



sinarmas multiartha



Menjangkau Masyarakat Luas, MELAYANI DENGAN INTEGRITAS

2014 Laporan Tahunan
Annual Report

SANGGAHAN DAN BATASAN TANGGUNG JAWAB

Disclaimer

Laporan tahunan ini memuat pernyataan kondisi keuangan, hasil operasi, proyeksi, rencana, strategi, kebijakan, serta tujuan Perseroan, yang digolongkan sebagai pernyataan ke depan dalam pelaksanaan Perundang-undangan yang berlaku, kecuali hal-hal yang bersifat historis. Pernyataan-pernyataan tersebut memiliki prospek risiko, ketidakpastian, serta dapat mengakibatkan perkembangan aktual secara material berbeda dari yang dilaporkan.

Pernyataan-pernyataan prospektif dalam laporan tahunan ini dibuat berdasarkan berbagai asumsi mengenai kondisi terkini dan kondisi mendatang Perseroan serta lingkungan bisnis di mana Perseroan menjalankan kegiatan usaha. Perseroan tidak menjamin bahwa dokumen-dokumen yang telah dipastikan keabsahannya akan membawa hasil-hasil tertentu sesuai harapan.

Laporan tahunan ini memuat kata "Perseroan" dan "Perusahaan" yang didefinisikan sebagai PT Sinar Mas Multiartha Tbk yang menjalankan bisnis dalam bidang usaha jasa keuangan terpadu. Adakalanya kata "SMMA" dan "kami" juga digunakan atas dasar kemudahan untuk menyebut PT Sinar Mas Multiartha Tbk secara umum.

This annual report contains financial condition, operation results, projections, plans, strategies, policy, as well as the Company's objectives, which is classified as forward-looking statements in the implementation of the applicable laws, excluding historical matters. Such forward-looking statements are subject to known and unknown risks (prospective), uncertainties, and other factors that could cause actual results to differ materially from expected results.

Prospective statements in this annual report are prepared based on numerous assumptions concerning current conditions and future events of the Company and the business environment where the Company conducts business. The Company shall have no obligation to guarantee that all the valid document presented will bring specific results as expected.

This annual report contains the word "Company" hereinafter referred to PT Sinar Mas Multiartha Tbk, as the company that runs business in the field of integrated financial services. The word "SMMA" and "our/us" is at times used to simply refer to PT Sinar Mas Multiartha Tbk in general.



TENTANG LAPORAN TAHUNAN SINAR MAS MULTIARTHA 2014

About Sinar Mas Multiartha 2014 Annual Report

Laporan Tahunan PT Sinar Mas Multiartha Tbk yang berakhir pada 31 Desember 2014 ini diterbitkan sesuai dengan Keputusan Ketua Badan Pengawas Pasar Modal dan Lembaga Keuangan No.Kep-134/BI/2006 Peraturan No. X.K.6 tentang Kewajiban Penyampaian Laporan Tahunan Bagi Emiten atau Perusahaan Publik.

Laporan Tahunan Sinar Mas Multiartha 2014 disajikan dalam dua bahasa yaitu Bahasa Indonesia dan Bahasa Inggris dengan menggunakan jenis dan ukuran huruf yang mudah dibaca dan dicetak dengan kualitas yang baik. Laporan Tahunan ini dapat dilihat dan diunduh di website resmi Sinar Mas Multiartha yaitu www.sinarmasmultiartha.com.

The Annual Report of PT Sinar Mas Multi Artha Tbk for the year that ended on December 31, 2014 is published in accordance with the Decree of the Chairman of Capital Market Supervisory Agency and Financial Institutions No.Kep-134/BI/2006 Regulation No. X.K.6 on the Obligation to Submit Annual Report for Issuers or Public Company.

The 2014 Annual Report of PT Sinar Mas Multiartha is presented in bilingual, namely Bahasa Indonesia and English. It also uses font type and size that are readable and is printed in good quality. This Annual Report can also be read on and downloaded from the official website of Sinar Mas Multiartha at www.sinarmasmultiartha.com.

Daftar Isi

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PT SINAR MAS MULTIARTHA TBK**
Statement of Members of Board of Commissioners and
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Annual Report of PT Sinar Mas Multiartha Tbk



01



Kilas Kinerja 2014

Flashback Performance 2014



IKHTISAR DATA KEUANGAN PENTING

Financial Highlights

(Dalam jutaan Rupiah)

(in million Rupiah)

LAPORAN POSISI KEUANGAN KONSOLIDASIAN	2014	2013	2012	CONSOLIDATED FINANCIAL POSITIONS STATEMENT
ASET				ASSET
Kas dan Bank	2.637.727	2.599.638	2.422.717	Cash and Bank
Investasi jangka pendek - bersih	25.194.523	24.541.976	27.949.502	Short term investment - net
Efek yang Dibeli dengan Janji Jual Kembali	-	139.211	-	Securities Purchased under agreement to resell
Piutang pembiayaan konsumen -bersih	597.058	895.987	719.106	Customer financing receivables - net
Investasi Sewa Neto - bersih	95.863	120.458	166.937	Net Investment in finance lease - net
Tagihan anjak piutang	1.398.689	1.144.066	1.243.363	Factoring receivable
Piutang Premi dan Reasuransi -bersih	964.627	576.332	388.131	Premium and Reinsurance Receivables - net
Kredit - bersih	14.223.357	10.909.738	10.293.836	Loans - net
Tagihan Akseptasi	67.836	238.324	-	Acceptance Receivables
Aset Ijarah-bersih	84.180	104.556	46.513	Ijarah Asset - net
Piutang Perusahaan Efek	263.426	378.544	369.096	Securities agent receivables
Piutang Lain-lain - bersih	2.105.313	623.751	892.725	Other Receivables - net
Aset Reasuransi	1.178.833	1.447.770	1.068.087	Reinsurance Assets
Investasi Dalam Saham	813.790	530.348	685.959	Investment in Shares
Properti Investasi bersih	198.823	195.630	10.297	Investment Property-net
Aset Tetap bersih	2.802.446	2.416.293	1.844.505	Fixed Assets-net
Agunan yang Diambil Alih - bersih	142.814	112.766	94.020	Foreclosed Collateral - net
Aset Pajak Tangguhan	40.534	28.232	53.865	Deferred Tax Assets
Aset Lain-lain	1.010.224	777.072	621.864	Other Assets
JUMLAH ASET	53.820.063	47.780.692	48.870.523	TOTAL ASSETS

LIABILITAS DAN EKUITAS

LIABILITIES AND EQUITY

Liabilitas				Liabilities
Simpanan dan Simpanan dari Bank Lain	17.165.314	13.607.470	12.569.719	Deposits and Deposits from Other Banks
Utang Asuransi	665.258	421.571	360.113	Insurance Payables
Premi Diterima Dimuka	1.268.032	1.343.529	619.787	Premium Received in Advance
Liabilitas Manfaat Polis Masa Depan	8.592.486	7.923.725	10.008.717	Future Policy Benefit Liability
Dana Pemegang Polis - Unit Link	1.525.012	1.912.482	3.943.326	Policyholder Fund - Unit Link
Liabilitas Kontrak Asuransi	72.033	76.072	198.696	Insurance Contract Liability
Premi Belum Merupakan Pendapatan dan Estimasi Liabilitas Klaim	2.172.496	1.912.788	1.969.907	Unearned Premium and Estimated Claimed Liability
Liabilitas Akseptasi	67.836	238.324	-	Acceptance Liability
Utang Perusahaan Efek	193.927	81.341	141.222	Securities Agent Payable
Utang Pajak	65.329	282.991	74.587	Taxes Payable
Beban Akrua	104.096	88.004	76.284	Accrued Expenses
Surat Berharga yang Diterbitkan	1.293.454	1.290.904	999.884	Debt Securities Issued
Pinjaman yang Diterima	573.837	714.895	999.619	Loan Received
Liabilitas Pajak Tangguhan	95.292	82.551	59.507	Deferred Tax Liabilities
Liabilitas Imbalan Kerja Jangka Panjang	133.821	106.570	96.838	Long Term Employee Benefit Liability
Cadangan Bagi Hasil Peserta	2.212	3.131	3.313	Mudharabah Reserves
Liabilitas Lain-lain	1.008.512	568.192	496.325	Other Liabilities
Jumlah Liabilitas	34.998.947	30.654.540	32.614.844	Total Liabilities

LAPORAN POSISI KEUANGAN KONSOLIDASIAN	2014	2013	2012	CONSOLIDATED FINANCIAL POSITIONS STATEMENT
EKUITAS				EQUITY
Ekuitas yang Dapat Diatribusikan Kepada Pemilik Entitas Induk				Equity Attributable to Parent Entity Owner
Modal Saham	1.321.905	1.321.905	1.321.718	Share Capital
Tambahan Modal Disetor - Bersih	903.989	903.989	903.239	Additional Paid-Up Capital - Net
Komponen Ekuitas Lainnya	2.811.110	2.602.067	2.864.969	Other Equity Components
Saldo Laba	7747.232	6.745.088	5.537.951	Retained Earnings
Kepentingan Nonpengendali	6.036.880	5.553.103	5.627.802	Non-Controlling Interest
Jumlah Ekuitas	18.821.116	17.126.152	16.255.679	Total Equity
JUMLAH LIABILITAS DAN EKUITAS	53.820.063	47.780.692	48.870.523	Total Liabilities and Equity
(Dalam Miliar Rupiah)				(in billion Rupiah)
LAPORAN LABA RUGI KOMPREHENSIF KONSOLIDASIAN	2014	2013	2012	CONSOLIDATED COMPREHENSIVE INCOME STATEMENT
PENDAPATAN				INCOME
Pendapatan underwriting asuransi	9.582.791	11.810.876	12.362.813	Insurance underwriting income
Pendapatan bunga dan bagi hasil	2.857.384	2.478.403	2.376.028	Interest income and profit sharing
Keuntungan penjualan investasi dalam saham	47.376	1.043.447	-	Gain on sale of investment in shares
Keuntungan atas kenaikan nilai wajar efek yang belum direalisasi	274.690	-	-	Unrealized gain on increase in fair value of securities
Keuntungan dari investasi pada unit reksadana	957.154	499.041	501.573	Profit from investment in mutual fund unit
Pendapatan administrasi dan komisi	324.418	301.083	220.930	Administrative and commission income
Keuntungan selisih kurs mata uang asing -bersih	30.143	313.240	96.085	Foreign exchange gain - net
Penjualan	180.900	142.027	104.872	Sales
Pendapatan jasa penjaminan emisi dan jasa perantara pedagang efek serta manager investasi	163.796	136.417	148.898	Underwriting and securities broker and investment manager income
Keuntungan penjualan investasi jangka pendek-bersih	-	49.514	1.515.962	Gain on sale of short term investment - net
Ekuitas pada laba entitas asosiasi-bersih	114.545	42.100	30.678	Equity in associate entities profits - net
Pendapatan jasa biro administrasi efek	3.932	3.187	3.551	Share Administration Income
Pendapatan lain-lain	278.745	230.877	151.189	Other Income
Jumlah Pendapatan	14.815.874	17.050.212	17.512.579	Total Income
BEBAN				EXPENSES
Beban underwriting asuransi	9.506.637	12.290.009	12.984.441	Insurance underwriting expense
Beban umum dan administrasi	1.109.650	933.832	863.469	General and administrative expense
Beban gaji dan tunjangan karyawan	1.022.525	890.029	704.017	Employee salary and allowance
Beban bunga dan bagi hasil	989.719	778.922	764.557	Interest expense and profit sharing
Kerugian atas penurunan nilai wajar efek yang belum direalisasi	-	274.583	231.256	Unrealized loss on decrease in fair value of securities
Beban pokok penjualan	179.563	141.628	105.218	Cost of Sales
Beban jasa penjaminan emisi dan perantara pedagang efek serta jasa manager investasi	34.605	31.777	24.436	underwriting and securities broker and investment manager expense
Beban kerugian penurunan nilai aset keuangan dan non keuangan-bersih	63.005	7.596	15.344	Allowance for impairment losses of financial and non-financial assets - net
Beban lain-lain	216.800	204.030	163.558	Other expenses
Jumlah Beban	13.501.791	15.552.406	15.856.296	Total expenses
Kerugian penjualan investasi jangka pendek-bersih	379.287	-	-	Lost on sale of short term investment-netz

LAPORAN POSISI KEUANGAN KONSOLIDASIAN	2014	2013	2012	CONSOLIDATED FINANCIAL POSITIONS STATEMENT
LAPORAN LABA RUGI KOMPREHENSIF KONSOLIDASIAN (lanjutan)				PROFIT BEFORE TAX
Laba Sebelum Pajak	1.314.083	1.497.806	1.656.283	TAX EXPENSE
Beban Pajak	104.394	375.604	88.482	NET PROFIT
Laba Bersih	1.209.689	1.122.202	1.567.801	TOTAL OTHER COMPREHENSIVE
Jumlah Pendapatan (Beban) Komprehensif Lain	244.913	(406.354)	100.778	REVENUES (EXPENSES) TOTAL COMPREHENSIVE PROFIT
Jumlah Laba Komprehensif	1.454.602	715.848	1.668.579	Net profit attributable to:

(Dalam Jutaan Rupiah)

(in million Rupiah)

LAPORAN ARUS KAS KONSOLIDASIAN	2014	2013	2012	CONSOLIDATED CASH FLOW STATEMENT
Arus Kas Dari Aktivitas Operasi	2.752.275	(2.208.244)	(2.907.816)	Cash Flow From Operating Activities
Arus Kas Dari Aktivitas Investasi	(777.863)	304.274	(758.966)	Cash Flow From Investment Activities
Arus Kas Dari Aktivitas Pendanaan	(123.008)	(50.508)	1.003.257	Cash Flow From Funding Activities
Penurunan Bersih Kas Dan Setara Kas	1.851.404	(1.954.478)	(2.663.525)	Net Decrease In Cash And Cash Equivalents
Kas Dan Setara Kas Awal Tahun	5.933.544	7.731.186	10.359.223	Cash And Cash Equivalents At The Beginning of The Year
Pengaruh Perubahan Kurs Mata Uang Asing	16.294	156.836	35.488	Effect of Foreign Exchange Rate Changes
Kas Dan Setara Kas Akhir Tahun	7.801.242	5.933.544	7.731.186	Cash And Cash Equivalents at The End of The Year

RASIO KEUANGAN

Perseroan berfungsi mengelola struktur modal dan membuat penyesuaian terhadap struktur modal sehubungan dengan perubahan kondisi ekonomi. Perseroan memantau modalnya dengan menggunakan analisa gearing ratio (rasio utang terhadap modal), yakni membagi utang bersih terhadap jumlah modal.

FINANCIAL RATIOS

The Company manages its capital structure and makes adjustments to the structure in relations with the changes in economic condition. The Company monitors its capital using gearing ratio analysis (debt to equity ratio), which is to compare net debt to total equity.

RASIO KEUANGAN	2014	2013	2012	FINANCIAL RATIO
Rasio Laba terhadap Jumlah Aset (ROA)	2,25 %	2,35 %	3,21 %	Return on Assets (ROA)
Rasio Laba terhadap Total Ekuitas (ROE)	6,43 %	6,55 %	9,64 %	Return on Equity (ROE)
Rasio Liabilitas terhadap Ekuitas (Debt/Equity)	1,86 x	1,79 x	2,00 x	Debt to Equity Ratio
Rasio Liabilitas terhadap Aset	0,65 x	0,64 x	0,67 x	Debt to Assets Ratio
Laba bersih terhadap pendapatan	8,16 %	6,58 %	8,95 %	Net profit against revenue
Beban terhadap pendapatan	91,13 %	91,22 %	90,54 %	Expenses against revenues

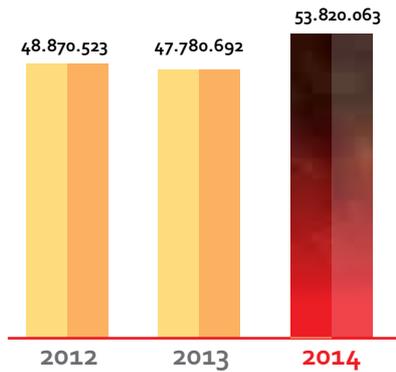
GRAFIK IKHTISAR KINERJA KEUANGAN

Financial Highlights Graphic

JUMLAH ASET

TOTAL ASSETS

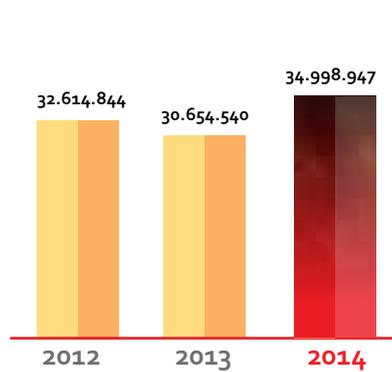
Dalam jutaan Rupiah/
in million Rupiah



JUMLAH LIABILITAS

TOTAL LIABILITIES

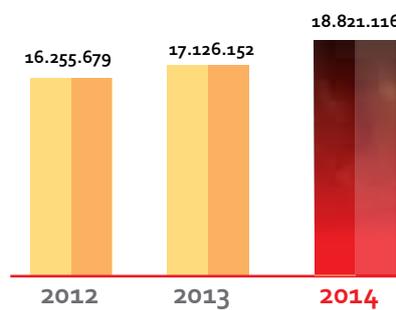
Dalam jutaan Rupiah/
in million Rupiah



JUMLAH EKUITAS

TOTAL EQUITY

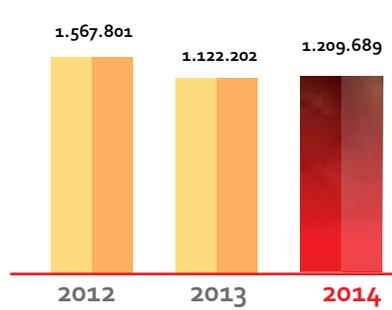
Dalam jutaan Rupiah/
in million Rupiah



LABA BERSIH

NET INCOME

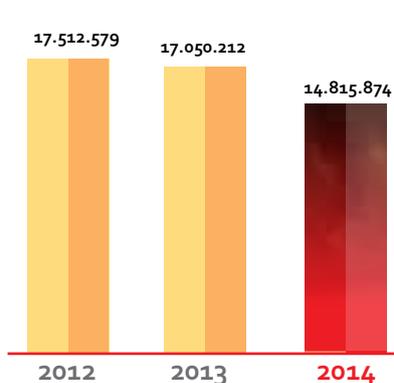
Dalam jutaan Rupiah/
in million Rupiah



PENDAPATAN

REVENUE

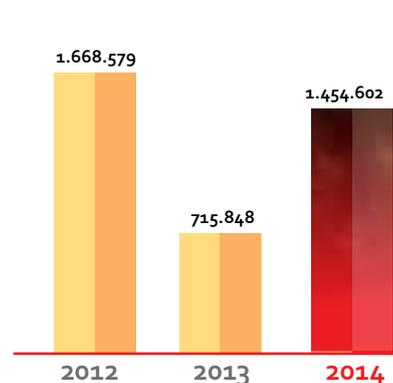
Dalam jutaan Rupiah/
in million Rupiah



LABA KOMPREHENSIF

COMPREHENSIVE PROFIT

Dalam jutaan Rupiah/
in million Rupiah



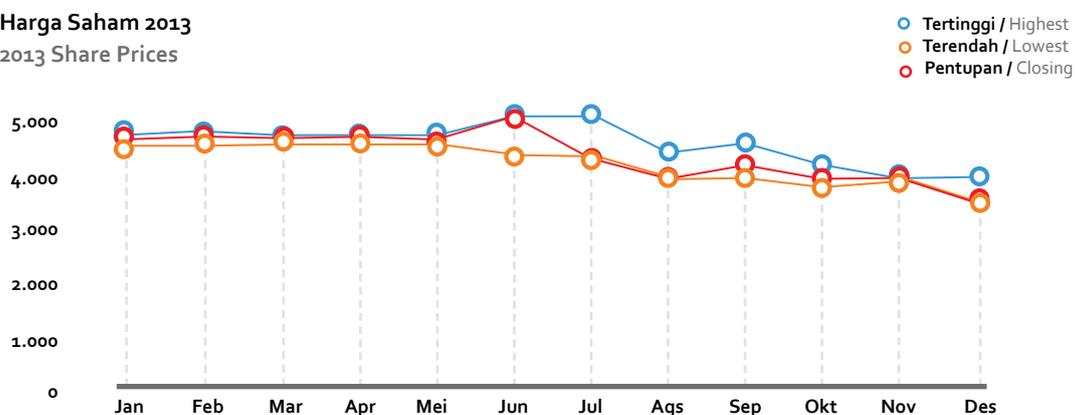
IKHTISAR SAHAM

Stock Highlights

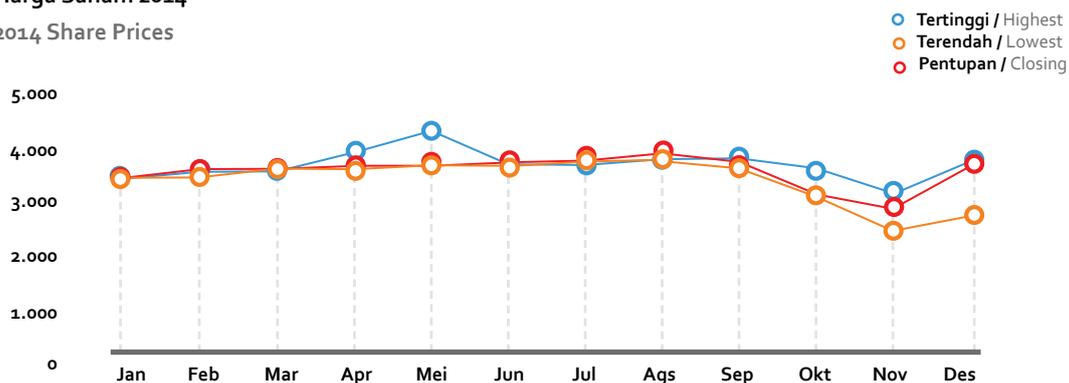
Jumlah Transaksi/ Stock Trading

Bulan/ Month	Tertinggi/ Highest		Terendah/ Lowest		Penutupan/ Closing		Jumlah Transaksi/ Stock Trading			
	Rp		Rp		Rp		Volume (Unit)		Value (Rp)	
Tahun/Year	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014
Januari/ January	4.600	3.295	4.425	3.295	4.525	3.295	48.452.500	200	219.864.787.500	659.000
Februari/ February	4.675	3.445	4.425	3.300	4.550	3.445	42.174.500	1.125.100	191.687.137.500	3.850.973.500
Maret/ March	4.600	3.455	4.450	3.445	4.550	3.450	40.676.000	551.900	185.286.175.000	1.903.319.500
April/ April	4.600	3.845	4.450	3.435	4.575	3.500	46.208.500	1.676.400	211.275.175.000	5.803.614.000
Mey/ May	4.600	4.285	4.450	3.500	4.525	3.500	47.529.000	684.300	216.586.250.000	2.399.219.000
Juni/ June	4.950	3.600	4.250	3.490	4.950	3.560	19.158.500	913.200	87.777.637.500	3.267.371.500
Juli/ July	4.950	3.585	4.225	3.560	4.225	3.585	1.047.500	41.200	4.939.612.500	147.357.000
Agustus/ August	4.275	3.705	3.800	3.585	3.800	3.705	786.000	136.600	3.121.662.500	491.293.500
September/ September	4.450	3.705	3.800	3.450	4.050	3.500	119.500	747.800	479.800.000	2.693.095.000
Oktober/ October	4.050	3.500	3.650	2.900	3.800	2.900	86.000	295.100	324.112.500	941.550.500
November/ November	3.800	3.000	3.775	2.425	3.800	2.790	4.000	539.100	15.150.000	1.447.433.000
Desember/ December	3.825	3.800	3.300	2.715	3.300	3.655	12.500	664.100	45.000.000	2.255.172.000
Kurs Akhir/ Closing Rate	4.950	4.285	3.300	2.425	3.300	3.655				
Jumlah/ Total							246.254.500	7.375.000	1.121.402.500.000	25.201.057.500

Harga Saham 2013
2013 Share Prices



Harga Saham 2014
2014 Share Prices



Rasio Saham/ Share Ratio

	31 Desember 2014/ December 31, 2014	31 Desember 2013/ December 31, 2013
Price	3.655	3.300
Earnings per share	162	195
PE Ratio	22,56	16,92

Kapitalisasi pasar / Capital Market

Bulan / Month	2015	2014	2013
Januari/ January	20.553	3.295	4.425
Februari/ February	21.489	3.445	4.425
Maret/ March	21.520	3.455	4.450
April/ April	21.832	3.845	4.450
Mey/ May	21.832	4.285	4.450
Juni/ June	22.206	3.600	4.250
Juli/ July	22.362	3.585	4.225
Agustus/ August	23.111	3.705	3.800
September/ September	21.832	3.705	3.800
Oktober/ October	18.089	3.500	3.650
November/ November	17.403	3.000	3.775
Desember/ December	22.799	3.800	3.300



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02

Laporan Dewan Komisaris dan Direksi

Board of Commissioners and
Board of Directors Report

LAPORAN DEWAN KOMISARIS

Board of Commissioners Report



INDRA WIDJAJA
Komisaris Utama
President Commissioner

Dewan Komisaris menilai kinerja Direksi pada 2014 berjalan dengan sangat baik. Hal ini terlihat melalui pencapaian total aset pada 2014 sebesar Rp53,82 triliun, tumbuh 12,64% atau sebesar Rp6,04 triliun dibandingkan pada 2013 sebesar Rp47,78 triliun.

BOC assesses the performance of the Board of Directors in 2014 went very well. It is seen through the achievement of total assets in 2014, amounted to Rp53.82 trillion, growing 12.64% or by Rp6.04 trillion compared to 2013 by Rp47.78 trillion.

LAPORAN DEWAN KOMISARIS

Board of Commissioners Report

Para Pemegang Saham dan Pemangku Kepentingan yang Terhormat,

Dengan penuh percaya diri, Dewan Komisaris PT Sinar Mas Multiartha Tbk menyampaikan Laporan Tahunan 2014 dengan kinerja yang baik dan sesuai strategi dan rencana usaha yang telah ditetapkan sebelumnya. Kerjasama dengan berbagai pihak dan mitra bisnis terus ditingkatkan dan relasinya semakin erat. Ini semuanya menjadi landasan kokoh guna menopang akselerasi Perseroan dalam mengembangkan usahanya.

Kondisi Makroekonomi

Pada tahun 2014, Perseroan telah mampu mengelola struktur modal dengan tingkat rasio utang terhadap modal sebesar 112,45% dan mencatat laba bersih sebesar Rp1.209,69 miliar dengan total aset sebesar Rp53.820,06 miliar. Kinerja Perseroan dinilai cukup baik bagi para pemegang saham jika melihat kondisi perekonomian nasional dan global secara keseluruhan. Ekonomi Indonesia masih dalam tren penurunan yang cukup signifikan jika dibanding tahun-tahun sebelumnya. Setelah mencapai pertumbuhan ekonomi 6,5% pada tahun 2011, kemudian 6,23% pada tahun 2012 yang saat itu merupakan salah satu yang tertinggi di Asia setelah Tiongkok yang tumbuh 7,8%, kemudian pertumbuhan ekonomi Indonesia sepanjang tahun 2013 turun menjadi 5,78%, lalu pada tahun 2014 semakin lemah di titik 5,02%. Perlambatan ekonomi ini dipengaruhi dampak kenaikan harga bahan bakar minyak (BBM) akibat pola konsumsi rumah tangga. Kenaikan harga BBM juga menyebabkan kenaikan tarif transportasi. Selain itu ada juga permasalahan keterlambatan penyaluran bantuan sosial, dan keterlambatan penanaman modal tetap bruto (PMTB).

Secara keseluruhan, Neraca Pembayaran Indonesia (NPI) tahun 2014 mencatat perbaikan signifikan didukung oleh keberhasilan sinergi kebijakan stabilisasi yang ditempuh Bank Indonesia dan Pemerintah. NPI 2014 mencatat surplus US\$15,2 miliar setelah sebelumnya mengalami defisit US\$7,3 miliar pada 2013. Perbaikan tersebut ditopang oleh menyusutnya defisit transaksi berjalan dan meningkatnya surplus transaksi modal dan finansial. Defisit transaksi berjalan menurun menjadi US\$26,2 miliar (2,95% PDB) dibandingkan tahun sebelumnya yang mencapai US\$29,1 miliar (3,18% PDB). Perbaikan kinerja

Honorable Shareholders and Stakeholders,

With confidence, the Board of Commissioners of PT Sinar Mas Multiartha Tbk submitted its Annual Report 2014, with good performance and appropriate strategies and business plans that have been defined previously. Cooperation with various parties and business partners continue to be improved and their relationships more closely. It all became a firm foundation to sustain the acceleration of the Company in developing its business.

Macroeconomic Overview

In 2014, the Company has been able to manage its capital structure with the level of debt to capital ratio of 112.45% and recorded a net profit of Rp1,209.69 billion, with total assets of Rp53,820.06 billion. The Company's performance was considered quite good for shareholders if the condition of the national and global economy as a whole. Indonesian economy is still in a significant downward trend when compared to previous years. After achieving economic growth of 6.5% in 2011, then 6.23% in 2012 which is when it is one of the highest in Asia after China which grew 7.8%, then the Indonesian economic growth throughout the year 2013 fell to 5.78%, then in 2014 weakened at the point of 5.02%. The economic slowdown affected the impact of rising fuel prices (BBM) as a result of household consumption patterns. The increase in fuel prices also led to the increase in transport fares. There was also the problem of delays in delivery of social assistance, and delays in Gross Fixed Capital Investment (GFCF).

Overall, Indonesia's balance of payments (BOP) in 2014 recorded a significant improvement is supported by the successful synergy of stabilization policy adopted by Bank Indonesia and the Government. 2014 balance of payments recorded a surplus of US \$ 15.2 billion, having previously had a deficit of US \$ 7.3 billion in 2013. This improvement was supported by the shrinking of the current account deficit and rising capital and financial account surplus. The current account deficit decreased to US \$ 26.2 billion (2.95% of GDP) compared to the previous year to reach US \$ 29.1 billion (3.18% of GDP).

tersebut terutama dipengaruhi oleh menurunnya impor akibat melemahnya permintaan domestik sebagai dampak dari moderasi pertumbuhan ekonomi. Dari sisi ekspor, meskipun ekspor secara keseluruhan menurun, ekspor manufaktur yang membaik, sejalan dengan berlanjutnya pemulihan ekonomi AS, juga turut membantu perbaikan kinerja tersebut. Selain itu, menyusutnya defisit neraca jasa dan meningkatnya surplus neraca pendapatan sekunder turut berkontribusi terhadap perbaikan kinerja transaksi berjalan. Pada sisi lain, surplus transaksi modal dan finansial tahun 2014 mencapai US\$43,6 miliar, dari sebelumnya US\$22,0 miliar pada 2013. Meningkatnya surplus transaksi modal dan finansial ini didorong oleh kepercayaan investor terhadap prospek perekonomian Indonesia.

Penilaian Kinerja Direksi

Sepanjang 2014, Dewan Komisaris telah menjalankan tugas dan kewajiban sesuai dengan Anggaran Dasar Perusahaan. Berdasarkan pengawasan yang telah dilakukan pada 2014, Dewan Komisaris menilai kinerja Direksi pada 2014 berjalan dengan sangat baik. Hal ini terlihat melalui pencapaian total aset pada 2014 sebesar Rp53,82 triliun, tumbuh 12,64% atau sebesar Rp6,04 triliun dibandingkan pada 2013 sebesar Rp47,78 triliun. Sedangkan laba bersih Perseroan pada 2014 sebesar Rp1,21 triliun naik 7,80% atau sebesar Rp87,49 miliar dibandingkan pada tahun 2013 sebesar Rp1,12 triliun. Laba bersih komprehensif mencapai Rp1,45 triliun, naik 103,20% atau sebesar Rp738,75 miliar dibandingkan pada 2013 sebesar Rp715,85 miliar.

Dengan pencapaian ini, Dewan Komisaris optimis dapat terus mencapai kinerja yang bertumbuh secara berkelanjutan yang didukung dengan kondisi ekonomi dalam negeri yang stabil dan terjaga.

Prospek Tahun 2015

Pertumbuhan penduduk akan meningkat seiring dengan kondisi perekonomian nasional dan internasional yang semakin membaik menjadi penopang bagi stabilitas pertumbuhan konsumsi swasta. Ditambah dengan peningkatan masyarakat ekonomi kelas menengah, kami yakin Perseroan akan mampu memberikan kinerja yang lebih baik di tahun mendatang.

The performance improvement is mainly influenced by the decrease in imports due to weak domestic demand as a result of moderating economic growth. From the export side, although overall exports declined, manufacturing exports are improving, in line with the continued recovery of the US economy, also contributed to the improved performance. Moreover, the shrinking of the service account deficit and increasing secondary income account surplus has contributed to the improvement in the current account. On the other side, the capital and financial account surplus in 2014 reached US \$ 43.6 billion, from US \$ 22.0 billion in 2013. The increase in capital and financial account surplus was driven by investor confidence in the outlook for the Indonesian economy.

Appraisal on the Performance of the Board of Directors

Throughout 2014, the BOC has duties and obligations in accordance with the Articles of Association of the Company. Based on the monitoring has been carried out in 2014, the Board assesses the performance of the Board of Directors in 2014 went very well. It is seen through the achievement of total assets in 2014 amounted to Rp53,82 trillion, growing 12.64% or by Rp6,04 trillion compared to 2013 by Rp47,78 trillion. Meanwhile, net profit in 2014 amounted to Rp1,21 trillion rose 7.80% or Rp87,49 billion compared to the year 2013 amounted to Rp1.12 trillion. Comprehensive net income reached Rp1.45 trillion, up 103.20% or Rp738,75 billion compared to 2013 by Rp715,85 billion.

With this achievement, the Board is optimistic to continue to achieve growth in a sustainable performance backed by domestic economic conditions are stable and awake.

2015 Business Outlook

Population growth will increase in line with national and international economic conditions are getting better become a crutch for the stability of growth in private consumption. Coupled with an increase in middle-class economic community, we believe the Company will be able to provide better performance in the coming year.

Tahun 2015 merupakan tahun yang sangat ditunggu bagi para pelaku usaha setelah melalui tahun politik di 2014, investor mulai memperhitungkan lahan investasinya di Indonesia. Dewan Komisaris optimis, semua peluang yang ada akan dapat diraih oleh Perseroan melalui strategi bisnis yang telah kami susun. Dengan tim kerja PT Sinar Mas Multiartha Tbk yang solid, kami percaya hasil yang gemilang akan dapat diraih di tahun mendatang.

Penilaian atas Kinerja Komite-Komite di bawah Dewan Komisaris

Seluruh komite yang berada dibawah Dewan Komisaris telah membantu tugas dalam mengawasi kinerja Perseroan sehingga Dewan Komisaris dapat memberikan arahan strategi yang baik dan diimplementasikan dengan mempertimbangkan kapabilitas PT Sinar Mas Multiartha Tbk untuk melakukan aktivitas usaha.

Sinergi yang dijalankan antar organ-organ Perseroan dilakukan secara berkesinambungan demi mencapai visi Perseroan menjadi lembaga keuangan terkemuka dengan memfokuskan kepada pelanggan, memberikan keunggulan kelas dunia di semua bidang layanan yang ditawarkan melalui berbagai saluran lokal.

Atas kinerja komite-komite Perseroan, Dewan Komisaris mampu menjalankan fungsi pengawasan dan arahan yang sesuai dengan prinsip-prinsip tata kelola perusahaan yang baik sehingga Dewan Komisaris sepenuhnya percaya bahwa Direksi dan seluruh manajemen dapat melanjutkan kinerjanya dengan baik.

Perubahan Komposisi Dewan Komisaris

Pada Tahun 2014 telah terjadi perubahan komposisi Dewan Komisaris menjadi 3 orang dari sebelumnya yang berjumlah 4 orang, berikut komposisi Dewan Komisaris

2013	Jabatan / Position	2014
Indra Widjaja	Komisaris Utama / President Commissioner	Indra Widjaja
Howen Widjaja	Komisaris / Commissioner	Howen Widjaja
Sunarto	Komisaris Independen / Independent Commissioner	Robinson Simbolon
Agustinus Antonius	Komisaris Independen / Independent Commissioner	

2015 was a year of very awaited for business after years of politics in 2014, investors began to take into account the investment land in Indonesia. BOC optimistic, all the opportunities that exist will be achieved by the Company through a business strategy that has us stacking. PT Sinar Mas Multiartha Tbk's working with a solid team, we believe great results will be achieved in the coming years.

Evaluation on the Committee's Performance under the Board of Commissioners

The whole committee under the Board of Commissioners has helped duties in overseeing the performance of the Company so that the BoC will provide a good strategic direction and implemented taking into account the capabilities of PT Sinar Mas Multiartha Tbk to conduct business activities.

Synergies were made between the organs of the Company performed on an ongoing basis in order to achieve the Company's vision to be the leading financial institution focusing on the customer, providing world-class excellence in all areas of the services offered through various local channels.

Committees for the performance of the Company, the Board is able to perform the function of oversight and direction in accordance with the principles of good corporate governance that the BOC fully believes that the Board of Directors and management can continue good performance.

Changes in the Composition of the Board of Commissioners

In 2014, there were changes in the composition of the Board of Commissioners be 3 to 4 people, with information about the composition of the Board of Commissioners as follows:

Penutup

Dewan Komisaris PT Sinar Mas Multiartha Tbk akan terus mendorong tim manajemen agar kinerja yang baik ini dijadikan sebagai daya pendorong untuk berkomitmen penuh terhadap pencapaian peningkatan kinerja di masa-masa mendatang.

Pencapaian kinerja tahun 2014 merupakan momentum yang sangat baik bagi rencana strategis Perseroan agar dapat terus bertumbuh secara berkesinambungan. Atas nama segenap anggota Dewan Komisaris, kami ingin menyampaikan penghargaan yang tinggi serta terima kasih kepada seluruh pemegang saham dan para pemangku kepentingan Perseroan, Direksi dan segenap insan yang bekerja di Perseroan, para mitra usaha, para pelanggan, serta warga komunitas sekitar lokasi usaha Perseroan.

Closing

Board of Commissioners of PT Sinar Mas Multiartha Tbk will continue to push the management team that good performance is to serve as the power to commit fully to the achievement of improved performance in the future.

