

Effective Date : May 18, 2006  
 Offering Period : May 22-24, 2006  
 Allotment Date : May 30, 2006  
 Electronic Share Distribution Date : May 31, 2006  
 Date of Money Refund : June 01, 2006  
 Listing Date with Jakarta Stock Exchange : June 01, 2006

BAPEPAM DOES NOT ISSUE A STATEMENT OF APPROVAL OR DISAPPROVAL OF THESE SECURITIES. IT ALSO DOES NOT STATE THE AUTHENTICITY OR ADEQUACY OF THE CONTENTS OF THIS PROSPECTUS. ANY STATEMENT TO THE CONTRARY SHALL BE A VIOLATION OF THE LAW.

PT BANK BUMI ARTA Tbk ("COMPANY") AND THE MANAGING UNDERWRITER ARE FULLY RESPONSIBLE FOR THE AUTHENTICITY OF ALL INFORMATION OR MATERIAL FACTS, AS WELL AS THE INTEGRITY OF THE OPINIONS CONTAINED IN THIS PROSPECTUS.



**PT BANK BUMI ARTA Tbk**

("Company")

**Business Operations**

Engaged in banking services

**Domiciled in Jakarta, Indonesia**



### **Head Office**

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The Company holds **9 Branch Offices** located in Jakarta, Bandung, Semarang, Surakarta, Surabaya, Medan, Bandar Lampung and Denpasar; **17 Sub-Branch Offices** located in Jakarta, Bandung, Semarang, Surakarta, Klaten, Surabaya, Bandar Lampung and Denpasar; **7 Cash Offices** located in Jakarta and Surakarta; and **17 Payment Points** located in Jakarta, Bandung, Surakarta, Klaten, Surabaya, Bandar Lampung and Semarang.

### **PUBLIC OFFERING**

A number of 210,000,000 (two hundred and ten million) Common Shares with a nominal value of Rp100,- (one hundred rupiah) per share, with the Offering Price of Rp160,- (one hundred sixty rupiah) per share to be paid in full when proposing the Share Subscription Form. Total Public Offering is Rp33.6 billion,- thirty three billion six hundred million rupiah).



**MANAGING UNDERWRITERS / LEAD UNDERWRITES**



**UNDERWRITERS**

PT CIMB-GK Securities Indonesia, PT Dhanawibawa  
Arthacemerlang, PT Dinamika Usahajaya, PT Indomitra  
Securities, PT Kresna Graha Sekurindo Tbk, PT Minna Padi  
Investama, PT Okansa Capital Tbk, PT Panca Global Securities  
Tbk, PT Panin Sekuritas Tbk, PT Republic Securities

**The Lead Underwriters hereby guarantee all share offering on a Full Commitment basis in accordance with the underwriting portion of their respective shares.**

MAJOR BUSINESS RISK THE COMPANY ENCOUNTERS IS CREDIT RISK, WHERE THE DEBTOR INSOLVENCY TO PAY BACK LOAN GRANTED AND IN CASE OF THE MATERIAL AMOUNT THEREOF MAY AFFECT THE PERFORMANCE OF THE COMPANY. DETAILED BUSINESS RISKS CAN BE VIEWED IN CHAPTER V OF THIS PROSPECTUS.

GIVEN THE NUMBER OF SHARES OFFERED IN PUBLIC OFFERING IS RELATIVELY LIMITED, THERE IS A RISK OF SHARES TRADING IN THE STOCK EXCHANGE BECOMES LESS LIQUID.

THE COMPANY DOES NOT ISSUE THE PUBLIC OFFERING SHARES IN THE COLLECTIVE SHARES FORM. BUT SUCH SHARES WILL BE DISTRIBUTED IN ELECTRONIC FORM ADMINISTERED IN COLLECTIVE DEPOSITORY OF PT KUSTODIAN SENTRAL EFEK INDONESIA ("KSEI").

These offered shares will be entirely listed on Jakarta Stock Exchange.



PT Bank Bumi Arta Tbk (hereinafter in this Prospectus is referred to as "Company") has presented an Underwriter Registration Statement in connection with the Public Offering to the Chairman of the Capital Market Supervisory Agency ("Bapepam") in Jakarta by a letter No. 018/IPO/III/06 dated 27 March 2006, pursuant to the requirements stipulated by Law of the Republic of Indonesia No. 8 of 1995 dated 10 November 1995 concerning Capital Market, State Gazette of the Republic of Indonesia No. 64 of 1995, Supplement to No. 3608/1995 and the Implementation Regulation thereof (hereinafter referred to as "Capital Market Law").

