,649
	ii. Unrestructured	2,096,148	38,835	9,289	6,125	372	2,150,769
	c. Other Restructured Loan	467,913	83,019	172,217	22,251	67,098	812,498
	d. Others	23,183,691	2,483,333	2,360	152,515	127,253	25,949,152
3b.	Loans Purchased from IBRA	10,087	-	161,323	-	80,428	251,838
4.	Investment						
	a. Non-bank Financial Institution	-	-	-	-	-	-
	b. For Loans Restructuring Purposes	-	-	-	-	-	-
	c. Others	22,259	25	-	-	-	22,284
5.	Other Receivables from third parties	739,067	28,158	6	-	1,171	768,402
6.	Commitments and Contingencies to third parties	1,370,440	1,382	-	-	-	1,371,822
<b>B. NON PRODUCTIVE ASSET</b>							
1.	Unutilized properties	35,831	-	-	-	-	35,831
2.	Foreclosed Asset	156,821	-	-	-	-	156,821
3.	Interbranch and Suspense Account	57,930	-	-	-	-	57,930
	<b>TOTAL</b>	<b>55,462,758</b>	<b>2,908,952</b>	<b>372,551</b>	<b>206,904</b>	<b>331,856</b>	<b>59,283,021</b>
4.	Required allowance for possible losses on earning assets	382,884	145,448	55,883	103,452	331,856	1,019,522
5.	Allowance for possible losses on earning assets (excluding Loans Purchased from IBRA)						1,018,040
	Allowance for possible losses on Loans Purchased from IBRA						246,595
6.	Collateralized Assets						
	a. To Bank Indonesia						28,797
	b. To Other Banks						-
7.	Percentage of Small Business Credit to Total Loan						12.51%
8.	Percentage of Small Business Credit Debtor to Total Debtors						9.04%

**EARNING ASSET QUALITY AND OTHER INFORMATION**

**AS AT 30 JUNE 2004**

(In million Rupiah)

No.	ACCOUNTS	(30 JUNE 2004)					Total
		Current	Special Mention	Substandard	Doubtful	Loss	
<b>I. RELATED PARTIES</b>							
<b>A. PRODUCTIVE ASSET</b>							
1.	Placement with Other Banks	-	-	-	-	-	-
2.	Marketable Securities issued by third parties or Bank Indonesia	-	-	-	-	-	-
3.	Loans to third parties						
a.	Small Business Credit (KUK)	500	-	-	-	-	500
b.	Property Loans						
i.	Restructured	-	-	-	-	-	-
ii.	Unrestructured	-	-	-	-	-	-
c.	Other Restructured Loan	-	-	-	-	-	-
d.	Others	7,637	-	-	-	-	7,637
4.	Investment in third parties						
a.	Non-bank Financial Institution	892,114	-	-	-	-	892,114
b.	For Loans Restructuring Purposes	-	-	-	-	-	-
c.	Others	-	-	-	-	-	-
5.	Other Receivables from third parties	-	-	-	-	-	-
6.	Commitments and Contingencies to third parties	-	-	-	-	-	-
<b>B. NON PRODUCTIVE ASSET</b>							
1.	Unutilized properties	-	-	-	-	-	-
2.	Foreclosed Asset	-	-	-	-	-	-
3.	Interbranch and Suspense Account	-	-	-	-	-	-
<b>II. NON RELATED PARTIES</b>							
<b>A. PRODUCTIVE ASSET</b>							
1.	Placement with Other Banks	4,213,216	-	-	-	-	4,213,216
2.	Marketable Securities & Government Bonds issued by third parties or Bank Indonesia	21,302,513	-	-	-	393	21,302,906
3a.	Loans (gross) to third parties excluding loans purchased from IBRA						
a.	Small Business Credit (KUK)	1,847,933	116,875	37,667	24,667	24,015	2,050,859
b.	Property Loans						
i.	Restructured	87,066	1,377	26,035	-	33	114,511
ii.	Unrestructured	1,117,519	80,767	2,126	3,035	2,690	1,206,137
c.	Other Restructured Loan	108,656	84,502	64,845	325,668	49,733	633,404
d.	Others	16,745,519	764,246	170,465	129,760	153,429	17,963,419
3b.	Loans Purchased from IBRA	169,572	-	377,971	6,000	174,952	728,495
4.	Investment						
a.	Non-bank Financial Institution	-	-	-	-	-	-
b.	For Loans Restructuring Purposes	-	-	-	-	-	-
c.	Others	19,123	25	-	-	-	19,148
5.	Other Receivables from third parties	500,728	17,945	201	120	801	519,795
6.	Commitments and Contingencies to third parties	965,970	6,735	580	-	-	973,285
<b>B. NON PRODUCTIVE ASSET</b>							
1.	Unutilized properties	-	-	-	-	-	-
2.	Foreclosed Asset	7,088	-	-	-	-	7,088
3.	Interbranch and Suspense Account	-	-	-	-	-	-
<b>TOTAL</b>		<b>47,985,154</b>	<b>1,072,472</b>	<b>679,592</b>	<b>489,250</b>	<b>406,046</b>	<b>50,632,514</b>
4.	Required allowance for possible losses on earning assets	273,837	53,624	101,939	244,625	406,046	1,080,071
5.	Allowance for possible losses on earning assets (excluding Loans Purchased from IBRA)						1,729,834
	Allowance for possible losses on Loans Purchased from IBRA						684,881
6.	Collateralized Assets						
a.	To Bank Indonesia						28,797
b.	To Other Banks						-
7.	Percentage of Small Business Credit to Total Loan						9.94%
8.	Percentage of Small Business Credit Debtor to Total Debtors						3.51%