Achievement of the performance in 2014 is a very good momentum for the Company's strategic plan in order to continue to grow in a sustainability. On behalf of all members of the BOC, we would like to express great appreciation and thanks to all shareholders and stakeholders of the Company, the Board of Directors and all beings who work at the Company, its business partners, customers, and citizens around the location of the Company's business community.



Indra Widjaja

Komisaris Utama

President Commissioner



Robinson Simbolon
Komisaris
Commissioner

Indra Widjaja
Komisaris Utama
President Commissioner

Howen Widjaja
Komisaris
Commissioner

LAPORAN DIREKSI

Board of Directors Report



DODDY SUSANTO
Direktur Utama
President Director

Perseroan senantiasa menjalin komunikasi aktif dalam menjawab setiap tantangan dan peluang dan berkomitmen memberi kontribusi besar bagi pembangunan nasional melalui usaha-usaha yang inovatif terkait lini bisnis Perseroan.

The Company fosters active communication in responding to any challenges and opportunities and make a great contribution to national development through innovative ongoing work related to the Company's line of business.

Para Pemegang Saham dan Pemangku Kepentingan yang Terhormat,

Direksi PT Sinar Mas Multiartha Tbk telah melakukan usaha-usaha terkait bisnis Perseroan dan telah meraih pencapaian pada tahun 2014, yang akan kami laporkan melalui Laporan Tahunan 2014. Laporan ini merupakan bagian dari tanggung jawab kami sebagai Perseroan Terbuka dan dalam rangka memenuhi ketentuan pasar modal.

Di tengah kondisi politik nasional yang sedang ramai perekonomian nasional tetap berjalan meski mengalami beberapa kendala karena investor memilih untuk menunggu Presiden terpilih untuk membentuk pemerintahan baru.

Perekonomian Indonesia pada tahun 2014 mencatatkan pertumbuhan sebesar 5,01%, lebih rendah dibandingkan tahun 2013 yang tumbuh 5,78%. Perbaikan kinerja ekonomi Indonesia banyak dipengaruhi oleh membaiknya aktivitas di sektor industri pengolahan dan sektor konstruksi di beberapa daerah. Sementara laju inflasi pada tahun 2014 meningkat signifikan yakni tercatat sebesar 8,36% (yoy) pada Desember 2014, dibanding periode September 2014 yang sebesar 4,53% (yoy). Peningkatan inflasi merupakan dampak dari implementasi kebijakan reformasi energi pada November 2014 dan berkurangnya pasokan komoditas pangan akibat pengaruh cuaca, produksi dan distribusi.

Dengan kondisi ekonomi nasional yang memberi signal pertumbuhan melalui peningkatan investasi yang tinggi, memberikan peluang bagi pertumbuhan PT Sinar Mas Multiartha Tbk. Direksi bersama dengan manajemen akan terus meneliti setiap peluang agar Perseroan selalu mampu memberikan hasil yang prima bagi pemegang saham dan meningkatkan nilai investasinya.

Perseroan senantiasa menjalin komunikasi aktif dalam menjawab setiap tantangan dan peluang yang ditawarkan dalam perekonomian nasional dan berkomitmen memberi kontribusi besar bagi pembangunan nasional melalui usaha-usaha yang inovatif terkait lini bisnis Perseroan.

Direksi menyusun rencana strategi bisnis Perseroan dan secara bersamaan menetapkan detail langkah-langkah implementasinya. Direksi juga memberikan perhatian khusus

Honorable Shareholders and Stakeholders,

The Board of Directors of PT Sinar Mas Multiartha Tbk has made efforts related to the Company's business and has earned the achievement in 2014, which we will report on the Annual Report 2014. This report is part of our responsibility as a publicly listed company and in order to comply with the capital market.

In the midst of national political conditions that are crowded national economy continues to run despite having some problems because investors chose to wait for the President-elect to form a new government.

The Indonesian economy in 2014 recorded a growth of 5.01%, lower than in 2013, which grew 5.78%. Improvement of Indonesia's economic performance is heavily influenced by the improvement in activity in the manufacturing sector and the construction sector in some areas. While the inflation rate in 2014 increased significantly, was recorded at 8.36% (yoy) in December 2014, compared to September 2014 period amounted to 4.53% (yoy). Increased inflation is the impact of the implementation of the energy reform policy in November 2014 and the reduced supply of food commodities due to the effects of weather, production and distribution.

With the condition of the national economy through increased growth signaling high investment, provide opportunities for growth PT Sinar Mas Multiartha Tbk. The Board of Directors together with management will continue to examine every opportunity that the Company always able to provide excellent results for shareholders and increase the value of its investment.

The Company fosters active communication in responding to any challenges and opportunities offered in the national economy and make a great contribution to national development through innovative ongoing work related to the Company's line of business.

Directors plan the business strategy of the Company and simultaneously establishes detailed implementation steps. Directors are also paying special attention to the business units

ke dalam unit-unit usaha yang mempunyai peran sangat besar dan strategis terhadap kelanjutan usaha Perseroan, seperti unit usaha asuransi, bank, multifinance, dan sekuritas. Direksi berkeyakinan bahwa hanya dengan penjabaran secara detail pelaksanaan rencana strategisnya, maka sukses yang akan diraih dapat terealisasi.

Kinerja 2014

Pada tahun 2014 Perseroan berhasil meraih beberapa pencapaian berdasarkan Laporan Posisi Keuangan Konsolidasian terlihat bahwa di sektor Investasi jangka pendek tercatat kenaikan sebesar Rp652,55 miliar, atau naik 2,66%, dari Rp24,54 triliun pada 2013 menjadi Rp25,19 triliun pada tahun 2014. Penyaluran Kredit juga mencatat kenaikan cukup signifikan dari Rp10,91 triliun pada tahun 2013 menjadi Rp14,22 triliun pada tahun 2014, naik 30,37% atau sebesar Rp3,31 triliun.

Di sektor Liabilitas, Simpanan dan Simpanan dari Bank lain tercatat kenaikan dari Rp13,61 triliun pada 2013 menjadi Rp17,17 triliun pada tahun 2014, mengalami kenaikan sebesar Rp3,56 triliun atau 26,15%. Liabilitas Manfaat Polis Masa Depan naik dari Rp7,92 triliun pada tahun 2013 menjadi Rp8,59 triliun di tahun 2014, naik sebesar Rp668,76 miliar atau 8,44%.

Berikutnya, Dana Pemegang Polis - Unit Link tercatat turun dari Rp1,9 triliun pada tahun 2013 menjadi Rp1,5 triliun di tahun 2014, turun sebesar Rp387,47 miliar atau 20,26%. Pendapatan Perseroan tercatat menurun dari Rp17,05 triliun di tahun 2013 menjadi Rp14,82 triliun pada tahun 2014, terjadi penurunan sebesar Rp2,23 triliun atau 13,10%. Meski demikian, Perseroan mencatatkan peningkatan Laba Bersih dari Rp1,12 triliun di tahun 2013 menjadi Rp1,21 triliun di tahun 2014, terjadi peningkatan sebesar Rp87,49 miliar atau 7,80%.

Namun demikian, kinerja Perseroan dapat menghasilkan Laba Bersih per Saham sebesar Rp162 di tahun 2014.

Prospek Tahun Depan

Tantangan besar dan terdekat yang harus dihadapi oleh industri keuangan, adalah implementasi Masyarakat Ekonomi ASEAN (MEA) akhir tahun 2015 atau awal tahun 2016 karena industri jasa keuangan diharapkan mampu mendongkrak laju

that have a very large and strategic role in the continuation of the Company's business, such as the insurance business units, banks, finance companies, and securities. The Board of Directors believes that it is only with a detailed elaboration of the implementation of its strategic plan, then success will be achieved can be realized.

2014 Performance

In 2014, the Company has received several achievement based Consolidated Statement of Financial Position shows that short-term investments in the sector recorded an increase of Rp652.55 billion, an increase of 2.66%, from Rp24.54 trillion in 2013 to Rp25.19 trillion in 2014. Loan Fund also recorded a significant rise of Rp10.91 trillion in 2013 to Rp14.22 trillion in 2014, up 30.37% or Rp3.31 trillion.

The sector Liabilities, Deposits and Deposits from other banks recorded an increase from Rp13.61 trillion in 2013 to Rp17.17 trillion in 2014, an increase of Rp3.56 trillion or 26.15%. Liabilities for Future Policy Benefits rose from Rp7.92 trillion in 2013 to Rp8.59 trillion in 2014, an increase of Rp668.76 billion, or 8.44%.

Next, the Fund Policyholder - Unit Link was down from Rp1.9 trillion in 2013 to Rp1.5 trillion in 2014, down by Rp387.47 billion, or 20.26%. The Company recorded revenues decreased from Rp17.05 trillion in 2013 to Rp14.82 trillion in 2014, a decline of Rp2.23 trillion or 13.10%. However, the Company recorded an increase in Net Income of Rp1.12 trillion in 2013 to Rp1.21 trillion in 2014, a decline of Rp87.49 billion, or 7.80%.

However, the Company's performance can still share Earnings per share amounted to Rp162 in 2014.

Business Prospects in the Future

Nearby major challenge and must be faced by the financial industry, is the implementation of the ASEAN Economic Community (AEC) end 2015 or early 2016 as the financial services industry is expected to boost national economic growth. In

pertumbuhan ekonomi nasional. Selain itu, perbankan syariah juga memiliki prospek cerah karena dapat diterima seluruh masyarakat lintas agama sehingga harus terus dioptimalkan kinerjanya. Perbankan syariah perlu melakukan terobosan baru dalam mengembangkan perbankan syariah dan asuransi syariah.

Pemerintah berkomitmen untuk meningkatkan pertumbuhan ekonomi nasional, oleh karena itu pemerintah mendukung upaya optimalisasi sektor jasa keuangan pada perekonomian nasional, upaya penguatan durabilitas sektor jasa keuangan agar terwujud kestabilan ekonomi dan pembangunan berkelanjutan serta mengoptimalkan akses keuangan dan kemandirian finansial kepada seluruh masyarakat Indonesia dalam mendukung pemerataan pembangunan nasional.

Dinamika industri keuangan selama tahun 2014 baru saja dilalui dengan hasil yang baik dan kita bersyukur atas semua ini. Namun kita tidak boleh terlena karena proses pemulihan industri keuangan yang merupakan bagian dari pemulihan ekonomi global masih belum selesai.

Pada tahun 2015, sejalan dengan membaiknya proyeksi pertumbuhan ekonomi domestik, pertumbuhan kredit perbankan dan piutang pembiayaan diperkirakan akan meningkat. Industri perasuransian, kecukupan investasi asuransi jiwa maupun asuransi kerugian untuk menutup kewajiban kepada pemegang polis juga tercatat masih memadai. Likuiditas di industri perbankan dan perasuransian terpantau dalam kondisi stabil. Kondisi likuiditas perbankan masih terjaga. Sementara itu, di industri perasuransian dan dana pensiun, risiko pasar cenderung menurun. Di industri pembiayaan, *gearing ratio* (tingkat utang) perusahaan pembiayaan tercatat sebesar 3,54 kali, jauh di bawah ketentuan maksimum 10 kali. Namun, perusahaan pembiayaan umumnya telah melakukan hedging ataupun natural hedging. Ke depan, Perseroan senantiasa mencermati beberapa perkembangan utama dalam kinerja perekonomian nasional yang berpotensi berdampak terhadap kinerja Perseroan.

In addition, Islamic banking also has a bright prospect as it can be acceptable to all the people across religions and should continue to be optimized performance. Islamic banking needs to make new breakthroughs in the development of Islamic banking and Takaful.

The Government is committed to improving national economic growth, therefore the government supports efforts to optimize the financial services sector in the national economy, efforts to strengthen the durability of the financial services sector in order to realize economic stability and sustainable development and optimize access to finance and financial independence to all Indonesian society to support equitable development national.

The dynamics of the financial industry during the year 2014 has just passed with good results and we are grateful for all of this. But we should not be complacent because the financial industry recovery process that is part of the global economic recovery is still not completed.

In 2015, in line with the improving domestic economic growth projections, the growth of bank credit and receivables financing is expected to increase. The insurance industry, the adequacy of life insurance and investment insurance to cover obligations to policyholders are also recorded still inadequate. Liquidity in the banking and insurance industries monitored in a stable condition. Banking liquidity is still awake. Meanwhile, in the insurance industry and pension funds, market risk tends to decrease. In the finance industry, the gearing ratio (debt level) finance companies amounted to 3.54 times, far below the stipulated maximum of 10 times. However, finance companies generally have a hedge or natural hedge. Looking ahead, the Company continues to look at some of the major developments in the performance of the national economy which has the potential to impact the Company's performance.

Penerapan Tata Kelola Perusahaan

Penerapan tata kelola perusahaan yang baik menjadi hal yang mutlak bagi Perseroan karena terkait kegiatan usaha yang penuh dengan risiko, implementasi prinsip-prinsip GCG dilakukan guna menjaga hubungan kemitraan yang baik dengan seluruh pemangku kepentingan khususnya otoritas pasar modal dan lembaga-lembaga keuangan.

Tata kelola perusahaan yang dilengkapi dengan organ-organ Perseroan yang memenuhi ketentuan dan perundang-undangan yang berlaku.

Perubahan Komposisi Direksi

Selama tahun 2014, Perseroan tidak merubah komposisi Direksi dan posisinya masih dijabat oleh pejabat sebelumnya.

Penutup

Kami optimis menatap hari esok, mengatur strategi menghadapi tantangan dan peluang baru di tahun mendatang. Direksi akan mengawal seluruh jajaran tim manajemennya bekerja keras dalam mengimplementasikan seluruh rencana bisnisnya. Pencapaian yang lebih besar dan lebih bernilai akan menjadi sasaran utama kami. Kami akan persembahkan kinerja terbaik yang dapat memberikan nilai tambah kepada seluruh pemegang saham dan pemangku kepentingan Perseroan.

Direksi menyampaikan rasa syukur dan terima kasih kepada segenap anggota Dewan Komisaris yang telah dan tetap memberikan kepercayaan penuh kepada Direksi untuk melaksanakan tugasnya. Kami juga menyampaikan terima kasih kepada seluruh nasabah, para mitra usaha, para pemegang saham dan investor atas dukungan dan kerjasamanya selama ini dan terus berlanjut di tahun mendatang. Semoga kemitraan kita dijalin saling percaya yang tinggi serta menjadi semakin kokoh dalam menyongsong tantangan di tahun-tahun mendatang.

Corporate Governance Implementation

Implementation of good corporate governance is a must for the Company as related to business activities are fraught with risks, the implementation of the principles of GCG done to maintain a good partnership with all stakeholders, especially the capital market authorities and financial institutions.

Corporate governance of the Company are equipped with organs that meet the rules and regulations will apply.

Changes in the Composition of the Board of Directors

During 2014, the Company did not change the composition of the Board of Directors and the position is still held by the previous authorities.

Closing

We are optimistic on the future, set the strategies to face new challenges and opportunities in the coming year. The Board of Directors will oversee the whole range of his management team worked hard in implementing the entire business plan. Achievement of the larger and more valuable will be our main target. We will dedicate the best performance that can provide added value to all shareholders and stakeholders of the Company.

Directors expressed gratitude and thanks to all the members of the Board of Commissioners who have been and continue to provide full confidence to the Board of Directors to carry out tugasnya. Kami also like to thank all customers, business partners, shareholders and investors for their support and cooperation during this and mendatang. Semoga continue in our partnership of mutual trust braided high and become stronger in facing the challenges in the coming years.



DODDY SUSANTO

Direktur Utama
President Director



AGUS LEMAN GUNAWAN

Direktur Independen
President Director

KURNIAWAN UDJAJA

Direktur
Director

DANI LIHARDJA

Direktur
Director

DODDY SUSANTO

Direktur Utama
President Director

FUGANTO WIDJAJA

Direktur
Director



sinarmas multiartha tbk
sinarmas multifinance
ab sinarmas multifinance
sinartama gunita
shinta utama
sinarmas money changer



03

Profil Perusahaan Company Profile

INFORMASI PERUSAHAAN

Corporate Information

Nama Perusahaan Company Name	PT Sinar Mas Multiartha Tbk	
Tanggal Berdiri Date of Establishment	21 Oktober 1982	
Bidang Usaha/Produk Line of Business/Product	Jasa Keuangan Terpadu Integrated Financial Services	
Akta Pendirian Deed of Establishment	Akta No. 218 tertanggal 25 Februari 1995 dari Veronica Lily Dharma, S.H., notaris di Jakarta. Deed No. 218 dated February 25, 1995 of Veronica Lily Dharma, SH, notary in Jakarta.	
SK Kementerian Kehakiman The Justice Ministry Decree	No. C2-5573.HT.01.04.Th.95 tanggal 5 Mei 1995. No. C2-5573.HT.01.04.Th.95 dated May 5, 1995.	
Modal Dasar Authorized Capital	Modal Dasar / Authorized Capital	: 21.513.629.568 saham / shares Rp2.849.487.360.000,-
	Modal Disetor / Paid-in Capital	: 6.237.808.717 saham / shares Rp1.321.905.274.900,-
Kode Saham Share Code	SMMA	
Jumlah Saham Tercatat (data per Desember 2014)	Saham Seri A / Share Series A : 142.474.368	
Number of registered shares (data as of December 2013)	Saham Seri B / Share Series B : 6.095.334.349	
	Total Saham / Total Shares : 6.237.808.717	
Kepemilikan Share Ownership	1. Bank of Singapore Limited	49,21 %,
	2. Credit Suisse AG Singapore Trus A/C Client	5,64 %,
	3. Masyarakat (masing-masing dibawah 5 %)	45,15 %
Alamat Kantor Address	Sinar Mas Land Plaza Menara I Lantai 9 Jl. M.H Thamrin No.51 Jakarta Pusat 10350 Telp : (62-21) 392 5660 Fax : (62-21) 392 5788 Email : multiartha@smma.co.id Website : www.sinarmasmultiartha.com	

SEKILAS PT SINAR MAS MULTIARTHA Tbk

An Overview of PT Sinar Mas Multiartha Tbk

Riwayat Singkat Perseroan

PT Sinar Mas Multiartha Tbk didirikan di Jakarta dengan nama PT Internas Artha Leasing Company sebagaimana termaktub dalam Akta Nomor 60 tanggal 21 Oktober 1982 juncto Akta Nomor 48 tanggal 10 September 1983, keduanya dibuat dihadapan Benny Kristianto, SH, Notaris di Jakarta. Anggaran dasar Perseroan dan perubahannya sebagaimana disebutkan diatas telah diumumkan dalam Tambahan No. 1039 Berita Negara Republik Indonesia No. 69 tanggal 29 Agustus 1986, merupakan induk dari perusahaan-perusahaan pada unit usaha Sinar Mas yang memfokuskan usahanya pada sektor Jasa Keuangan Terpadu, seperti *multifinance*, asuransi, pasar modal, jasa administrasi saham, *security company*, perdagangan dan jasa serta teknologi informasi.

Kemudian perubahan nama PT Internas Arta Leasing Company menjadi PT Internas Arta Finance Company termaktub dalam Akta No. 15 tanggal 1 Mei 1989, dibuat oleh Benny Kristianto, SH, Notaris di Jakarta, perubahan tersebut diatas telah diumumkan dalam Tambahan No. 2903 Berita Negara Republik Indonesia No. 72 tanggal 6 September 1991.

Dalam rangka melakukan *go public* seluruh anggaran dasar Perseroan diubah termasuk perubahan nama Perseroan dari PT Internas Artha Finance Company menjadi PT Sinar Mas Multiartha Tbk sebagaimana termaktub dalam akta No. 218 tanggal 25 Februari 1995 juncto akta No. 315 tanggal 26 April 1995 berturut-turut dibuat dihadapan Veronica Liliy Dharma, SH Notaris di Jakarta, perubahan tersebut telah diumumkan dalam Tambahan No. 5358 Berita Negara Republik Indonesia No. 51 tanggal 27 Juni 1995.

Anggaran Dasar Perseroan telah mengalami beberapa kali perubahan, perubahan anggaran dasar terakhir dan susunan Direksi dan Dewan Komisaris terakhir dimuat dalam Akta No.43 tanggal 13 Juni 2014 yang dibuat dihadapan Aryanti Artisari, SH Notaris di Jakarta Selatan.

A Brief History of the Company

PT Sinar Mas Multiartha Tbk was established in Jakarta under the name PT Artha Internas Leasing Company as set forth in the Deed No. 60 dated October 21, 1982 in conjunction with the Deed No. 48 dated September 10, 1983, both made before Benny Kristianto, SH, Notary in Jakarta. The articles of association of the Company and amendments as mentioned above has been published in Supplement No. 1039 News of the Republic of Indonesia No. 69 dated August 29, 1986, is the parent of companies in the Sinar Mas business unit that focuses its efforts on Keuangan Terpadu Services sector, such as finance, insurance, capital market, stock administration services, security company, trade and services as well as information technology.

Then change the name of PT Internas Arta Leasing Company to PT Internas Arta Finance Company set forth in the Deed No. 15 dated May 1, 1989, made by Benny Kristianto, SH, Notary in Jakarta, the changes mentioned above has been published in Supplement No. 2903 News of the Republic of Indonesia No. 72 dated 6 September 1991.

In order to go public across the amended articles of association of the Company, including the Company's name change from PT Internas Artha Finance Company to PT Sinar Mas Multiartha Tbk as set forth in the deed No. 218 dated February 25, 1995 in conjunction with the Deed No. 315 dated 26 April 1995 respectively, made before Veronica Liliy Dharma, SH Notary in Jakarta, the change has been published in Supplement No. 5358 News of the Republic of Indonesia No. 51 dated June 27, 1995.

Articles of Association has been amended several times, the last change in the basic budget and prepared the Board of Directors and Board of Commissioners last loaded dalam Akta 43 dated June 13, 2014 were made before Aryanti Artisari, SH Notary in South Jakarta.

Ringkasan Sejarah Penawaran Umum Perseroan

1995

Pada 14 Juni 1995, Ketua Bapepam melalui surat No. S-759/PM/1995 menyatakan bahwa Perseroan dinyatakan efektif untuk melakukan Penawaran Umum Perdana atas 510 juta saham yang dicatatkan di Bursa Efek Jakarta dan Bursa Efek Surabaya. Nilai nominal per saham adalah Rp500,- dengan harga penawaran sebesar Rp1.800,- per saham.

1996

Pada 8 November 1996, Ketua Bapepam melalui surat No. S-1811/PM/1996 menyatakan bahwa Perseroan efektif untuk melakukan Penawaran Umum Terbatas I atas 663 juta saham yang bernilai nominal Rp500 per saham dengan harga penawaran sebesar Rp750 per saham, dimana melekat 99.450.000 waran Seri I yang diterbitkan dengan cuma-cuma.

2003

Perseroan meningkatkan modal dasar yang sejumlah Rp1.125 miliar menjadi Rp2.849 miliar, melakukan *reverse stock split* dari Rp500,- per saham menjadi Rp5.000,- per saham dan menambah seri saham dari semula 1 seri menjadi 2 seri yaitu Saham Seri A dengan nilai nominal Rp5.000,- per saham dan Saham Seri B dengan nilai nominal Rp100,- per saham. Kemudian, Perseroan melakukan Penawaran Umum Terbatas II kepada pemegang saham dalam rangka penerbitan Hak Memesan Efek Terlebih Dahulu ("HMETD") untuk membeli sejumlah 2.137.115.520 saham seri B yang bernilai nominal Rp100,- per saham dengan harga penawaran Rp100,- per saham, dimana pada setiap 15 saham seri B melekat 15 waran Seri II yang diberikan oleh Perseroan. Penawaran Umum Terbatas II ini telah memperoleh pernyataan efektif dari Ketua Bapepam melalui surat No.S-1485/PM/2003 per 23 Juni 2003.

Summary Of The Company's Public Offering History

1995

On 14 June 1995, the Company obtained an effective statement of the Head of Bapepam through letter No. S- 759/PM/1995 to make an Initial Public Offering of 510 million shares on Jakarta Stock Exchange and Surabaya Stock Exchange in the nominal amount of Rp500.00 per share at an offering price of Rp1,800.00 per share.

1996

On 8 November 1996, the Company obtained an effective statement of the Head of Bapepam through letter No. S-1811/PM/1996 to make Rights Issue I of 663 million shares in the nominal amount of Rp500 per share at an offering price of Rp750 per share, where 99,450,000 series I warrants were attached and issued for free.

2003

In 2003, the Company increased its nominal capital from Rp1,125 billion to Rp2,849 billion, made a reverse stock split from Rp500.00 per share to Rp5.000.00 per share, and added series of shares from 1 series to 2 series, namely Series A Share in the nominal amount of Rp5.000.00 per share and Series B Share in the nominal amount of Rp100.00 per share. Rights Issue II was made to shareholders to issue Pre-emptive Rights to buy 2,137,115,520 Series B shares in the nominal amount of Rp100.00 per share at an offering price of Rp100.00 per share, where to each 15 series B shares, 15 Series II warrants were attached and issued for free by the Company. This Rights Issue II obtained an effective statement of Bapepam Head through letter No.S- 1485/PM/2003 dated 23 June 2003.

2005

Pada 27 Juni 2005, Ketua Bapepam melalui surat No.S-1691/PM/2005 menyatakan bahwa PT Sinar Mas Multiartha Tbk dinyatakan efektif untuk melakukan Penawaran Umum Terbatas III kepada pemegang saham dalam rangka penerbitan Hak Memesan Efek Terlebih Dahulu ("HMETD") untuk membeli sejumlah 991.325.341 saham dengan nilai nominal Rp100,- sehingga seluruhnya berjumlah sebesar Rp99.132.534.100,-. Setiap pemegang 500 saham Seri A maupun B dalam Perseroan berhak atas 174 HMETD untuk membeli 174 saham Seri B dengan harga pelaksanaan Rp125,- persaham. Dimana setiap 1 (satu) saham seri B melekat 1 (satu) waran Seri III yang diberikan oleh Perseroan.

2008

Pada 16 Juni 2008, PT Sinar Mas Multiartha Tbk melakukan Penawaran Umum Terbatas IV kepada pemegang saham dalam rangka penerbitan Hak Memesan Efek Terlebih Dahulu ("HMETD") untuk membeli saham Seri B sebanyak-banyaknya 966.427.608 saham dengan nilai nominal Rp100,- sehingga seluruhnya berjumlah sebesar Rp96.642.760.800,-. Setiap pemegang 10 saham Seri A maupun B dalam Perseroan berhak atas 2 HMETD untuk membeli 2 saham Seri B dengan rasio perbandingan 10 : 2 : 3 dengan harga pelaksanaan Rp100,- per sahamnya. Dimana setiap 2 saham seri B melekat 3 waran Seri IV yang diberikan oleh Perseroan secara cuma-cuma. Penawaran Umum Terbatas IV ini telah memperoleh pernyataan efektif dari Ketua Bapepam melalui surat No.S-3859/BL/2008 per 16 Juni 2008.

2005

On 27 June 2005, PT Sinar Mas Multiartha Tbk obtained an effective statement of Bapepam Head through letter No.S-1691/PM/2005 to make Rights Issue III to shareholders to issue Pre-emptive Rights to buy 991,325,341 shares in the nominal amount of Rp100.00 making a total amount of Rp99,132,534,100.00. Every holder of 500 Series A or B shares in the Company was entitled to 174 Pre-emptive Rights to buy 174 Series B shares at a price of Rp125.00 per share, where to each series B share, 1 (one) Series III warrant was attached and issued for free by the Company.

2008

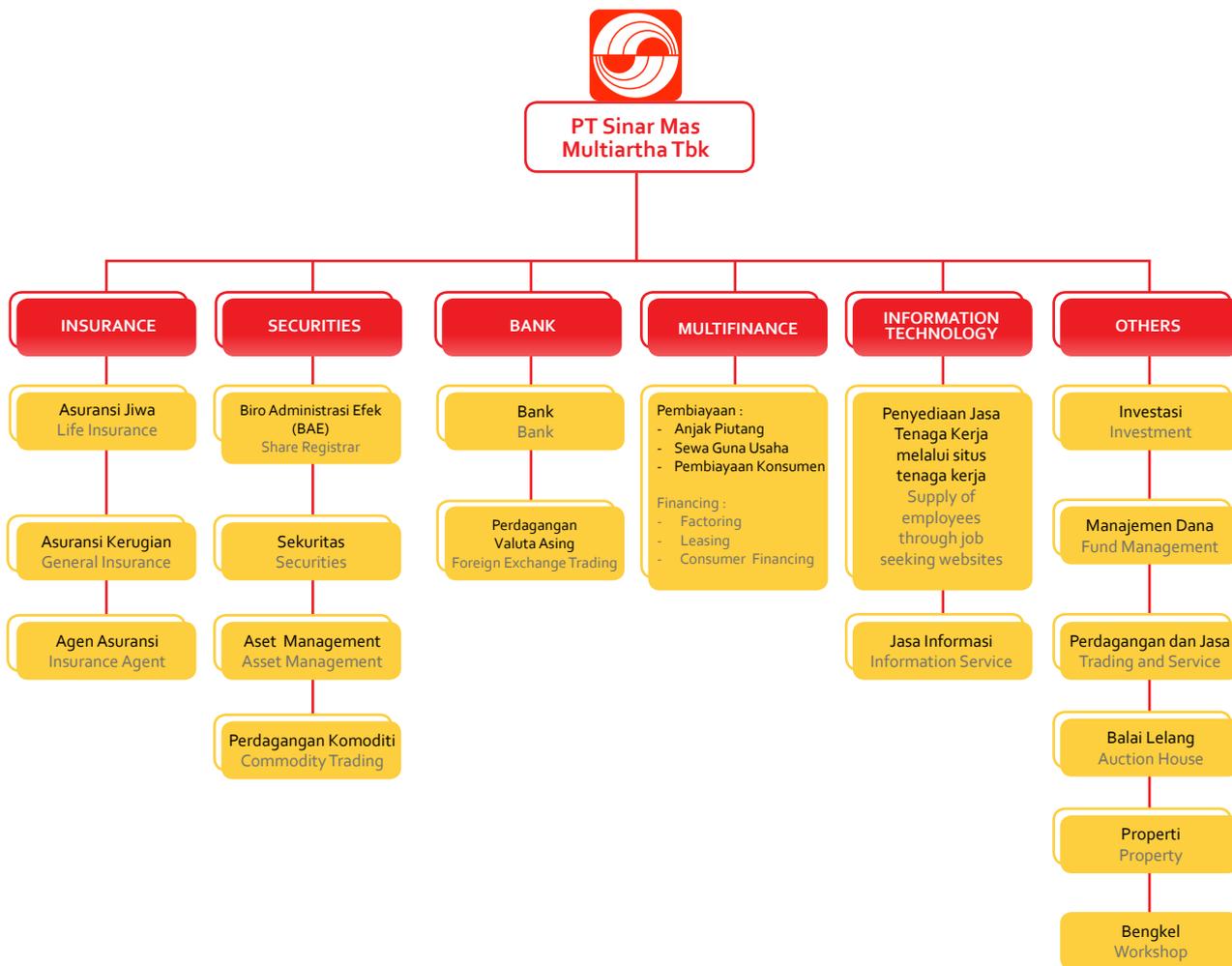
On June 16, 2008, PT Sinar Mas Multiartha Tbk made Rights Issue IV to shareholders to issue Pre-emptive Rights to buy 966,427,608 Series B shares in the nominal amount of Rp100.00, making a total of Rp96.642.760.800.00. Every holder of 10 Series A or B shares in the Company was entitled to 2 Pre-emptive Rights to buy 2 Series B shares in a ratio of 10: 2: 3 at a price of Rp100.00 per share, where to 2 Series B shares were attached 3 Series IV warrants issued for free by the Company. This Rights Issue IV obtained an effective statement of Bapepam Head through letter No. S-3859/BL/2008 dated June 16, 2008.

LINI BISNIS PT SINAR MAS Multiartha TBK

Line of Business PT Sinar Mas Multiartha Tbk

Perseroan adalah holding company dari beberapa Anak Perusahaan, sepanjang 2014 Perseroan membagi lini kegiatan usahanya dalam skema sebagai berikut:

The Company is a holding company of several subsidiaries. In 2014, the Company split its business activities in the scheme as follows:



JEJAK LANGKAH PERSEROAN

Company Milestone

1982

Perseroan didirikan dengan nama PT Internas Arta Leasing Company

The Company was established under the name of PT Internas Arta Leasing Company.

1989

Perseroan berganti nama menjadi PT Internas Arta Finance Company

The Company changed its name to PT Internas Arta Finance Company.

1995

- Perseroan berganti nama menjadi PT Sinar Mas Multiartha Tbk
- Perseroan memperoleh pernyataan efektif dari Bapepam (IPO) dan mencatatkan sahamnya di Pasar Modal yaitu PT Bursa Efek Jakarta dan PT Bursa Efek Surabaya.
- The Company changed its name to PT Sinar Mas Multiartha Tbk
- The Company obtained an effective statement from Bapepam (IPO) and listed its shares on the Capital Market, i.e. PT Bursa Efek Jakarta and PT Bursa Efek Surabaya.

1996

- Perseroan merubah bidang usahanya, semula pembiayaan menjadi Holding Company, sedangkan untuk kegiatan pembiayaan dialihkan kepada PT Sinar Mas Multifinance
- Perseroan melakukan Penawaran Umum Terbatas I dalam rangka penerbitan HMETD
- The Company changed its business field from financing to Holding Company, while financing was transferred to PT Sinar Mas Multifinance
- The Company made Rights Issue I for issuance of pre-emptive rights

2003

- Perseroan melakukan *Reverse Stock Split* (peningkatan nilai nominal saham) dan penambahan seri saham.
- Perseroan melakukan Penawaran Umum Terbatas II dalam rangka penerbitan HMETD
- The Company made reverse stock split and addition of share series.
- The Company made Rights Issue II for issuance of pre-emptive rights

2005

Perseroan melakukan Penawaran Umum Terbatas III dalam rangka penerbitan HMETD

The Company made Rights Issue III for issuance of pre-emptive rights

2008

Perseroan melakukan Penawaran Umum Terbatas IV dalam rangka penerbitan HMETD

The Company made Rights Issue IV for issuance of pre-emptive rights.

2003

- Perseroan telah melakukan tambahan investasi pada PT Jakarta Teknologi Utama Motor, PT Arthamas Solusindo, PT Shinta Utama, PT Sinar Mas Multifinance dan penyertaan modal pada PT Asuransi Sumit Oto.
- Perseroan melakukan penjualan 40% kepemilikan saham PT Certis Cisco
- Perseroan memperoleh penghargaan sebagai *The Most Powerful Companies* oleh Majalah Warta Ekonomi
- The Company made additional investment in PT Jakarta Teknologi Utama Motor, PT Arthamas Solusindo, PT Shinta Utama, PT Sinar Mas Multifinance and share subscription in PT Asuransi Sumit Oto.
- The Company sold 40% of PT Certis Cisco shares
- The Company won an award as the Most Powerful Companies by Warta Ekonomi Magazine

2011

- Perseroan melakukan tambahan investasi pada PT Jakarta Teknologi Utama Motor dan PT Sinar Mas Multifinance.
- Memperoleh penghargaan "*Best of The Best*" dengan menduduki peringkat pertama dari "*Top Ten Big Companies*" dari Majalah Forbes Indonesia.
- The Company made additional investment in PT Jakarta Teknologi Utama Motor and PT Sinar Mas Multifinance.
- Won an award "*Best of the Best*" and Ranked First of "*Top Ten Big Companies*" by Forbes Indonesia Magazine



2012

- Perseroan telah melakukan tambahan investasi pada PT Sinar Mas Multifinance, PT Jakarta Teknologi Utama, PT Shinta Utama dan PT AB Sinar Mas Multifinance
- Memperoleh penghargaan "Indonesia Best Public Companies 2012" dengan menduduki peringkat pertama versi Majalah Swa pada 14 Juni 2012.
- Memperoleh penghargaan "Best of The Best" peringkat ke-8 (delapan) dari "Top 50" dari Majalah Forbes Indonesia pada 6 Desember 2012.
- The Company made additional investment in PT Sinar Mas Multifinance, PT Jakarta Teknologi Utama, PT Shinta Utama, and PT AB Sinar Mas Multifinance.
- Won "Indonesia Best Public Companies 2012" and Ranked First by Swa Magazine on 14 June 2012 th
- Won "Best of The Best" Ranked 8 of "Top 50" by Forbes Indonesia Magazine on 6 December 2012.



2013

- Pada 5 Februari 2013, Perseroan mengkonversi seluruh pinjaman pada Global Asian Investment Limited (GAI) menjadi modal dasar sebesar HKD 3,999,999
- Pada 1 Maret 2013, Perseroan menjual seluruh saham PT Oto Multiartha dan PT Summit Oto Finance yang dimiliki Perseroan.
- Perseroan telah melakukan tambahan investasi pada PT Jakarta Teknologi Utama dan PT Sinar Mas Multifinance
- Pada 17 Juni 2013, Perseroan telah melakukan penjualan saham sebesar 35,19% yang ada pada PT Super Wahana Tehno
- Pada bulan September 2013, Perseroan mengakuisisi 99,99% saham dari PT Rizki Lancar Sentosa.
- On 5 February 2013, the Company converted all of its loans in Global Asian Investment Limited (GAI) into registered capital of HKD 3,999,999
- On 1 March 2013, the Company sold all shares of PT Oto Multiartha and PT Summit Oto Finance owned by the Company
- The Company made additional investment in PT Jakarta Teknologi Utama and PT Sinar Mas Multifinance
- On 17 June 2013, the Company sold 35.19% shares in PT Super Wahana Tehno
- In September 2013, the Company acquired 99.99% shares from PT Rizki Lancar Sentosa.



2014

- Pada Juni 2014, PT Asuransi Sinar Mas mengumumkan dan membagikan dividen kepada PT Sinar Mas Multiartha Tbk dan PT Sinar Mas Multifinance sebesar Rp276 miliar.
- Perseroan telah melakukan investasi antara lain pada bulan Juni 2014 kepada PT Wapindo Jasaartha sebesar Rp1,5 miliar dan pada bulan Agustus 2014 kepada PT Sinar Artha Konsulindo sebesar Rp50 Juta.
- In June 2014, PT Asuransi Sinar Mas announced and distribute dividends to PT Sinar Mas Multiartha Tbk and PT Sinar Mas Multifinance Rp276 billion.
- The Company has invested, among others, in June 2014 to PT Wapindo Jasaartha Rp1.5 billion and in August 2014 to PT Sinar Artha Konsulindo Rp50 million.