These offered shares are planned to be listed on Jakarta Stock Exchange in accordance with the *Preliminary Listing Agreement* of Securities made between the Company and PT Bursa Efek Jakarta on 24 April 2006. In the event that the Company fails to comply with the listing requirements as stipulated by Jakarta Stock Exchange, the Public Offering will be canceled and the received money for orders will be returned to the subscribers under the Capital Market Law.

The Company, Managing Underwriter, Lead Underwriters and Institutions and Capital Market Supporting Professionals in the framework of Public Offering is solely responsible for the accuracy of all data and fairness of opinions and



information or statements presented in this Prospectus in accordance with their respective duties, under the provisions of the legislation that applies in the territory of the Republic of Indonesia as well as the code of conduct, norms and their standards of profession thereof.

In association with the Public Offering, each Affiliated Party shall be prohibited from providing information and/or make any representation regarding matters that are not disclosed in this Prospectus without first obtaining prior written consent of the Company and the Managing Underwriter.

According to Government Regulation No. 29 of 1999 ("PP No. 29") concerning Purchase of Commercial Bank's Shares as the implementation of Law No. 10 of 1998 concerning Amendment to Law No. 7 of 1992 concerning Banking ("Banking Law") it is stipulated that:

- a. Total shareholding of bank owned by Foreign Citizens and/or Foreign Legal Entity, which is acquired through direct subscription or through the Stock Exchange is at the most of 99% (ninety percent) of total bank's shares concerned (Article 3 PP);
- b. Subscription by Foreign Citizens and/or Foreign Legal Entity, through the Stock Exchange may reach 100% (one hundred percent) of total bank's shares listed on the Stock Exchange (Article 4, paragraph 1);



c. Bank may only list the shares thereof on the Stock Exchange at at the most of 99% (ninety percent) of total shares concerned (Article 4 paragraph 2);

d. At least 1% (one percent) of the bank's shares as contemplated in Article 4 paragraph 2, which are not listed on the Stock Exchange shall still be owned by Indonesian Citizen and/or Indonesian Legal Entity (Article 4 paragraph 3);

and according to announcement Jakarta Stock Exchange No. Peng-10/BEJ-DAG/U/05 1999 dated 20 May 1999 ("Stock Exchange Announcement") concerning Portions of Banking Shareholding by Foreign Investors, stipulated that banking shareholding listed on the Stock Exchange by Foreign Investors would be limited to 99% (ninety nine percent) until the compliance of Article 4 paragraph 2 and paragraph 3 in PP No. 29 as referred to above.

PT Makinta Securities as Managing Underwriter and as the Lead Underwriter, other Lead Underwriters, Institutions and Capital Market Supporting Professionals in the framework of Public Offering firmly states not having any affiliation with the Company both directly and indirectly, as defined in Capital Market Law.



THIS PUBLIC OFFERING HAS NOT BEEN REGISTERED PURSUANT TO ANY LAW OR REGULATION OTHER THAN THOSE PREVAILING IN THE REPUBLIC OF INDONESIA. FOR THOSE OUTSIDE THE TERRITORY OF INDONESIA RECEIVING THIS PROSPECTUS, THE SAID DOCUMENTS ARE NOT INTENDED AS OFFERING DOCUMENTS TO SUBSCRIBE THESE SHARES, UNLESS SUCH OFFERING, OR SUCH SHARE SUBSCRIPTION, IS NOT CONTRARY OR IS NOT A VIOLATION OF THE PREVAILING STATUTORY REGULATIONS IN SUCH COUNTRY OR JURISDICTION OUTSIDE THE TERRITORY OF INDONESIA.

THE COMPANY HAS DISCLOSED ALL MATERIAL INFORMATION REQUIRED TO BE KNOWN BY THE PUBLIC AND THERE IS NO FURTHER MATERIAL INFORMATION YET TO BE DISCLOSED SO AS NOT MISLEADING THE PUBLIC.