## CAPITAL ADEQUACY RATIO AS AT 30 JUNE 2005 AND 2004 (In million Rupiah)

No.	DESCRIPTION	30 June 2005	30 June 2004
<b>I.</b>	<b>COMPONENTS</b>		
<b>A.</b>	<b>CORE CAPITAL</b>	<b>7,500,903</b>	<b>6,188,834</b>
1.	Paid up capital	3,562,261	3,562,261
2.	Disclosed reserves		
a.	Additional paid up capital	109,280	25,412
b.	Discount on nominal value of shares (-/-)	-	-
c.	Capital donation	-	-
d.	General and specific reserves	24,873	24,873
e.	Prior years' profit after tax	3,122,983	1,884,312
f.	Prior years' losses	-	-
g.	Current year profit net of taxes (50%)	678,566	689,146
h.	Current year loss -/-	-	-
i.	Difference in foreign currency translation of overseas branch		
1)	Positive adjustment	2,940	2,830
2)	Negative adjustment -/-	-	-
j.	Paid up capital fund	-	-
k.	Decline in fair value of available for sale securities	-	-
3.	Goodwill (-/-)	-	-
4.	Differences arising from the revaluation of the assets and liabilities due to the quasi reorganization	-	-
<b>B.</b>	<b>SUPPLEMENTARY CAPITAL</b>	<b>3,887,556</b>	<b>3,422,455</b>
1.	Reserve from revaluation of fixed assets		
2.	Differences arising from the revaluation of the assets and liabilities due to the quasi reorganization		
3.	General allowance for possible losses on earning assets (max 1.25% of weighted risk-based assets)	-	-
		405,863	328,038
4.	Loan capital		
5.	Subordinated loan (max 50% of core capital)	3,481,693	3,094,417
6.	Increase in fair value of available for sale securities	-	-
<b>C.</b>	<b>TOTAL SUPPLEMENTARY CAPITAL WHICH FULFILL THE REQUIREMENTS</b>	<b>-</b>	<b>-</b>
<b>D.</b>	<b>ADDITIONAL SUPPLEMENTARY CAPITAL ALLOCATED TO ANTICIPATE MARKET RISK</b>	<b>-</b>	<b>-</b>
<b>II.</b>	<b>TOTAL CORE AND SUPPLEMENTARY CAPITAL (A+B)</b>	<b>11,388,459</b>	<b>9,611,289</b>
<b>III.</b>	<b>TOTAL CORE, SUPPLEMENTARY CAPITAL AND ADDITIONAL SUPPLEMENTARY CAPITAL ALLOCATED TO ANTICIPATE MARKET RISK</b>	<b>11,388,459</b>	<b>9,611,289</b>
<b>IV.</b>	<b>INVESTMENT (-/-)</b>	<b>1,214,093</b>	<b>879,179</b>
<b>V.</b>	<b>TOTAL CAPITAL FOR CREDIT RISK (II-IV)</b>	<b>10,174,366</b>	<b>8,732,109</b>
<b>VI.</b>	<b>TOTAL CAPITAL FOR CREDIT RISK AND MARKET RISK (III-IV)</b>	<b>10,174,366</b>	<b>8,732,109</b>
<b>VII.</b>	<b>RISK WEIGHTED ASSETS - CREDIT RISK</b>	<b>40,005,049</b>	<b>26,243,010</b>
<b>VIII.</b>	<b>RISK WEIGHTED ASSETS - MARKET RISK</b>	<b>3,330,757</b>	<b>1,824,951</b>
<b>IX.</b>	<b>CAPITAL ADEQUACY RATIO WITH CREDIT RISK CHARGE (V : VII)</b>	<b>25.43%</b>	<b>33.27%</b>
<b>X.</b>	<b>CAPITAL ADEQUACY RATIO WITH CREDIT RISK AND MARKET RISK CHARGE (VI : (VII+VIII))</b>	<b>23.48% *)</b>	<b>31.11% *)</b>
<b>XI.</b>	<b>EXCESS OF ADDITIONAL SUPPLEMENTARY CAPITAL RATIO (C-D) : (VII+VIII)</b>	<b>-</b>	<b>-</b>
<b>XII.</b>	<b>MINIMUM REQUIRED CAPITAL ADEQUACY RATIO</b>	<b>8%</b>	<b>8%</b>