PERISTIWA PENTING 2014

Significant Events in 2014





MARET | MARCH

- Pada tanggal 14 Maret 2014, bertempat di Plaza Simas PT. Asuransi Sinar Mas mengadakan Penandatanganan Perjanjian Kerjasama Program Affinity antara Asuransi Sinar Mas dengan Columbia.
- On March 14, 2014, at the Plaza Simas PT. Asuransi Sinar Mas holding Affinity Program Signing of Cooperation Agreement between Asuransi Sinar Mas with Columbia.
- Pada tanggal 28 Maret 2014, PT. Sinarmas Sekuritas bekerjasama dengan PT. Bursa Efek Indonesia dan Kalbis Institute meresmikan Galeri Investasi Bursa Efek Indonesia di Kalbis Institute.
- On March 28, 2014, PT. Sinarmas Sekuritas in cooperation with Indonesia Stock Exchange and Investment Gallery Kalbis Institute inaugurated the Indonesia Stock Exchange in Kalbis Institute.

JUNI | JUNE

- Pada hari Jumat Tanggal 20 Juni 2014 PT. Sinarmas Sekuritas bekerjasama dengan GI BEI Universitas Panca Sakti Tegal (FE UPS), mengadakan Diskusi Outlook Pasar Modal Indonesia Terhadap Pilpres 2014 dan pengukuhan pengurus pra UKM Investor Community – Pancasakti (IC-PS).
- On Friday, June 20, 2014 PT. Sinarmas Sekuritas, in collaboration with GI BEI Universitas Panca Sakti Tegal (FE UPS), held a Discussion on Indonesian Capital Market Outlook To 2014 Presidential Election and the inauguration of the board of pre SMEs of Investor Community - Pancasakti (IC-PS).
- Pada bulan Juni 2014, Perseroan menambah setoran modal pada PT Wapindo Jasaartha sebesar Rp1,5 miliar.
- In June 2014, the Company increased its investment in PT Wapindo Jasaartha Rp1.5 billion.
- Pada bulan Juni 2014, PT Asuransi Sinar Mas mengumumkan dan membagi dividen kepada Perseroan dan PT Sinar Mas Multifinance sebesar Rp276 miliar.
- In June 2014, PTAsuransi Sinar Mas declare and distribute dividends to the Company and PT Sinar Mas Multifinance amounting to Rp276 billion.
- Pada Tanggal 13 Juni 2014, Rapat Pemegang Umum Saham Tahunan (RUPS Tahunan) dan Rapat Pemegang Umum Saham Luar Biasa (RUPS Luar Biasa) Perseroan diselenggarakan di Sinar Mas Land Plaza Menara II Lantai 39 Jalan M.H Thamrin no.51 Jakarta Pusat.
- On June 13, 2014, the Annual General Meeting of Shareholders (AGMS) and Extraordinary General Meeting of Shareholders (EGMS) were convened at Sinar Mas Land Plaza Menara II, floor 39, Jalan M.H Thamrin no.51, Central Jakarta.

AGUSTUS | AUGUST

- Pada 8 Agustus 2014, PT Sinarmas Asset Management meluncurkan produk Reksa Dana baru yakni Reksa Dana Simas Syariah Unggulan (Reksa Dana Saham) dan Reksa Dana Simas Syariah Berkembang (Reksa Dana Campuran).
- On August 8, 2014, PT Sinarmas Asset Management launched a new mutual fund products namely Mutual Funds Sharia Simas seed (Equity Fund) and the Mutual Fund Developing Islamic Simas (Balanced Fund).
- Pada bulan Agustus 2014, Perseroan juga menambah setoran modal pada PT Sinar Artha Konsultindo sebesar Rp50 juta.
- In August 2014, the Company also increased its investment in PT Sinar Artha Konsultindo Rp50 million.
- Pada Tanggal 6 November 2014, PT Bursa Efek Indonesia (BEI) meresmikan Galeri Investasi BEI di STIE AMM Mataram yang merupakan kerjasama antara STIE AMM Mataram, PT Bursa Efek Indonesia, dan PT Sinarmas Sekuritas. Galeri Investasi BEI – STIE AMM Mataram.
- On November 6, 2014, the Indonesia Stock Exchange (BEI) BEI Investment Gallery inaugurated in STIE AMM Mataram which is a collaboration between STIE AMM Mataram, Indonesia Stock Exchange, and PT Sinarmas Sekuritas. IDX Investment gallery - STIE AMM Mataram.

DESEMBER | DECEMBER

- Pada tanggal 9 Desember 2014, Perusahaan menyelenggarakan Paparan Publik Tahun 2014 (Public Expose) yang diselenggarakan di Gedung Bursa Efek Indonesia Tower 2 Lantai 1 Jl. Jenderal Sudirman kav. 52-53 Jakarta
- On December 9, 2014, the Company executed the 2014 Public Expose which was held at Gedung Bursa Efek Indonesia Tower 2, Lantai 1, Jl. Jenderal Sudirman kav. 52-53 Jakarta

PENGHARGAAN DAN SERTIFIKASI

Awards and Certifications



VISI, MISI, DAN TATA NILAI PERUSAHAAN

Vision, Mission, and Corporate Values

Visi Vision

STANDAR GLOBAL, LAYANAN LOKAL GLOBAL STANDARDS, LOCAL SERVICES

Untuk menjadi lembaga keuangan terkemuka pada masa ini dan di pasar masa depan dengan memfokuskan kepada pelanggan, memberikan keunggulan kelas dunia di semua bidang layanan yang ditawarkan melalui berbagai saluran lokal.

To be the leading financial institutions in current and future markets by delivering customer focused, world-class excellence in all areas of services offered through various local channels.

Misi

1. Mencapai operasi platform terpadu yang kuat dan handal didukung oleh sinergi perusahaan untuk memberikan solusi kepada semua pelanggan kami dengan kebutuhan keuangan yang beragam.
2. Memperoleh dan mempertahankan kepemimpinan pasar dalam 5 pilar keuangan: Perbankan, investasi Perbankan, Asuransi, Pembiayaan Konsumen, dan Manajemen Aset baik disektor konsumen maupun korporasi.
3. Mengelola tanggung jawab perusahaan dan pemerintahan yang transparan, bersih dan berintegritas dalam semua layanan dan operasi kami.
4. Memajukan pengetahuan lokal dan khusus untuk jaringan Nasional yang komprehensi guna mempertahankan sumber daya yang luas dan berbasis pelanggan.

Misi

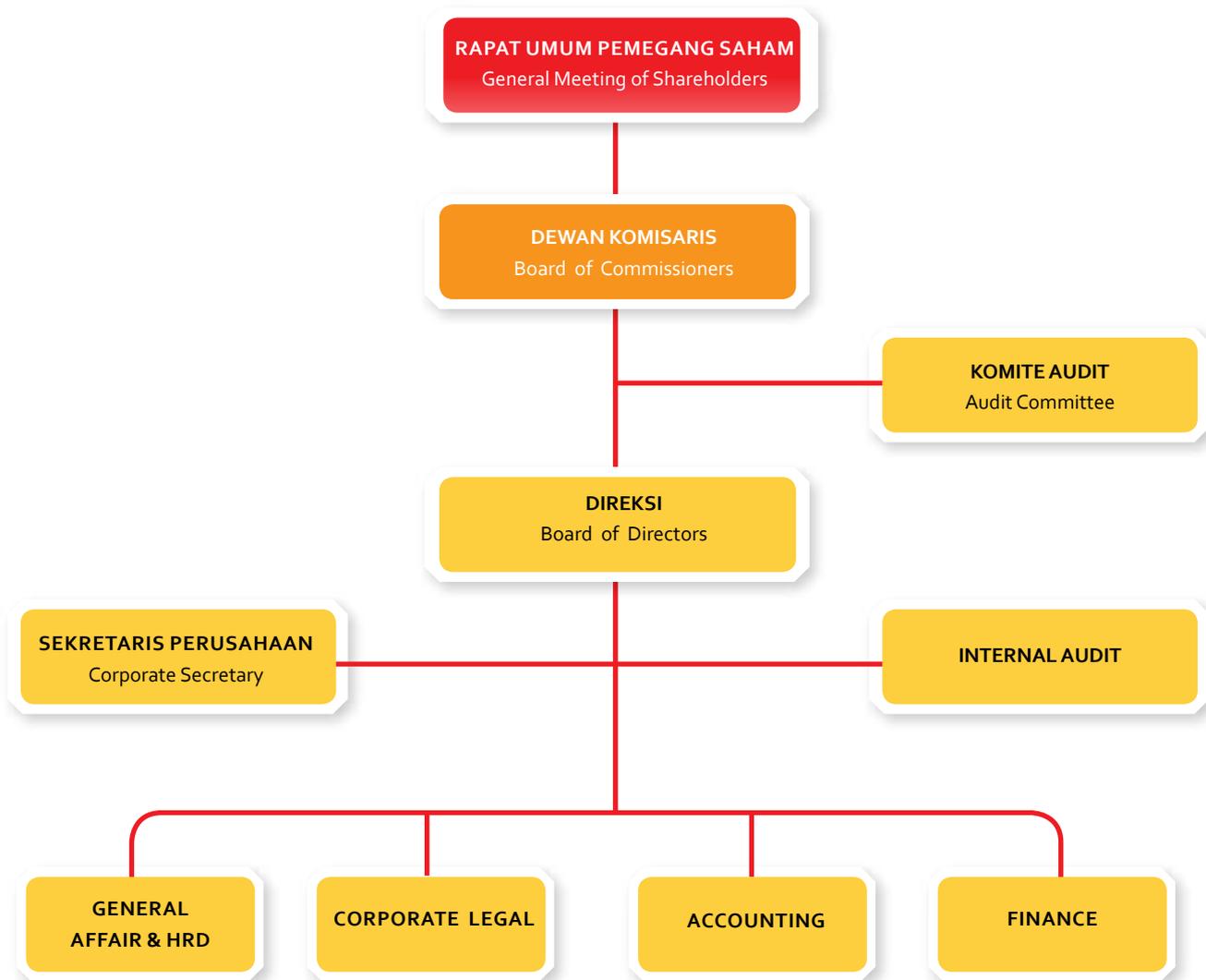
1. Achieve a strong and reliable integrated operating platform supported by corporate synergies to provide solutions for all our customers' diverse financial needs.
2. Acquire and maintain market leadership in the 5 main pillars of finance: Commercial Banking, Investment Banking, Insurance, Consumer Financing, and Asset Management in both the Consumer and Corporate Sectors.
3. Administer corporate responsibility and governance for transparency, cleanliness and integrity in all our services and operations.
4. Advance local and specialized knowledge to a comprehensive National network to maintain a vast resource and customer base.

Tata Nilai Perusahaan Corporate Values



STRUKTUR ORGANISASI

Organization Structure



PROFIL DEWAN KOMISARIS

Board of Commissioners Profile



INDRA WIDJAJA
Komisaris Utama / President Commissioners

ROBINSON SIMBOLON
Komisaris / Commissioners

Warga Negara Indonesia, berusia 62 tahun, meraih gelar Sarjana Bidang Administrasi Bisnis dan Industri dari Universitas Nanyang, Singapura pada 1974. Menjabat sebagai Komisaris PT Sinar Mas Multiartha Tbk sejak 1982, dan sebagai Komisaris Utama sejak 2001 sampai dengan sekarang. Sejak 2001 beliau juga menduduki beberapa jabatan strategis sebagai Komisaris Utama PT Sinarmas Sekuritas, PT Sinartama Gunita dan PT Asuransi Sinar Mas. Dan terhitung sejak 2003 beliau menjabat sebagai Direktur Utama di PT Asuransi Sinar Mas, kemudian sejak Maret 2013 sampai dengan sekarang sebagai Komisaris Utama. Pada PT Asuransi Jiwa Sinarmas MSIG sebagai Komisaris sejak 1984 dan sejak 2007 menjabat sebagai Komisaris Utama.

Beliau juga pernah menjabat di PT Bank International Indonesia Tbk sebagai Wakil Presiden Direktur pada 1982-1989, dan sebagai Presiden Direktur sejak 1989 sampai dengan 1999. Kemudian, beliau juga pernah menjabat sebagai Direktur di PT Bimoli dan PT Witikco pada 1974 sampai dengan 1982.

An Indonesian citizen, 62 years old, he gained his Bachelor's Degree in Business Administration and Industry from Nanyang University of Singapore in 1974. He served as a Commissioner of PT Sinar Mas Multiartha Tbk since 1982 and as the President Commissioner since 2001 up to present. Since 2001, he has also served in various strategic positions, such as the President Commissioner of PT Sinarmas Sekuritas, PT Sinarmas Gunita and PT Asuransi Sinar Mas. Effective since 2003, he serves as the President Director of PT Asuransi Sinar Mas, then since March 2013 until present, he serves as President Commissioner. He serves as Commissioner at PT Asuransi Jiwa Sinarmas MSIG since 1984 and President Commissioner since 2007.

Previously, he also served at PT Bank International Indonesia Tbk as Vice President Director from 1982 to 1989 and as the President Director from 1989 to 1999. He also served as a Director at PT Bimoli and PT Witikco from 1974 to 1982.

Warga Negara Indonesia lahir pada tahun 1953, berusia 61 tahun merupakan lulusan Universitas Jayabaya, Jakarta Fakultas Hukum pada tahun 1982 dan Universitas Indonesia, Jakarta tahun 1988, Beliau merupakan Ahli Perundang-undangan serta lulusan SPAMEN angkatan VI di Bandung tahun 2000.

Menjabat sebagai Komisaris PT Sinar Mas Multiartha Tbk (2014-2017) dan juga merangkap Komisaris Utama PT Bursa Efek Indonesia (2014-2017) serta Komisaris PT Apexindo Pratama Duta Tbk (2014-2017). Sejak 1995 hingga 1998 beliau pernah menduduki beberapa jabatan strategis sebagai Kepala Bagian Hukum, Perusahaan Lembaga Keuangan dan Perjanjian biro hukum, Kementerian Keuangan, sejak 1998-1999 sebagai Kepala Biro Pemeriksaan dan Penyelidikan Badan Pengawas Pasar Modal, Kementerian Keuangan, dan dalam kurun waktu 1997-2012 menjabat sebagai Kepala Biro Perundang-undangan dan Bantuan Hukum Badan Pengawas Pasar Modal, Kementerian Keuangan, kemudian menjadi Deputy Komisioner Pasar Modal I OJK dari tahun 2012 s/d 2013, Anggota Dewan Pengawas Perum Jaminan Kredit Indonesia dari tahun 1999 s/d tahun 2009, Anggota Dewan Komisaris PT Permodalan Nasional Madani dari tahun 2010 s/d tahun 2013.

An Indonesian Citizen, born in 1953, 61 years old, he is a graduate of the University of Jayabaya, Jakarta Faculty of Law in 1982 and the University of Indonesia, Jakarta in 1988, he is an expert of legislation and graduates SPAMEN Class VI in Bandung in 2000.

Served as a Commissioner of PT Sinar Mas Multiartha Tbk (2014-2017) and also concurrently Commissioner of Indonesia Stock Exchange (2014-2017) as well as Commissioner of PT Apexindo Pratama Duta Tbk (2014-2017). From 1995 to 1998 he held several strategic positions as Head of Legal, Financial Institutions and Corporate law firm agreement, the Ministry of Finance, from 1998 to 1999 as head of the Bureau of Investigation and Research Capital Market Supervisory Agency, the Ministry of Finance, and in the period 1997- 2012 served as the Head of the Bureau of Legislation and Legal Assistance Capital Market Supervisory Agency, the Ministry of Finance, later becoming Deputy Commissioner of Capital Markets I Financial Services Authority (OJK) from 2012 until in 2013, Member of the Supervisory Board of Housing Credit Guarantee Indonesia of 1999 until year 2009, Member of the Board of Commissioners of PT Permodalan Nasional Madani from the year 2010 until in 2013.

**HOWEN WIDJAJA**

Komisaris / Commissioners

Warga Negara Indonesia, berusia 35 tahun. Meraih gelar MBA dari St. John's University tahun 2007. Jabatan yang pernah dipegang Market Risk Management Merrill Lynch (Agustus 2007 sampai Agustus 2008), Global Research & Development Intern ACE Insurance Company (Juni 2006 sampai Desember 2006) dan sebagai Direktur PT Sinar Mas Multiartha Tbk (Juni 2009 sampai Juni 2010). Dan sekarang sebagai Komisaris PT Sinar Mas Multiartha Tbk (Juni 2010 sampai sekarang) dan Direktur PT Asuransi Sinar Mas sejak 2009 dan sebagai Direktur Utama sejak Maret 2013 sampai sekarang.

An Indonesian Citizen, 35 years old. He holds an MBA from St. John's University in 2007. He once held by Merrill Lynch Market Risk Management (August 2007 to August 2008), Global Research & Development Intern ACE Insurance Company (June 2006 to December 2006) and as a Director of PT Sinar Mas Multiartha Tbk (June 2009 to June 2010). And now as a Commissioner of PT Sinar Mas Multiartha Tbk (June 2010 to present) and Director of PT Asuransi Sinar Mas since 2009 and as a Director since March 2013 until present.

PROFIL DIREKSI

Board of Directors Profile



DODDY SUSANTO
Direktur Utama / President Director

KURNIAWAN UDJAJA
Direktur / Director

Warga Negara Indonesia, berusia 54 tahun. Lulusan Universitas Parahyangan Bandung Fakultas Ilmu Sosial dan Politik pada 1984. Jabatan yang pernah dipegang adalah Manajer Cabang BII di Semarang sejak Desember 1989 hingga Oktober 1990, Manajer untuk Area Jawa Tengah sejak November 1990 hingga September 1991, Deputy Manager untuk Area Jawa Timur dan Indonesia Timur sejak Oktober 1990 hingga Agustus 1994, Manajer untuk wilayah Sumatera sejak September 1994 hingga Juni 1997, Direktur Consumer Banking sejak Juni 1997 hingga Agustus 1999, Chief Operating Officer PT Asuransi Jiwa Sinarmas MSIG sejak September 1999 hingga September 2000. Direktur PT Sinar Mas Multiartha Tbk dan Direktur Utama PT Sinar Mas Multifinance sejak tahun 2000 hingga sekarang. Direktur Utama PT Sinar Mas Multiartha Tbk dari Juni 2009 sampai dengan sekarang.

An Indonesian citizen, 54 years old. And graduated from Faculty of Social and Political Sciences of Parahyangan University, Bandung, in 1984. He was Branch Manager of BII in Semarang from December 1989 to October 1990, Manager for Central Java area from November 1990 to September 1991, Deputy Manager for East Java and Eastern Region of Indonesia from October 1990 to August 1994, Manager for Sumatera area from September 1994 to June 1997, Consumer Banking Director from June 1997 to August 1999, Chief Operating Officer of PT Asuransi Jiwa Sinarmas MSIG from September 1999 to September 2000, Director of PT Sinar Mas Multiartha Tbk and President Director of PT Sinar Mas Multifinance from 2000 to the present time. President Director of PT Sinar Mas Multiartha Tbk for June, 2009 to the present time.

Warga Negara Indonesia, berusia 53 tahun. Meraih gelar Sarjana Ekonomi Akuntansi dari Universitas Andalas Padang. Jabatan yang pernah dipegang adalah Guru Akuntansi di SMA Don Bosco, Padang (1981 – 1990). Jabatan yang pernah dipegang dalam beberapa perusahaan antara lain sebagai : Kepala Bagian Keuangan Yayasan Prayoga, Padang pada 1988- 1991, Staff Accounting PT Panggung Enterprise, Ltd Jakarta pada 1991, Dosen Universitas Tarumanegara, Jakarta tahun sejak 1992 sampai dengan 1995, Staff Accounting PT Sinar Mas Multiartha Tbk pada 1992 , Finance and Accounting Manager PT Sinar Mas Multiartha Tbk pada 1992-2004, Komisaris PT Oto Multiartha pada 2000 - 2003, Direktur PT Summit Oto Finance pada 2000-2003. Dan sekarang menjabat sebagai Direktur Utama PT AB Sinar Mas Multifinance sejak 2002, Direktur Utama PT Sinartama Gunita dari sejak 2003, Direktur PT Super Wahana Tehno mulai dari Februari 2005 dan sejak Januari 2006 sebagai Presiden Direktur, Direktur PT Shinta Utama dari April 2005, Direktur PT Simas Money Changer sejak September 2007 dan Direktur PT Sinar Mas Multiartha Tbk sejak Juni 2004.

An Indonesian citizen, 53 years old, and graduated of Economics Accounting from Andalas University, Padang. He was acting as accounting teacher at Don Bosco Senior High School, Padang from 1981 to 1990. He occupied several positions in companies, among others, Head of Finance Department of Prayoga Foundation, Padang, from 1988 to 1991, lecturer at Tarumanegara University, Jakarta from 1992 to 1995, accounting staff of PT Sinar Mas Multiartha Tbk in 1992, Finance and Accounting Manager of PT Sinar Mas Multiartha Tbk from 1992 to 2004, Commissioner of PT Oto Multiartha from 2000 to 2003. Director of PT Summit Oto Finance from 2000 to 2003. At present, he is acting as President Director of PT AB Sinar Mas Multifinance since 2002, President Director of PT Sinartama Gunita since 2003, Director of PT Super Wahana Tehno since February 2005, and from January 2006 as President Director, Director of PT Shinta Utama since April 2005, and Director of PT Simas Money Changer since September 2007 and Director of PT Sinar Mas Multiartha Tbk since June 2004.



FUGANTO WIDJAJA
Direktur / Director

DANI LIHARDJA
Direktur / Director

Warga Negara Indonesia, berusia 33 tahun, lulus dari College of Arts and Sciences, Cornell University, New York USA dalam bidang Computer Science and Economics pada tahun 2003 serta lulus dari Judge Institute of Management, Cambridge University pada tahun 2004 MPHIL Finance. Menjabat sebagai Direktur PT Sinar Mas Multiartha Tbk sejak tanggal 10 Juni 2013 sampai dengan sekarang, sebagai Presiden Direktur dan Chief Executive Officer PT Golden Energy Mines Tbk (Januari 2012 - sekarang), Komisaris Utama di PT Roundhill Capital Indonesia (November 2011- sekarang) dan PT DSSP Power Sumsel (Agustus 2011-sekarang) serta sebagai Komisaris di PT Borneo Indobara (Desember 2011-sekarang) dan Presiden Komisaris di PT Super Wahana Tehno (Januari 2006 - sekarang) . Sebelumnya beliau menjabat sebagai Investment Analyst UBS Bank Singapore (2003).

An Indonesian citizen born on 29 October 1981, he graduated from the College of Arts and Sciences, Cornell University, New York USA in Computer Science and Economics in 2003 and also graduated from the Judge Institute of Management, Cambridge University in 2004, MPHIL Finance. He has been holding the position as the Director of PT Sinar Mas Multiartha Tbk since 10 June 2013, the President Director and Chief Executive Officer of PT Golden Energy Mines Tbk (January 2012 to date), the President Commissioner of PT Roundhill Capital Indonesia (November 2011 to date) and PT DSSP Power Sumsel (August 2011 to date), the Commissioner of PT Borneo Indobara (December 2011 to date), and the President Commissioner of PT Super Wahana Tehno (January 2006 to date). Previously, he was an UBS Investment Analyst of Bank Singapore (2003).

Warga Negara Indonesia, berusia 50 tahun, lulus dari Fakultas Hukum Universitas Katolik Parahyangan Bandung , Jurusan Hukum Keperdataan Tahun 1986, PRPB Seattle USA.

Sejak April 2010 sampai dengan tanggal 28 September 2012 Wakil Direktur Utama PT Bank Sinarmas Tbk, sebelumnya menjabat sebagai Direktur Kredit dan Marketing PT Bank Sinarmas Tbk (2006-2010) yang bertanggung jawab dan membawahi Cabang dan Kanwil PT Bank Sinarmas Tbk.

Karier perbankan dimulai dari Tamara Bank sejak tahun 1988. Kemudian berturut-turut menjadi pemimpin cabang di Bank Internasional Indonesia sejak tahun 1992 sampai dengan tahun 2006, sebagai pemimpin cabang Bank Internasional Indonesia Karawang, Lampung, Bogor, Palembang, Bandung, Area Sales Manager, Area Business Manager.

An Indonesian citizen, 50 years old, he graduated from the Faculty of Law, majoring in Civil Law of Parahyangan Catholic University, Bandung in 1986. PRPB Seattle, USA.

From April 2010 until 28 September 2012, he became the Vice President Director of PT Bank Sinarmas Tbk. He was previously the Credit and Marketing Director of PT Bank Sinarmas Tbk (2006-2010) responsible for and coordinating branches and regional offices of PT Bank Sinarmas Tbk.

His banking career started from Tamara Bank in 1988. He then became the head of branches of Bank Internasional Indonesia from 1992 to 2006 in Karawang , Lampung , Bogor, Palembang, and Bandung, Area Sales Manager, Area Business Manager.



AGUS LEMAN GUNAWAN
Direktur Independen / Un-Affiliated Director

Warga Negara Indonesia berusia 59. Lulusan Master of Science in Business Education Portland State University, Portland, Oregon tahun 1977-1983, Pacific Rim Bankers Program, Seattle, WA tahun 1990, Sekolah Pimpinan Bank Indonesia angkatan 19 tahun 1994.

Jabatan yang pernah dipegang adalah SVP Chase Manhattan Bank NA dari tahun 1983- 1989, SEVP Managing Director PT Bank Danamon Indonesia tahun 1989-1998, SVP Rabobank Indonesia tahun 1999-2001, Direktur Keuangan PT Voksel Cable tahun 2003-2005, Advisor PT Bank Danamon Indonesia tahun 2006-2008, Senior Advisor PT Bank Sinarmas Tbk tahun 2006-2012, Anggota Komite Audit PT Dian Swastatika Sentosa Tbk tahun 2010 sampai dengan sekarang, Anggota Komite Audit PT Smart Tbk tahun 2010 sampai dengan sekarang, Anggota Komite Audit PT Duta Pertiwi Tbk tahun 2012 sampai dengan sekarang dan sejak Juni 2012 Direktur independen PT Sinar Mas Multiartha Tbk.

Indonesian citizen 59 years old. Obtained his Master's degree in Science in Business Education Portland State University, Portland, Oregon in 1977-1983, Pacific Rim Bankers Program, Seattle, WA in 1990, School of Bank Indonesia Leadership, 19th class in 1994.

Positions held: SVP Chase Manhattan Bank NA 1983-1989, SEVP Managing Director PT Bank Danamon Indonesia 1989-1998, SVP Rabobank Indonesia 1999-2001, Director of Finance PT Voksel Cable 2003-2005, Advisor PT Bank Danamon Indonesia 2006-2008, Senior Advisor PT Bank Sinarmas Tbk 2006-2012, Member of Audit Committee PT Dian Swastatika Sentosa Tbk 2010 until today, Member of Audit Committee PT Smart Tbk tahun 2010 until today, Member of Audit Committee of PT Duta Pertiwi Tbk from 2012 until today, and since June 2012 was appointed as the Independent Director of PT Sinar Mas Multiartha Tbk.

INFORMASI KEPEMILIKAN SAHAM PERSEROAN

Information on Share Ownership

Berdasarkan Seri Saham

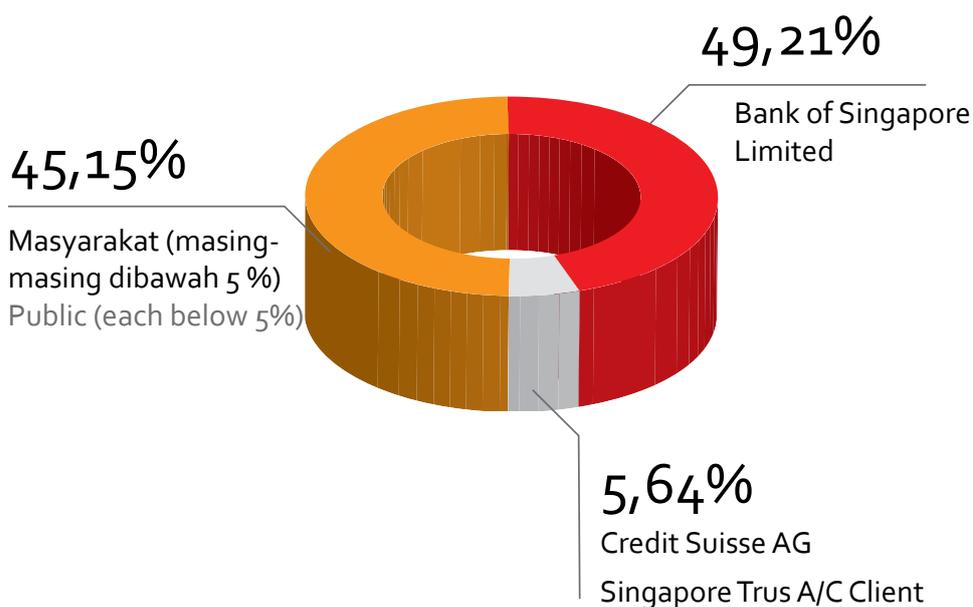
Based on Share Series

Jenis saham / Type of Shares	31 Desember 2014 / December 31, 2014				31 Desember 2013 / December 31, 2013			
	%	Jumlah Saham / Number of Shares	Nilai Nominal per Saham (dalam Rp penuh) / Nominal Value per Share (in Rp full)	Jumlah Saham Disetor / Total Paid-in Shares	%	Jumlah Saham / Number of Shares	Nilai Nominal per Saham (dalam Rp penuh) / Nominal Value per Share (in Rp full)	Jumlah Saham Disetor / Total Paid-in Shares
Seri A Series A	2,28	142.474.368	5.000	712.372	2,28	142.474.368	5.000	712.372
Seri B Series B	97,72	6.095.334.349	100	609.533	97,72	6.095.334.349	100	609.346
Jumlah Total	100,00	6.237.808.717		1.321.905	100,00	6.237.808.712		1.321.718

Berdasarkan Kepemilikan Pemegang Saham

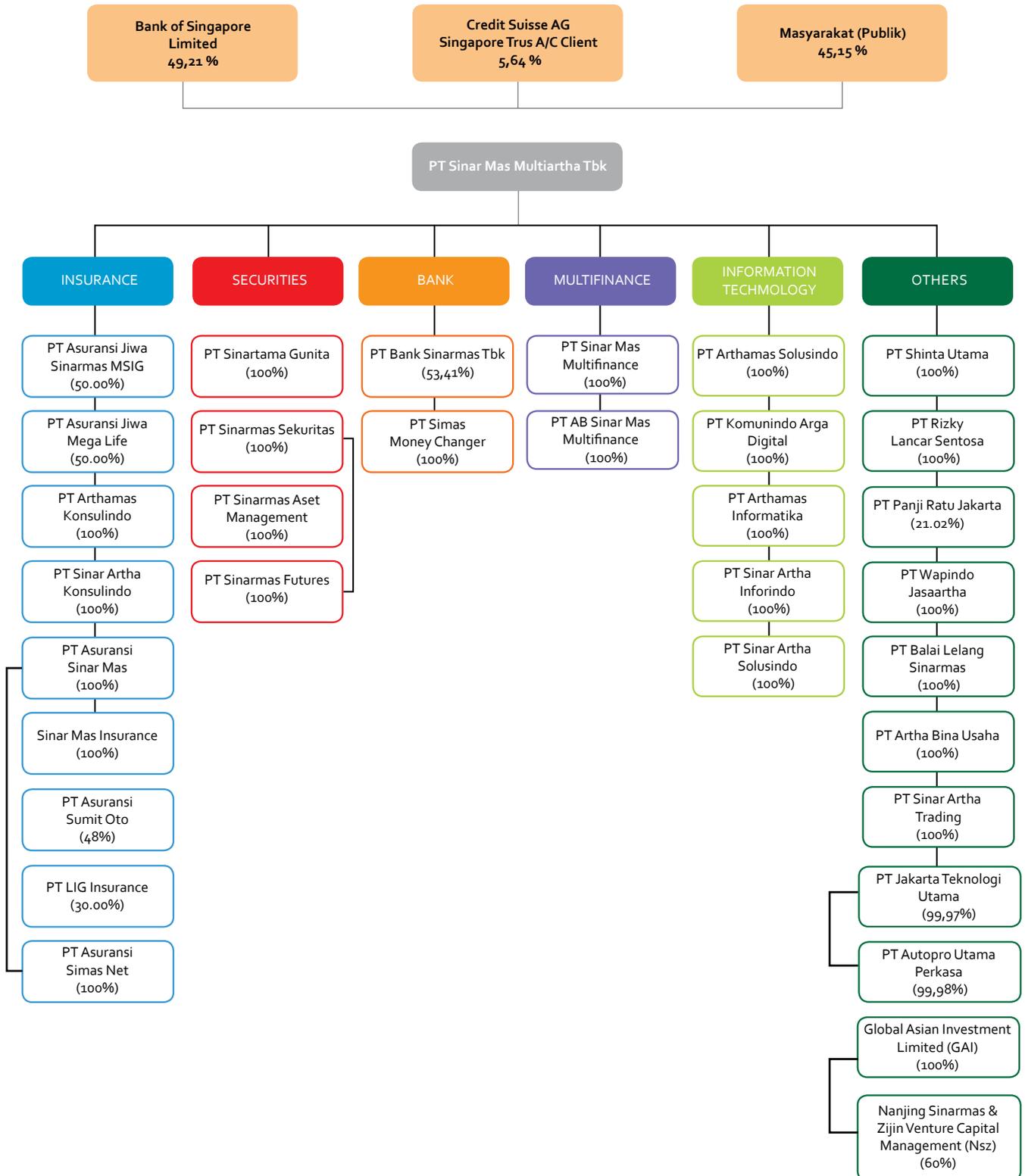
Based on Share Ownership

Pemegang Saham / Share Ownership	2014	
	%	Jumlah Saham / Number of Shares
Bank of Singapore Limited	49,21%	3.069.419.078
Credit Suisse AG Singapore Trus A/C Client	5,64%	352.029.516
Masyarakat (masing-masing dibawah 5 %) / Public (each below 5%)	45,15%	2.816.360.123
Jumlah / Total	100,00%	6.237.808.717



STRUKTUR PERSEROAN

Corporate Structure



INFORMASI ANAK PERUSAHAAN

Subsidiary Company Information



PT Bank Sinarmas Tbk

Sepanjang 2014, Bank Sinarmas telah melakukan kegiatan-kegiatan usaha positif yang mengantarkan Bank Sinarmas menjadi bank yang diperhitungkan dalam industri perbankan. Manajemen Perseroan telah menunjukkan keberhasilan atas strategi bisnis yang telah dibuat terbukti kompetitif dalam menghadapi persaingan pasar, sehingga Bank Sinarmas semakin mendekati tujuannya untuk mewujudkan visi menjadi "Bank Terkemuka di Indonesia dengan Jaringan Distribusi yang Terintegrasi dan Layanan yang Prima" serta objek jangka panjang Bank menjadi "*Payment and Transaction Bank*".

Kegiatan dan Kerjasama

1. Launching Kartu Debit Union Pay Bank Sinarmas
2. Peresmian Mobil Kas Keliling PT. Bank Sinarmas Tbk.
3. Penandatanganan Perjanjian Kerjasama dengan PT PLN (PERSERO) dalam hal Penerimaan Pembayaran Tagihan Listrik dan lainnya secara terpusat
4. Kerjasama dengan Universitas Gadjah Mada dalam Pengajaran dan Pelatihan Manajemen Usaha Mikro/Kecil
5. Kerja Sama PT. Bank Sinarmas Tbk. dengan PT Identrust Agent Security dalam Pembiayaan Timah
6. Kerjasama dengan PT. Nurbaya Artha Pratama dibidang UMKM
7. Kerjasama dengan BINUS dalam hal Program Internship 3+1
8. Kerjasama dengan Universitas Prasetya Mulya dalam hal kegiatan Knowledge Sharing atau Business Talk, Student Internship Program, Joint Research Program

Throughout 2014, the Bank Sinarmas has conducted business activities that deliver positive bank Bank Sinarmas be taken into account in the banking industry. The Company's management has demonstrated the success of a business strategy that has made proven competitive in the face of market competition, so that the Bank Sinarmas getting closer to the goal to realize the vision of becoming "Leading Bank in Indonesia with Integrated Distribution Network and Services Prima" as well as the long-term attraction Bank became "*Payment and Transaction Bank*".

Activities and Cooperation

1. Launching Debit Card Union Pay Bank Sinarmas
2. Cash Car inauguration Roving PT. Bank SinarmasTbk.
3. Signing of Cooperation was Agreement with PT PLN (Persero) in the case of Bill Payment Receipt Electricity and other centrally
4. Cooperation with the University of Gadjah Mada in Teaching and Management Training for Micro / Small
5. Cooperation PT. Bank Sinarmas Tbk. with PT Identrust Agent Security in financing Timah
6. Cooperation with PT. Nurbaya Artha Pratama in the field of SMEs
7. Cooperation with BINUS in terms Internship Program 3 + 1
8. Cooperation with Prasetya Mulya University in Knowledge Sharing activities or Business Talk, Student Internship Program, Joint Research Program

9. Public Expose PT. Bank Sinarmas Tbk. tahun 2014
10. CSR Kerjasama dengan Tzu Chi untuk pelaksanaan Donor Darah (PMI)
11. CSR Panti Asuhan Candra Naya Bogor dan Panti Asuhan Nurul Quran
12. CSR Saur Bersama Rumah singgah Dilts Foundation
13. CSR Bazaar Minyak Goreng UGM dan UTY Yogyakarta

Penghargaan Tahun 2014

Manajemen memberikan apresiasi dan terima kasih atas sumbangsih yang diberikan oleh seluruh karyawan Bank Sinarmas, sehingga pada tahun 2014 berhasil memperoleh penghargaan, antara lain :

1. Golden Trophy sebagai Bank dengan Predikat Sangat Bagus atas Kinerja Keuangan Tahun 2009-2013 oleh Majalah Infobank
2. Unit Usaha Syariah dengan Predikat Sangat Bagus atas Kinerja Keuangan Tahun 2013 oleh Majalah Investor
3. Anugerah Perusahaan Terbuka sebagai Bank Holding Terbaik dan Peringkat 4 (empat) kelompok Bank Go Public oleh Economic Review
4. Peringkat 4 Anugerah Perbankan Indonesia 2014 sebagai Bank BUKU 2 (dua) dengan modal inti Rp1-5 triliun oleh Economic Review
5. Pemenang ke-3 kategori Akses Keuangan dalam Kompetisi Inklusi Keuangan 2014 oleh Otoritas Jasa Keuangan

Tinjauan Keuangan Selama Tahun 2014

Pada tahun 2014, laba bersih PT. Bank Sinarmas Tbk. adalah sebesar Rp155 miliar, yang menunjukkan adanya penurunan sebesar 29,93% atau Rp66 miliar dari posisi 2013. Hal ini disebabkan karena adanya investasi pembukaan jaringan kantor selama tahun 2013 sebanyak 115 kantor serta peningkatan pada jumlah sumber daya manusia. Ke depannya, Bank akan tetap memaksimalkan pendapatan terutama dari sisi fee based income.