## **SUMMARY**

*The summary hereunder contains facts and significant considerations that form an inseparable part and should be read in conjunction with more detailed information and financial statements as well as the relevant notes contained in this Prospectus. All financial information of the Company presented in Rupiah currency and in accordance with the generally accepted accounting principles in Indonesia.*

## **INTRODUCTION**

PT Bank Bumi Arta Tbk (hereinafter referred to as "Company") is a limited liability company established under the law of the Republic of Indonesia, domiciled in Jakarta, was first established under the name "PT Bank Bumi Arta Indonesia" pursuant to Deed of Limited Liability Company, PT Bank Bumi Arta Indonesia No. 4 dated 3 March 1967, passed before Soeleman Ardjasmita, Notary in Jakarta, deed to which has been approved by the Minister of Justice of the Republic of Indonesia under Decision No. J.A. 5/25/6 dated 25 April 1967, and has been registered in the register book at the Office of Jakarta District Court under No. 741 dated 4 May 1967, and has been published in the State Gazette of the Republic of Indonesia No. 41 dated 23 May 1967, Supplement to No. 87.





Based on the Deed of Minutes of Meeting of PT Bank Bumi Arta Indonesia No. 227 dated 20 September 1976 in conjunction with Deed of Amendment to Articles of Association of PT Bank Bumi Arta Indonesia No. 208 dated 16 May 1979, both passed by and before Ridwan Suselo, Notary in Jakarta, deed to which has been approved by the Minister of Justice of the Republic of Indonesia under Decree No. Y.A. 5/268/7 dated 21 July 1979, and has been registered in the register book at the Office of Jakarta District Court under No. 3558 dated 1 August 1979, and has been published in the State Gazette of the Republic of Indonesia No. 77 dated 25 September 1979, Supplement to No. 534, the Company's shareholders approve the merger of the business with PT Bank Duta Nusantara (formerly PT Bank Pegawai) with the aim to expand the network of banking operations and improve the capital structure thereof. The merger has been approved by the Minister of Finance of the Republic of Indonesia under Decree No. KEP-436/DJM/111.3/9/1976 dated 18 September 1976.

The Company amends the name of PT Bank Bumi Arta Indonesia into PT Bank Bumi Arta under the Deed of Minutes of Meeting of PT Bank Bumi Arta Indonesia No. 254 dated 19 July 1989, passed before Benny Kristianto, Bachelor of Law, Notary in Jakarta *in conjunction with* Deed of Amendment to Articles of Association of PT Bank Bumi Arta Indonesia No. 351 dated 28 February 1991, passed before Benny Kristianto, Bachelor of



Law, Notary in Jakarta and Deed of Minutes of Meeting of PT Bank Bumi Arta Indonesia No. 155 dated 17 July 1991, passed before Benny Kristianto, Bachelor of Law, Notary in Jakarta, deed to which has been approved by the Minister of Justice of the Republic of Indonesia under Decree No. C2-7634 HT.01.04.Th.92. dated 14 September 1992, and has been registered in the register book at the Office of Jakarta District Court under No. 1044/1992 and 1045/1992 dated 1 October 1992, and has been published in the State Gazette of the Republic of Indonesia No. 93 dated 20 November 1992, Supplement to No. 5904. Amendment to the name of PT Bank Bumi Arta Indonesia into PT Bank Bumi Arta aforesaid has also been approved by the Minister of Finance of the Republic of Indonesia under Decree of the Minister of Finance of the Republic of Indonesia No. S-868/MK. 17/1993 dated 29 June 1993.

In carrying out the business operations thereof, the Company has obtained the approval in principle for the establishment of PT Bank Bumi Arta Indonesia as issued by the Ministry of Finance of the Republic of Indonesia through the Quotation of the Finance Minister Decree No. D.15.6.1.2.29 dated 28 March 1967 regarding granting license to the Company, domiciled in Jakarta, in order to establish and engage business in Commercial Bank.

Subsequently, in line with the policy of the Government



through October Package (PAKTO) 1988 where the banks are given greater opportunities to expand its business, the Company increased its status of Commercial Bank into a Foreign Exchange Bank based on the Decree of Directors of Bank Indonesia No. 24/35/KEP/DIR dated 20 August 1991.

In the interest of Initial Public Offering to the public, the Articles of Association has been amended entirely in order to conform with applicable regulations especially in the capital markets under the Declaration Deed of Resolution of Extraordinary General Meeting of Shareholders (EGMs) of PT Bank Bumi Arta No. 10 dated 13 March 2006, which is a restatement of the resolution of the Company shareholders in the General Meeting of Shareholders, which resolution thereof as contained in the Deed of Minutes of the Company Extraordinary General Meeting of Shareholders of PT Bank Bumi Arta No.8 dated 9 March 2006, these both deed are passed by and before Fathiah Helmi, Bachelor of Law, Notary in Jakarta. Such Amendment to Articles of Association has been approved by the Minister of Justice and Human Rights of the Republic of Indonesia under Decree No. C-07590 HT.01.04.TH.2006 dated 15 March 2006 and has been registered at the Company Registration Office of Central Jakarta Municipality under registration number 5231/RUB.09.05/III/2006 dated 23 March 2006, and based on the particulars of the Government Printing Office dated 20



April 2006, will be published in the State Gazette of the Republic of Indonesia No. 34 dated 28 April 2006, Supplement to No. 4498.