\*) Capital Adequacy Ratio (CAR) with market risk charge is presented as an additional information and calculated base on Bank Indonesia Regulation No. 5/12/PBI/2003 dated 17 July 2003 regarding "Capital Adequacy Ratio for Commercial Banks by Considering Market Risk".

## STATEMENT OF LOANS PURCHASED FROM IBRA AS AT 30 JUNE 2005 (In million Rupiah)

No.	DESCRIPTION	BALANCE
<b>A</b>	<b>Summary of loans purchased from IBRA</b>	
	Loan principal (sustainable loan)	7,829,245
	Purchase price	1,337,135
	Allowance for possible losses/ deferred income	6,492,110
<b>B</b>	<b>Summary of loans principal</b>	
	Beginning, 1 January 2005	290,690
	Foreign exchange translation adjustment	8,708
	Loan purchased from IBRA during the year	-
	Loan repayments during the year	(33,746)
	Write-offs during the year	(13,814)
	Ending Balance, 30 June 2005	251,838
<b>C</b>	<b>Summary of allowance for possible losses (including differences between loans principal and purchase price)</b>	
	Beginning, 1 January 2005	(283,407)
	Foreign exchange translation adjustment	(8,639)
	Loan purchased from IBRA during the year	-
	Loan repayments during the year	31,679
	Write-offs during the year	13,814
	Increase in allowance for possible losses during the year	(42)
	Ending Balance, 30 June 2005	(246,595)
<b>D</b>	<b>Summary of deferred income</b>	
	Beginning, 1 January 2005	(7,283)
	Foreign exchange translation adjustment	(69)
	Difference between loans purchase prices and restructured loans value during the year	-
	Write-offs during the year	-
	Loan repayments during the year	2,109
	Adjusted deferred income	-
	Ending Balance, 30 June 2005	(5,243)
<b>E</b>	<b>Interest income and other income recognised on loans purchased from IBRA</b>	-
<b>F</b>	<b>Restructured loans</b>	-
<b>G</b>	<b>Additional loan facilities for debtors of loans purchased from IBRA</b>	-
<b>H</b>	<b>No intermediaries entity was used in purchasing loans from IBRA</b>	-