Pada akhir tahun 2014, pengelolaan dana pihak ketiga (DPK) yang dihimpun mengalami peningkatan 22,63% dari posisi akhir tahun 2013 sebesar Rp13.819 miliar, menjadi Rp16.946 miliar. Komposisi dana giro dan tabungan (CASA) terhadap total DPK di akhir tahun 2014 adalah 50%, menurun 15% bila dibandingkan dengan tahun sebelumnya. Di sisi lain, deposito

9. Public Expose PT. Bank Sinarmas Tbk. 2014
10. CSR cooperation with Tzu Chi for the implementation of Blood Donors (PMI)
11. CSR Orphanage Candra Naya Bogor and Orphanage Nurul Quran
12. CSR Saur Joint house layover Dilts Foundation
13. CSR Bazaar Edible Oils and UTY UGM Yogyakarta

Award 2014

Management of appreciation and gratitude for the contribution given by all employees of Bank Sinarmas, so in 2014 successfully obtained an award, among others:

1. Golden Trophy as Bank with Predicate Very Good Year Financial Performance 2009-2013 by Infobank Magazine
2. Sharia with Predicate Keuangan Tahun Very Good Performance in 2013 by Investor Magazine
3. Public Company Award as the Best Bank Holding and Rating 4 (four) Bank group Go Public by Economic Review
4. Rank 4 Indonesian Banking Award in 2014 as Bank BOOK 2 (two) with a core capital of Rp1-5 trillion by Economic Review
5. The winner of the 3rd category Access to Finance in the Financial Inclusion Competition 2014 by the Financial Services Authority

Financial Review During 2014

In 2014, net profit PT. Bank Sinarmas Tbk. amounted to Rp155 billion, which showed a decrease of 29.93% or Rp66 billion from the position 2013. This is due to the opening of an office network investment during the year 2013 as many as 115 offices as well as an increase in the number of human resources. Going forward, the Bank will continue to maximize revenue primarily from fee-based income side.

At the end of 2014, the management of third party funds (DPK) collected increased 22.63% from the end of 2013 amounted to Rp13,819 billion, became Rp16,946 billion. The composition of demand deposits and savings CASA) to total deposits at the end of 2014 was 50%, down 15% compared with the previous year. On the other hand, deposits grew by 76.89% or Rp3.7

bertumbuh sebesar 76,89% atau Rp3,7 triliun dari tahun 2013. Kedepannya, penghimpunan DPK akan terus ditingkatkan terutama pada sisi giro dan tabungan.

Untuk tahun buku yang berakhir pada 31 Desember 2014, aset Bank tercatat sebesar Rp21.260 miliar, naik 21,85% dari tahun lalu sebesar Rp17.447 miliar. Pencapaian kredit Bank Sinarmas sampai dengan akhir tahun 2014 adalah 110% dari target yang telah ditetapkan dengan total outstanding sebesar Rp14.298 miliar. Pertumbuhan kredit pada 2014 tercatat bertumbuh sebesar Rp3.332 miliar atau 30,39% jika dibandingkan 2013. Pertumbuhan yang pesat pada kredit segmen usaha mikro, kecil dan menengah (UMKM) turut berkontribusi terhadap pertumbuhan kredit secara keseluruhan.

Kenaikan pada aset Bank sejalan dengan bertumbuhnya DPK yang terhimpun serta penambahan pada ekuitas. Jumlah ekuitas PT Bank Sinarmas, Tbk naik menjadi Rp3.160 miliar atau meningkat 14,75% dari tahun 2013 yang berjumlah Rp2.754 miliar. Peningkatan ekuitas ini dikarenakan adanya exercise waran seri I dan II, serta menjelang akhir tahun 2014 Bank melakukan penambahan modal melalui penerbitan saham baru tanpa Hak Memesan Efek Terlebih Dahulu (Non-HMETD).

trillion from 2013. In the future, third party funds will continue to be improved, especially on the side of demand and savings deposits.

For the fiscal year ended on December 31, 2014, the assets of the Bank amounted to Rp21,260 billion, up 21.85% from last year amounted to Rp17,447 billion. Bank credit attainment Sinarmas until the end of 2014 was 110% of the target set by the total outstanding amounting to Rp14.298 billion. Credit growth in 2014 was recorded to grow by Rp3,332 billion or 30.39% when compared to 2013. The rapid growth in the credit segment of micro, small and medium enterprises (SMEs) contribute to overall credit growth.

The increase in the assets of the Bank in line with the growth in deposits were collected as well as additions to equity. Total equity of PT Bank Sinarmas, Tbk increase to Rp3,160 billion, an increase of 14.75% from 2013, amounting to Rp2,754 billion. The increase in equity is due to the exercise of warrants series I and II, as well as towards the end of 2014 the Bank made additional capital through the issuance of new shares without Preemptive Rights (Non-ER).





PT ASURANSI SINAR MAS (ASM)

Sepanjang tahun 2014, PT. Asuransi Sinar Mas (ASM) melakukan berbagai kegiatan sebagai berikut :

Kerjasama dengan Berbagai Perusahaan dalam dan Luar Negeri

1. Penandatanganan Perjanjian Kerjasama Program Affinity antara Asuransi Sinar Mas dengan Columbia.

Bertempat di Plaza Simas, pada tanggal 14 Maret 2014 PT. Asuransi Sinar Mas mengadakan Penandatanganan Perjanjian Kerjasama Program Affinity antara Asuransi Sinar Mas dengan Columbia.

Kerjasama Affinity dilakukan dalam bentuk pemberian jaminan Asuransi Kecelakaan Diri bagi seluruh pelanggan dari Columbia. Jaminan yang diberikan adalah jaminan meninggal dunia akibat sakit dan kecelakaan serta jaminan cacat tetap akibat kecelakaan. Jaminan diberikan dalam bentuk santunan sebesar maksimal Rp10 juta.

2. Penandatanganan Kerjasama *Coordination of Benefit (CoB)* PT. Asuransi Sinar Mas dengan BPJS Kesehatan

Pada 7 Mei 2014, PT. Asuransi Sinar Mas (ASM) menandatangani kerjasama *Coordination of Benefit (CoB)* dengan BPJS Kesehatan.

Mekanisme koordinasi antara Asuransi Sinar Mas dengan BPJS Kesehatan adalah Koordinasi Kepesertaan, Koordinasi Iuran, Koordinasi Klaim Manfaat, dan Koordinasi Sosialisasi.

Throughout 2014, PT. Asuransi Sinar Mas (ASM) perform a variety of activities as follows:

Cooperation with various domestic and Overseas Company

1. The signing of the Cooperation Agreement between the Affinity Program Asuransi Sinar Mas with Columbia.

Located at Plaza Simas, on March 14, 2014 PT. Asuransi Sinar Mas holding Affinity Program Signing of Cooperation Agreement between Asuransi Sinar Mas with Columbia.

Affinity cooperation carried out in the form of a guarantee Personal Accident Insurance for all customers of Columbia. Guarantees provided is a guarantee died from illness and accidents and guarantee permanent disability due to accident. Guarantee is given in the form of compensation for a maximum of Rp10 million.

2. Signing of Cooperation Coordination of Benefits (COB) PT. Asuransi Sinar Mas with BPJS Health

On May 7, 2014, PT. Asuransi Sinar Mas (ASM) signed a cooperation Coordination of Benefits (COB) with BPJS Health.

Coordination mechanisms between Asuransi Sinar Mas with BPJS Health is coordination of Membership, Dues Coordination, Coordination of Benefits Claims and

Sementara produk yang akan dapat dikoordinasikan manfaatnya, mencakup berbagai macam produk yang telah mendapatkan izin pencatatan produk dari OJK (Otoritas Jasa Keuangan) yaitu **simas sehat corporate**, **simas sehat executive**, **simas sehat income**, **simas sehat platinum** dan **simas personal accident**.

3. Penandatanganan Perjanjian Kerjasama Kontra Bank Garansi PT. Asuransi Sinar Mas dengan PT. BNI (Persero), Tbk

Pada 8 Mei 2013, bertempat di Plaza Simas, guna memperkuat lini bisnis Penjaminan, PT Asuransi Sinar Mas menggandeng PT Bank Negara Indonesia (Persero), Tbk dengan melakukan kerjasama penjaminan kontra bank garansi. Langkah tersebut dimulai dengan penandatanganan MoU dan Perjanjian Kerjasama tentang Penjaminan Kontra Bank Garansi.

Perjanjian kerja sama di bidang penjaminan bank garansi ini mencakup Jaminan Penawaran (*bid bond*), Jaminan Pelaksanaan (*performance bond*), Jaminan Uang Muka (*advance payment bond*), Jaminan Pemeliharaan (*maintenance bond*) dan Jaminan Pembayaran (*payment bond*). Kerjasama dilakukan oleh PT. Asuransi Sinar Mas untuk mendukung peningkatan bisnis Penjaminan.

4. Penandatanganan Kerjasama Affinity dengan PT Abacus Distribution Systems.

Jakarta, 6 Agustus 2014, melanjutkan sukses kerjasama pemasaran produk asuransi perjalanan dengan maskapai penerbangan Lion Airlines, PT. Asuransi Sinar Mas (ASM) kembali melakukan kerjasama affinity dengan Perusahaan lain. Kali ini, ASM menggandeng PT Abacus Distribution Systems sebagai perusahaan penyedia sistem reservasi tiket online yang memiliki jaringan di seluruh Asia Pasifik dan memiliki kantor pusat di Singapura.

Bagi PT Asuransi Sinar Mas, kegiatan ini diharapkan dapat memberikan product awareness pada para travel agent representatives akan pentingnya asuransi perjalanan sehingga nantinya para travel agent representatives tersebut dapat meneruskannya kepada klien mereka masing-masing yang hendak membeli tiket perjalanan atau akan melakukan perjalanan untuk dapat membeli produk asuransi perjalanan dari ASM.

Coordination Socialization. While the products that will be able to coordinate its benefits, includes a wide range of products which have obtained permission from the FSA product recording (Financial Services Authority) that is healthy simas corporate, healthy simas executive, healthy simas income, healthy simas simas platinum and personal accident.

3. Signing of Cooperation Agreement Contra Bank Guarantee PT. Asuransi Sinar Mas and PT. BNI (Persero), Tbk

On May 8, 2013, at the Plaza Simas, in order to strengthen its business lines Assurance, PT Asuransi Sinar Mas with PT Bank Negara Indonesia (Persero), Tbk by conducting joint counter guarantee bank guarantee. The move began with the signing of the MoU and Cooperation Agreement on Counter Guarantee Bank Guarantee.

Cooperation agreements in the areas of underwriting bank guarantees include bid security (bid bond), Security Implementation (performance bond), Advance Payment Guarantee (advance payment bond), Insurance (maintenance bond) and Payment Security (payment bond). Cooperation carried out by PT. Asuransi Sinar Mas to support business improvement Assurance.

4. Signing of Cooperation Affinity with PT Abacus Distribution Systems.

Jakarta, August 6, 2014, continuing the successful cooperation with the travel insurance product marketing airline Lion Airlines, PT. Asuransi Sinar Mas (ASM) back affinity cooperation with other companies. This time, ASM with PT Abacus Distribution Systems as a provider of online ticket reservation system which has a network throughout the Asia Pacific region and has its headquarters in Singapore.

For PT Asuransi Sinar Mas, this activity is expected to provide product awareness on the importance of representatives of travel agents travel insurance so that later the representatives of the travel agent can forward it to their respective clients who want to buy a travel ticket or will travel to be able to purchase products travel insurance from ASM.

5. Direct Billing Agreement between ASM & Augusta Hospital, Germany

Jakarta, 02 September 2014, PT. Asuransi Sinar Mas (ASM) melakukan penandatanganan kerjasama dengan Augusta Hospital Dusseldorf, Jerman sebagai Rumah Sakit Provider untuk para nasabah peserta Asuransi Kesehatan **simas sehat** corporate.

Augusta Hospital Dusseldorf, Jerman merupakan Rumah Sakit yang memiliki keunggulan di bidang pengobatan pembuluh darah (Vaskular).

Kerjasama ini diharapkan dapat memberikan alternative perawatan bagi peserta asuransi kesehatan ASM yang membutuhkan perawatan penyakit terkait pembuluh darah.

Seminar dan Workshop

1. Training

Bertempat di Ballroom Plaza Simas (2/9), PT. Asuransi Sinar Mas (ASM) mengadakan sharing session mengenai *Current and Future Development in Vascular Therapy*, dengan pembicara Prof. Ralf R. Kolvenbach, MD, PHD, FEBVS, Chief of Vascular Surgery, Augusta Hospital Dusseldorf. Kegiatan ini ditujukan untuk menambah wawasan team ASM mengenai pengobatan penyakit pembuluh darah.

2. Seminar Kesehatan

Seminar kesehatan diadakan secara rutin untuk memberikan apresiasi kepada para nasabah simas sehat corporate. Tujuan seminar ini adalah untuk menambah pengetahuan nasabah tentang bagaimana cara menjaga kesehatan tubuh dan meningkatkan produktivitas kerja.

Pada tahun 2014 (s/d Nopember 2014) telah dilaksanakan 16 kali seminar kesehatan yang menampilkan beragam topik seminar seperti :

- Stroke, penanganan awal dan pencegahannya
- Tulang belakang sehat, produktivitas kerja meningkat
- Diabetes, pencegahan dan pengobatannya
- Alergi pada anak, pencegahan dan pengobatannya
- Kanker cervix, pencegahan dan pengobatannya
- Dan lain-lain

5. Direct Billing Agreement between ASM and Augusta Hospital, Germany

Jakarta, September 2, 2014, PT. Asuransi Sinar Mas (ASM) signed an agreement with Augusta Hospital in Dusseldorf, Germany as the Hospital Provider to customers healthy participants simas Health Insurance corporate.

Augusta Hospital in Dusseldorf, Germany is a hospital that has an advantage in the field of the treatment of the blood vessels (vascular).

This cooperation is expected to provide an alternative treatment for participants HSA health insurance that takes care of vascular-related diseases.

Seminar and Workshop

1. Training

At Ballroom Plaza Simas (2/9), PT. Asuransi Sinar Mas (ASM) held a sharing session on the Current and Future Developments in Vascular Therapy, with speaker Prof. R. Ralf Kolvenbach, MD, PHD, FEBVS, Chief of Vascular Surgery, Augusta Hospital in Dusseldorf. This activity is intended to broaden the ASM team regarding the treatment of vascular disease.

2. Health Seminar

Health seminar held regularly to give appreciation to the healthy simas corporate customers. The purpose of this seminar is to increase customer knowledge about how to maintain a healthy body and improve labor productivity.

In 2014 (until November 2014) has been conducted 16 times health seminar featuring a variety of seminar topics such as:

- Stroke, early treatment and prevention
- The spine is healthy, increasing labor productivity
- Diabetes, prevention and treatment
- Allergies in children, prevention and treatment
- Cervical cancer, prevention and treatment
- And others

Tour Agency 2013 ke Turki – Dubai, Hongkong – Macau & Bromo

Tahun 2014, Asuransi Sinar Mas telah memberangkatkan 122 pemenang Agency Contest Program Tahun 2013 ke Turki – Dubai, Hongkong – Macau & Bromo.

Pada Agency Contest Program 2014, Asuransi Sinar Mas memberikan beberapa pilihan tujuan yang lebih menarik lagi yaitu **“Moscow – St. Petersburg, Gold Coast – Australia & Danau Toba”**.

Kick Off Agency 2014

Kick Off Agency 2014 telah diselenggarakan di 40 kota yaitu kota Bukittinggi, Padang, Tasikmalaya, Bandung, Cilacap, Purwokerto, Cirebon, Tegal, Jakarta, Jambi, Palembang, Medan, Semarang, Surabaya, Pontianak, Yogyakarta, Pangkal Pinang, Malang, Cilegon, Kediri, Mataram, Kendari, Denpasar, Gorontalo, Aceh, Bandar Lampung, Jayapura, Pekanbaru, Makassar, Batam, Manado, Solo, Jember, Magelang, Sukabumi, Bengkulu, Samarinda, Balikpapan, Banjarmasin dan Sorong.

Kick Off Agency merupakan acara tahunan yang diadakan untuk meningkatkan potensi dan semangat para partner dalam memasarkan produk-produk PT. Asuransi Sinar Mas serta sebagai ajang apresiasi kepada para partner yang berprestasi. Bersamaan dengan Kick Off Agency dilakukan Launching Agency Contest Program 2014 **“Moscow – St. Petersburg, Gold Coast – Australia & Danau Toba”**.

Kegiatan melibatkan team medis dari Asuransi Sinar Mas meliputi dokter, perawat, apoteker dan juga karyawan ASM.

Literasi dan Edukasi Keuangan

Menindaklanjuti ketentuan OJK melalui SE OJK Nomor 1/SEOJK.07/2014 tentang Pelaksanaan Edukasi Dalam Rangka Meningkatkan Literasi Keuangan Kepada Konsumen dan/atau Masyarakat, PT. Asuransi Sinar Mas telah melakukan kegiatan untuk menindaklanjuti SE tersebut.

Kegiatan yang dilakukan diantaranya melalui pemasangan artikel mengenai edukasi keuangan melalui media cetak (Majalah Investor dan Majalah Kartini), edukasi melalui brosur, serta kegiatan edukasi yang dilakukan bagi nasabah/non nasabah secara langsung melalui seminar atau training.

Tour Agency in 2013 to Turkey - Dubai, Hong Kong - Macau & Bromo

2014, Asuransi Sinar Mas has dispatched 122 Contest winners Agency Program in 2013 to Turkey - Dubai, Hongkong - Macau and Bromo.

At the Agency Program Contest 2014, Asuransi Sinar Mas provides some choice destinations are more interesting tour of **“Moscow - St. Petersburg, Gold Coast - Australia & Lake Toba”**.

Agency Kick Off 2014

Kick Off 2014 Agency have been held in 40 cities of Bukittinggi, Padang, Tasikmalaya, Bandung, Cilacap, Purwokerto, Cirebon, Tegal, Jakarta, Jambi, Palembang, Medan, Semarang, Surabaya, Pontianak, Yogyakarta, Penang Base, Malang, Cilegon, Kediri, Mataram, Kendari, Denpasar, Gorontalo, Aceh, Bandar Lampung, Jayapura, Pekanbaru, Makassar, Batam, Manado, Solo, Jember, Magelang, Sukabumi, Bengkulu, Samarinda, Balikpapan, Banjarmasin and Sorong.

Kick Off Agency is an annual event held to increase the potential and the spirit of the partners in marketing the products of PT. Asuransi Sinar Mas as well as an appreciation event to partners who excel. Along with the Kick Off Agency Launching carried out by the Agency Contest 2014 Program **“Moscow - St. Petersburg, Gold Coast - Australia & Lake Toba”**.

Activities involving the medical team of Asuransi Sinar Mas covering doctors, nurses, pharmacists, and also employees ASM.

Literacy and Financial Education

Following up on the provisions of the FSA through SE FSA No. 1/SEOJK.07/2014 on the Implementation of Education to Improve Financial Literacy to Customers and/or community, PT. Asuransi Sinar Mas has been conducting activities to follow up on the SE.

The activities carried out including through the installation of articles on financial education through print media (Investor Magazine and the magazine Kartini), education through brochures, as well as educational activities conducted for customers/non-customers directly through seminars or training.

Untuk kegiatan literasi keuangan secara langsung telah dilakukan sbb:

1. Literasi Keuangan bagi warga masyarakat lingkungan kantor ASM

Kegiatan literasi ditujukan untuk para Ibu Rumah Tangga, Pelajar, Perangkat desa (ketua RT, ketua RW) yang berada di sekitar lingkungan kantor ASM.

Materi yang diberikan adalah penjelasan umum seputar resiko, cara mengelola resiko dan asuransi. Kegiatan telah dilakukan 2 kali yaitu :

- Warga masyarakat di sekitar Kantor ASM Cabang Bandung
- Warga masyarakat sekitar Kantor Pusat Asuransi Sinar Mas (Jakarta)

2. Literasi Keuangan mengenai Jaminan Kesehatan Nasional dan Koordinasi Manfaat BPJS Kesehatan

Kegiatan edukasi dilakukan dengan tujuan untuk memberikan pemahaman kepada peserta mengenai jaminan Koordinasi Manfaat BPJS Kesehatan. Target peserta adalah Non Nasabah, Nasabah peserta asuransi simas sehat corporate dan para partner/agen.

Kegiatan telah dilakukan sebanyak 14 kali di daerah Jakarta, Bandung, Yogyakarta, Semarang, Mojokerto, Surabaya, Cirebon, Palembang, Makassar dan

3. Literasi keuangan bagi nasabah asuransi kecelakaan diri (Larissa)

Kegiatan edukasi mengenai perencanaan keuangan serta edukasi asuransi bagi para anggota Komunitas Larissa, pemegang Polis Asuransi Kecelakaan Diri Asuransi Sinar Mas.

Pembukaan Kantor Marketing Point Agency

Tahun 2014 PT. Asuransi Sinar Mas kembali membuka 50 Marketing Point Agency (MPA) di berbagai wilayah di Indonesia khususnya di wilayah Jabodetabek. Pembukaan MPA dilakukan dengan tujuan untuk mendukung pemasaran produk retail dan korporasi ASM serta memperluas pelayanan ke daerah-daerah yang masih belum terjangkau layanan asuransi.

Dengan pembukaan 50 MPA ini maka total jumlah MPA yang dimiliki ASM adalah sebanyak 80 MPA.

For direct financial literacy activities have been carried out as follows:

1. Financial Literacy for citizens ASM office environment

Literacy activities intended for the Housewife, Student, Village Officials (chairman RT, RW) situated around the ASM office environment.

The material provided is a general explanation about the risk, how to manage risk and insurance. Activities have been carried out two times, namely:

- Citizens around ASM Branch Office Bandung
- Citizens around Headquarters Asuransi Sinar Mas (Jakarta)

2. Financial Literacy on the National Health Insurance and Benefits Coordination BPJS

Educational activities carried out with the aim to provide insight to the participants of the Coordination guarantee BPJS Health Benefits. Target participants are Non Customer, the Client healthy corporate simas insurance participants and the partners/agents.

Activities have been performed 14 times in the area of Jakarta, Bandung, Yogyakarta, Semarang, Mojokerto, Surabaya, Cirebon, Palembang, Makassar, and

3. Financial Literacy for customers asuransi personal accident (Larissa)

educational activities about financial planning and insurance education for community members Larissa, Personal Accident Insurance Policy holders Asuransi Sinar Mas.

Opening of Point Agency Marketing 2014 PT. Asuransi Sinar Mas back opening 50

Marketing Point Agency (MPA) in various regions in Indonesia, particularly in the Greater Jakarta area. MPA opening was conducted to support the marketing of retail and corporate banking products ASM and expand services to areas that are still not affordable insurance services.

With the opening of 50 MPA MPA is the total amount owned by ASM is 80 MPA.

Penghargaan yang diterima ASM tahun 2014

Sepanjang tahun 2014, ASM telah menerima berbagai penghargaan sbb:

1. Fitch Ratings 2014

Pada 7 Maret 2014, Fitch Ratings telah menegaskan rating untuk PT Asuransi Sinar Mas adalah 'AA+ (idn)' National Insurer Financial Strength. Prospeknya telah direvisi menjadi Positif dari Stabil.

Pada 12 November 2014, Fitch Ratings kembali mengaffirmasi rating untuk PT Asuransi Sinar Mas adalah 'AA+ (idn)' National Insurer Financial Strength dengan prospek Positif.

2. Indonesia Brand Champion Award 2013

PT. Asuransi Sinar Mas menerima MarkPlus Inc Bronze Champion of Indonesia WOW Brand 2014 untuk produk asuransi kendaraan - Simas Mobil Exclusive dari Majalah Marketeers dan Markplus Insight.

3. PT. Asuransi Sinar Mas melalui Unit Syariahnya mendapatkan beberapa penghargaan yaitu :

- i. Best Syariah 2014 - Cabang Asuransi Umum Syariah Terbaik 2014 Kategori Aset Lebih Dari Rp100 Miliar dari Majalah Investor
- ii. 2nd Rank The Most Profitable Investment Islamic General Insurance Sharia Unit Asset > IDR 100 BN dari Karim
- iii. Penghargaan Infobank Syariah 2014 - Predikat Sangat Bagus Atas kinerja keuangan selama tahun 2013 dari Majalah Infobank

Awards received ASM 2014

Throughout 2014, ASM has received numerous awards as follows:

1. Fitch Ratings in 2014

On March 7, 2014, Fitch Ratings has affirmed the ratings for PT Asuransi Sinar Mas is 'AA + (idn)' National Insurer Financial Strength. Prospects have been revised to Positive from Stable.

On November 12, 2014, Fitch Ratings re mengaffirmasi rating for PT Asuransi Sinar Mas is 'AA + (idn)' National Insurer Financial Strength Positive prospects.

2. Indonesia Brand Champion Award 2013

PT. Asuransi Sinar Mas receive MarkPlus Inc. WOW Bronze Indonesia Brand Champion of 2014 for insurance products - Exclusive Car Simas from Markplus Insight and Marketeers Magazine.

3. PT. Asuransi Sinar Mas through sharia Unit received several awards, namely:

- i. Best Syariah 2014 - Branch General Insurance Best Shariah Asset Category 2014 More From \$ 100 Billion from Investor Magazine
- ii. 2nd Rank The Most Profitable Investment Islamic General Insurance Sharia Unit Asset > IDR 100 BN of Karim
- iii. Infobank Sharia Choice 2014 - Top Predicate Very Good financial performance during 2013 from Infobank Magazine



4. Indonesia Insurance Consumer Choice Award 2014

Asuransi Sinar Mas meraih penghargaan dari Indonesia Insurance Consumer Choice Award 2014 yang diselenggarakan oleh Warta Ekonomi pada tanggal 22 Oktober 2014. Dalam penghargaan tersebut, ASM meraih 5 kategori dengan dua penilaian yang berbeda, yaitu :

Berdasarkan survei konsumen, ASM meraih :

- The Best General Insurance Company
- The Best Home Insurance

Berdasarkan *consumer satisfaction*, ASM meraih :

- Most Responsive General Insurance Company
- Most Assuring General Insurance Company
- The Best General Insurance Company

Penilaian dari kategori *consumer choice award* yang diraih ASM dilakukan dengan mengadakan riset sejak tanggal 25 Juli – 5 Agustus 2014 dengan melibatkan 600 responden di kawasan Jabodetabek. Dan penilaian dari kategori *consumer satisfaction award* dilakukan dengan mengadakan riset sejak tanggal 25 Juli – 5 Agustus 2014 dengan melibatkan minimum 30 responden dari setiap masing – masing perusahaan.

4. Indonesia Insurance 2014 Consumer Choice Award

Asuransi Sinar Mas won an award from the Indonesian Insurance Consumer Choice Award 2014 organized by Economic News on October 22, 2014. In the award, ASM won the 5 categories with two different judgments, namely:

Based on the consumer survey, ASM won:

- The Best General Insurance Company
- The Best Home Insurance

Based on consumer satisfaction, ASM won:

- Most Responsive General Insurance Company
- Most assuring General Insurance Company
- The Best General Insurance Company

Assessment of consumer choice award category achieved ASM done by conducting research since the date of 25 July to 5 August 2014, involving 600 respondents in the Jabodetabek area. And assessment of consumer satisfaction award category is done by conducting research since the date of 25 July to 5 August 2014 with a minimum involve 30 respondents from each respective - respective companies.



PT ASURANSI JIWA SINARMAS (MSIG)

Kebijakan yang diambil perusahaan pada tahun 2014 untuk menyatukan seluruh jalur distribusi di bawah satu kepemimpinan serta memaksimalkan aktivitas penjualan melalui empat jalur distribusi, yaitu Agensi, Bancassurance, Corporate & MNC serta Direct Marketing-Telemarketing (DMTM) telah memberikan hasil positif. Laba bersih senilai Rp 331 miliar (*unaudited*) berhasil dicatat pada tahun 2014 dengan total aset perusahaan yang juga meningkat, yaitu sebesar 5% dari Rp 19 triliun pada tahun 2013 menjadi Rp 20 triliun pada tahun 2014. Sementara itu, rasio pencapaian solvabilitas dengan menggunakan metode *Risk Based Capital (RBC)* tercatat 729,81% untuk konvensional dan 64,77% untuk syariah. Keberhasilan tersebut memperoleh pengakuan dari majalah Investor yang menempatkan Sinarmas MSIG Life sebagai salah satu dari *20 Best Insurance Companies 2014*.

Februari 2014, rangkaian SMiLe Series untuk memenuhi kebutuhan dan mendampingi nasabah di setiap tahapan kehidupan mereka diluncurkan untuk melengkapi berbagai produk unggulan yang sudah ada sebelumnya yang terdiri dari asuransi individu, kumpulan, *worksite*, kesehatan, dan Dana Pensiun Lembaga Keuangan (DPLK). Kepentingan nasabah kembali diutamakan saat Sinarmas MSIG Life memperkuat jajaran produk perlindungan kesehatannya dengan memperkenalkan *rider* SMiLe ESCI 99 dan SMiLe Medical+

Policies that were taken by the company in 2014 to unite all distribution channels under one leadership and optimize sales activity through four distribution channels, namely the Agency, Bancassurance, Corporate & MNC, as well as Direct Marketing-Telemarketing (DMTM), had given positive results. Net profit of Rp331 billion (*unaudited*) were recorded in 2014 with total assets of the company which also increased amounting to 5%, from Rp19 trillion in 2013 to Rp20 trillion in 2014. Meanwhile, the ratio of solvency achievement using the method of Risk Based Capital (RBC) was recorded at the level of 729.81% for the conventional and 64.77% for the sharia. This success gained recognition from the Investor magazine which put Sinarmas MSIG Life as one of the *20 Best Insurance Companies in 2014*.

In February 2014, the chain of SMiLe Series products to meet the customers' demands and accompany them in all stages of life were launched to complement various existing top products consisting of insurance for individuals, groups, worksite, health, and Pension Fund for Financial Institutions (DPLK). Customers' interest continued to be prioritized as Sinarmas MSIG Life strengthened its health protection products through the introduction of rider SMiLe ESCI 99 and SMiLe Medical+ in August 2014. Both of the rider products were developed in order

pada bulan Agustus 2014. Kedua *rider* tersebut dikembangkan guna meringankan nasabah dalam menanggung beban biaya kesehatan yang kian hari kian menjulang.

Sejumlah kerjasama strategis sebagai bagian dari upaya perusahaan dalam meningkatkan pelayanan kepada nasabah dan calon nasabah berhasil dicapai, di antaranya dengan PT Visa Worldwide Indonesia untuk menyelenggarakan SMiLe Visa Fiesta serta penandatanganan kerjasama *bancassurance* dengan Bank Victoria untuk mempersembahkan VIP Family Plan.

Berbagai kegiatan juga telah digelar guna mempertegas posisi perusahaan di industri perasuransian jiwa Indonesia, seperti *SMiLe on Car Free Day* dalam rangka merayakan Hari Asuransi Nasional. Di samping itu, kegiatan tanggung jawab sosial "*Share Your SMiLe*" diselenggarakan untuk mewujudkan komitmen kepedulian Sinarmas MSIG Life kepada masyarakat Indonesia dengan merangkul SOS Children's Village Indonesia, sebuah organisasi nirlaba yang bekerja di bidang pengasuhan alternatif berbasis keluarga untuk anak-anak yang telah atau beresiko kehilangan pengasuhan orang tua. "*Share Your SMiLe*" merupakan kegiatan CSR terintegrasi yang menghadirkan tidak saja aspek hiburan melalui sejumlah aktivitas dan permainan, namun juga aspek pendidikan dengan menghadirkan program literasi keuangan kepada anak-anak binaan SOS Children's Village Indonesia yang mulai beranjak dewasa maupun lulusannya yang sudah mapan. Dalam kegiatan ini, Sinarmas MSIG Life memberikan donasi senilai Rp 290.000.000 dalam bentuk bantuan tunai, perlengkapan sekolah serta proteksi berupa *Personal Accident* Sinarmas MSIG Life (PAS) dan Asuransi Demam Berdarah.

Menyadari pentingnya peningkatan pelayanan kepada lebih dari 955.000 nasabah individu dan kelompok yang telah dilaksanakan di 113 kantor cabang yang tersebar di 68 kota seluruh Indonesia oleh 750 karyawan perusahaan, perayaan *topping off* Sinarmas MSIG Tower dipublikasikan melalui media agar nasabah dan calon nasabah mengetahui bahwa akses atas produk dan layanan Sinarmas MSIG Life akan semakin mudah mengingat gedung baru yang akan mulai berfungsi pada tahun 2015 tersebut akan mempersembahkan satu area khusus bagi pelayanan nasabah.

to provide easy access and assist the customers in bearing the costs of health which continue to grow each day.

A number of strategic cooperation as a part of the Company's efforts in improving the service to the customers and potential customers were also achieves, such as the cooperation with PT VISA Worldwide to establish SMiLe Visa Fiesta, as well as the signing of *bancassurance* cooperation with Bank Victoria to introduce the VIP Family Plan.

Several activities had also been carried out to affirm the Company's position in the insurance business in Indonesia, such as SMiLe on Car Free Day to commemorate the National Insurance Day. Moreover, the social responsibility activity of "Share Your SMiLe" was also performed to realize the commitment of Sinarmas MSIG Life to the Indonesians by involving the SOS Children's Village Indonesia, a non-profit organization that is engaged in the field of family-based alternative care for children who have lost or are at the risk of losing parental care. Share Your SMiLe is an integrated CSR program that encompass not only the entertainment aspect through various activities and games, but also education through financial literacy program for the children of SOS Children's Village Indonesia who have started growing up as well as its graduates that are already well established. In this activity, Sinarmas MSIG Life contributed a donation amounting to Rp290,000,000 in the form of cash money, school's equipment, and protection kit such as Personal Accident Sinarmas MSIG Life (PAS) and Dengue Fever Insurance products.

As an awareness of the importance of service improvement for 955,000 individual and group customers that had been implemented in 113 branch offices by 750 employees spread over 68 cities in Indonesia, the topping off celebration of Sinarmas MSIG Tower was broadcast through various media so that the customers and potential customers will know that the access to the services and products of Sinarmas MSIG Life will become easier, considering the new building – which will start to operate in 2015 – has been equipped with a specific area for customer service.



PT SINARMAS SEKURITAS

PT Sinarmas Sekuritas didirikan pada tanggal 23 Juni 1988 dan telah memperoleh izin dari Bapepam (sekarang OJK) sebagai Perantara Pedagang Efek dan Penjaminan Emisi Efek.

PT Sinarmas Sekuritas was established on June 23, 1988 after gaining approval from Bapepam (now OJK) to conduct business as a Broker Dealer and Underwriter Institution.

1. Berita Foto

Pada tanggal 28 Maret 2014, PT. Sinarmas Sekuritas bekerjasama dengan PT. Bursa Efek Indonesia dan Kalbis Institute meresmikan Galeri Investasi Bursa Efek Indonesia di Kalbis Institute.

On March 28, 2014, PT. Sinarmas Sekuritas, in cooperation with PT. Bursa Efek Indonesia and Kalbis Institute opened Galeri Investasi Bursa Efek Indonesia (Indonesia Stock Exchange Investment Gallery) at Kalbis Institute.

1. Photo Description



Pada tanggal 1 Mei 2014 setoran awal online trading simas.net menjadi Rp. 500.000.- Day Trade Fee Beli 0.125% Fee Jual 0.225%.

On May 1, 2014, the initial deposit for online trading of simas.net became Rp500,000, Day Trade Purchase Fee 0.125% and Selling Fee 0.225%.



Pada tanggal 09 Mei 2014, PT. Sinarmas Sekuritas bekerjasama dengan PT. Bursa Efek Indonesia dan UNIKA Mengadakan Seminar Economic market Outlook dengan Tema "Cerah Investasiku Cerah Masa depanku".

On May 9, 2014, PT. Sinarmas Sekuritas, in cooperation with PT. Bursa Efek Indonesia and UNIKA held an Economic Market Outlook Seminar with the theme of "Cerah Investasiku Cerah Masa Depan".



Pada tanggal 06-08 Juni 2014 PT. Sinarmas Sekuritas buka di Booth (Pameran) di Mall Kelapa Gading 1 Lt. Dasar, Jakarta Utara.

On June 6-8, 2014, PT. Sinarmas Sekuritas opened an exhibition at Mall Kelapa Gading 1, Ground Floor, North Jakarta.



Pada tanggal 18 Juni 2014, PT. Sinarmas Sekuritas bekerjasama dengan PT. Bursa Efek Indonesia Cabang Banjarmasin dan GI BEI STIE Indonesia Kayutangi Banjarmasin Mengadakan Forum Calon Investor di Rumah Makan Bumbu Desa Banjarmasin dengan Tema "Cermat Mengelola Keuangan dengan Berinvestasi Saham".



On June 18, 2014, PT. Sinarmas Sekuritas, in cooperation with PT. Bursa Efek Indonesia of Banjarmasin Branch and GI BEI STIE Indonesia KAYutangi Banjarmasin, held an Investor Candidates Forum at Bumbu Desa Restaurant in Banjarmasin with the theme of "Cermat Mengelola Keuangan dengan Berinvestasi Saham".

Pada hari Jumat Tanggal 20 Juni 2014 PT. Sinarmas Sekuritas bekerjasama dengan GI BEI Universitas Panca Sakti Tegal (FE UPS), mengadakan Diskusi Outlook Pasar Modal Indonesia Terhadap Pilpres 2014 dan pengukuhan pengurus pra UKM Investor Community - Pancasakti (IC - PS).



On Friday, June 20, 2014, PT. Sinarmas Sekuritas, in cooperation with GI BEI Universitas Panca Sakti Tegal (FE UPS), held a Discussion on Indonesia's Capital Market Outlook to the Presidential Election of 2014 and inauguration of the management of pra UKM Investor Community - Pancasakti (IC - PS).

Pada Tanggal 6 November 2014, PT Bursa Efek Indonesia (BEI) meresmikan Galeri Investasi BEI di STIE AMM Mataram yang merupakan kerjasama antara STIE AMM Mataram, PT Bursa Efek Indonesia, dan PT Sinarmas Sekuritas.