## **PUBLIC OFFERING**

Managing Underwriter and Lead Underwrites on the Company behalf hereby carry out the Public Offering for 210,000,000 (two hundred and ten million) Registered Common Shares with a nominal value of Rp100,- (one hundred rupiah) per share, with the Offering Price of Rp160,- (one hundred sixty rupiah) per share to be paid in full when proposing the Share Subscription Form. Total Public Offering is Rp33.6 billion,- (thirty three billion six hundred million rupiah).

In the framework of the Public Offering, the Registered Common Shares offered entirely are composed of new shares arising from the portfolio and will provide the holder similar and equal rights in all respects with the other shares of the Company which have been subscribed and fully paid up, including the right to dividend distribution.

Capital Structure of the Company at the time of this Prospectus issuance shall be as follows:



## SHARE CAPITAL

### Consists of Registered Common Share

With a Nominal Value of Rp100,- (one hundred rupiah) Per Share

| Description                          | Amount of | Total Nominal Value |
|--------------------------------------|-----------|---------------------|
|                                      | Share     | (rupiah)            |
| Authorized Capital                   | 8,000,000 | 800,000,000,000     |
| Subscribed and Fully Paid Up Capital | 2,100,000 | 210,000,000,000     |
| Amount of Share                      | 5,900,000 | 590,000,000,000     |

With the sale of entire shares offered in the Public Offering, the capital structure and shareholders of the Company before and after the Public Offering shall be as follows:

## SHARE CAPITAL

### Consists of Registered Common Share

With a Nominal Value of Rp100,- (one hundred rupiah) Per Share

| Description                                  | Before          |                              |        | After           |                              |        |
|--|-----------------|------------------------------|--------|-----------------|------------------------------|--------|
|  | Amount of Share | Total Nominal Value (rupiah) | %      | Amount of Share | Total Nominal Value (rupiah) | %      |
| Authorized Capital                           | 8,000,000,000   | 800,000,000,000              |        | 8,000,000,000   | 800,000,000,000              |        |
| Subscribed capital and fully paid up capital |                 |                              |        |                 |                              |        |
| - PT Surya Husada Investment                 | 1,050,000,000   | 105,000,000,000              | 50.00  | 1,050,000,000   | 105,000,000,000              | 45.45  |
| - PT Dana Graha Agung                        | 630,000,000     | 63,000,000,000               | 30.00  | 630,000,000     | 63,000,000,000               | 27.27  |
| - PT Budiman Kencana Lestari                 | 420,000,000     | 42,000,000,000               | 20.00  | 420,000,000     | 42,000,000,000               | 18.18  |
| - Public                                     | -               | -                            | -      | 210,000,000     | 21,000,000,000               | 9.10   |
| Total  | 2,100,000,000   | 210,000,000,000              | 100.00 | 2,310,000,000   | 231,000,000,000              | 100.00 |
| Subscribed and Fully Paid Up Capital         |                 |                              |        |                 |                              |        |
| Total Shares in Portfolio                    | 5,900,000,000   | 590,000,000,000              |        | 5,690,000,000   | 569,000,000,000              |        |



## **USE OF PROCEEDS**

The use of proceeds of the Public Offering of shares after deducting the costs of issuance, will be entirely used as follows:

1. Approximately 70% will be used to increase lending as working capital loan, investments and consumption with a focus on parties who engaged in the sector of Micro, Small and Medium Enterprises (SMEs).
2. Approximately 150% will be used to increase the number of operational network across Indonesia, namely the addition of two branches in Malang and Tangerang, 4 cash offices in Jakarta and Surabaya, and 18 *payment points* in Jakarta, Bandung, Semarang, Demak, Sragen, Sukoharjo, Sidoarjo, Gresik, Mojokerto and Lampung.
3. Approximately 15% will be used for the development of information technology systems and human resources.

## **BUSINESS RISKS**

Every line of business is always faced with the risk inhibiting survival thereof. Similarly, the Company also encounters some risks affecting the Company's business outcomes.