**FOREIGN EXCHANGE AND DERIVATIVE TRANSACTIONS  
AS AT 30 JUNE 2005**

No.	TRANSACTION	Market Value		Derivative Receivable and Payable		Net Market Value
		Hedging	Others	Receivables	Payables	
<b>A. Related to Exchange rate</b>						
1.	Spot	-	43,418	558	(364)	-
2.	Forwards	-	215,817	4,775	(139)	-
3.	Options					
a.	Purchased	-	338,450	1,656	(1,333)	-
b.	Written	-				-
4.	Futures	-	507,130	545		-
5.	Swaps	-	408,267	55,503	(26,339)	-
6.	Others	-	690,389	513	(6,223)	-
<b>B. Related to Interest rate</b>						
1.	Forwards	-	-	-	-	-
2.	Options					
a.	Purchased	-	-	-	-	-
b.	Written	-	-	-	-	-
3.	Futures	-	-	-	-	-
4.	Swaps	-	-	-	-	-
5.	Others	-	-	-	-	-
<b>C. Others</b>						
		-	-	-	-	-
<b>TOTAL</b>				<b>63,550</b>	<b>(34,398)</b>	

**KEY FINANCIAL RATIOS  
AS AT 30 JUNE 2005 AND 2004**

No.	RATIO (%)	2005	2004
<b>CONSOLIDATED RATIOS :</b>			
<b>I. Earning assets</b>			
1.	Non-Performing Productive Assets	1.52%	3.04%
2.	NPL gross	2.71%	6.21%
3.	NPL net after minimum BI provision on possible losses	0.91%	3.22%
4.	NPL net after the Bank's total provision on possible losses	0.00%	0.00%
5.	Allowance for possible losses on productive assets	2.14%	4.77%
<b>II. Rentability</b>			
1.	ROA after tax	4.16%	4.20%
2.	ROA before tax	5.77%	6.01%
3.	Return on average core capital	34.33%	36.13%
4.	Return on average equity	31.49%	35.20%
5.	NIM including third party premium expenses	9.11%	8.47%
6.	Cost to income	42.70%	35.90%
<b>BANK RATIOS :</b>			
<b>I. CAPITAL</b>			
1.	Capital Adequacy Ratio (CAR) without market risk charge	25.43%	33.27%
2.	Capital Adequacy Ratio (CAR) with market risk charge	23.48*)	31.11%
3.	Fixed Assets to Capital	18.48%	10.38%
<b>II. Earning assets</b>			
1.	Non-Performing Productive Assets	1.54%	3.11%
2.	NPL gross	2.71%	6.51%
3.	NPL net after minimum BI provision of possible losses	0.91%	3.38%
4.	NPL after the bank's total provision on possible losses	0.00%	0.00%
5.	Allowance for possible losses on productive assets	2.14%	4.77%
6.	Fulfillment of allowance for possible losses	124.04%	223.57%
<b>III. Rentability</b>			
1.	ROA after tax	4.25%	4.22%
2.	ROA before tax	5.89%	5.65%
3.	Return on average core capital	34.33%	36.13%
4.	Return on average equity	31.49%	35.20%
5.	NIM excluding third party premium expenses	7.11%	7.25%
6.	NIM including third party premium expenses	6.91%	7.03%
7.	Operating expenses to operating revenues	53.32%	58.33%
8.	Cost to income	45.12%	36.97%
<b>IV. Liquidity</b>			
	Loan to deposit ratio (LDR)	77.43%	63.16%
<b>V. Compliance</b>			
1.a.	Percentage violation on legal lending limit		
a.1.	Related parties	0.42%	0.00%
a.2.	Third parties	0.00%	0.00%
b.	Percentage lending in excess of the legal lending limit		
b.1.	Related parties	2.16%	0.00%
b.2.	Third parties	0.00%	0.00%
2.	Statutory reserve requirements (Rupiah)	9.34%	5.15%
3.	Net open position *)	2.40%	0.28%
4.	Net open position on balance sheet **)	7.59%	0.00%

\*) Net open position calculation includes balance sheets and off balance sheets accounts

\*\*) Net open position calculation inc egarding

"Amendment of Bank Indonesia Regulation No. 5/13/PB II/2003 Concerning the net open position for commercial Banks"