On November 6, 2014, PT Bursa Efek Indonesia (BEI) opened Galeri Investasi BEI (BEI Investment Gallery) at STIE AMM Mataram, which was established in cooperation with STIE AMM Mataram, PT Bursa Efek Indonesia, and PT Sinarmas Sekuritas.

Sinarmas Sekuritas memberikan Pelatihan Gratis kepada Calon nasabah dan nasabah berupa Training Beginner, Training Fundamental, dan Training Teknikal yang diadakan sebulan sekali di PT. Sinarmas Sekuritas.

Sinarmas Sekuritas provided Free Training of Beginner Training, Fundamental Training and Technical Training for the customer candidates and existing customers held once a month at PT. Sinarmas Sekuritas.

2. Penghargaan / Award

PT. Sinarmas Sekuritas bekerjasama dengan beberapa Universitas yang ada di Indonesia dalam hal kerjasama Pembukaan Galeri Investasi Bursa Efek Indonesia antara lain :

PT. Sinarmas Sekuritas cooperated with various universities in Indonesia regarding the Opening of Galeri Investasi Bursa Efek Indonesia (Indonesia Stock Exchange Investment Gallery), such as:



No	Universitas / University	Daerah / Region
1	Universitas Della Salle	Manado
2	Universitas Maranatha	Bandung
3	Universitas Advent Indonesia	Bandung
4	Universitas Katolik Soegijapranata	Semarang
5	Universitas Negeri Gorontalo (UNG)	Gorontalo
6	STIE Indonesia Banking School Jakarta (IBS)	Kemang
7	Universitas Sultan Ageng Tirtayasa (UNTIRTA)	Serang-Banten
8	Universitas Swiss German	Tangerang
9	Universitas Swadaya Gunung Jati	Cirebon
10	Sekolah Tinggi Ilmu Ekonomi Indonesia	Rawamangun
11	Universitas Teknologi Sumbawa	Sumbawa Ntb
12	Universitas Pancasakti Tegal	Tegal
13	KALBIS Institute	Jakarta
14	STIE Indonesia Kayutangi	Banjarmasin
15	Sekolah Tinggi Ilmu Ekonomi AMM	Mataram

Kerjasama dengan Galeri Investasi Bursa Efek Indonesia PT. Sinarmas Sekuritas memberikan program setiap tahunnya berupa seminar market outlook, memberikan *pitching* perihal cara berinvestasi saham yang baik dll. Setiap ada seminar PT. Sinarmas Sekuritas memberikan doorprize kepada para peserta Seminar tersebut berupa setoran awal pembukaan Rekening online trading simas.net. Khusus untuk Galeri Investasi Bursa Efek Indonesia, PT. Sinarmas Sekuritas memberikan kemudahan untuk mahasiswa, Dosen dan umum dalam hal setoran awal Pembukaan Rekening Simas.Net minimum Rp. 100.000.- (Seratus Ribu Rupiah).

3. Cabang yang sudah di bentuk

Cabang : 28 Cabang

Thamrin, Mangga Dua, Kelapa Gading, Tangerang, Bekasi, Permata Hijau, Pantai Indah Kapuk, Epicentrum (Jakarta), Bandung, Tegal, Tasikmalaya, Cirebon, Semarang, Solo, Yogyakarta, Magelang, Surabaya, Malang, Manado, Denpasar, Makassar, Pontianak, Medan, Jambi, Surabaya (Beverly), Pekalongan, Cimahi dan Gorontalo.

4. Produk-produk perusahaan ada 2 yaitu:

Through the cooperation with Galeri Investasi Bursa Efek Indonesia, PT. Sinarmas Sekuritas holds several annual programs such as market outlook seminar, pitching on good share investment method, etc. During each seminar, PT. Sinarmas Sekuritas gives reward (doorprize) to the seminar's participants in the form of initial deposit for the opening of online trading account simas.net. Specifically for Galeri Investasi Bursa Efek Indonesia, PT. Sinarmas Sekuritas provided facility for college students, lecturers and general public in terms of initial deposit for the Opening of Simas.Net Account with the minimum payment of Rp100,000.

3. Existing Branch Offices

Total Branch Offices: 28 Branches

Thamrin, Mangga Dua, Kelapa Gading, Tangerang, Bekasi, Permata Hijau, Pantai Indah Kapuk, Epicentrum (Jakarta), Bandung, Tegal, Tasikmalaya, Cirebon, Semarang, Solo, Yogyakarta, Magelang, Surabaya, Malang, Manado, Denpasar, Makassar, Pontianak, Medan, Jambi, Surabaya (Beverly), Pekalongan, Cimahi and Gorontalo.

4. The Company has 2 products, namely:



The screenshot displays the Simas.Net online equity trading platform. It features a red header with the Simas.Net logo and the Sinarmas Sekuritas logo. The main content area includes a table of trading fees and a list of features under the heading 'KEUNGGULAN' (Advantages).

Simas.Net	
Simas.Net Aset	Rp. 200.000
Fee Beli	0.15%
Fee Jual	0.25%
Day Trade	Fee Beli 0.125% Fee Jual 0.225%
Market Info	Free
Anggaran	untuk Investasi Minimal 100.000

KEUNGGULAN

- Akses** : Aplikasi Simas.net menggunakan sistem online
- Real Time** : Dapat melakukan order beli / jual secara real time dan dapat memantau portofolio dengan real time melalui aplikasi Simas.net
- Mobile** : Memudahkan untuk bertransaksi dan memantau saham kapan saja dan di mana saja, melalui terhubung dengan jaringan internet.

5. Peristiwa Penting di tahun yang lalu

5. Significant Events in the previous year

Equity Reguler Trading

Reguler Trading
 Dengan pengalaman lebih dari 20 tahun di pasar modal, Sinarmas Sekuritas tetap memberikan yang terbaik kepada nasabah. Kepuasan nasabah merupakan salah satu misi perusahaan kita.

Keunggulan

- Professional Tim Financial Advisor
- Experienced Tim Financial Advisor
- Competitive Fee
- Competitive Margin Interest Rate
- Pelayanan Memuaskan

Reguler Trading	
Setoran Awal	Rp. 25.000.000
Fee Beli	0.25%
Fee Jual	0.35%
Day Trade	Fee Beli 0.15% Fee Jual 0.25%
Daily Research	Free (your email box)
Registrasi	Cabang Sinarmas Terdekat

- Pada Tanggal 3 Februari 2014 setiap transaksi Day Trade (Beli Jual di hari yang sama), hanya dikenakan Fee Beli 0,125% dan Fee Jual 0,225%.
- Pada tanggal 28 Maret 2014, PT. Sinarmas Sekuritas bekerjasama dengan PT. Bursa Efek Indonesia dan Kalbis Institute meresmikan Galeri Investasi Bursa Efek Indonesia di Kalbis Institute.
- Pada tanggal 1 Mei 2014 setoran awal online trading simas.net menjadi Rp. 500.000.-.
- Pada Tanggal 6 November 2014, PT Bursa Efek Indonesia (BEI) meresmikan Galeri Investasi BEI di STIE AMM Mataram yang merupakan kerjasama antara STIE AMM Mataram, PT Bursa Efek Indonesia, dan PT Sinarmas Sekuritas.
- Pada Tanggal 11 Desember 2014 PT. Sinarmas Sekuritas Mendapatkan Penghargaan Juara kedua Favorit Pembaca versi Beritasatu.com.

- On February 3, 2014, for each Day Trade (Sale Purchase in the same day), customer is charged with Purchase Fee of only 0.125% and Sale Fee of only 0,225%.
- On March 28, 2014, PT. Sinarmas Sekuritas, in cooperation with PT. Bursa Efek Indonesia and Kalbis Institute opened Galeri Investasi Bursa Efek Indonesia (Indonesia Stock Exchange Investment Gallery) at Kalbis Institute.
- On May 1, 2014, the initial deposit for online trading of simas.net became Rp500,000.
- On November 6, 2014, PT Bursa Efek Indonesia (BEI) opened Galeri Investasi BEI (BEI Investment Gallery) at STIE AMM Mataram, which was established in cooperation with STIE AMM Mataram, PT Bursa Efek Indonesia, and PT Sinarmas Sekuritas.
- On December 11, 2014, PT. Sinarmas Sekuritas awarded the Runner-Up Position as the Readers Most Favorite Company according to Beritasatu.com

6. Kinerja keuangan Perseroan di tahun Buku 2014

6. Company's Financial Performance in 2014 Fiscal Year

Financial Highlights		31 Dec 2013	31 Dec 2013	31 Dec 2014
No	Indikator	Jumlah (Amount)	Jumlah (Amount)	Jumlah (Amount)
1	Total Aset	1.170 T	1.055 T	1.220 T
2	Ekuitas	881 M	839 M	981,4 M
3	Laba Bersih	46 M	37 M	65,1 M
4	Modal Disaini	242 M	192,7 M	140,7 M
5	MANEJ	558 M	444,75 M	510,6 M



PT SINARMAS ASSET MANAGEMENT



Sampai Akhir Desember 2014 telah meluncurkan Produk Reksa Dana yaitu: Simas Satu (22 Desember 2000), Dana dikelola sampai dengan 30 Desember 2014 sebesar Rp571,2 miliar, Danamas Rupiah (10 Agustus 2001), Dana dikelola sampai dengan 30 Desember 2014 sebesar Rp29,58 miliar, Danamas Pasti (24 April 2003), Dana dikelola sampai 30 Desember 2014 sebesar Rp29,95 miliar, Danamas Dollar (11 Mei 2004), Dana dikelola sampai dengan 30 Desember 2014 sebesar Rp287,5 miliar (USD 23,959,499.740 dengan kurs Rp12.000). Danamas Stabil (24 Februari 2005), Dana dikelola sampai dengan 30 Desember 2014 sebesar Rp3,43 triliun, Danamas Fleksi (28 Maret 2005), Dana dikelola sampai dengan 30 Desember 2014 sebesar Rp462,89 miliar, Riau Liquid Fund (9 Agustus 2005), Dana dikelola sampai dengan 30 Desember 2014 sebesar Rp29,16 miliar, Riau Income Fund (9 Agustus 2005), Dana dikelola sampai dengan 30 Desember 2014 sebesar Rp28,47 miliar, Danamas Rupiah Plus (9 Juni 2006), Dana dikelola sampai dengan 30 Desember 2014 sebesar Rp93,44 miliar, Simas Danamas

Until the end of December 2014 Mutual Fund has launched a product that is: Simas One (December 22, 2000), the Fund is managed up to December 30, 2014 amounting to Rp571.2 billion, Danamas Rupiah (August 10, 2001), the Fund is managed up to December 30, 2014 amounting to Rp29.58 billion, Danamas Definitely (24 of April 2003), the Fund is managed until December 30, 2014 amounting to Rp29.95 billion, Danamas Dollar (May 11, 2004), the Fund is managed up to December 30, 2014 amounting to Rp287.5 billion (USD23,959,499.740 with exchange rate of Rp12.000,-). Danamas Stable (24 February 2005), the Fund is managed up to December 30, 2014 amounting to Rp3.43 trillion, Danamas Flexion (March 28, 2005), the Fund is managed up to December 30, 2014 amounting to Rp462.89 billion, Riau Liquid Fund (August 9, 2005), the Fund is managed up to December 30, 2014 amounting to Rp29.16 billion, Riau Income Fund (9 Agustus 2005), the Fund is managed up to December 30, 2014 amounting to Rp28.47 billion, Danamas Rupiah Plus (June 9, 2006), the Fund is managed up to December

Mantap Plus (24 September 2007), Dana dikelola sampai dengan 30 Desember 2014 sebesar Rp177,55 miliar, Simas Danamas Saham (24 September 2007), Dana dikelola sampai dengan 30 Desember 2014 sebesar Rp391,42 miliar, Simas Danamas Instrumen Negara (24 September 2007), Dana dikelola sampai dengan 30 Desember 2014 sebesar Rp29,3 miliar, Simas Saham Unggulan (18 Desember 2012), Dana dikelola sampai dengan 30 Desember 2014 sebesar Rp771,80 miliar, Simas Satu Prima (18 Desember 2012), Dana dikelola sampai dengan 30 Desember 2014 sebesar Rp186 miliar, Simas Syariah Unggulan (08 Agustus 2014), Dana dikelola sampai dengan 30 Desember 2014 sebesar Rp225 miliar, Simas Syariah Berkembang (08 Agustus 2014), Dana dikelola sampai dengan 30 Desember 2014 sebesar Rp69,36 miliar.

Perkembangan reksadana mencapai hasil memuaskan dengan perkembangan total dana yang dikelola sebesar Rp 6,84 triliun pada 30 Desember 2014 dengan total Nasabah 18,924 Nasabah.

Perseroan telah membuka 25 kantor cabang di beberapa kota di Indonesia, yaitu: Thamrin, Fatmawati, Bogor, Garut, Sukabumi, Purwokerto, Kudus, Cilacap, Sidoarjo, Kediri, Ambon, Palu, Mataram (Lombok), Kendari, Balikpapan, Samarinda, Banjarmasin, Banda Aceh, Padang, Palembang, Tanjung Pinang, Lampung, Pekanbaru, Batam dan Pangkal Pinang.

Dan melakukan kerjasama dengan beberapa Intitusi dan Individual Agen dengan total 626 agen untuk memasarkan produk kami.

Perseroan juga telah meluncurkan produk Reksa Dana baru pada tanggal 08 Agustus 2014, yaitu :

- a. Reksa Dana Simas Syariah Unggulan (Reksa Dana Saham)
- b. Reksa Dana Simas Syariah Berkembang (Reksa Dana Campuran)

PT. Sinarmas Asset Management memiliki program investasi yang ditujukan untuk Ibadah Umrah, dimana nasabah dapat merencanakan ibadah Umrah melalui program Simas Investment Plan (SIP).

30, 2014 amounting to Rp93.4 billion, Simas Danamas Steady Plus (24 September 2007), the Fund is managed up to December 30, 2014 amounting to Rp177.55 billion, Simas Danamas Stocks (24 September 2007), the Fund is managed up to December 30, 2014 amounting to Rp391.42 billion, Simas Danamas Instrument State (24 September 2007), the Fund is managed up to December 30, 2014 amounting to Rp29.3 billion, Simas seed shares (December 18, 2012), the Fund is managed up to December 30, 2014 amounting to Rp771.80 billion, Simas One Prima (December 18, 2012), the Fund is managed up to December 30, 2014 amounting to Rp186 billion, Simas Sharia seed (August 8, 2014), the Fund is managed up to December 30, 2014 amounting to Rp225 billion, Simas Developing Shariah (August 8, 2014), the Fund is managed up to December 30, 2014 amounting to Rp69.36 billion.

Development of mutual funds achieve satisfactory results with the development of the total funds managed by Rp6,84 trillion at December 30, 2014 with a total of 18,924 Customer Client.

The Company has opened 25 branches in Several Cities in Indonesia, namely: Thamrin, Fatmawati, Bogor, Garut, Sukabumi, Purwokerto, Holy, Cilacap, Sidoarjo, Kediri, Ambon, Palu, Mataram (Lombok), Kendari, Balikpapan, Samarinda, Banjarmasin, Banda Aceh, Padang, Palembang, Tanjung Pinang, Lampung, Pekanbaru, Batam and Base Pinang.

And cooperating with several institutions and Individual Agents with a total of 626 agents to market our products.

The Company also has launched a new mutual fund products on August 8, 2014, namely:

- a. Mutual Funds Sharia Simas seed (Equity Fund)
- b. Developing Islamic Mutual Fund Simas (Balanced Fund)

PT. Sinarmas Asset Management has investment program aimed at Worship Umrah, where customers can arrange to worship Umrah through the program Simas Investment Plan (SIP).

PT. Sinarmas Asset Management memiliki program investasi yang ditujukan untuk ibadah Holyland, dimana nasabah dapat merencanakan ibadah Holyland melalui program Simas Investment Plan (SIP)

- Telah bekerja sama dengan 3 APERD untuk menjual Reksa Dana PT. Sinarmas Asset Management, diantaranya dengan : PT. Bank Sinarmas, Tbk, PT. Indo Premier (IPOT) dan PT. Buana Capital (Bareksa.com).
- Dalam hal pengelolaan investasi yang beragam PT. Sinarmas Asset Management telah mendapatkan 11 penghargaan sebagai Reksa Dana Terbaik tahun 2014 dari Majalah Investor, Bisnis Indonesia dan Bloomberg :
 1. Reksa Dana Danamas Stabil (Reksa Dana Pendapatan Tetap)
 2. Reksa Dana Simas Satu (Reksa Dana Campuran)
 3. Reksa Dana Danamas Dollar (Reksa Dana Pendapatan Tetap)
 4. Reksa Dana Danamas Fleksi (Reksa Dana Campuran)
 5. Reksa Dana Simas Danamas Mantap Plus (Reksa Dana Pendapatan Tetap)

PT. Sinarmas Asset Management has investment program aimed at Worship Holyland, where customers can plan Holyland worship through the program Simas Investment Plan (SIP)

- Has cooperated with 3 APERD to sell PT.Sinarmas Mutual Fund Asset Management, including by: PT. Bank Sinarmas, Tbk, PT. Indo Premier (IPOT) and PT. Buana Capital (Bareksa.com).
- In the case of diversified investment management PT. Sinarmas Asset Management has earned 11 awards as Best Mutual Fund in 2014 from Investor Magazine, Bisnis Indonesia and Bloomberg:
 1. Danamas Stable Investment Fund (Fixed Income Fund)
 2. Mutual Funds Simas One (Balanced Fund)
 3. Mutual Funds Danamas Dollar (Fixed Income Fund)
 4. Mutual Fund Danamas Flexion (Balanced Fund)
 5. Mutual Funds Simas Danamas Steady Plus (Mutual Funds PendapatanTetap)



Rencana PT. Sinarmas Asset Management Di Tahun 2015 :

- a. PT. Sinarmas Asset Management akan membuat 3 Reksa Dana Terproteksi untuk meningkatkan pelayanan kepada nasabah yang ingin berinvestasi pada Reksa Dana Terproteksi
- b. Akan melakukan kerjasama dengan 3 Institusi APERD baru untuk menjual Reksa Dana PT. Sinarmas Asset Management
- c. Akan meningkatkan jumlah nasabah dari 18.000 nasabah menjadi 25.000 nasabah di tahun 2015.
- d. Akan mengadakan Grand Launching sistem Reksa Dana Online guna memudahkan nasabah dalam melakukan transaksi dan cek saldo Reksa Dana PT. Sinarmas Asset Management secara online.

PT plans. Sinarmas Asset Management in 2015:

- a. PT. Sinarmas Asset Management will make 3 Protected Fund to improve services to customers who want to invest in the Protected Fund
- b. Will conduct cooperation with 3 new APERD Institutions to sell Mutual Funds PT. Sinarmas Asset Management
- c. Will increase the number of customers from 18,000 customers to 25,000 customers in 2015.
- d. Will hold a Grand Launching Online Mutual Fund system in order to facilitate customers in making transactions and check balances Mutual Fund PT. Sinarmas Asset Management online.



PT SINAR MAS MULTIFINANCE

PT Sinar Mas Multifinance atau Simas Finance didirikan pada tahun 1985 dan memperoleh izin usaha dalam bidang usaha Lembaga Pembiayaan dari Menteri Keuangan Republik Indonesia berdasarkan Surat Keputusan Menteri Keuangan Republik Indonesia No.441/KMK.017/1996 tanggal 21 Juni 1996. Berdasarkan Anggaran Dasar Perusahaan, ruang lingkup kegiatan Perusahaan adalah dalam bidang perusahaan pembiayaan yang meliputi sewa guna usaha, anjak piutang, dan pembiayaan konsumen.

Kinerja operasional Perseroan sepanjang tahun 2014 mengalami peningkatan, dimana Perseroan menjalankan 97 kantor cabang dan 340 outlet. Jumlah kantor cabang Perseroan bertambah sebanyak 15 kantor cabang baru. Kantor cabang baru Perseroan yang dibuka selama tahun 2014 adalah Kebumen, Mamuju, Brebes, Kuningan, Bukit Tinggi, Sikka, Bima, Sarolangun, Pare-Pare, Ogan Komering Ulu, Bekasi (Cikarang), Lombok Tengah, Bitung, Asahan dan Lahat.

Pada akhir tahun 2014, jumlah karyawan Perseroan sebesar tercatat 5.958 karyawan dengan beragam profil demografis seperti usia dan tingkat pendidikan. Jumlah karyawan Perseroan tercatat mengalami penurunan dibanding pada akhir tahun 2013 yang tercatat sebesar 7.547 karyawan. Upaya peningkatan kinerja SDM pada tahun 2014, dilakukan dengan pemberian latihan dan pendidikan bagi karyawan Perseroan. Program yang telah dijalankan oleh Perseroan adalah program pendidikan Management Trainee dengan berbagai jenjang mulai dari Basic Training Program (BTP), Intermediate Training Program (ITP) sampai Advance Training Program (ATP).

PT Sinar Mas Multifinance or Simas Finance was established in 1985 and obtain a license in the field of business Financing Agency of the Ministry of Finance of the Republic of Indonesia based on Decree of the Minister of Finance of the Republic of Indonesia 441 / KMK.017 / 1996 dated June 21, 1996. Under the Company's Articles of Association, the scope of its activities is in the field of finance companies which include leasing, factoring and consumer finance.

The Company's operational performance throughout tahun2014mengalami increase, which the Company runs 97 branches and 340 outlets. The number of branch offices of the Company increased by 15 new branches. The new branch office of the Company which opened during 2014 is Kebumen, Mamuju, Brebes, Brass, Bukit Tinggi, Sikka, Bima, Sarolangun, Pare Pare, Ulu Ogan Ogan, Bekasi (Cikarang), Central Lombok, Bitung, Asahan and Lahat.

At the end of 2014, the number of employees of the Company for 5958 registered employees with diverse demographic profiles such as age and education level. Number of employees The Company recorded a decline compared to the end of 2013 it stood at 7,547 employees. Efforts to improve the performance of human resources in 2014, done by providing training and education for employees of the Company. Programs that have been implemented by the Company are educational programs Management Trainee at various levels ranging from Basic Training Program (BTP), Intermediate Training Program (ITP) to Advance Training Program (ATP).



PT ASURANSI JIWA MEGA LIFE

PT Asuransi Jiwa Mega Life yang dimiliki oleh 2 kelompok besar yaitu PT Sinar Mas Multiartha Tbk dan PT Mega Corpora dengan komposisi kepemilikan berimbang yakni masing-masing 50%.

Berbagai kebijakan dalam melayani pemegang polis maupun stakeholder lainnya berjalan sesuai dengan perencanaan awal, sehingga memberikan hasil yang sangat memuaskan.

Hal ini dapat dilihat dari berbagai penghargaan yang diterima Mega Life sepanjang tahun 2014, diantaranya :

1. **Investor Best Syariah 2014 (August)**
Peringkat Kedua Asuransi Jiwa Syariah Kategori Asset > Rp100 M - Rp200 M
2. **Media Asuransi Insurance Award 2014 (June)**
Best Life Insurance 2014 Kategori Ekuitas Rp250 M - Rp750 M
3. **Infobank Insurance Award 2014 (August)**
Asuransi Jiwa Berpredikat Sangat Bagus atas Kinerja Keuangan Selama Tahun 2013 Kategori Premi Bruto > Rp1 T
4. **Infobank Insurance Award Syariah 2014 (September)**
Asuransi Jiwa Syariah dengan Predikat Sangat Bagus atas Kinerja Keuangan Selama Tahun 2013
5. **Karim Consulting Indonesia The 10th Islamic Finance Award 2014 (February)**
 - First Rank The Best Islamic Life Insurance Sharia Unit Asset < Rp150 M
 - First Rank Top Growth Islamic Life Insurance Sharia Unit Asset < Rp150 M
 - Third Rank The Best Risk Management Islamic Life Insurance Sharia Unit Asset < Rp150 M

PT Asuransi Jiwa Mega Life owned by two major groups, namely PT Sinar Mas and PT Mega Corpora MultiarthaTbk with a balanced composition of ownership that each 50%.

Various policies in serving policyholders and other stakeholders early going according to plan, thus providing very satisfactory results.

It can be seen from the various awards received by Mega Life throughout 2014, including:

1. **Investor Best Syariah 2014 (August)**
Both rank Syariah Life Insurance Asset Categories> Rp100 billion - Rp200 billion
2. **Media Asuransi Insurance Award 2014 (June)**
Best Life Insurance 2014 Category Equity Rp250 billion - Rp750 billion
3. **Infobank Insurance Award 2014 (August)**
Life Insurance predicated Very Good Performance During the Financial Year 2013 Categories Gross Premiums> Rp1 trillion
4. **Infobank Sharia Insurance Award 2014 (September)**
Syariah Life Insurance with Predicate Very Good on Financial Performance During the Year 2013
5. **Karim Consulting Indonesia The 10th Islamic Finance Award 2014 (February)**
 - First Rank The Best Islamic Sharia Unit Asset Life Insurance < Rp150 billion
 - First Rank Top Growth Islamic Sharia Unit Asset Life Insurance < Rp150 billion
 - Third Rank The Best Risk Management Unit Islamic Sharia Life Insurance Asset < Rp150 billion



PT AB SINAR MAS MULTIFINANCE

PT AB Sinar Mas Multifinance adalah anak perusahaan PT Sinar Mas Multiartha Tbk yang memfokuskan usahanya dalam bidang pembiayaan terutama dalam bidang Sewa Guna Usaha dan Anjak Piutang dengan segmen pasar berupa nasabah *corporate*, yang kepemilikan sahamnya dimiliki oleh PT Sinar Mas Multiartha Tbk sebesar 99,99%.

Meskipun pertumbuhan industri pembiayaan sempat surut pada tahun 2014, tapi beberapa perusahaan pembiayaan terpantau tetap dapat meraup keuntungan yang cukup signifikan. Bahkan pada tahun lalu bisnis sektor pembiayaan mendapat peluang untuk melakukan perluasan usaha, menyusul terbitnya tujuh Peraturan Otoritas Jasa Keuangan (POJK) bagi industri keuangan non bank (IKNB)

Berangkat dari itu semua, tantangan-tantangan yang ada tentunya menjadi pelajaran bagi perusahaan untuk tetap kreatif dalam menjalankan kegiatannya agar dapat tetap tumbuh positif dan dapat menciptakan kenaikan pendapatan usaha.

PT AB Sinar Mas Multifinance is a subsidiary of PT Sinar Mas Multiartha Tbk, which focuses its efforts in the field of financing, especially in the field of leasing and factoring with market segments such as corporate customers, which is owned by PT Sinar Mas Multiartha Tbk 99.99% ,

Although the finance industry growth had receded in 2014, but some finance companies monitored can still reap significant benefits. Even in the last year received financing sector business opportunities for business expansion, following the publication of the seven Regulations Financial Services Authority (POJK) for non-bank financial industry (IKNB).

Departing from it all, there are challenges that must be a lesson for the company to remain creative in carrying out its activities in order to continue to grow positively and can create an increase in operating revenue.

Sudah sembilan tahun berturut – turut yaitu tahun 2005 – 2013 PT AB Sinar Mas Multifinance mendapat predikat dengan Kinerja Keuangan Sangat Bagus Versi Majalah InfoBank.

Prestasi yang diraih perusahaan tentu saja berkat kerja keras, konsistensi dan profesionalisme dari seluruh karyawan dan manajemen dalam memberikan layanan kepada nasabah. Dan keberhasilan ini juga menjadi tantangan tersendiri untuk meraih prestasi yang lebih baik dimasa yang akan datang.

Salah satu strategi perusahaan adalah melakukan penjualan antar perusahaan (*cross selling*) dalam satu group usaha Sinar Mas dan pasar yang dituju lebih ke korporasi.

Pada akhir Desember 2014 Perusahaan telah memperoleh pendapatan sebesar Rp60,2 miliar, laba bersih sebesar Rp17,6 miliar dengan total aset sebesar Rp272,3 miliar dan total ekuitas sebesar Rp198,2 miliar.

Dengan total nasabah *corporate* berdasarkan kontrak sebanyak 41 nasabah untuk bidang sewa guna usaha dan 73 nasabah untuk bidang anjak piutang. Dan total pembiayaan sebesar Rp232,9 miliar terhitung akhir Desember 2014.

It has been nine years in a row - also the year of 2005 - 2013 PT AB Sinar Mas Multifinance received the title with Financial Performance Very Good Infobank Magazine.

Achievements of the company of course thanks to the hard work, consistency and professionalism of all employees and management in providing services to customers. And this success is also a challenge to achieve a better performance in the future.

One of the company's strategy is to conduct inter-company sales (*cross selling*) in the Sinar Mas group and the intended market over to the corporation.

At the end of December 2014 the Company has obtained revenues of Rp60.2 billion, net profit of Rp17.6 billion, with total assets of Rp272.3 billion and total equity amounted to Rp198.2 billion.

With total corporate customer on a contract basis by 41 customers for the field of leasing and 73 clients for factoring field. And the total financing of Rp232.9 billion as of the end of December 2014.



PT SINARTAMA GUNITA

PT Sinartama Gunita adalah Biro Administrasi Efek yang mendapatkan ijin usaha dari Badan Pengawas Pasar Modal (BAPEPAM) dengan Nomor Kep-082/PM/1991 tanggal 30 September 1991, yang mana sebagian besar saham perusahaan dimiliki oleh PT Sinar Mas Multiartha Tbk.

Jasa yang diberikan perusahaan adalah sebagai pengelola administrasi saham untuk perusahaan publik yang mencatatkan sahamnya di Bursa Efek Indonesia. Dan sampai dengan tahun 2014 PT Sinartama Gunita telah dipercaya untuk mengelola administrasi saham oleh 90 perusahaan publik / Emiten. Pada akhir Desember 2014, perusahaan telah memperoleh pendapatan sebesar Rp3,96 miliar.

Dengan tantangan di era globalisasi selain dari mendapatkan perusahaan yang go public sebagai emiten, perusahaan berkomitmen untuk senantiasa mencari terobosan – terobosan baru dalam perkembangan usaha seiring dengan perkembangan industri pasar modal. Disertai dengan team manajemen dan karyawan yang berkualitas serta berpengalaman, perusahaan berkeyakinan akan senantiasa mencapai pertumbuhan yang stabil dan kontribusinya demi perkembangan industri pasar modal.

PT Sinartama Gunita is the Registrar who obtain a business license from the Capital Market Supervisory Agency (Bapepam) to No. KEP-082/PM/1991 of September 30, 1991, which is where most of the company's shares owned by PT Sinar Mas MultiarthaTbk.

Services provided by the company are as administrative manager for a public company whose shares listed on the Indonesia Stock Exchange. And until 2014 PT Sinartama Gunita been entrusted to manage the administration of the stock by 90 public companies/issuers. In late December 2014, the company has gained a revenue of Rp3,96 billion.

With challenges in the era of globalization apart from getting a company to go public as the issuer, the company is committed to continuously seek a breakthrough - a breakthrough in capital market industry. Accompanied by a team of management and employees qualified as well as experienced, the company believes will continue to achieve steady growth and its contribution to the development of the capital markets industry.

KRONOLOGI PENCATATAN SAHAM

Share-Listing Chronology

Riwayat Pencatatan Saham Perseroan Pada Bursa Efek Indonesia

History of Share Listing on Indonesia Stock Exchange

No.	Keterangan	Tanggal Pencatatan / Pembayaran/ Date of Register/ Payment	Penambahan Saham/ Share Increasing	Jumlah Saham Beredar/ Total of Share Circulation	Description
1	Pendiri	5 Juli 1995 / July 5, 1995	450.000.000	510.000.000	Founder
2	IPO ((Masyarakat)		60.000.000		IPO (Public)
3	Saham Bonus (10 : 3)	15 Agustus 1996, August 15, 1996	153.000.000	663.000.000	Bonus Shares (10 : 3)
4	Rights Issue (1 : 1)	28 November 1996, November 28, 1996	663.000.000	1.326.000.000	Right Issue (1 : 1)
5	Konversi Waran Seri I	1997	142.970	1.326.142.970	Conversion of Warrant Series I
6	Konversi Waran Seri I	1998	98.521.710	1.424.664.680	Conversion of Warrant Series I
7	Konversi Waran Seri I	1999	1.000	1.424.665.680	Conversion of Warrant Series I
8	Konversi Waran Seri I	2000	58.500	1.424.724.180	Conversion of Warrant Series I
9	Dividen Tunai (Rp5/shm)	7 Agustus 2000 / August 7, 2000		1.424.724.180	Cash Dividend (Rp5/shares)
10	Konversi Waran Seri I	2001	19.500	1.424.743.680	Conversion of Warrant Series I
11	Reverse Stock Split (nominal Rp500 menjadi Rp5.000)	7 Maret 2003 / March 7, 2003		142.474.368	Reverse Stock Split (nominal of Rp500 to Rp5,000)
12	Rights Issue II Saham Seri B	25 Juli 2003 / July 25, 2003	2.137.115.520	2.279.589.888	Rights Issue II of Shares Series B
13	Konversi Waran Seri II	2004	566.646.650	2.846.236.538	Conversion of Warrant Series II
14	Rights Issue III Saham Seri B	20 Juli 2005 / July 20, 2005	991.325.341	3.837.561.879	Rights Issue III of Shares Series B
15	Konversi Waran Seri II	2005	2.413.266	3.839.975.145	Conversion of Warrant Series II
16	Konversi Waran Seri II	2006	47.066	3.840.022.211	Conversion of Warrant Series II
17	Konversi Waran Seri III	2006	298.830.000	4.138.852.211	Conversion of Warrant Series III
18	Konversi Waran Seri II	2007	180.500	4.139.032.711	Conversion of Warrant Series III
19	Konversi Waran Seri III	2007	683.022.704	4.822.055.415	Conversion of Warrant Series I
20	Rights Issue IV Saham Seri B	16 Juni 2008 / June 16, 2008	964.528.953	5.786.584.368	Rights Issue IV of Shares Series B
21	Konversi Waran Seri II	2008	655.569	5.787.239.937	Conversion of Warrant Series II
22	Konversi Waran Seri III	2008	425.478	5.787.665.415	Conversion of Warrant Series III
23	Konversi Waran Seri III	2009	8.828.680	5.796.494.101	Conversion of Warrant Series III
24	Konversi Waran Seri IV	2009	383.764.094	6.180.258.195	Conversion of Warrant Series IV
25	Konversi Waran Seri III	2010	1.600.804	6.181.858.999	Conversion of Warrant Series III
26	Konversi Waran Seri IV	2010	41.933.667	6.223.792.666	Conversion of Warrant Series IV
27	Konversi Waran Seri IV	2011	8.745.391	6.232.538.057	Conversion of Warrant Series IV
28	Konversi Waran Seri IV	2012	3.395.219	6.235.933.276	Conversion of Warrant Series IV
29	Konversi Waran Seri IV	2013	1.875.441	6.237.808.717	Conversion of Warrant Series IV
30		31 Desember 2014 / December 31, 2014		6.237.808.717	

SEJARAH PEMBAGIAN DIVIDEN

History of Dividend Distribution

Berdasarkan Rapat Umum Pemegang Saham Tahunan (RUPS Tahunan) yang diadakan pada tanggal 13 Juni 2014, para pemegang saham menyetujui pembagian dividen tunai untuk tahun 2013 sebesar Rp6.238 atau Rp1 (dalam Rupiah penuh) per saham seri A dan Seri B.

Based on Annual General Meeting (AGM) held on 13 June 2014, shareholders approved cash dividend distribution in 2013 of Rp6,238 or Rp1 (in full Rupiah) per share series A and B.

Berdasarkan Rapat Umum Pemegang Saham Tahunan (RUPS Tahunan) yang diadakan pada tanggal 10 Juni 2013, para pemegang saham menyetujui pembagian dividen tunai untuk tahun 2012 sebesar Rp6.237 atau Rp1 (dalam Rupiah penuh) per saham seri A dan Seri B.

Based on Annual General Meeting (AGM) held on 10 June 2013, shareholders approved cash dividend distribution in 2012 of Rp6,237 or Rp1 (in full Rupiah) per share series A and B.

No.	Tahun Buku/ Financial Year	Dividen Tunai (Rp) (per saham)/ Cash Dividen (Rp) (per share)	Jumlah Dividen/ Total Dividen (Rp000.000,-)	Jumlah Laba Bersih/ Total Net Income (Rp000.000,-)	Perbandingan Antara Jumlah Dividen Dengan Laba Bersih Perseroan/ Dividend Pay Out Ratio
1	1995	56	28.560	142.242	20,08 %
2	1996	39	51.714	197.979	26,12 %
3	1999	5	7.123	401.276	1,78 %
4	2009	1	6.182	700.098	0,88 %
5	2010	1	6.224	1.277.814	0,49 %
6	2011	1	6.236	1.974.592	0,32 %
7	2012	1	6.237	1.567.801	0,40 %
8	2013	1	6.238	1.122.202	0,56 %

KRONOLOGI PENCATATAN EFEK LAINNYA

Other Securities Listing Chronology

Pada tahun 2014, Perseroan telah melunasi seluruh pencatatan efek lainnya.

In 2014, the Company fully repaid the recording of other effects.