Major business risk the Company encounters is credit risk, where the debtor insolvency to pay back loan granted and in case of the material amount thereof may affect the performance of the Company. Other business risks are as follows:

1. Risk of Changes in Interest Rate;
2. Liquidity Risks;
3. Capital Adequacy Risks;
4. Operational Risks;
5. Human Resources Risks;
6. Technology Risks;
7. Business Competition Risks;
8. Government Policy Risks;
9. Economic and Political Risks.

Detailed business risks can be viewed in chapter V of this Prospectus.

#### **AN OVERVIEW OF FINANCIAL HIGHLIGHTS**

The following table illustrates the financial highlights of the Company where the figures thereof taken from the Company's financial statements for the year ended December 31, 2005 and the consolidated financial statements of the Company and its subsidiaries for the years ended December 31, 2004 and 2003. The Company's financial statements for



the year ended December 31, 2005 audited by Public Accountant Osman Ramli Satrio & Partners with an unqualified opinion. While the consolidated financial statements of the Company and its subsidiaries for the years ended December 31, 2004 and 2003 before restatement audited by Drs. Thomas, Trisno, Hendang & Partners, all expressed an unqualified opinion with an explanatory paragraph regarding the impact of economic conditions in Indonesia against the Company and subsidiaries thereof.

(in thousands of rupiah)

| Description  | As of 31 December |         |         |
|--|-------------------|---------|---------|
|  | 2005*             | 2004*   | 2003*   |
| Interest income  | 143,076           | 145,875 | 162,894 |
| Interest expenses  | 60,936            | 64,492  | 89,671  |
| Interest income-net  | 82,141            | 81,383  | 73,223  |
| Other operating income   | 10,430            | 9,238   | 9,099   |
| Allowance expenses for<br>loss on earning assets                               | 3,358             | (1.242) | 2,842   |
| Estimated loss expenses<br>(re-booking) on<br>commitments and<br>contingencies | 43                | (27)    | 29      |
| Other operating income   | 58,523            | 53,124  | 48,555  |
| Operating earnings<br>(losses)   | 30,647            | 38,766  | 30,896  |
| Non-operating income   | 2,968             | 917     | 1,995   |





|  |           |           |           |
|--|-----------|-----------|-----------|
| (expenses) - net                                       |           |           | 3         |
| Income before income tax                               | 33,615    | 39,683    | 2,891     |
| Income tax   | 10,288    | 12,081    | 9,724     |
| Income before minority interest                        | 23,327    | 27,601    | 23,167    |
| Minority interest in earnings (losses) of subsidiaries | -         | (1)       | 2         |
| Net earnings   | 23,327    | 27,601    | 23,169    |
| Total assets   | 1,267,644 | 1,640,001 | 1,325,642 |
| Total liabilities                                      | 969,389   | 1,434,748 | 1,147,990 |
| Minority interest in net assets of subsidiaries        | -         | 15        | 15        |
| Total equity   | 298,255   | 205,238   | 177,637   |

(in percentage)

| Description                          | As of 31 December |        |        |
|--------------------------------------|-------------------|--------|--------|
|                                      | 2005*             | 2004** | 2003** |
| CAR                                  | 37.28             | 33.52  | 35.43  |
| NPL - net                            | 2.09              | 1.56   | 2.16   |
| ROA                                  | 1.84              | 1.68   | 1.75   |
| ROE                                  | 8.82              | 13.45  | 13.04  |
| LDR (Loan granted/third-party funds) | 59.10             | 28.30  | 28.41  |
| GWM Rupiah                           | 7.99              | 8.99   | 5.41   |

\*In 2005 the balance sheet and income statement is not consolidated due to the subsidiary has been liquidated.

\*\*For 2004 and 2003 balance sheet and income statement are restated with regard to the implementation of Financial Accounting Standards No. 24 (Revised 2004) concerning Employee Benefits.



## **DIVIDEND POLICIES**

The new shareholders from the Public Offering reserve similar and equal right in all respects with the existing shareholders of the Company, including the right to dividend payment in accordance with the provisions of the Articles of Association and the applicable legislation.

With still regard to the financial condition of the Company from time to time, the Company plans to pay cash dividend to all shareholders at least once a year. The amount of dividend to be distributed is associated with the Company's profit in the fiscal year concerned, without disregarding the financial soundness of the Company and without prejudice to the rights of the General Meeting of Shareholders to decide otherwise in accordance with the Company's Articles of Association.

As of fiscal year ended December 31, 2006 onwards, the Company's management plans to propose a cash dividend distribution to the shareholders whose names are listed in the Register of Shareholders at least 25% of the Net Earnings.