SUMBER DAYA MANUSIA

Human Resources



Sumber Daya Manusia (SDM) merupakan salah satu unsur yang vital dalam meningkatkan kinerja usaha bagi PT Sinar Mas Multiartha Tbk. Oleh karena itu PT Sinar Mas Multiartha Tbk secara berkelanjutan mengembangkan dan mendukung sepenuhnya atas peningkatan kualitas SDM yang ada, dengan melakukan evaluasi dan perbaikan Sistem Manajemen Sumber Daya Manusia secara berkesinambungan. Kegiatan tersebut diharapkan dapat menjaga kualitas SDM yang dimiliki PT Sinar Mas Multiartha Tbk agar selalu berada di level yang tinggi, sehingga dapat berimbas pada meningkatnya kinerja Perseroan. Program yang dijalankan dalam bidang Sumber Daya Manusia secara signifikan menunjukkan perbaikan kinerja yaitu pada :

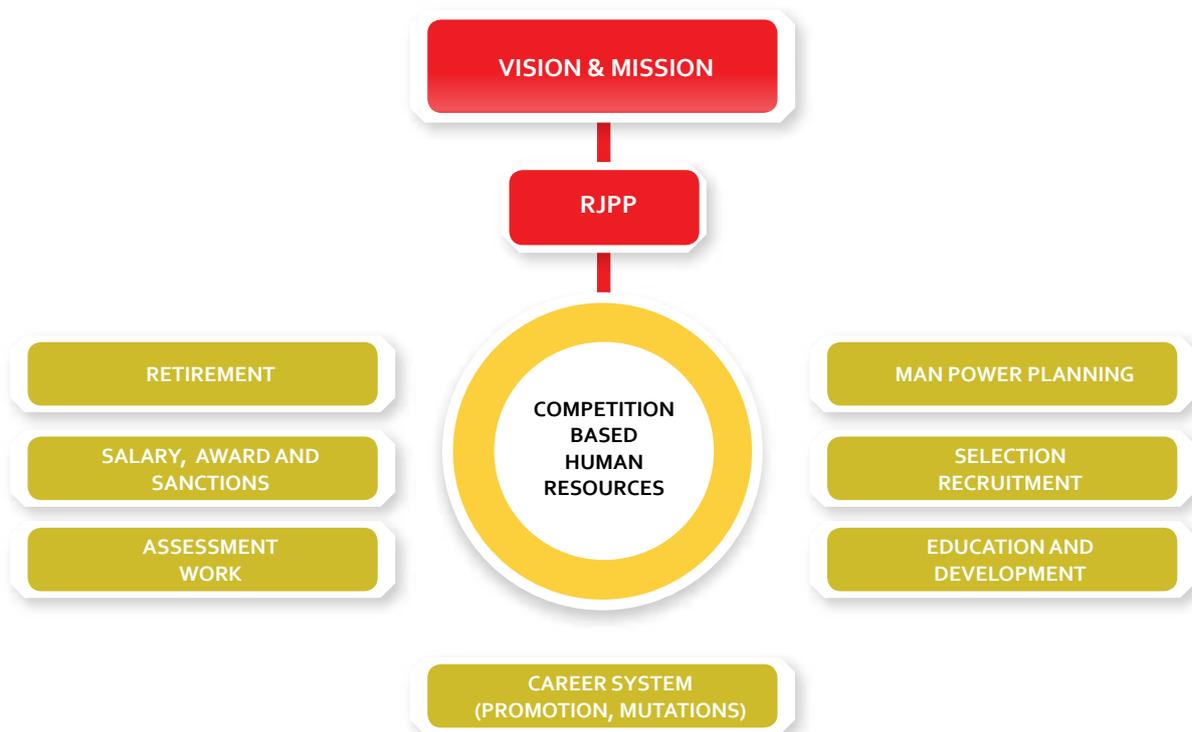
1. Roadmap & Konsep Pengelolaan SDM

Konsep pengelolaan SDM di PT Sinar Mas Multiartha Tbk adalah pengelolaan SDM berbasis kompetensi guna mencapai visi Perusahaan "One Stop Integrated Financial Services".

Human Resources (HR) is one important element in improving business performance for PT Sinar Mas Multiartha Tbk. Therefore, PT Sinar Mas Multiartha Tbk sustainably develop and support fully on improving the quality of human resources, to conduct the evaluation and improvement of Human Resource Management System on an ongoing basis. The activity is expected to maintain the quality of human resources owned by PT Sinar Mas Multiartha Tbk order to always be at a high level, so that it can impact on increasing the Company's performance. Programs that run in the field of Human Resources showed significantly improved performance, namely on:

1. Roadmap & HR Management Concepts

The concept of human resource management in PT Sinar Mas Multiartha Tbk is a competency-based human resource management in order to achieve the Company's vision of "One Stop Integrated Financial Services".



2. Program pengembangan kompetensi karyawan
PT Sinar Mas Multiartha Tbk menjadikan pendidikan sebagai jalan terbaik untuk meningkatkan kompetensi karyawan. Perseroan program pendidikan dan pelatihan secara *In House Training* ataupun *Public Training* (dalam maupun luar negeri).

3. Implementasi sistem pengembangan karir berbasis kompetensi
Dalam rangka penerapan Sistem Kinerja berbasis kompetensi, PT Sinar Mas Multiartha bersama anak-anak Perseroan melakukan *review* dan penyempurnaan Sistem Manajemen Kinerja dalam beberapa ruang lingkup *project* Sistem Manajemen Kinerja, antara lain :

- *Review* & Penyempurnaan Struktur Organisasi
- *Review* & Penyempurnaan Job Profile
- *Review* & Penyempurnaan Kamus Kompetensi
- Penyusunan KPI Perusahaan: Tersusunnya acuan penilaian yang relevan dan update hingga level individu
- Penyusunan *Job Grading*: Penyusunan Level Unit-Unit Kerja berdasarkan bobot kinerja dan kontribusi dalam pencapaian tujuan Perusahaan.

2. The employee competency development program
PT Sinar Mas Multiartha Tbk make education as the best way to improve the competence of employees. The company's education and training programs *In House Training* or *Public Training* (domestic and foreign).

3. The implementation of a competency-based career development system
In order to implement a competency-based performance system, PT Sinar Mas Multiartha with children and the improvement of the Company *Review Performance Management System* within the scope of the project *Performance Management System*, among others:

- *Review* & Improvement Organization Structure
- *Review* & Improvement Job Profile
- *Review* & Improvement Competency Dictionary
- Preparation of KPI Company: Establishment of reference relevant assessment and updates to individual level
- Preparation of *Job grading*: Preparation Level Working Units based on the weight of the performance and contribution in achieving the Company's objectives.





- *Compensation Review*: Pendapatan terbagi dalam 3P (*Pay for Person, Performance & Position*), merupakan *output* dari Sistem Manajemen Kinerja yang terstruktur dan teruji.
4. Program peningkatan kompetensi karyawan Agar kebutuhan Sumber Daya Manusia dapat terpenuhi, sepanjang 2014 PT Sinar Mas Multiartha bersama anak-anak Perseroan menyelenggarakan Pendidikan dan Pelatihan internal dalam bentuk *Management Development Program* (MDP) yang bertujuan mencetak kader-kader yang siap untuk menduduki jabatan-jabatan tertentu. Peserta Pendidikan dan Pelatihan berasal dari penjarangan *fresh graduate* dan pegawai lama yang menurut penilaian memiliki potensi untuk berkembang.
- Talent management* PT Sinar Mas Multiartha Tbk terkait dua proses yaitu :
- a. Mengembangkan dan memperkuat karyawan baru pada proses pertama kali masuk perusahaan (*on boarding*).
 - b. Memelihara dan mengembangkan pegawai yang sudah ada di dalam Perseroan.
5. Program *Manage care*
Program kesejahteraan karyawan juga menjadi sorotan utama kebijakan Perseroan. Hal tersebut terlihat dari total penghasilan karyawan yang merupakan elemen tertinggi dalam keseluruhan biaya operasional Perseroan yang akan bertambah ditahun-tahun mendatang.
- *Compensation Review*: Revenues divided into 3P (*Pay for Person, Performance and Position*), the output of the Performance Management System is structured and tested.
4. The program to improve the competence of employees
So that the needs of Human Resources can be met, along the 2014 PT Sinar Mas Multiartha Tbk together children Education and Training Company held internally in the form of Management Development Program (MDP) which aims print cadres are ready to occupy certain positions. Education and training of participants coming from the crawl old fresh graduate and employees who according to the judgment has the potential to develop.
- Talent management of PT Sinar Mas Multiartha Tbk linked the two processes, namely:
- a. Develop and strengthen new employees in the process first enters the company (*on-boarding*).
 - b. Maintain and develop existing employees in the Company.
5. Program Manage care
Employee benefits programs is the focus of our policy. It is seen from the total income of the employee who is the highest element in the overall operational costs of the Company which will increase in the coming years.

Dalam hal kesejahteraan karyawan, Perseroan juga memberikan fasilitas-fasilitas yang meliputi tunjangan-tunjangan, jaminan kesehatan karyawan dan keluarganya, Jaminan Asuransi Sosial Tenaga Kerja dan pinjaman untuk karyawan yang membutuhkan. Pada saat ini Perseroan telah membayar gaji karyawan sesuai dengan ketentuan yang berlaku di bidang ketenagakerjaan.

6. Rencana pengembangan SDM tahun 2015

Bahwa dalam rangka menggali potensi yang ada dalam diri dan meningkatkan motivasi dalam bekerja Perseroan dan anak perusahaan mengadakan seminar dan pelatihan-pelatihan untuk karyawan dan pimpinan perusahaan, sehingga diharapkan dapat meningkatkan *self of belonging* daripada karyawan dan pimpinan terhadap Perseroan dan sekaligus menerapkan prinsip-prinsip yang terkandung dalam *Good Corporate Governance* dalam perusahaan.

Dalam mengembangkan Sumber Daya Manusia beberapa hal dasar yang selalu dan harus dimiliki oleh karyawan secara individual yaitu tanggung jawab, komitmen, loyalitas serta dedikasi tinggi terhadap pekerjaan.

Untuk memenuhi tuntutan perkembangan di tahun 2015 dan dalam menyongsong era globalisasi yang semakin pesat perusahaan dan anak perusahaan secara aktif telah mengikuti pelatihan-pelatihan tenaga kerja yang berkesinambungan baik secara internal maupun eksternal (seminar dan pelatihan yang dilakukan oleh instansi ataupun asosiasi) guna meningkatkan kecakapan serta pengetahuan mereka agar dapat diselaraskan dengan perubahan-perubahan yang terjadi.

Kebijakan Dalam Perekrutan Karyawan

Sebagai perusahaan publik, PT Sinar Mas Multiartha Tbk senantiasa membuka kesempatan bagi setiap individu yang berkompoten untuk bergabung untuk berkarir bersama Perseroan. Perseroan melakukan rekrutmen dengan prinsip keterbukaan, kewajaran dan kesetaraan. Proses seleksi dilakukan berdasarkan kebutuhan dan kompetensi yang dimiliki kandidat. Kandidat dijaring melalui situs perusahaan, advertensi, job fair, referensi dan proses penjangkaran lainnya. Kandidat yang terpilih mendapatkan program pelatihan yang lebih intensif guna mempertajam kualitas SDM Perseroan.

In terms of employee welfare, the Company also provides facilities that include tunjangan-tunjangan, employee and family health insurance, Social Security Insurance Labor and loans to employees who require. At this time the Company has been paying the salaries of employees in accordance with applicable regulations in the field of employment.

6. Plan for the development of human resources in 2015

That in order to explore the potential that exists within and improve motivation in the work of the Company and its subsidiaries conduct seminars and trainings for the employees and the leadership of the company, which is expected to improve the self of belonging rather than employees and the leadership of the Company and simultaneously applying the principles contained in the good corporate governance in the company.

In developing Human Resources are always some basic things and should be owned by individual employees that responsibility, commitment, loyalty and dedication to the job.

To meet the demands of the development in 2015 and in the era of globalization Welcoming the rapidly growing company and its subsidiaries are actively have followed training a sustainable workforce both internally and externally (seminars and training conducted by agencies or associations) in order to improve the skills and their knowledge in order to be aligned with the changes that occur.

In Recruitment Policy

As a public company, PT Sinar Mas Multiartha Tbk is always an opportunity for individuals who are competent to join for a career with the Company. Company recruits with the principles of openness, fairness and equality. The selection is based on the needs and competences of the candidate. Candidates captured through the company's website, advertisements, job fairs, references and other netting process. Selected candidates receive more intensive training program in order to enhance the quality of human resources of the Company.

Komposisi Karyawan

Personel manajemen kunci Grup terdiri dari Komisaris, Direksi, Kepala Divisi, Group Head, Koordinator Wilayah dan Pimpinan Cabang.

Jumlah karyawan tetap Perusahaan (tidak diaudit) pada tanggal 31 Desember 2014 dan 2013 masing-masing adalah 15 dan 16 karyawan, sedangkan jumlah karyawan tetap gabungan grup (tidak diaudit) pada tanggal 31 Desember 2014 dan 2013 masing-masing adalah 5.139 karyawan dan 6.014 karyawan.

Pendidikan dan Pelatihan SDM 2014

Perseroan memegang teguh komitmen untuk memberikan kesempatan yang merata pada seluruh karyawan dalam mendapatkan program pendidikan dan pelatihan tanpa membedakan jenis kelamin, suku, agama dan faktor-faktor lainnya. Sepanjang 2014 PT Sinar Mas Multiartha Tbk telah memberikan kegiatan pendidikan dan pelatihan kepada karyawan secara spesifik, terkait dengan bidang pekerjaan masing-masing.

Evaluasi Karyawan

Perseroan dan anak-anak perusahaan setiap tahun selalu melakukan evaluasi terhadap kinerja karyawan, dan hasil penilaian tersebut menjadi dasar kebijakan dalam menentukan *reward*, remunerasi, dasar pengembangan kompetensi bagi karyawan, dan juga membuka kesempatan secara terbuka dan adil bagi seluruh karyawan untuk memperoleh promosi ke posisi yang lebih tinggi dalam struktur organisasi perusahaan.

Composition Employees

Key management personnel of the Group consists of Commissioners, Directors, Head of Division, Group Head, Regional Coordinator and Branch Manager.

The number of permanent employees (unaudited) December 31, 2014 and 2013, respectively, are 15 and 16 employees, while the number of permanent employees, the combined group (unaudited) December 31, 2014 and 2013 respectively, are 5139 employees and 6014 employees.

Education and Training of Human Resources in 2014

Company uphold the commitment to provide equal opportunity to all employees in getting education and training programs regardless of gender, ethnicity, religion and other factors. Throughout 2014 PT Sinar Mas Multiartha Tbk has provided education and training to employees specifically, related to their respective fields of work.

Evaluation of Employees

The Company and its subsidiaries nak-annually always evaluate the performance of employees, and the results of the assessment are the basis in determining the policy of reward, remuneration, basic competence development for employees, and also opens the opportunity openly and fairly for all employees to gain promotion to the position higher in the organizational structure of the company.

LEMBAGA PROFESI PENUNJANG PERUSAHAAN

Professional Institutions Supporting Company

Akuntan Publik

Mulyamin Sensi Suryanto & Lianny

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Fax : (62-21) 572 2737

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Biro Administrasi Efek

PT Sinartama Gunita

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Registrar

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Sekretaris Perusahaan

Kurniawan Udjaja

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Fax : (62-21) 392 5788

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Kurniawan Udjaja
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 email multiartha@smma.co.id

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 + 6221 625 7837
 website www.sinarmasmsiglife.co.id
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PT Sinarmas Futures

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PT. Auto Pro Utama Perkasa.

Toko Suku Cadang Mobil
 JL. Raya Waru, No. 82,
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04

Analisis dan Pembahasan Manajemen

Management Discussion and Analysis



ANALISIS DAN PEMBAHASAN MANAJEMEN

Management Discussion and Analysis



TINJAUAN UMUM

Di tahun 2014 secara *general* kondisi perekonomian global masih mengalami fase *recovery* dengan tempo yang cukup lambat. Bank Dunia mencatat pertumbuhan ekonomi dunia sebesar 3,3%, meningkat tipis dibanding 2013 sebesar 3,0%, hal ini ditengarai oleh beberapa negara yang masih mengalami krisis seperti Jepang dan Tiongkok. Kendati demikian, negara-negara berkembang (*emerging market*) di Asia Timur, Pasifik, termasuk Indonesia, masih menjadi kawasan dengan pertumbuhan ekonomi tercepat di dunia. Pertumbuhan kawasan ini menjadi motor penggerak pertumbuhan global dengan memberikan kontribusi sebesar sepertiga dari pertumbuhan ekonomi dunia. Sementara itu, pertumbuhan ekonomi di Amerika Serikat tercatat lebih baik dari proyeksi sebelumnya. Penguatan ini didukung oleh peningkatan permintaan domestik, senada dengan peningkatan indeks keyakinan konsumen ditinjau dari kenaikan pendapatan riil yang disebabkan oleh semakin menurunnya harga minyak dan perbaikan sektor tenaga kerja. Dengan terus menurunnya harga minyak di tengah tingginya tingkat konsumsi bahan bakar minyak AS, diharapkan dapat memberi dampak berlanjutnya perbaikan ekonomi AS.

Perekonomian Indonesia pada tahun 2014 mencatatkan pertumbuhan sebesar 5,02%, lebih rendah dibandingkan tahun 2013 yang tumbuh 5,78%. Pertumbuhan ekonomi Indonesia tidak terlepas dari berbagai tantangan yang dihadapi, pengaruh dari perekonomian global serta tingginya ketergantungan

OVERVIEW

In 2014, generally global economic condition is still in recovery phase with a fairly slow tempo. World Bank lists that the growth of global economic world is 3,3%, slightly increasing compared to 2013 that was 3,0%, it is caused by several countries which are still in crisis, such as Japan and China. Thus, developing countries (emerging market) in East Asia, Pacific, including Indonesia, are still being areas with the fastest economic growth in the world. The growth of these areas become pioneers of global growth by giving contribution amounted to one third of world economic growth. Meanwhile, economic growth in United States is better than the previous projection. It is supported by the increase of domestic demand along with the increase of consumer's trust index viewed from the increase of real income that is caused by the decrease of oil price and and the improvement of employment sector. Through the decrease of oil price in the middle of high oil consumption level in United States, it is expected to give an impact for the development of United States economics.

Indonesian economic in 2014 grows amounted to 5,02%, which is lower compared to 2013 that grew amounted to 5,78%. Indonesian economic growth faces several challenges, that are influenced by global economic as well as high dependence of primary commodity exports that its performance in 2014 has

terhadap ekspor komoditas primer yang kinerjanya pada 2014 masih belum membaik. Sementara itu, perbaikan kinerja ekonomi Indonesia didominasi oleh membaiknya aktivitas di sektor industri pengolahan dan sektor konstruksi di beberapa daerah. Iklim investasi dalam negeri diprediksi akan membaik seiring dengan perbaikan regulasi yang senantiasa diperbaiki dan memberikan kepastian serta optimisme kepada para investor dalam dan luar negeri.

Untuk laju inflasi pada tahun 2014 meningkat dengan signifikan, pada Desember 2014 tercatat sebesar 8,36% (yoy), dibanding periode September 2014 sebesar 4,53% (yoy). Peningkatan inflasi merupakan dampak dari implementasi kebijakan reformasi energi pada November 2014 dan berkurangnya pasokan komoditas pangan akibat pengaruh cuaca, produksi dan distribusi.

TINJAUAN INDUSTRI

Suku bunga industri perbankan Indonesia saat ini telah mencapai 13% lebih tinggi dibandingkan rata-rata suku bunga dana regional ASEAN yang berada pada kisaran 2-4% dari sisi *funding*. Sedangkan di sisi *landing*, suku bunga kredit perbankan di Indonesia antara 12% hingga 24% dan ASEAN 3-7%.

not still improved. As a holding company of all subsidiaries of Sinar Mas Group running in financial service, the Company will continue implementing the strategies to maintain the growth and profitability of the Company. Meanwhile, the improvement of Indonesian economic performance is dominated by the improvement of activities in processing industry sector and construction sector in several regionals. Investment condition in the country will develop along with the improvement of regulation, and provide certainty and optimism to the investors within and outside the country.

Inflation rate in 2014 increases significantly, in December 2014 it was listed that inflation rate was 8,36% (yoy), compared to period of September 2014 that was 4,53% (yoy). The increase of inflation is an impact of reformation policy implementation in November 2014 and the decrease of supply of food commodities caused by influence of weather, production and distribution.

INDUSTRY OVERVIEW

Currently interest rate of Indonesian banking industry is 13%, higher than average of interest rate of ASEAN regional fund that is in 2-4% of funding side. While in landing side, loan interest rate of Indonesian banking is between 12% to 24% and ASEAN 3-7%.

Penempatan dana industri perbankan di Bank Indonesia hingga November 2014 mencapai Rp588,09 triliun, atau mencatatkan peningkatan hingga Rp113,4 triliun, atau tumbuh 23,88% secara *year to date*.

Sementara itu, Lembaga Penjamin Simpanan (LPS) membebaskan premi penjaminan dari total dana simpanan pihak ketiga 0,2% setiap tahun dengan total jaminan tidak lebih dari 50% dari total Simpanan masyarakat yang ada di Perbankan. Pada tahun 2014, *Net Interest Margin* (NIM) industri tercatat 4,2%, ROA 2,9% dan BOPO berada pada level 76,3% sehingga semakin memperkuat kondisi perbankan dari sisi ketahanan. Rasio permodalan industri perbankan pada Desember 2014 (CAR) tercatat pada level 19,6%.

Otoritas Jasa Keuangan (OJK) mencatat, hingga Desember 2014, total aset, kredit dan dana pihak ketiga (DPK) perbankan nasional masing-masing masih tumbuh sebesar 13,3% (yoy), 11,6% (yoy) dan 12,3% (yoy), menjadi sebesar Rp5.615 triliun, Rp3.674 triliun dan Rp4.114 triliun. Sementara itu, Dari sisi kinerja kredit, *Loan to Deposit Ratio* (LDR) industri berada dalam kisaran wajar sebesar 89,3%. Namun demikian, *National Priorities List* (NPL) menunjukkan peningkatan meski masih dalam rentang yang *manageable*. Rasio NPL *gross* berada pada kisaran 2,17%, atau sedikit meningkat dibanding periode yang sama tahun lalu.

Ditengah komitmen pemerintah untuk terus mendorong percepatan perkembangan industri asuransi dan dana pensiun ke arah yang lebih baik untuk dapat mewujudkan Industri Keuangan Non Bank yang berkontribusi lebih besar dalam pembangunan ekonomi nasional.

Berdasarkan statistik OJK tercatat bahwa nilai aset industri asuransi meningkat rata-rata sebesar 18,8% setiap tahun sejak tahun 2009 sampai dengan 2014, sementara pada posisi Desember 2014, total aset perusahaan asuransi mencapai Rp755,4 triliun. Pada sektor dana pensiun, total aset bersih dana pensiun pada posisi Desember 2014 mencapai Rp186,3 triliun dengan pertumbuhan rata-rata aset dana pensiun sebesar 9,7% per tahun.

Hingga akhir tahun 2014, industri asuransi dan dana pensiun Indonesia masih menghadapi tantangan-tantangan ke depan diantaranya: rendahnya penetrasi asuransi dan penetrasi

Fund placement of banking industry in Bank Indonesia until November 2014 is Rp588.09 billion, increasing to Rp113.4 billion, or increasing by 23,88% in year to date.

Meanwhile, Deposit Insurance Agency charges premium insurance from total loan of third party that is 0,2% every year with total insurance that is not more than 50% of total public deposits in the Bank. In 2014, *Net Interest Margin* (NIM) of the industry which are 4,2% of ROA and 2,9% of BOPO are on the level of 76,3% so that it strengthens the Bank's condition from resilience side. Capital ratio of banking industry in December 2014 (CAR) is on level of 19,6%.

Financial Service Authority (FSA) lists that until December 2014, total assets, loans and third party fund of national Bank are 13,3% (yoy), 11,6% (yoy) and 12,3% (yoy), which result Rp5.615 billion, Rp3.674 billion and Rp4.114 billion in total. Meanwhile, from loan performance side, *Loan to Deposit Ratio* (LDR), the Bank is in reasonable level which is 89,3%. However, *National Priorities List* (NPL) shows the increase although it is still in manageable range. NPL *gross* ratio is on 2,17% or slightly increasing compared to the same period of previous year.

In the middle of government commitment to support the development of insurance industry and pension fund to be better, the Company can create Non-Bank Financial Industry that contributes in the development of national economic.

Based on FSA statistics, it is listed that asset of insurance industry increases average of 18,8% every year since 2009 to 2014, while in December 2014, total asset of Company's insurance is Rp755.4 billion. In pension fund sector, total net asset of pension fund in December 2014 is Rp186.3 billion with the growth of pension fund assets average is 9,7% per year.

Until the end of 2014, insurance industry and Indonesian pension fund still face challenges, including: low of insurance penetration and pension fund penetration, limited professional

dana pensiun; jumlah tenaga ahli yang masih terbatas; desain produk asuransi dan dana pensiun yang mungkin belum dapat menjawab kebutuhan masyarakat; hingga tantangan mengenai defisit neraca pembayaran asuransi.

TINJAUAN OPERASI PER LINI USAHA

Sebagai *holding company* dari seluruh Anak Perusahaan Sinar Mas Group yang bergerak di bidang jasa keuangan, Perseroan melanjutkan strateginya untuk mempertahankan pertumbuhan dan profitabilitas. Inovasi dan pelayanan yang memuaskan akan menjadi prioritas Perseroan dalam setiap aspek bisnis, dengan cara mensinergikan setiap entitas anak demi mencapai visi, misi, dan target perusahaan.

Senada akan tren persaingan industri jasa keuangan yang semakin agresif dan inovatif, tahun 2014 dapat dikatakan sebagai tahun yang menantang bagi Perseroan. Meskipun demikian, Perseroan mampu menutup tahun 2014 dengan pencapaian-pencapaian yang positif yang dapat disajikan dalam penjabaran sebagai berikut mengacu pada Laporan Keuangan Konsolidasian Perseroan dan Anak Perusahaan:

Underwriting Asuransi

Per 31 Desember 2014, lini usaha *underwriting* asuransi berhasil mencatatkan pendapatan sebesar Rp11.379.135 juta, menurun 14,35% dari tahun 2013 sebesar Rp13.284.939 juta. Sedangkan laba bersih yang dicapai di tahun 2014 mengalami peningkatan signifikan sebesar 1130,01%, dari tahun 2013 yang sebesar Rp70.384 juta menjadi sebesar Rp724.962 juta per 31 Desember 2014.

(dalam juta Rupiah)

Uraian / Description	2014	2013	Persentase / Percentage
Pendapatan / Revenue	11.379.135	13.284.939	(14,35)
Beban Usaha / Expense	10.661.462	13.313.542	(19,92)
Laba Bersih / Net profit	724.962	(70.384)	1.130,01

Pembiayaan Konsumen, Investasi Sewa Neto dan Anjak Piutang

Per 31 Desember 2014, lini usaha pembiayaan konsumen, Investasi sewa neto dan anjak piutang berhasil mencatatkan pendapatan sebesar Rp764.171 juta, menurun 3,45% dari tahun 2013 yang sebesar Rp791.453 juta. Laba bersih yang dicapai di tahun ini pun turut mengalami penurunan sebesar 37,57%, dari tahun 2013 yang sebesar Rp86.232 juta menjadi sebesar Rp53.835 juta per 31 Desember 2014.

staff, insurance product design and pension fund that may not fulfill public's need; to the challenge regarding balance deficit of insurance payment.

OPERATION OVERVIEW PER BUSINESS LINES

As a handling company of all subsidiaries of Sinar Mas Group running in financial service field, the Company continues to conduct the strategies to maintain the growth and profitability of the Company. Satisfaction innovation and service will be the main priority of the Company in every business aspect, by synergizing every subsidiary in order to achieve vision, mission and target of the Company.

Along with industry composition of financial service that is more aggressive and innovative, it can be considered that 2014 is a challenging year for the Company. However, the Company can face the challenge through positive achievements that can be presented in the descriptions referring to Consolidated Financial Statement of the Company and Subsidiaries.

Underwriting Insurance

As of December 31, 2014, business line of underwriting insurance income is Rp11,379,135 million, decreasing by 14,35% from 2013 that was Rp13,284,939 million. While net income obtained in 2014 increases significantly by 1130,01% from 2013 that was Rp70,384 million to be Rp724,962 million as of December 31, 2014.

(in million Rupiah)

Financing of Consumers, Investment in Finance Lease and Factoring

As of December 31, 2014, business line in financing of consumer, investmen in finance lease and factoring obtain Rp764,171 million, decreasing 3,45% from 2013 that was Rp791.453 million. Net income obtained in this year also decreases by 37,57% from 2013 that was Rp86,232 million to be Rp53.835 million as of December 31, 2014.

(dalam juta Rupiah)

(in million Rupiah)

Uraian / Description	2014	2013	Persentase / percentage
Pendapatan / Revenue	764.171	791.453	(3,45)
Beban Usaha / Expense	687.904	678.738	1,35
Laba Bersih / Net profit	53.835	86.232	(37,57)

Jasa Biro Administrasi Efek

Per 31 Desember 2014, lini usaha jasa biro administrasi efek berhasil mencatatkan pendapatan sebesar Rp5.499 juta, meningkat 17,00% dari tahun 2013 yang sebesar Rp4.700 juta. Sedangkan laba bersih yang dicapai di tahun 2014 mengalami penurunan sebesar 12,36%, dari tahun 2013 yang sebesar Rp1.246 juta menjadi sebesar Rp1.092 juta per 31 Desember 2014.

Share Registrar Bureau

As of December 31, 2014, business line of share registrar bureau obtained Rp5,499 million, increasing by 17,00% from 2013 that was Rp4,700 million. While net income obtained in 2014 decreases by 12,36% from 2013 that was Rp2,246 million to be Rp1,092 million in total as of December 2014.

(dalam juta Rupiah)

(in million Rupiah)

Uraian / Description	2014	2013	Persentase / Percentage
Pendapatan / Revenue	5.499	4.700	17
Beban Usaha / Expense	4.409	3.436	28,32
Laba Bersih / Net profit	1.092	1.246	(12,36)

Jasa Penjaminan Emisi & Perantara Pedagang Efek serta Jasa Manajer Investasi

Per 31 Desember 2014, lini usaha jasa penjaminan emisi & perantara pedagang efek serta jasa manajer investasi berhasil mencatatkan pendapatan sebesar Rp272.020 juta, meningkat 56,11% dari tahun 2013 yang sebesar Rp174.243 juta. Laba bersih yang dicapai di tahun ini pun turut mengalami peningkatan sebesar 164,30%, dari tahun 2013 yang sebesar Rp24.631 juta menjadi sebesar Rp65.100 juta per 31 Desember 2014.

Underwriting and Securities Broker and Investment Manager Income

As of December 31, 2014, business line of underwriting and securities broker and investment manager income obtained Rp272,020 million, increasing by 56,11% from 2013 that was Rp174,243 million. Net income obtained in this year also increases by 164,30% from 2013 that was Rp24,631 million to be Rp65,100 million as of December 31, 2014.

(dalam juta Rupiah)

(in million Rupiah)

Uraian / Description	2014	2013	Persentase / Percentage
Pendapatan / Revenue	272.020	174.243	56,11
Beban Usaha / Expense	175.834	133.458	31,75
Laba Bersih / Net profit	65.100	24.631	164,30

Perbankan

Per 31 Desember 2014, lini usaha perbankan berhasil mencatatkan pendapatan sebesar Rp2.030.212 juta, meningkat 25,03% dari tahun 2013 yang sebesar Rp1.623.824 juta.

Banking

As of December 31, 2014, business line of banking obtained Rp2,030,212 million, increasing by 25,03% from 2013 that was Rp1,623,824 million.

Sedangkan laba bersih yang dicapai di tahun 2014 mengalami penurunan sebesar 24,83%, dari tahun 2013 yang sebesar Rp206.099 juta menjadi sebesar Rp154.930 juta per 31 Desember 2014.

While net income obtained in 2014 decreases by 24,83% from 2013 that was Rp206,099 million to be Rp154,930 million as of December 31, 2014.

(dalam juta Rupiah)

(in million Rupiah)

Uraian / Description	2014	2013	Persentase / Percentage
Pendapatan / Revenue	2.030.212	1.623.824	25,03
Beban Usaha / Expense	1.829.319	1.352.724	35,23
Laba Bersih / Net profit	154.930	206.099	(24,83)

Pembangunan, Perdagangan, dan Jasa

Per 31 Desember 2014, lini usaha pembangunan, perdagangan, dan jasa berhasil mencatatkan pendapatan sebesar Rp376.520 juta, meningkat 46,14% dari tahun 2013 yang sebesar Rp257.647 juta. Laba bersih yang dicapai di tahun 2014 pun turut mengalami peningkatan sebesar 303,15%, dari tahun 2013 yang sebesar Rp19.501 juta menjadi sebesar Rp78.619 juta per 31 Desember 2014.

Development, Trading, and Service

As of December 31, 2014, business line of development, trading, and service obtained Rp376,520 million, increasing by 46,14% from 2013 that was Rp257,647 million. Net income obtained in 2014 decreases by 303,15% from 2013 that was Rp19,501 million to be Rp78,619 million as of December 31, 2014.

(dalam juta Rupiah)

(in million Rupiah)

Uraian / Description	2014	2013	Persentase / Percentage
Pendapatan / Revenue	376.520	257.647	46,14
Beban Usaha / Expense	296.794	235.460	26,05
Laba Bersih / Net profit	78.619	19.501	303,15

Induk Perusahaan

Per 31 Desember 2014, Perseroan berhasil menghimpun pendapatan sebesar Rp688.733 juta, menurun 52,19% dari tahun 2013 yang sebesar Rp1.439.446 juta. Laba bersih yang dicapai di tahun 2014 pun turut mengalami penurunan sebesar 49,39%, dari tahun 2013 yang sebesar Rp1.193.958 juta menjadi sebesar Rp604.275 juta per 31 Desember 2014.

Parent Company

As of December 31, 2014, the Company obtained Rp1,057,873 million, decreasing by 27,51% from 2013 that was Rp1,459,286 million. Net income obtained in 2014 also decreases by 16,65% from 2013 that was Rp213,951 million to be Rp1,011,812 million as of December 31, 2014.

(dalam juta Rupiah)

(in million Rupiah)

Uraian / Description	2014	2013	Persentase / Percentage
Pendapatan / Revenue	688.733	1.439.446	(52,19)
Beban Usaha / Expense	72.899	21.815	234,17
Laba Bersih / Net profit	604.275	1.193.958	(49,39)

Berikut ini adalah uraian kontribusi *net income* dari entitas anak: (dalam juta Rupiah)

Here is a description of net income contribution of Subsidiaries: (in million Rupiah)

Anak Perusahaan/ Subsidiaries	SMMA S/H	Laba Bersih Setelah Eliminasi 2014/ Net Income After Elimination 2014	Laba Bersih Setelah Eliminasi 2013/ Net Income After Elimination 2013
PT Asuransi Jiwa Sinarmas MSIG	50,00 %	137.660	(173.405)
PT Asuransi Sinar Mas	100 %	449.640	276.426
PT Sinarmas Sekuritas	100 %	65.099	24.631
PT Bank Sinarmas Tbk	53,41 %	87.260	117.486
PT Sinar Mas Multifinance	100 %	36.257	60.151
Lain-lain/ Others	100 %	232.466	908.085
Total		1.008.382	1.213.374

TINJAUAN KEUANGAN

Tinjauan keuangan Perseroan secara keseluruhan mampu memberikan keuntungan yang memuaskan para pemegang saham. Hal ini tercermin dari peningkatan laba komprehensif yang mencapai 103,20% atau sebesar Rp1.454.602 juta dari laba komprehensif tahun 2013 sebesar Rp715.848 juta.

Aset

Pada tahun 2014, total aset Perseroan tercatat sebesar Rp53.820.063 juta, naik 12,64% dari Rp47.780.692 juta pada tahun 2013. Kenaikan ini disebabkan karena terjadinya peningkatan kredit dan piutang lain-lain.

Jumlah investasi jangka pendek pada tahun 2014 adalah sebesar Rp25.194.523 juta atau naik 2,66% dari jumlah investasi jangka pendek pada tahun 2013 sebesar Rp24.541.976 juta. Hal ini terjadi disebabkan oleh kenaikan deposito berjangka sebesar Rp1.816.549 juta dan penurunan aset pemegang polis unit link sebesar Rp691.314 juta.

Jumlah piutang pembiayaan konsumen tahun 2014 adalah sebesar Rp597.058 juta atau turun 33,36% dari jumlah piutang pembiayaan konsumen tahun 2013 sebesar Rp895.987 juta. Hal ini terjadi disebabkan karena pelunasan oleh nasabah di mana jenis pembiayaan ini merupakan bisnis utama dari entitas anak.

Jumlah kredit Perseroan tahun 2014 adalah sebesar Rp14.223.357 atau naik 30,37% dari jumlah kredit tahun 2013 sebesar Rp10.909.738 juta. Hal ini terjadi disebabkan

FINANCIAL OVERVIEW

Financial overview of the Company gives satisfaction profit to the shareholders. It is reflected by the increase of comprehensive profit amounted to 103,20% or Rp1,454,602 million of comprehensive profit 2013 that was Rp715,848 million.

Assets

In 2014, total assets of the Company is Rp53,820,063 million, increasing by 12.64% of Rp47,780,692 million in 2013. The increase is caused by the increase of third party receivables that has been paid.

Total short-term investment in 2014 is Rp25,194,523 million or increasing by 2,66% of total short-term investment in 2013 that was Rp24,541,976 million. It is caused by the increase of time deposits that is Rp1,816,549 million and the decrease of segregated funds net assets that is Rp691,314 million.

Total receivables of consumers financing in 2014 is Rp597,058 million or decreasing by 33,36% from the total receivables of consumers in 2013 that was Rp895,987 million. It is due to the settlement of loans by customers where this financing is main business of subsidiaries.

Total Company's loans in 2014 is Rp14,223,357 or increasing by 30,37% of total loans in 2013 that was Rp10,909,738 million. It is caused by the increase of installment loan amounting

oleh peningkatan pinjaman cicilan sebesar Rp767.800 dan peningkatan pembiayaan mudharabah sebesar Rp589.631 serta peningkatan pinjaman tetap sebesar Rp1.405.002.

Jumlah aset reasuransi Perseroan tahun 2014 adalah sebesar Rp1.178.833 juta atau turun 18,58% dari aset reasuransi tahun 2013 sebesar Rp1.447.770 juta. Hal ini terjadi karena adanya penurunan premi diterima dimuka.

Jumlah Piutang Lain-lain tahun 2014 adalah sebesar Rp2.105.313 juta atau naik 237,52% dari jumlah Piutang Lain-lain tahun 2013 sebesar Rp623751 juta. Hal ini disebabkan karena peningkatan pinjaman polis sebesar Rp1.480.095 juta.

Berikut adalah data mengenai total aset Perseroan tahun 2014 dibandingkan dengan realisasi di tahun 2013 yang disajikan dalam bentuk tabel.

to Rp767,800 and the increase of mudharabah financing amounting to Rp589,631 as well as the increase in fixed loans amounting to Rp1,405,002

Total reinsurance asset of the Company in 2014 is Rp1,178,833 million or decreasing by 18,58 of reinsurance asset in 2013 that was Rp1,447,770 million. It is caused by the decrease of premium received in advance.

Total Other Receivables in 2014 amounting to Rp2,105,313 million, increased by 237.52% from that of the 2013 recorded at Rp623751 million. This is mainly contributed by the increase in policy loans amounting to Rp1,480,095 million.

Here is the data about total asset of the Company in 2014 compared to the realization in 2013 presented in the form of table.

(dalam juta Rupiah)

(in million Rupiah)

Uraian	2014	2013	Persentase Percentage	Description
Kas dan bank	2.637.727	2.599.638	1,47%	Cash and banks
Investasi jangka pendek – bersih	25.194.523	24.541.976	2,66%	Short-tem investment - net
Efek yang Dibeli dengan Janji Jual Kembali	-	139.211	0	Securities Purchased under agreement to resell
Piutang pembiayaan konsumen – bersih	597.058	895.987	-33,36%	Consumer financing receivables - net
Investasi sewa neto - bersih	95.863	120.458	-20,42%	Net Investment in finance lease- net
Tagihan anjak piutang – bersih	1.398.689	1.144.066	22,26%	Factoring receivable- net
Piutang premi dan reasuransi	964.627	576.332	67,37%	Premium and reinsurance receivable
Kredit – bersih	14.223.357	10.909.738	30,37%	Loans - net
Tagihan Akseptasi	67.836	238.324	-71,54%	Acceptance receivable
Aset ijarah – bersih	84.180	104.556	-19,49%	Ijarah asset - net
Piutang perusahaan efek	263.426	378.544	-30,41%	Receivables to brokers
Piutang Lain-lain	2.105.313	623.751	237,52%	Other receivables
Aset reasuransi	1.178.833	1.447.770	-18,58%	Reinsurance assets
Investasi dalam saham	813.790	530.348	53,44%	Investment in shares
Properti investasi - bersih	198.823	195.630	1,63%	Investment in property - net
Aset tetap - bersih	2.802.446	2.416.293	15,98%	Fixed assets - net

Uraian	2014	2013	Persentase Persentase	Description
Agunan yang Diambil Alih	142.814	112.766	26,65%	Foreclosed collateral
Aset Pajak Tangguhan	40.534	28.232	43,57%	Deferred tax assets
Aset lainnya	1.010.224	777.072	30,00%	Other assets
Total Aset	53.820.063	47.780.692	12,64%	Total Assets

LIABILITAS

Total liabilitas sepanjang tahun 2014 adalah sebesar Rp34.998.947 juta, meningkat sebesar 14,17% dibandingkan dengan total liabilitas tahun 2013 sebesar Rp30.654.540 juta. Peningkatan total liabilitas tersebut terutama dipengaruhi oleh meningkatnya simpanan dan simpanan dari bank lain.

Jumlah simpanan dan simpanan dari bank lain tahun 2014 adalah sebesar Rp17.165.314 juta atau naik 26,15% dari jumlah simpanan dan simpanan dari bank lain tahun 2013 sebesar Rp13.607.470 juta. Hal ini terutama disebabkan karena adanya penurunan saldo giro sebesar Rp431.511 juta serta peningkatan saldo tabungan sebesar Rp11.195 juta dan kenaikan deposito berjangka sebesar Rp3.468.644 juta.

Liabilitas Manfaat Polis Masa Depan merupakan jumlah dana yang harus disediakan oleh penanggung untuk membayar manfaat dari klaim yang jatuh tempo di masa yang akan datang kepada pihak sebagaimana dinyatakan dalam polis, yang ditetapkan berdasarkan perhitungan aktuaris.

Surat berharga Perseroan terdiri dari Surat Utang Jangka Menengah dan Obligasi. Nilai surat berharga yang diterbitkan Perseroan adalah sebesar Rp1.293.454 juta naik dari jumlah surat berharga yang diterbitkan tahun 2013 sebesar Rp1.290.904 juta. Peningkatan ini disebabkan oleh penerbitan obligasi yang digunakan untuk kegiatan operasional entitas anak serta pelunasan sebagian pokok surat utang jangka menengah dan pelunasan sebagian pokok pinjaman bank.

Pinjaman yang diterima merupakan pinjaman entitas anak Perseroan yang digunakan untuk modal kerja. Pinjaman ini dijamin dengan piutang pembiayaan, investasi sewa neto dan tagihan anjak piutang. Pinjaman yang diterima tahun 2014

LIABILITIES

Total liabilities in 2014 is amounted to Rp34,998,947 million; an increase of 14.17% compared to total liabilities in 2013 which was amounted to Rp30,654,540 million. The increase in total liabilities was mainly due to the increase of deposits and deposits of other banks.

Total deposits and deposits of other banks in 2014 is amounted to Rp17,165,314 million; an increase of 26.15% compared to total deposits and deposits of other banks in 2013 which was amounted to Rp13,604,470 million. This was mainly due to the decrease in demand deposit balance of Rp431,511 million and the increase in savings balance of Rp11,195 million and the increase in time deposit of Rp3,468,644 million, this is related to the bank's policy to lower high-cost funds and increase low-cost funds.

Future Policy Benefit Liabilities is the amount of funds that is mandatory to be provided by the insurer to pay benefits of claims due in the future as stated in the policy, as determined by actuarial calculation.

The Company's securities consist of Medium Term Notes and Bonds. The value of securities issued by the Company is amounted to Rp1,293,454 million; an increase from the total value of securities issued in 2013 which was amounted to Rp1,290,904 million. This was due to the issuance of bonds used for operational activities of the Company's subsidiaries and repayment of some portion of principal of midterm debenture, and repayment of some portion of principal of bank's loan.

Loans received comes from loans through the Company's subsidiaries that is used for working capital. The loan is secured by financing receivables, net investment in finance lease and factoring receivable. Loans received in 2014 by the Company

Perseroan melalui entitas anak adalah sebesar Rp573.837 juta turun 19,73% dari Pinjaman yang diterima tahun 2013, sebesar Rp714.895 juta.

through subsidiaries is amounted to Rp573,837 million; an increase of 19.73% compared to loans received in 2013 which was amounted to Rp714,895 million.

Berikut adalah data mengenai total liabilitas Perseroan pada tahun 2014 dibandingkan dengan liabilitas tahun 2013 yang disajikan dalam bentuk tabel.

Below is the data of the Company's total liabilities in 2014 compared with liabilities in 2013 that is presented in table:

(dalam juta Rupiah)

(in million Rupiah)

Uraian	2014	2013	Persentase / Percentage	Description
Simpanan dan simpanan dari bank lain	17.165.314	13.607.470	26,15%	Deposits and deposits with other banks
Utang asuransi	665.258	421.571	57,80%	Insurance payable
Liabilitas manfaat polis masa depan	8.592.486	7.923.725	8,44%	Future policy benefit liabilities
Dana pemegang polis Unit Link	1.525.012	1.912.482	(20,26%)	Unit Link policy holder fund
Premi diterima dimuka	1.268.032	1.343.529	(5,62%)	Unearned premium
Premi belum merupakan pendapatan dan estimasi liabilitas klaim	2.172.496	1.912.788	13,58%	Unearned premium and claim liability estimate
Liabilitas akseptasi	67.836	238.324	(71,54%)	Acceptance liability
Utang pajak	65.329	282.991	(76,91%)	Tax payable
Surat Berharga yang Diterbitkan	1.293.454	1.290.904	0,20%	Issued Securities
Pinjaman yang diterima	573.837	714.895	(19,73%)	Received loan
Liabilitas lainnya	1.008.512	568.192	77,49%	Other liabilities
Total Liabilitas	34.998.947	30.654.540	14,17%	Total liabilities

Ekuitas

Ekuitas Perseroan tahun 2014 adalah sebesar Rp18.821.116 juta atau naik 9,90% dibandingkan ekuitas tahun 2013 sebesar Rp17.126.152 juta. Peningkatan ini disebabkan oleh laba bersih Perseroan tahun 2014.

Equity

The Company's equity in 2014 is amounted to Rp18,821,116 million or increased by 9.90% compared with the equity in 2013 which was amounted to Rp17,126,152 million. The increase was due to the net income of the company in 2014.

Berikut adalah tabel ekuitas Perseroan pada tahun 2014 dibandingkan ekuitas tahun 2013.

Below is the table presenting the Company's equity in 2014 compared with the equity in 2013.

(dalam juta Rupiah)

(in million Rupiah)

Uraian	2014	2013	Persentase / Percentage	Description
Ekuitas yang dapat diatribusikan kepada Pemilik Entitas Induk				Equity Attributable to Parent Entity Owner
Modal Saham	1.321.905	1.321.905	0,00%	Share Capital
Tambahan Modal Disetor	903.989	903.989	0,00%	Additional Paid-Up Capital

Uraian	2014	2013	Persentase / Percentage	Description
Selisih Transaksi Perubahan Ekuitas Entitas Anak dan Entitas Asosiasi	2.811.110	2.602.067	8,03%	Difference of Equity Change Transaction of Subsidiary Entities and Associates
Saldo Laba				Profit Balance
Telah ditentukan penggunaannya	791.607	791.607	(100,00%)	Determined use
Belum ditentukan penggunaannya	6.955.625	5.953.481	(100,00%)	Undetermined use
Jumlah	12.784.236	11.573.049	10,47%	Total
Kepentingan Nonpengendali	6.036.880	5.553.103	8,71%	Non-controlling interest
Total Ekuitas	18.821.116	17.126.152	9,90%	Total Equity

LAPORAN LABA RUGI

Jumlah pendapatan Perseroan tahun 2014 adalah sebesar Rp14.815.874 juta atau turun 13,10% dari pendapatan tahun 2013 sebesar Rp17.050.212 juta. Penurunan ini disebabkan oleh berkurangnya pendapatan *underwriting* asuransi terutama pendapatan premi bruto dari PT Asuransi Jiwa Sinar MSIG sebagai akibat dari perubahan strategi dalam produk yang ditawarkan kepada nasabah.

Beban Perseroan pada tahun 2014 sebesar Rp13.501.791 juta yang turun 13,19% dari beban tahun 2013 sebesar Rp15.552.406 juta. Penurunan ini disebabkan oleh penurunan beban *underwriting* asuransi yang sejalan dengan penurunan pendapatan *underwriting* asuransi.

Sepanjang tahun 2014, Laba bersih Perseroan tercatat sebesar Rp1.209.689 juta, mengalami peningkatan 7,80% dari laba bersih tahun 2013 sebesar Rp1.122.202 juta. Peningkatan tersebut berkontribusi atas kenaikan laba komprehensif Perseroan menjadi Rp1.454.602 juta dari laba komprehensif tahun 2013 sebesar Rp715.848 juta yang disebabkan oleh kenaikan wajar investasi jangka pendek yang diklasifikasikan sebagai tersedia untuk dijual.

INCOME STATEMENT

Total income of the Company in 2014 is amounted to Rp14,815,874 million or decreased by 13.10% from the income in 2013 which was amounted to Rp17,050,212 million. The decrease was due to the decrease in insurance underwriting revenue especially from gross premium of PT Asuransi Jiwa Sinar MSIG as a result of changes in strategies for the products that are offered to the public.

The Company's expenses in 2014 reached Rp13,501,791 million, down by 13.19% from the expenses in 2013 amounting to Rp15,552,406 million. The decrease was caused by a decline in insurance underwriting that is in line with the decline in income from insurance underwriting.

During 2014, the Company's Net profit was recorded at Rp1,209,689 million, an increase of 7.80% from net profit in 2013 which was recorded at Rp1,122,202 million. This event contributed to the increase of the Company's comprehensive profit to Rp1,454,602 million compared to the comprehensive profit in 2013 which was amounted to Rp715,848 million due to the fair increase in short-term investment classified as ready for sale.

Berikut tabel Laporan Laba Rugi
(dalam juta Rupiah)

Below is the table of Income Statement
(in million Rupiah)

Uraian	2014	2013	Persentase / Percentage	Description
Pendapatan	14.815.874	17.050.212	-13,10%	Revenue
Beban	13.501.791	15.552.406	-13,19%	Expense
Laba Sebelum Pajak	1.314.083	1.497.806	-12,27%	Profit before Tax
Beban Pajak	104.394	375.604	-72,21%	Tax expense
Laba Bersih	1.209.689	1.122.202	7,80%	Net profit
Jumlah Pendapatan (Beban) Komprehensif lain	244.913	(406.354)	-160,27%	Total Other Comprehensive Income (Expenses)
Laba Komprehensif	1.454.602	715.848	103,20%	Comprehensive Income

Arus Kas

Kas dan setara kas akhir tahun 2014 Perseroan tercatat sebesar Rp7.801.242 juta mengalami peningkatan 31,48% dari jumlah kas dan setara kas tahun 2013 sebesar Rp5.933.544 juta. peningkatan ini disebabkan oleh besarnya penggunaan kas yang digunakan untuk kegiatan usaha dan investasi.

Cash Flow

The Company's cash and cash equivalents at the end of 2014 was recorded at Rp7,801,242 million; an increase of 31.48% compared to the amount of cash and cash equivalents in 2013 which was amounted to Rp5,933,544 million. The increase was due to the amount of cash used for business activity and investment.

Arus Kas dari Aktivitas Operasi

Sepanjang tahun 2014, peningkatan kas yang digunakan untuk aktivitas operasi adalah sebesar Rp2.752.275 juta, naik 224,64% dari arus kas dari aktivitas operasi tahun 2013 sebesar (Rp2.208.244) juta.

Cash Flow from Operating Activities

During 2014, an increase of cash used for operating activities was amounted to Rp2,752,275 million, a decrease of 224.64% compared to the Cash flow from operating activities in 2013 which was amounted to Rp2,208,244 million.

Arus Kas Dari Aktivitas Investasi

Arus kas dari aktivitas investasi Perseroan tercatat sebesar (Rp777.863) juta, turun 355,65% dari Arus kas dari aktivitas investasi tahun 2013 sebesar Rp304.274 juta.

Cash Flow from Investment Activities

Cash flow from the Company's investment activities was recorded at Rp777,863 million, a decrease of 355.65% compared to the Cash flow from investment activities in 2013 which was amounted to Rp304.274 million.

Arus Kas dari Aktivitas Pendanaan

Arus kas dari aktivitas pendanaan Perseroan tercatat sebesar (Rp123.008) juta, naik 143,54% dari Arus kas dari aktivitas investasi tahun 2013 sebesar (Rp50.508) juta.

Cash Flow from Funding Activities

Cash flow from the Company's funding activities was recorded at Rp123,008 million, a decrease of 143.54% compared to the Cash flow from funding activities in 2013 which was amounted to Rp50,508 million.

Berikut ini adalah tabel perbandingan arus kas antara tahun 2014 dengan 2013 (dalam juta Rupiah)

Below is the table of comparison between cash flow in 2013 and cash flow in 2014 (in million Rupiah)

Uraian	2014	2013	Persentase/ Percentage	Description
Kas Bersih dari Aktivitas Operasi	2.752.275	(2.208.244)	(224,64)%	Cash Flow from Operating Activities
Kas Bersih dari Aktivitas Investasi	(777.863)	304.274	(355,65)%	Cash Flow from Investment Activities
Kas Bersih dari Aktivitas Pendanaan	(123.008)	(50.508)	143,54%	Cash Flow from Funding Activities
Kas dan Setara Kas Akhir Tahun	7.801.242	5.933.544	31,48%	Cash and Cash Equivalents at the End of the Year

KOMITMEN DAN KONTIJENSI

Pada tahun 2014 Perseroan, melalui Bank Sinarmas sebagai entitas anak memiliki komitmen pembelian dan penjualan tunai mata uang (*spot* dan *forward*) masing-masing sebesar Rp92.888 juta dan Rp93.801 juta. Transaksi *spot* dan *forward* di atas akan selesai masing-masing dalam 1 hari sampai 3 hari, 3 hari sampai 103 hari dan 5 hari sampai 71 hari.

Sementara komitmen dan kontijensi tagihan dan liabilitas dalam rangka ekspor-impor, pemberian garansi dan pemberian kredit kepada nasabah adalah masing-masing sebesar Rp503.937 juta dan Rp972.974 juta. Saldo transaksi komitmen dan kontinjensi (terdiri dari L/C dan bank garansi) dengan pihak berelasi adalah sebesar Rp196.655, jangka waktu L/C berkisar antara 1 – 5 bulan, sedangkan untuk bank garansi masing-masing berkisar antara 14 hari – 38 bulan.

Sedangkan rasio solvabilitas Asuransi Jiwa Sinarmas (AJSM) dan Asuransi Sinarmas (ASM) berada pada tingkat rasio masing-masing sebesar 747,94% dan 338,25% .

STRUKTUR PERMODALAN

Perseroan senantiasa menjaga rasio modal agar tetap sehat dalam rangka mendukung usaha bisnis dan memaksimalkan nilai pemegang saham. Perseroan tidak diwajibkan untuk memenuhi syarat-syarat modal tertentu.

COMMITMENT AND CONTINGENCY

In 2014 the Company, through Bank Sinarmas as its subsidiary is having a commitment of purchase and trade of currency cash (*spot* and *forward*) amounting to Rp92,888 million and Rp93,801million respectively. The said spot and forward transactions will be completed each on 1 to 3 days, 3 to 103 days and 5 to 71 days.

Meanwhile, for the commitment and contingency of receivables and liabilities in terms of export-import, the granting of guarantees and the granting of loans to the customers are amounted to Rp503,937 million and 972,974 million respectively. The balance of commitment and contingency transactions (consisting of L/C and bank guarantee) with related parties is amounted to Rp196,655, with the period of L/C ranges between 1 – 5 months, while the period of bank guarantee each ranging between 14 days – 38 months.

Solvency ratio of Asuransi Jiwa Sinarmas (AJSM) and Asuransi Sinarmas (ASM) are in the ratio of 747.94% and 338.25% respectively.

CAPITAL STRUCTURE

The Company continues to maintain a healthy capital ratio in order to support business and to maximize shareholder value. The Company is not required to fulfill certain capital requirements.

Perseroan mengelola struktur modal dan membuat penyesuaian terhadap struktur modal sehubungan dengan perubahan kondisi ekonomi. Perseroan memantau modalnya dengan menggunakan analisa *gearing ratio* (rasio utang terhadap modal), yakni membagi utang bersih terhadap jumlah modal.

The Company manages its capital structure and makes adjustments to the capital structure regarding to the change in economic conditions. The Company monitors its capital by using gearing ratio analysis (ratio of debt to capital), i.e. dividing net debts by the total capital.

Modal Perseroan terdiri dari:
(dalam juta Rupiah)

The Company's capital consists of:
(in million Rupiah)

Rasio Gearing	2014	2013	Gearing Ratio
Simpanan dan simpanan dari bank lain	17.165.314	13.607.470	Deposits and Deposits from Other Banks
Pinjaman yang diterima	5.738.837	714.895	Loan Received
Surat berharga yang diterbitkan	1.293.454	1.290.904	Debt Securities Issued
Kas dan bank	2.637.727	2.599.638	Cash and cash equivalents
Jumlah	16.394.878	13.013.631	Total
Ekuitas	12.784.236	11.573.049	Equity
Rasio Utang bersih terhadap modal	128%	112,45%	Debt to Equity Ratio

Modal Saham

Share Capital

Berdasarkan Seri Saham

Based on Share Series

Jenis Saham / Shares	2014 & 2013			
	%	Jumlah Saham / Number of Shares	Nominal Saham / Nominal Value (Rp)	Modal Disetor (juta Rupiah) / Paid up Capital (million Rupiah)
Seri A	2,28	142.474.368	5.000	712.372
Seri B	97,72	6.095.334.349	100	609.533
Jumlah	100	6.237.808.717		1.321.905

Berdasarkan Kepemilikan

Based on ownership

Jenis Pemegang Saham / Shareholders	2014		2013	
	%	Jumlah Saham / Total Shares	%	Jumlah Saham / Total Shares
Bank of Singapore Limited	49,21	3.069.419.078		
Credit Suisse AG Singapore Trust A/C Client	5,64	352.029.516	5,62	350.234.116
BNYM SA/NV Cust of Bank of Singapore			52,41	3.269.419.078
Masyarakat (masing-masing di bawah 5%) / Public (each under 5%)	45,15	2.816.360.123	41,97	2.618.155.523
Jumlah / Total	100	6.237.808.717	100	6.237.808.717

Pada tahun 2014, Perseroan telah menambah modal disetor yang terdiri dari agio saham dan biaya emisi efek ekuitas dengan rincian sebagai berikut;

In 2014, the Company has increased the paid up capital consisting of share premium and stock issuance cost with details as follows;

Agio saham	Rp	813.642 juta/ million	Share Premium
Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali	Rp	93.484 juta/ million	Difference in value of restructuring transactions of entities under common control
Biaya Emisi Efek Ekuitas	Rp	3.137 juta/ million	Stock Issuance Cost
Jumlah	Rp	903.989 juta/ million	Total

FAKTA MATERIAL SETELAH PERIODE PELAPORAN AKUNTAN

Setelah Laporan Akuntan, Perseroan tidak mencatat fakta material yang berpengaruh signifikan atas kinerja Perseroan.

MATERIAL FACTS AFTER THE ACCOUNTANT'S REPORTING PERIOD

After the Accountant's Report, the Company did not record any material facts with significant impact to the Company's performance.

KEBIJAKAN DIVIDEN

Berdasarkan Rapat Umum Pemegang Saham Tahunan (RUPS Tahunan) yang diadakan pada tanggal 13 Juni 2014, para pemegang saham menyetujui pembagian dividen tunai untuk tahun 2013 sebesar Rp6.238 juta atau Rp1 per saham seri A dan Seri B.

DIVIDEND POLICY

Based on the Annual General Meeting of Shareholders (AGMS) held on June 13, 2014, the shareholders approved cash dividend distribution in 2013 of Rp6,238 million or Rp1 per share series A and B.

No.	Tahun Buku/ Financial Year	Dividen Tunai (Rp) (per saham)/ Cash Dividen (Rp) (per share)	Jumlah Dividen/ Total Dividen (Rp000.000,-)	Jumlah Laba Bersih/ Total Net Income (Rp000.000,-)	Perbandingan Antara Jumlah Dividen Dengan Laba Bersih Perseroan/ Dividend Pay out Ratio
1	1995	56	28.560	142.242	20,08 %
2	1996	39	51.714	197.979	26,12 %
3	1999	5	7.123	401.276	1,78 %
4	2009	1	6.182	700.098	0,88 %
5	2010	1	6.224	1.277.814	0,49 %
6	2011	1	6.236	1.974.592	0,32 %
7	2012	1	6.237	1.567.801	0,40 %
8	2013	1	6.238	1.122.202	0,56 %

REALISASI DANA HASIL PENAWARAN UMUM

Pada 2014, Perseroan sudah tidak memiliki kewajiban untuk melaporkan realisasi dana hasil penawaran umum. Seluruh dana hasil penawaran umum telah dilaporkan dan dipergunakan sesuai dengan prospektus yang telah diterbitkan.

USE OF PROCEEDS FROM PUBLIC OFFERING

In 2014, the Company has no obligation to report on public offering proceeds realization. The entire public offering proceeds have been reported and used in accordance with the prospectus that has been published.

INFORMASI MATERIAL MENGENAI INVESTASI, EKSPANSI, DIVESTASI, PENGGABUNGAN/PELEBURAN USAHA, AKUISISI ATAU RESTRUKTURISASI UTANG/MODAL

Pada 2014, Perseroan tidak mencatatkan informasi material mengenai investasi, ekspansi, penggabungan/peleburan usaha, serta restrukturisasi utang/modal.

PERUBAHAN UNDANG-UNDANG PERSEROAN

Sepanjang tahun 2014, Perseroan tidak memiliki perubahan peraturan perundang-undangan yang berpengaruh signifikan terhadap kinerja Perseroan.

PERUBAHAN KEBIJAKAN AKUNTANSI

Ikatan Akuntan Indonesia telah menerbitkan Pernyataan Standar Akuntansi Keuangan (PSAK) baru dan revisi serta Interpretasi Standar Akuntansi Keuangan (ISAK) revisi yang berlaku efektif pada periode yang dimulai pada 1 Januari 2015 sebagai berikut:

PSAK

- a) PSAK No. 1 (Revisi 2013), Penyajian Laporan Keuangan
- b) PSAK No. 4 (Revisi 2013), Laporan Keuangan Tersendiri
- c) PSAK No. 15 (Revisi 2013), Investasi pada Entitas Asosiasi dan Ventura Bersama
- d) PSAK No. 24 (Revisi 2013), Imbalan Kerja
- e) PSAK No. 46 (Revisi 2014), Pajak Penghasilan
- f) PSAK No. 48 (Revisi 2014), Penurunan Nilai Aset
- g) PSAK No. 50 (Revisi 2014), Instrumen Keuangan: Penyajian
- h) PSAK No. 55 (Revisi 2014), Instrumen Keuangan: Pengakuan dan Pengukuran
- i) PSAK No. 60 (Revisi 2014), Instrumen Keuangan: Pengungkapan
- j) PSAK No. 65, Laporan Keuangan Konsolidasian
- k) PSAK No. 66, Pengaturan Bersama
- l) PSAK No. 67, Pengungkapan Kepentingan dalam Entitas Lain
- m) PSAK No. 68, Pengukuran Nilai Wajar

MATERIAL INFORMATION REGARDING INVESTMENT, EXPANSION, DIVESTMENT, BUSINESS MERGER/CONSOLIDATION, ACQUISITION OR DEBT/CAPITAL RESTRUCTURING

In 2014, the Company did not record any material information regarding investment, expansion, business merger/consolidation, and debt/capital restructuring. While the information regarding divestment and acquisition is provided below:

CHANGES IN COMPANY REGULATIONS

During 2014, the Company did not make any changes to regulations that significantly affect the Company's performance.

CHANGES IN ACCOUNTING POLICIES

The Indonesian Institute of Accountants has issued the new and revised Statement of Financial Accounting Standards (PSAK) and the revised Interpretation of Financial Accounting Standards (ISAK) that became effective for the period beginning on January 1, 2015 as follows:

PSAK

- a) PSAK No. 1 (2013 Revision), Presentation of Financial Statements
- b) PSAK No. 4 (2013 Revision), Separate Financial Statements
- c) PSAK No. 15 (2013 Revision), Investments in Subsidiaries and Joint Ventures
- d) PSAK No. 24 (2013 Revision), Employee Benefits
- e) PSAK No. 46 (2014 Revision), Income Tax
- f) PSAK No. 48 (2014 Revision), Impairment of Assets
- g) PSAK No. 50 (2014 Revision), Financial Instruments: Presentation
- h) PSAK No. 55 (2014 Revision), Financial Instruments: Recognition and Measurement
- i) PSAK No. 60 (2014 Revision), Financial Instruments: Disclosures
- j) PSAK No. 65, Consolidated Financial Statements
- k) PSAK No. 66, Joint Arrangements
- l) PSAK No. 67, Disclosure of Interests in Other Entities
- m) PSAK No. 68, Fair Value Measurements



ISAK

ISAK No. 26 (Revisi 2014), Penilaian Kembali Derivatif Melekat

Grup masih mengevaluasi dampak penerapan PSAK dan ISAK di atas dan dampak terhadap laporan keuangan konsolidasian dari penerapan PSAK dan ISAK tersebut belum dapat ditentukan.

ISAK

ISAK No. 26 (2014 Revision), Revaluation of Embedded Derivatives

The group still evaluates the impact of the implementation of PSAK and ISAK stated above and the impact to the consolidated financial statement from the implementation of those PSAK and ISAK cannot be determined yet.

STRATEGI USAHA

BUSINESS STRATEGY

Meningkatkan Sinergi Antar Perusahaan Anak

Improving synergy between Subsidiaries

Penerapan teknologi sesuai dengan perkembangan usaha dan dapat menciptakan peluang usaha baru seperti e-bisnis.

Implementation of technology in regard to business development and to create new business opportunities such as e-business

Melakukan Investasi pada sektor-sektor strategis dan mendorong efektifitas dan efisiensi Perseroan dan anak Perusahaan sehingga akan meningkatkan laba konsolidasi Perseroan

Investment in strategic sectors and to boost effectiveness and efficiency of the Company and its subsidiaries in order to increase the Company's consolidated profit

Berusaha mencari terobosan – terobosan baru dalam perkembangan usaha seiring dengan perkembangan perekonomian dengan senantiasa meningkatkan kualitas dan pengalaman para karyawan dan team manajemen untuk menyongsong tantangan di masa depan.

Strives to find new breakthroughs of business development along with economic development by constantly improving the quality and the experience of the employees and management team to face the challenges of the future.

PROSPEK USAHA

Berdasarkan data Otoritas Jasa Keuangan (OJK), seiring penyesuaian ekonomi domestik ke arah yang lebih seimbang, diperkirakan pada tahun 2015 pertumbuhan ekonomi Indonesia akan kembali meningkat. OJK memproyeksikan bahwa pertumbuhan ekonomi tahun 2015 akan berada pada kisaran 5,4%, antara lain didukung oleh ekspansi belanja pemerintah seiring membesarnya ruang fiskal.

Karena itu, guna meraih berbagai peluang yang ada, untuk tahun yang akan datang, Perseroan akan tetap mempertahankan strategi untuk terus tumbuh berkelanjutan. Kinerja Perseroan, baik dari sisi kuantitas maupun kualitas, di masa mendatang akan selalu dipertahankan untuk tumbuh secara berkelanjutan guna mencapai visi Persero yaitu Untuk menjadi lembaga keuangan terkemuka pada masa ini dan di pasar masa depan dengan memfokuskan kepada pelanggan, memberikan keunggulan kelas dunia di semua bidang layanan yang ditawarkan melalui berbagai saluran lokal. Dalam upaya merealisasikan visi tersebut, Perseroan menyadari bahwa tantangan yang dihadapi perlu diantisipasi dengan strategi usaha yang fokus dan terarah.

BUSINESS PROSPECTS

Based on data from the Financial Services Authority (OJK), in accordance with the adjustment to a more balanced domestic economy, it is estimated that Indonesia's economic growth will increase in 2015. OJK projects that the economic growth in 2015 will be at around 5.4%, among others are supported by the expansion of government spending along with the enlargement of fiscal space.

Therefore, in order to seize the existing opportunities, for the future year, the Company will maintain its strategy to grow sustainably. The Company's performance, both in terms of quantity and quality, will always be maintained to grow in a sustainable manner in the future in order to achieve the Company's vision and mission to be the leading financial institution in this period and in future market by focusing on the customer, providing world-class excellence in all field of services offered through various local channels. In an effort to realize this vision, the Company realized that the challenges faced should be anticipated with a focused and directed business strategy.



05

Tata Kelola Perusahaan

Good Corporate Governance

TATA KELOLA PERUSAHAAN

Good Corporate Governance



Bagi Perseroan, penerapan *Good Corporate Governance* (GCG) di dalam lingkungan PT Sinar Mas Multiartha Tbk (SMMA) adalah sebuah komitmen yang harus dilaksanakan. Maka dari itu, praktik GCG di segala aspek pengelolaan bisnis yang ada di dalam Perseroan senantiasa disempurnakan secara konsisten dan berkesinambungan. Selaras dengan prinsip-prinsip GCG dan peraturan yang berlaku dengan mengedepankan transparansi, akuntabilitas, tanggung jawab, independensi dan kesetaraan (*fairness*).

Implementasi GCG di Perseroan sebagai perusahaan publik terus mengalami peningkatan dan penyempurnaan sejalan dengan perkembangan dan tuntutan bisnis yang ada, serta keinginan untuk mencapai kinerja tinggi dan meningkatkan *stakeholder value*. Perseroan secara konsisten berupaya meningkatkan pelaksanaan Tata Kelola Perusahaan dengan dukungan penuh seluruh jajaran manajemen, partisipasi aktif karyawan dan *stakeholders* lainnya.

Salah satu cara untuk meningkatkan penerapan prinsip-prinsip Good Corporate Governance adalah dengan memenuhi ketentuan perundang-undangan yang berlaku. Berkaitan dengan hal tersebut, Perseroan telah memiliki Komisaris Independen, Sekretaris Perusahaan, Internal Audit, Komite Audit dan Audit Committee Charter yang menjadi landasan Komite Audit dalam menjalankan tugasnya.

For the Company, Good Corporate Governance (GCG) implementation in PT Sinar Mas Multiartha Tbk (SMMA) is a commitment that must be fulfilled. Therefore, all aspects of business management Company consistently and continuously improved, in line with the GCG principles and applicable regulations to promote transparency, accountability, responsibility, independence and fairness.

GCG implementation in the Company as a public company continues to increase and improvement in line with the development and the demands of the business as well as the Company's desire to achieve top performance and enhance stakeholder value. The Company is consistently strive to improve Good Corporate Governance practices with the full support of all management , active participation of employees and other stakeholders .

One way to improve the implementation of the Good Corporate Governance principles is to meet the applicable laws and regulations. In this regard, the Company has an Independent Commissioner, Corporate Secretary, Internal Audit, Audit Committee and the Audit Committee Charter, which became the foundation of the Audit Committee in carrying out its duties.

Perseroan dapat memberikan penghargaan kepada pihak-pihak yang dianggap memberikan keteladanan dalam penerapan Code of Conduct. Penghargaan dapat berbentuk pemberian insentif atau apresiasi lainnya sesuai dengan kebijakan Perseroan.

The Company can give appreciation to the parties considered the role model of the implementation of Code of Conduct. The appreciation can be in the form of incentives or other appreciations according to the Company's policies.

Pengelolaan Perseroan juga dilaksanakan oleh Direksi dibawah arahan dan pengawasan Dewan Komisaris. Direksi dan Dewan Komisaris bertugas untuk melindungi kepentingan pemegang saham dan semua *stakeholders*, sesuai dengan peraturan dan perundang-undangan yang berlaku.

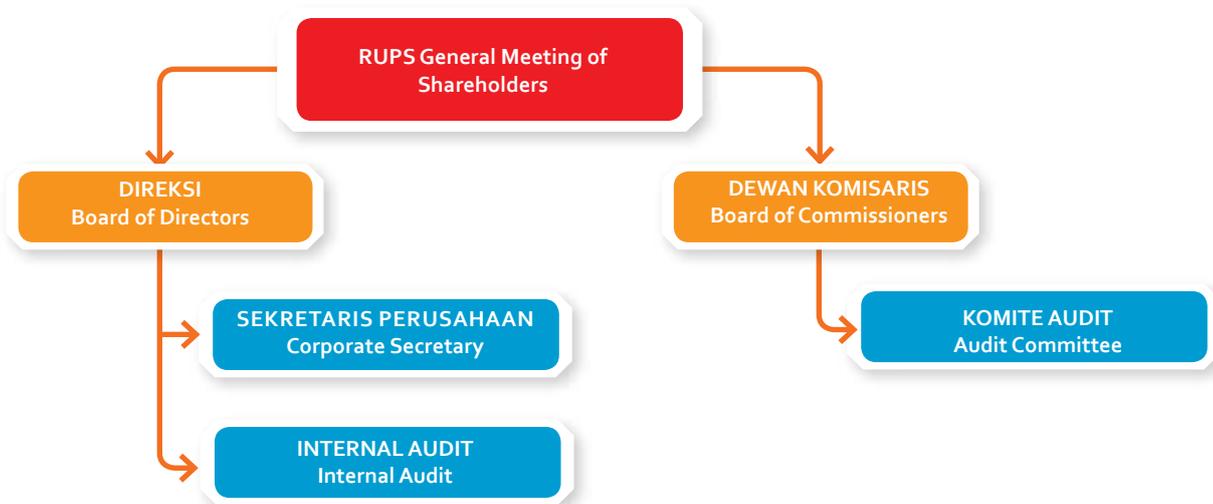
STRUKTUR GCG

Secara struktural, implementasi GCG PT Sinar Mas Multiartha Tbk terdiri atas Rapat Umum Pemegang Saham (RUPS), Dewan Komisaris dan Direksi sesuai ketentuan Undang-undang Perseroan Terbatas Nomor 40 Tahun 2007. Selain itu, Perseroan juga membentuk organ pendukung perusahaan seperti komite-komite di bawah Dewan Komisaris, Corporate Secretary dan Internal Audit. Organ Perseroan menjalankan fungsinya sesuai dengan ketentuan perundang-undangan, Anggaran Dasar Perseroan, dan ketentuan lainnya atas dasar prinsip bahwa masing-masing organ mempunyai independensi dalam melaksanakan tugas, fungsi, serta tanggungjawabnya untuk kepentingan Perseroan.

The Company's management conducted by the Directors under the guidance and supervision of the Board of Commissioners. The Directors and the Board of Commissioners responsible to protect the interests of shareholders and all stakeholders, in accordance with applicable laws and regulations.

GCG STRUCTURE

Based on the structure, GCG implementation of PT Sinar Mas Multiartha consist of General Meeting of Shareholders (GMS), the Board of Commissioners and the Board of Directors in accordance with the Limited Liability Company Law No. 40 of 2007. Additionally, the Company also forms several supportive organs consisting of committees under the Board of Commissioners, Corporate Secretary and Internal audit. The Company's Organ perform its functions in accordance with applicable laws and regulation, the Company's Articles of Association and other provisions on the principle that each organ has the independence in performing its tasks, functions and responsibilities for the benefit of the Company.



KODE ETIK DAN PEDOMAN TINGKAH LAKU PERSEROAN

Perseroan menyadari betapa pentingnya implementasi GCG sebagai salah satu alat untuk meningkatkan nilai dan pertumbuhan bisnis jangka panjang secara berkesinambungan tidak hanya bagi Pemegang Saham (*shareholders*) namun juga segenap Pemangku Kepentingan (*stakeholders*). Untuk itulah, Perseroan berkomitmen mengimplementasikan GCG secara konsisten yang salah satunya dilakukan melalui penerapan Pedoman Tingkah Laku dan Kode Etik (*Code of Conduct*). Pedoman tingkah laku dan kode etik berlaku termasuk untuk Dewan Komisaris, Komite-komite dibawah Dewan Komisaris serta Direksi, Direktur, Karyawan, Pekerja tidak tetap dan para konsultan dan pihak lain yang bekerja dengan PT Sinar Mas Multiartha Tbk (SMMA), atau yang mewakili PT Sinar Mas Multiartha Tbk secara langsung atau secara tidak langsung.

Jika ada anggota keluarga besar SMMA melanggar Pedoman Tingkah Laku, kebijakan dan prosedur SMMA dan atau ketentuan perundang-undangan yang berlaku, maka pihak yang bersangkutan dapat dikenakan tindakan *indiscipliner*, termasuk pemutusan hubungan kerja atau penghentian kerja. Pelanggaran terhadap hukum/Undang-undang juga dapat berakibat tuntutan hukum dan termasuk denda, berkenaan dengan beberapa hal, hukuman pidana untuk pelaku, atasan dan/atau perusahaan.