Based on Annual GMS the Company as stated in the Deed No. 7 dated 9 March 2006 passed before Fathiah Helmi, Bachelor of Law, Notary in Jakarta, has been approved to distribute cash dividend to founders-shareholders amounting to Rp110,000,000,000,- arising from the Company's retained



earnings as of December 31, 2005 for Rp121,561,860,387,- where further cash dividend of Rp110,000,000,000,- is repaid entirely by the shareholders of the Company to increase the Subscribed and Paid Up Capital, as stated in the Declaration Deed of EGMS Resolution of the Limited Liability, PT Bank EGM Bumi Arta No. 10 dated 13 March 2006 which is a restatement of the shareholders' resolution in the General Meeting of Shareholders, resolution to which is contained in the Deed of Minutes of Extraordinary General Meeting of Shareholders on the Limited Liability, PT Bank Bumi Arta No. 8 dated 9 March 2006, both deed aforesaid passed by and before Fathiah Helmi, Bachelor of Law, Notary in Jakarta, deed to which has been approved by the Minister of Justice and Human Rights of the Republic of Indonesia under Decree No. C-07590 HT.01.04.TH.2006 dated 15 March 2006, and has been registered in the Company Registration Office of Central Jakarta Municipality under No. 5231/RUB.09.05/III/2006 dated 23 March 2006, and based on the particulars of the Government Printing Office dated 20 April 2006, will be published in the State Gazette of the Republic of Indonesia No. 34 dated 28 April 2006, Supplement to No. 4498.

Due to cash dividend payment, the Company's retained earnings is significantly reduced (over 90%), but has no effect on working capital and the net income acquisition of the Company in the future as a result of an increase in Subscribed and



Paid Up Capital of Rp110 billion,- by the shareholders.

With the increase in the Subscribed and Paid Up Capital of Rp110 billion,- aforesaid, the number of shares will be increased so as will affect the amount of dividends to be received by prospective investors.

### **STRATEGY AND PROSPECT OF BUSINESS**

In the short term, namely in 2006, the Company defines a target to achieve the following respects:

- Credit growth of 35% compared to 2005;
- Level of NPL below 5% by keeping the quality of loans granted;
- Carry out an Initial Public Offering to become a public company owned by the community.

As an intermediary institution, the Company will remain and continue to distribute loan to businesses, especially the potential business sectors and to absorb more labor such as loans to micro, small and medium enterprises (SMEs). With loan enhancement of 35% in 2006, it is expected that LDR 2006 can be 66.49%, or increases of 12.5% compared to prior year.

To achieve the above loan growth targets, the Company will increase several branches, cash offices *payment points* in addition to increase the number of marketing personnel, the



provision of competitive loan rate and improve the customers service quality.

In 2006 the Company will carry out an Initial Public Offering to the public aiming to improve the performance of the Company in the future, in addition to increase professionalism and better image of the Company. In addition, the implementation of *Good Corporate Governance* will be further increased in line with the Company's status as a public company, which is also based on the fulfillment of compliance with the provisions of Bank Indonesia.

While in the medium and long term, according to the Indonesian Banking Architecture (Arsitektur Perbankan Indonesia - API), the Company decides to enter into the group of the Bank with a focus on the business operations in the retail sector, especially SME segments, namely the financing of micro, small and medium enterprises. This selected segment is done by considering the customers the Company owns and the capability of management and existing capital.

To achieve the objectives of the Company business, a number of strategies have been designed by management, among others include:

- Maintain and improve the health of banks;
- Increase loan growth by sticking to the principles of prudence and sound loan procedures;



- Maintain and improve the quality of existing productive assets;
- Improve the quality of customer service by utilizing information systems properly and safely;
- Exploit the opportunities to increase revenue of the bank beyond interest income;
- Keep the liquidity position and capital adequacy;
- Increase the professionalism of the employees by organizing training and education programs;
- Make efforts of savings and efficiencies towards operational cost;
- Expand customer service by increasing operational office network.

With the implementation of the right strategic direction, the Company has the confidence to survive and evolve in the increasingly tight competition of the banking industry.



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I, **FATCHUROZAK**, a Sworn and Authorized Translator  
by the virtue of Jakarta Capital Territory Governor's Decree **No. 1690/2007**, practicing in Jakarta,  
do solemnly and sincerely declare that the foregoing document is a true and faithful translation  
from Indonesian into English of the original version.

Jakarta, December 26, 2015