Kode Etik dan Pedoman Tingkah Laku ini pada dasarnya memberikan pedoman untuk tingkah laku profesional dalam 6 (enam) bagian utama sebagai berikut :

CODE OF CONDUCT AND CORPORATE BEHAVIOR

The Company realizes the importance of the GCG implementation as a tool to enhance the value and sustainable long-term business growth not only for shareholders but also all stakeholders. For this reason, the Company committed to implementing GCG consistently which is done through the application of the Code of Ethic and Code of Conduct. Behavior guidelines and codes of conduct applicable to the Board of Commissioners, Committees under the Board of Commissioners and the Board of Directors, Directors, Employees, Honorary Employees and consultant as well as other parties working for PT Sinar Mas Multiartha Tbk (SMMA) or the ones representing PT Sinar Mas Multiartha Tbk directly or indirectly.

If there is a member of SMMA that violates the Code of Conduct the policy and procedures of SMMA, and or the provisions in the applicable regulations, the party concerned will be imposed on disciplinary actions, including termination of work contract. The violation to laws also impacted on the lawsuit, including sanctions, associated with several matters, criminal sanction for the violator, the supervisor and/or the company.

Code of Ethics and Code of Conduct basically provide guidelines for professional behavior within six (6) main sections as follows :

1. Tanggung jawab kepada SMMA
2. Tanggung jawab tempat kerja
3. Mewakili SMMA dan pihak luar lainnya.
4. Kerahasiaan
5. Kegiatan Investasi
6. Kepatuhan pada Peraturan

Agar Pedoman Tingkah Laku dan Kode Etik Perseroan dapat diterapkan dengan efektif, Perseroan secara periodik melakukan sosialisasi *Code of Conduct* kepada seluruh karyawan Perseroan, mulai dari level operasional sampai kepada jajaran di *top management*. Sosialisasi ini dimaksudkan agar seluruh karyawan senantiasa patuh terhadap *Code of Conduct*. Bentuk sosialisasi yang dilakukan diantaranya adalah melalui formal maupun informal antara lain melalui media portal internal dan majalah perusahaan.

Sebagai bentuk pernyataan komitmen bersama dalam menegakkan *Code of Conduct*, maka seluruh karyawan diwajibkan membaca, memahami dan melaksanakan isi *Code of Conduct* dengan baik dan benar. Seluruh karyawan termasuk unsur pimpinan wajib menandatangani surat pernyataan kesanggupan/komitmen pribadi untuk mentaati dan melaksanakan *Code of Conduct* secara konsisten dan penuh tanggung jawab.

Perseroan dapat memberikan penghargaan kepada pihak-pihak yang dianggap memberikan keteladanan dalam penerapan *Code of Conduct*. Penghargaan dapat berbentuk pemberian insentif atau apresiasi lainnya sesuai dengan kebijakan Perseroan.

RAPAT UMUM PEMEGANG SAHAM

Perseroan selama ini telah melaksanakan 2 (dua) buah jenis Rapat Umum Pemegang Saham (RUPS), yaitu Rapat Umum Pemegang Saham Tahunan (RUPST) dan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB). Penyelenggaraan RUPS ini sesuai dengan ketentuan pasal 19 Anggaran Dasar Perseroan dan Peraturan Badan Pengawas Pasar Modal serta Lembaga Keuangan (Bapepam dan LK). RUPS memiliki wewenang untuk mengangkat dan memberhentikan anggota Dewan Komisaris serta Direksi, mengevaluasi kinerja Dewan Komisaris dan Direksi, mengesahkan perubahan Anggaran Dasar, memberikan persetujuan atas laporan tahunan, menetapkan alokasi penggunaan laba dan menunjuk akuntan publik serta menetapkan jumlah dan jenis kompensasi Dewan Komisaris dan Direksi.

- 1 . Responsibility to SMMA
- 2 . Responsibility at the workplace
- 3 . Representing SMMA and other outsiders.
- 4 . Confidentiality
- 5 . Investing Activities
- 6 . Regulatory Compliance

In order the Company's Code of Ethics and the Code of Conduct can be implemented effectively , the Company periodically osialized the Code of Conduct to all employees, from the operational level to the top management. This socialization is intended that all employees continue to adhere to the Code of onduct. Socialization are done formally and informally, among others, through internal portal and magazine media company.

As a statement of mutual commitment to uphold the Code of Conduct, all employees are required to read, understand and implement the Code of Conduct content properly. All employee, including elements of the leadership ability required to sign an affidavit / personal commitment to abide by and implement the Code of Conduct are consistently and responsibly.

The Company can give the award to the parties that are considered to provide exemplary application of the Code of Conduct. Award can take the form of incentives or other appreciation in accordance with Company policy.

GENERAL MEETING OF SHAREHOLDERS

The Company held 2 (two) types of General Meeting of Shareholders (GMS), namely Annual General Meeting (AGM) and Extraordinary General Meeting (EGM). The holding of GMS is in accordance with article 19 of the Articles of Association and Rules of the Capital Market Supervisory Agency and Financial Institution (Bapepam-LK). The General Meeting of Shareholders (GMS) has the authority not granted to the Board of Directors or Board of Commissioners, that is to appoint and dismiss members of the Board of Commissioners and the Board of Directors, evaluating the performance of the Board of Commissioners and te Board of Directors , ratify the amendment of Articles of Association, approve the annual report, established the profit allocation and appoint a public accountant and determine the amount and type of compensation of the Board of Commissioners and Board of Directors.

Sepanjang tahun 2014, Perseroan telah menyelenggarakan RUPS Tahunan sebanyak 1 kali dan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) sebanyak 1 kali yang diadakan pada 13 Juni 2014 di di Sinar Mas Land Plaza Menara II lantai 39 Jl. M.H. Thamrin No.51 Jakarta Pusat, telah menyetujui dan memutuskan hal-hal sebagai berikut :

RAPAT UMUM PEMEGANG SAHAM TAHUNAN

1. Rapat dengan suara bulat atas dasar musyawarah dan mufakat menyetujui dan menerima dengan baik Laporan Direksi dan Laporan Pertanggungjawaban Tugas Dewan Komisaris Perseroan mengenai kegiatan dan jalannya Perseroan selama tahun buku yang berakhir pada tanggal 31 Desember 2013.
2. Rapat dengan suara bulat atas dasar musyawarah dan mufakat menyetujui dan mengesahkan Laporan Tahunan (Annual Report) Perseroan untuk tahun buku yang berakhir pada tanggal 31 Desember 2013.
3. Rapat dengan suara bulat atas dasar musyawarah dan mufakat menyetujui dan mengesahkan Neraca atau Posisi Keuangan dan Perhitungan Laba Rugi Komprehensif Konsolidasian Perseroan untuk tahun buku yang berakhir pada tanggal 31 Desember 2013, selanjutnya memberikan pembebasan dan pelunasan sepenuhnya (*acquit et de charge*) kepada anggota Direksi dan Dewan Komisaris Perseroan untuk pengurusan dan pengawasan yang telah dijalankan sepanjang tahun buku 2013, sejauh tindakan-tindakan tersebut tercermin dalam laporan keuangan Perseroan.
4. Rapat dengan suara bulat atas dasar musyawarah dan mufakat menyetujui penggunaan Laba Bersih Perseroan tahun buku 2013 yang seluruhnya berjumlah Rp. 1.122.202 juta (satu triliun seratus dua puluh dua miliar dua ratus dua juta Rupiah), sebagai berikut:
 - a. Dividen tunai akan dibagikan kepada seluruh pemegang saham Perseroan sebesar Rp. 1,- (satu rupiah) per lembar saham ;
Pembayaran Dividen tersebut dilaksanakan dengan penetapan tanggal penutupan pencatatan dalam Daftar Pemegang Saham (*Recording Date*), yang berhak mendapat dividen tunai yaitu tanggal 9 Juli 2014 sampai dengan pukul 16.00 WIB,

Throughout 2014, the Company organized 1 Annual General Meeting and 1 Extraordinary General Meeting (EGM) held on June 13, 2014 at Sinar Mas Land Plaza Tower II floor 39 Jl. M.H. Thamrin 51, Central Jakarta, and stipulated the following resolutions:

ANNUAL GENERAL MEETING

1. The meeting on the basis of deliberation (musyawarah) and consensus unanimously approve and accept the Board of Directors Report and Accountability Task Report from the Board of Commissioners in relates to the Company's performance during the financial year ended December 31, 2013.
2. The meeting on the basis of deliberation (musyawarah) and consensus unanimously approve and ratify the Annual Report for the fiscal year ended December 31, 2013.
3. The meeting on the basis of deliberation (musyawarah) and consensus unanimously approve and authorize the Balance Sheet or Financial Position and Consolidated Comprehensive Income Statement for the financial year ended December 31, 2013, providing further release and discharge to the Company's Board of Directors and Board of Commissioners for the management and supervision which has been implemented throughout the year 2013, to the extent such actions are reflected in the Company's financial statements.
4. The meeting on the basis of deliberation (musyawarah) and consensus unanimously approved the use of Net Income for the year 2013 amounting to Rp1,122,202 (one trillion one hundred twenty two million two hundred and two Rupiah), as follows:
 - a. The cash dividend will be distributed to all shareholders of the Company amounted to Rp1,- (one Rupiah) per share;
The dividend payments are carried out on the closing date of registration in the Register of Shareholders (*Recording Date*), which are entitled to receive dividends in cash dated July 9, 2014 until 16:00 pm, with regard to Cum and Ex Dividend according to the

- dengan memperhatikan Cum dan Ex Dividen sesuai dengan Peraturan Bursa Efek Indonesia, dan Direksi mengusulkan kepada Rapat untuk memberikan kuasa kepada Direksi untuk mengatur lebih lanjut mengenai tata cara pembagian Dividen tersebut sesuai peraturan perundang-undangan yang berlaku.
- b. Sisanya akan dibukukan sebagai Laba Yang Ditahan dan digunakan sebagai Modal Kerja Perseroan.
 - c. Memberikan wewenang kepada Direksi Perseroan untuk mengatur, melaksanakan, dan menjalankan tindakan-tindakan yang diperlukan sehubungan dengan penggunaan laba bersih Perseroan tersebut diatas sesuai dengan ketentuan hukum dan peraturan yang berlaku. Dimana Laba Bersih Perseroan tersebut masih berada dibuku masing-masing anak perusahaan untuk kepentingan memperkuat permodalan mereka dan menunjang pertumbuhan usaha.
5. Rapat dengan suara bulat atas dasar musyawarah dan mufakat menyetujui dan menerima laporan pertanggungjawaban Direksi mengenai realisasi penggunaan dana hasil konversi waran seri 04 SMMA
 6. Rapat dengan suara bulat atas dasar musyawarah dan mufakat menyetujui :
 - a. Pemberian kuasa dan wewenang kepada Dewan Komisaris menentukan pembagian tugas dan wewenang kepada masing-masing Direksi dan untuk menentukan remunerasi bagi anggota Direksi .
 - b. Menetapkan remunerasi Dewan Komisaris dan melimpahkan wewenang kepada Dewan Komisaris untuk menetapkan besarnya masing - masing diantara anggota Dewan Komisaris.
 7. Rapat dengan suara bulat atas dasar musyawarah dan mufakat menyetujui pemberian wewenang kepada Direksi untuk menunjuk Akuntan Publik Perseroan yang mengaudit buku-buku Perseroan untuk tahun buku 2014 dan untuk menentukan / menetapkan honorarium serta persyaratan lain penunjukkannya dan lain sebagainya.
- Indonesia Stock Exchange Regulation, and the Board of Directors proposes in the Meeting to authorize the Board of Directors to further organize the procedure on the dividends distribution in compliance with the applicable legislation.
- b. The rest will be recorded as Retained Earnings and used as working capital.
 - c. Authorized the Board of Directors to organize, implement, and execute necessary actions in connection with the use of net profit in accordance with applicable laws and regulations, in which the net profit of the Company remained in the books of each of the subsidiaries in order to strengthen their capital to support business growth.
5. The Meeting on the basis of deliberation (musyawarah) and consensus unanimously agree and accept the Board of Directors' accountability report on the realization of the proceeds from the SMMA 04 series warrants conversion.
 6. Meeting unanimously on the basis of consensus and unanimously approved:
 - a. Giving power and authority to the Board Commissioner determines the division of tasks and authority to the respective Board of Directors and to determine the remuneration of the members of the Board of Directors.
 - b. Establishes the remuneration of the Board of Commissioners and delegation of authority to the Board of Commissioners to set the amount each - each among the members of the Board of Commissioners.
 7. Meeting unanimously on the basis of consensus and unanimously approved the granting of authority to the Board of Directors to appoint Public Accountant to audit the Company's books for the financial year 2014 and to define / determine the fees and requirements Another appointment and others.

RAPAT UMUM PEMEGANG SAHAM LUAR BIASA

1. Rapat dengan suara bulat atas dasar musyawarah dan mufakat menyetujui memberhentikan dengan hormat seluruh Direksi dan Dewan Komisaris Perseroan, demikian

EXTRAORDINARY GENERAL MEETING

1. The meeting on the basis of deliberation (musyawarah) and consensus unanimously agreed in connection with the expiration of the office term of the Board Directors and the

dengan mengucapkan terima kasih atas segala jasa-jasa yang telah diberikan selama ini kepada Perseroan, dan selanjutnya memberikan pembebasan dan pelunasan sepenuhnya (*acquit et de charge*) atas tindakan pengurusan/pengawasan sesuai dengan jabatannya yang dilakukan selama ini, sepanjang tindakan-tindakan tersebut tercermin dalam buku - buku Perseroan.

Serta mengangkat Direksi dan Dewan Komisaris Perseroan yang baru untuk masa jabatan berikutnya terhitung sejak ditutupnya Rapat ini sampai dengan penutupan Rapat Umum Pemegang Saham Tahunan ketiga setelah Rapat ini yaitu pada tahun 2017 .

Sehingga untuk selanjutnya terhitung sejak ditutupnya Rapat ini susunan Direksi dan Dewan Komisaris Perseroan menjadi sebagai berikut :

Dewan Komisaris

Komisaris Utama : Bapak Indra Widjaja
 Komisaris : Bapak Howen Widjaja
 Komisaris Independen : Bapak Robinson Simbolon

Direksi

Direktur Utama : Bapak Doddy Susanto
 Direktur : Bapak Kurniawan Udjaja
 Direktur : Bapak Fuganto Widjaja
 Direktur : Bapak Dani Lihardja
 Direktur Independen : Bapak Agus Leman Gunawan

Sehubungan dengan perubahan susunan Direksi dan Dewan Komisaris Perseroan tersebut Rapat juga memberikan kuasa dan wewenang kepada Direksi Perseroan baik sendiri-sendiri maupun bersama-sama dengan hak substitusi, untuk melaksanakan keputusan-keputusan dalam Rapat, termasuk tetapi tidak terbatas pada menyatakan kembali keputusan tersebut dalam akta notaris, membuat atau meminta dibuatkan segala segala akta-akta, surat-surat maupun dokumen-dokumen yang diperlukan, hadir dihadapan pihak/pejabat yang berwenang untuk memberitahukan hal tersebut kepada instansi pemerintah terkait, termasuk tetapi tidak terbatas pada Menteri Hukum dan Hak Asasi Manusia Republik Indonesia, serta melakukan pendaftaran maupun pengumuman berdasarkan peraturan perundang-undangan yang berlaku, satu dan lain hal tanpa ada yang dikecualikan

Board of Commissioners, the Company approved to dismiss with respect all members of the Board of Directors and Board of Commissioner, by doing so express thank you for all the services that have been given so far to the Company and further release and discharge from the management actions as carried out in accordance with their position to the extent such actions are reflected in the Company's report.

The Company approved the re-appointment of all members of the Board of Directors and Board of Commissioners for the next office term as of the closing of this Meeting until the closing of the third Annual General Meeting of Shareholders in 2017.

Therefore, the composition of Board of Directors and Board of Commissioners of the Company since the closing of this Meeting is as follows:

Board of Commissioners

President Commissioners : Indra Wijaya
 Commissioner : Howen Wijaya
 Independent Commissioner : Robinson Simbolon

Board of Directors

President Director : Doddy Susanto
 Director : Kurniawan Udjaja
 Director : Fuganto Widjaja
 Director : Dani Lihardja
 Independent Director : Agus Leman Gunawan

In connection with the change in the Board of Directors and the Board of Commissioners composition, the Meeting also gives power and authority to the Board of Directors either individually or jointly with substitution right, to implement the meeting decisions, including but not limited to restate the decision in deed notary, make or request so that everything stated on necessary deeds, papers and documents, appear before the competent authority to notify the decision to the relevant government agencies, including but not limited to the Ministry of Law and Human Rights of the Republic of Indonesia, as well as conducted registration and announcement according to applicable law and regulations, one way or another without being excluded.

2. Rapat dengan suara bulat atas dasar musyawarah dan mufakat menyetujui peningkatan modal disetor dan modal ditempatkan Perseroan serta susunan pemegang saham Perseroan sehubungan dengan pelaksanaan konversi efek yang dapat dikonversi menjadi saham Waran 04 PT Sinar Mas Multiartha Tbk, oleh karena itu :

Sehubungan dengan konversi waran 04 SMMA tersebut, maka dalam Rapat ini diusulkan untuk :

1. a. Menyetujui merubah pasal 4 ayat 2 Anggaran Dasar Perseroan tentang struktur permodalan
 - b. Menegaskan kembali susunan pemegang saham Perseroan.
 - c. Mendelegasikan wewenang kepada Dewan Komisaris Perseroan untuk menyatakan perubahan pasal 4 ayat 2 Anggaran Dasar Perseroan tentang Struktur Modal dan Susunan Pemegang Saham Perseroan sehubungan dengan pelaksanaan waran untuk jangka waktu 1 (satu) tahun terhitung sejak ditutupnya Rapat.
2. Menunjuk dan memberi kuasa kepada Direksi untuk melaksanakan keputusan tersebut diatas termasuk tetapi tidak terbatas untuk menandatangani akta pernyataan keputusan rapat dihadapan Notaris, meminta persetujuan dan/atau memberitahukan perubahan tersebut kepada pihak yang berwenang.
3. Rapat dengan suara bulat atas dasar musyawarah dan mufakat menyetujui pemberian kuasa dan wewenang kepada Direksi Perseroan baik sendiri-sendiri maupun bersama-sama dengan hak substitusi, untuk melaksanakan keputusan-keputusan dalam Rapat, termasuk tetapi tidak terbatas pada menyatakan kembali keputusan tersebut baik sebagian maupun seluruhnya dalam akta notaris, membuat atau meminta dibuatkan segala segala akta-akta, surat-surat maupun dokumen-dokumen yang diperlukan, hadir dihadapan pihak/pejabat yang berwenang untuk memperoleh persetujuan dari dan/atau memberitahukan hal tersebut kepada instansi pemerintah terkait, termasuk tetapi tidak terbatas pada Menteri Hukum dan Hak Asasi Manusia Republik Indonesia, serta melakukan pendaftaran maupun pengumuman berdasarkan peraturan perundang-undangan yang berlaku, satu dan lain hal tanpa ada yang dikecualikan.

2. The meeting on the basis of deliberation (musyawarah) and consensus unanimously agreed to increase the paid up capital and subscribed capital along with the Company's shareholders composition in connection with the securities conversion action which can be converted into PT Sinar Mas Multiartha Tbk Warrant 04, therefore:

In connection with the conversion of the aforementioned 04 SMMA, this Meeting then decided to:

1. a. Approve to change Article 4, paragraph 2 of the Articles of Association on the Company's capital structure.
 - b. Reinforce the composition of the Company's shareholders.
 - c. Delegate authority to the Board of Commissioners to declare a change of Article 4, paragraph 2 of the Articles of Association on the Capital Structure and the Shareholders Composition in connection with the exercise of warrants for a period of 1 (one) year after the closing of the Meeting.
2. Appoint and authorize the Board of Directors to implement the above decisions, including but not limited to sign the Deed of the Meetings decision before a Notary for approval and/or notify the change to the appropriate authorities.
3. Meeting unanimously on the basis of deliberations and unanimously agree to approve the granting authority and authorized the Board of Directors either sendirisendiri or jointly with right of substitution, to implement the decisions of the Meeting, including but not limited to statessuch decisions either partially or wholly in the notarial deed, make or request made everything all deeds, letters andrequired documents, attend beforeparties / authorities to obtainapproval of and / or tellthat the relevant government agencies, includingbut not limited to the Minister of Justice and RightsHuman Rights of the Republic of Indonesia, as well as doing registration as well as the announcement by legislation in force, one way or another without any exceptions.

4. Rapat dengan suara bulat atas dasar musyawarah dan mufakat menyetujui memberhentikan dengan hormat semua Komite Audit Perseroan, demikian dengan mengucapkan terima kasih atas segala jasa-jasa yang telah diberikan selama ini kepada Perseroan dan pengangkatan Komite Audit Perseroan yang baru.

Sehingga untuk selanjutnya terhitung sejak ditutupnya Rapat ini susunan Komite Audit Perseroan menjadi sebagai berikut :

Ketua Komite Audit : Bpk. Robinson Simbolon
 Anggota Komite Audit : Bpk. Agustinus Antonius
 Anggota Komite Audit : Bpk. Herawan Hadidjaja

DEWAN KOMISARIS

Dewan Komisaris merupakan organ Perseroan yang bertanggung jawab atas pengawasan serta berwenang untuk memberikan arahan kepada Direksi dalam melaksanakan pengelolaan perusahaan. Dewan Komisaris juga berfungsi untuk memastikan bahwa Perseroan telah melaksanakan praktik GCG pada seluruh tingkatan maupun jenjang organisasi. Dalam mendukung pelaksanaan tugasnya, Dewan Komisaris dibantu oleh Komite Audit.

Pengangkatan dan Pemberhentian Dewan Komisaris

Seluruh anggota Dewan Komisaris memiliki integritas, kompetensi dan reputasi yang memenuhi kriteria yang telah ditetapkan. Secara prosedural pengangkatan dan pemberhentian Dewan Komisaris dilakukan sesuai dengan peraturan perundang-undangan yang berlaku dan ketentuan GCG melalui Rapat Umum Pemegang Saham.

Komposisi Dewan Komisaris

Susunan komposisi Dewan Komisaris Perseroan per 31 Desember 2014 berdasarkan keputusan Rapat Umum Pemegang Saham yang diadakan pada hari Jumat, tanggal 13 Juni 2014 adalah sebagai berikut:

Komisaris Utama : Indra Widjaja
 Komisaris : Howen Widjaja
 Komisaris Independen : Robinson Simbolon

4. Meeting unanimously on the basis of deliberations and consensus agree dismiss with respect all of the Company's Audit Committee, thus to say thank you for all services which has been given so far to the Company and the appointment of the new Audit Committee.

Therefore, the composition of Audit Committee since the closing of this Meeting is as follows:

Chairman of Audit Committee: Robinson Simbolon
 Member of Audit Committee: Agustinus Antonius
 Member of Audit Committee: Herawan Hadidjaja

BOARD OF COMMISSIONERS

The Board of Commissioners is a corporate organ responsible for performing general and/or special supervision according to the articles of association and give advice to the Board of Directors and ensure that the Company applies GCG to every level of the organization and responsible collectively. To support its duties, the Board is assisted by the Audit Committee.

Appointment and Dismissal of the Board of Commissioners

All members of the Board of Commissioners has integrity, competence and reputation that meet the predetermined criteria. Procedurally appointment and dismissal of the Board of Commissioners conducted in accordance with legislation in force and provisions GCG through the General Meeting of Shareholders.

Composition of the Board of Commissioners

The composition of the composition of the Board of Commissioners per December 31, 2014 by the General Meeting of Shareholders held on Friday, June 13, 2014 is as follows:

President Commissioner : Indra Widjaja
 Commissioner : Howen Widjaja
 Independent Commissioner : Robinson Simbolon

Perubahan Komposisi Dewan Komisaris

Di tahun 2014 terdapat perubahan susunan komposisi Dewan Komisaris, berikut susunan Dewan Komisaris yang baru;

Komisaris Utama	: Indra Widjaja
Komisaris	: Howen Widjaja
Komisaris Independen	: Robinson Simbolon

Independensi Dewan Komisaris

Independensi Komisaris ditetapkan dalam rangka meningkatkan kinerja pengawasan Dewan Komisaris dan meningkatkan penerapan prinsip *Good Corporate Governance*. Pada tahun 2014, Perseroan memiliki 1 orang Komisaris Independen yaitu Robinson Simbolon dari 2 orang anggota Dewan Komisaris yang ada. Dengan demikian, Perseroan telah memenuhi ketentuan 20% minimum jumlah Komisaris Independen dari total jumlah anggota Dewan Komisaris yang ada.

Tugas dan Tanggung Jawab Dewan Komisaris

Berdasarkan ketentuan Anggaran Dasar Perusahaan dan Peraturan Perundang-undangan, Dewan Komisaris memiliki tugas dan tanggung jawab sebagai berikut:

- Dewan Komisaris wajib melakukan pengawasan terhadap pengelolaan perusahaan yang dilakukan oleh Direksi serta memberi arahan kepada Direksi.
- Dewan Komisaris bertanggung jawab mengawasi kinerja dan kepatuhan Direksi terhadap peraturan dan perundang-undangan yang berlaku sesuai prinsip GCG.
- Dewan Komisaris juga wajib untuk melakukan evaluasi dan audit terhadap pelaksanaan kebijaksanaan strategis.

Pelaksanaan Tugas dan Tanggung Jawab Dewan Komisaris 2014

Sepanjang tahun 2014, Dewan Komisaris telah memberikan arahan maupun rekomendasi yang memberikan dampak positif pada Direksi dalam melaksanakan pengelolaan perusahaan.

Rapat Dewan Komisaris

Sepanjang tahun 2014, Dewan Komisaris telah melaksanakan rapat internal yang dihadiri oleh seluruh anggota Dewan Komisaris sebanyak 4 kali.

Changes in Composition of the Board of Commissioners

In 2014 there is a change in the composition of the Board of Commissioners, the new composition of the Board of Commissioners is as follows;

President Commissioner	: Indra Widjaja
Commissioner	: Howen Widjaja
Independent Commissioner	: Robinson Simbolon

Independency of Board of Commissioners

Independency of Board of Commissioners is set in order to improve the performance of supervision of the Board of Commissioners and improve the application of good corporate governance principles. In 2014, the Company has one Independent Commissioner, Robinson Simbolon, from 2 existing members of the Board of Commissioners. Accordingly, the Company has fulfilled the provisions 20% of the minimum number of Independent Commissioner from total number of existing members of the Board of Commissioners.

Board of Commissioners' Duties and Responsibilities

Board of Commissioners' Duties and Responsibilities under the provisions of the Articles of Association of the Company and Legislation, are as follows:

- Board of Commissioners shall supervise the management of the company as well as provide guidance to the Board of Directors.
- Board of Commissioners is responsible for overseeing the performance along with the prevailing laws and regulations compliance of the Board Directors according to the principles of Good Corporate Governance.
- Board of Commissioner also required to implement the evaluation and audit of the strategic policy execution.

The Implementation of Board of Commissioners' Duties and Responsibilities in 2014

Throughout 2014, Board of Commissioners has provided directions and recommendations that give a positive impact on the Board of Directors in managing the company.

Board of Commissioners Meetings

Throughout 2014, Board of Commissioners has held 4 Internal Meetings which was attended by all members of Board of Commissioners.

Berikut ini adalah rincian atas rapat Dewan Komisaris :

Below are the details of Board of Commissioners meetings:

NO	Nama / Name	Jabatan / Position	Jumlah Rapat / Total of Meetings	Kehadiran / Attendance	Persentase / Percentage
1	Indra Widjaja	Komisaris Utama / President Commissioner	4	4	100%
2	Howen Widjaja	Komisaris / Commissioner	4	4	100%
3	Robinson Simbolon	Komisaris Independen / Independent Commissioner	4	4	100%

Pengembangan Kompetensi Dewan Komisaris 2014

Sepanjang tahun 2014 anggota Dewan Komisaris Perseroan dan anak perusahaan telah mengikuti program pengembangan dalam bentuk pelatihan dan pengembangan di berbagai bidang, seperti keuangan, pemasaran, manajemen strategi, dan lain-lain. Program-program tersebut dimaksudkan untuk meningkatkan kompetensi dan menunjang pelaksanaan tugas Dewan Komisaris.

DIREKSI

Direksi merupakan organ Perseroan yang bertugas dan bertanggung jawab penuh atas pengelolaan perusahaan. Direksi bertanggung jawab penuh kepada RUPS dalam pelaksanaan tugasnya. Pertanggungjawaban Direksi kepada RUPS merupakan perwujudan akuntabilitas pengelolaan perusahaan sesuai dengan prinsip-prinsip GCG.

Pengangkatan dan Pemberhentian Direksi

Seluruh anggota Direksi diangkat dan diberhentikan melalui RUPS. Pengangkatan Direksi sesuai ketentuan dan peraturan perundang-undangan dan prinsip-prinsip GCG yang berlaku. Seluruh anggota Direksi memiliki integritas, kompetensi dan reputasi yang memadai yang sesuai dengan kriteria yang dibutuhkan.

Komposisi Direksi

Susunan komposisi Direksi Perseroan di tahun 2014 berdasarkan keputusan Rapat Umum Pemegang Saham yang diadakan pada hari Jumat, tanggal 13 Juni 2014 adalah sebagai berikut:

Direktur Utama	: Dody Susanto
Direktur	: Kurniawan Udjaja
Direktur	: Agus Leman Gunawan
Direktur	: Fuganto Widjaja
Direktur	: Dani Lihardja
Direktur tak erafiliasi	: Agus Leman Gunawan

Competency Development of the Board of Commissioners in 2014

Throughout 2014, members of the Board of Commissioners of the Company and subsidiaries have participated in the development programs in the form of training and development in various fields, such as finance, marketing, strategy management, and others. These programs aim to increase the competency and support the implementation of duties of the Board of Commissioners.

BOARD OF DIRECTORS

The Company's Board of Directors is the organ in charge and fully responsible for the management of the Company. Board of Directors shall be fully responsible to GMS in carrying out its duties. Accountability of Board of Directors to GMS is the embodiment of management accountability in accordance with GCG principles.

Appointment and Dismissal of Board of Directors

All members of Board of Directors are appointed and dismissed by GMS. Appointment of Board of Directors is according to the prevailing provisions, laws and regulations, and also corporate governance principles. All members of the Board of Directors should have integrity, competence and reputation in accordance with the criteria required.

Composition of Board of Directors

The composition of the Board of Directors in 2014 according to General Meeting of Shareholders which was held on Friday, June 13, 2014 is as follows:

President Director	: Dody Susanto
Director	: Kurniawan Udjaja
Director	: Agus Leman Gunawan
Director	: Fuganto Widjaja
Director	: Dani Lihardja
Unaffiliated Director	: Agus Leman Gunawan

Independensi Direksi

Sebagai organ perusahaan yang sering bertindak sebagai perwakilan dari Perseroan, Direksi diberikan independensi dalam melaksanakan tugas dan tanggung jawabnya baik secara individual maupun kolegiat. Hal ini dimaksudkan agar Direksi dapat bertindak dengan sebaik-baiknya demi kepentingan Perseroan.

Tugas dan Tanggung Jawab Direksi

Tugas dan tanggung jawab Direksi mengacu pada Anggaran Dasar maupun ketentuan internal dan peraturan perundang-undangan yang berlaku. Dalam melaksanakan tugas dan tanggung jawabnya, Direksi bertindak secara independen untuk memastikan terselenggaranya pelaksanaan GCG. Pengambilan keputusan dalam kegiatan operasional oleh Direksi juga sesuai yang ditetapkan yang ada di dalam Anggaran Dasar dan peraturan perundang-undangan yang berlaku. Direksi mempertanggungjawabkan pelaksanaan tugasnya kepada pemegang saham melalui RUPS. Direksi juga menindaklanjuti temuan audit dan rekomendasi hasil pemeriksaan Internal Audit maupun auditor eksternal.

Pembagian tugas dan tanggung jawab Direksi sesuai dengan ketentuan yang berlaku adalah sebagai berikut:

Nama / Name	Jabatan / Position	Bidang Tugas / Field of Duty
Doddy Susanto	Direktur Utama / President Director	Mengoordinir seluruh proses operasional bisnis Perusahaan / Coordinate all of the Company's bussines operational processes
Kurniawan Udjaja	Direktur Keuangan / Director of Finance	Keuangan dan Administrasi / Finance and Administration
Fuganto Widjaja	Direktur Pengembangan / Director of Development	Pengembangan Bisnis / Business Development
Dani Lihardja	Direktur Operasional / Director of Operational	Operasional / Operational
Agus Leman Gunawan	Direktur Independen / Independent Director	Tata Kelola Perusahaan / Good Corporate Governance

Tugas dan kewenangan Direktur Utama

1. Merencanakan kebijakan umum pengelolaan perusahaan sesuai visi, misi, dan tujuan perusahaan.
2. Menjadi koordinator dari seluruh anggota Direksi yang lain dalam melaksanakan tugas dan wewenang Direksi sesuai dengan yang ditetapkan dalam Anggaran Dasar.
3. Mengkoordinir fungsi Internal Audit dan Human Capital untuk menjamin kelancaran aktivitas operasional Perseroan.

Independency of Board of Directors

As an organ of a company that frequently acted as a representative from the Company, Board of Directors is granted independency in carrying out its duties and responsibilities both individually and collegially. This meant that Board of Directors may act as well as possible in the interests of the Company.

Board of Directors' Duties and Responsibilities

Board of Directors' duties and responsibilities are guided by the Articles of Association, internal regulations and the applicable law and regulations. Board of Directors carries out its duties and responsibilities independently in ensuring the implementation of GCG. Decision-making in operations should be in accordance with the Articles of Association and the prevailing laws and regulations. Board of Directors is accountable for performance of its duties to the shareholders through GMS. The Board of Directors also should follow up on audit findings and recommendations from internal auditor or external auditors.

The division of duties and responsibilities in accordance with the prevailing provisions are as follows:

President Director's Duties and Authorities

1. Planning the general policy of the Company's management according to the Company's vision, mission, and goals.
2. Serving as coordinator of all members of the Board of Directors in carrying out the duties and authority of the Board of Directors in accordance with that set out in the Articles of Association.
3. Coordinating the Internal Audit and Human Capital functions to ensure smooth operational activities of the Company.

Tugas dan Kewenangan Direktur Keuangan

1. Menentukan kebijaksanaan teknis keuangan dan akuntansi berdasarkan kebijaksanaan umum operasional perusahaan.
2. Mengkoordinir aktivitas keuangan Perseroan agar dapat mencapai target keuangan yang telah ditetapkan.
3. Merencanakan dan menetapkan kebijakan dan strategi pengelolaan keuangan dan investasi serta pelaporan keuangan.

Tugas dan Kewenangan Direktur Pengembangan

1. Menentukan kebijaksanaan pengembangan bisnis perusahaan berdasarkan kebijaksanaan umum pengembangan bisnis perusahaan.
2. Mengkoordinir aktivitas investasi dan pengembangan bisnis Perseroan untuk meningkatkan pendapatan perusahaan.
3. Merencanakan dan menetapkan strategi pengembangan usaha dengan memanfaatkan potensi sumber daya Perseroan dan anak perusahaan dan/atau bekerja sama dengan mitra usaha.

Tugas dan Kewenangan Direktur Operasional

1. Bertanggung jawab atas kelancaran pekerjaan dan kelancaran operasional/program perusahaan secara efektif dan efisien sehingga tercapainya hasil sesuai target yang telah ditetapkan.
2. Mengkoordinir kegiatan operasional perusahaan dan pengembangan bisnis Perusahaan.
3. Mengkoordinir kegiatan usaha perusahaan yang mencakup perdagangan, industri, angkutan, *real estate*, dan jasa untuk menjamin kelancaran aktivitas operasional Perseroan.

Tugas dan Kewenangan Direktur Independen

1. Melaksanakan tugas dan kewenangan Direksi sesuai dengan yang ditetapkan dalam Anggaran Dasar.
2. Mengkoordinir kegiatan tata kelola perusahaan (good corporate governance) agar dapat diterapkan secara efektif dalam seluruh aktivitas bisnis dan operasional perusahaan.

Pelaksanaan Tugas dan Tanggung Jawab Direksi 2014

Sepanjang tahun 2014, Direksi telah melakukan tugas dan tanggung jawabnya dengan baik. Agenda pelaksanaan tugas dan tanggung jawab yang terealisasi meliputi :

Finance Director's Duties and Authorities

1. Determining the financial and accounting technical policy based on the Company's operations general policy.
2. Coordinating the Company's financial activities in order to achieve the financial targets that have been set previously.
3. Planning and establishing financial and investment management policies and strategies as well as financial reporting.

Development Director's Duties and Authorities

1. Determining the Company's business development policy based on the general policy of the Company's business development.
2. Coordinating the Company's investment and business development activities to increase the income.
3. Planning and establishing business development strategy by utilizing the Company and its subsidiaries' potential resources and / or collaborating with business partners.

Operations Director's Duties and Authorities

1. Responsible for the smooth running of the performance and the Company's operational/programs effectively and efficiently to achieve the results as set previously.
2. Coordinating the Company's operations and business development.
3. Coordinating the Company's business activities including trade, industry, transport, real estate, and services to ensure smooth operational activities.

Independent Director's Duties and Authorities

1. Carrying out the duties and authority of the Board of Directors in accordance with the Articles of Association.
2. Coordinating the implementation of Good Corporate Governance so it that can be applied effectively in all business activities and operations.

Implementation of Duties and Responsibilities of the Board of Directors in 2014

During 2014, Board of Directors has carried out its duties and responsibilities well. The agenda of duties and responsibilities implementation which have been realized include:

- Melaksanakan tata kelola perusahaan sesuai Anggaran Dasar Perusahaan, Peraturan Perundangan Lain dan prinsip-prinsip GCG dalam setiap kegiatan usaha Perseroan.
- Menyusun Rencana Bisnis Tahunan Perusahaan yang akan menjadi pedoman kerja pada tahun yang bersangkutan dan Rencana Bisnis Tahunan Perseroan tersebut wajib disampaikan kepada Dewan Komisaris untuk mendapatkan persetujuan.
- Menciptakan dan memelihara Sistem Pengendalian Intern yang efektif serta memastikan sistem tersebut berjalan secara aman dan sehat sesuai tujuan pengendalian intern yang ditetapkan Perusahaan.
- Mengelola Perseroan sesuai dengan kewenangan dan tanggung jawab sebagaimana diatur dalam Anggaran Dasar dan peraturan perundang-undangan yang berlaku.
- Melakukan kaji ulang semua ketentuan, peraturan dan struktur organisasi perusahaan apabila terjadi perubahan ketentuan dan atau peraturan, baik peraturan internal maupun peraturan eksternal.
- Mengoptimalkan pemanfaatan seluruh Sumber Daya yang dimiliki untuk pengembangan Perseroan.
- Membina dan menjaga hubungan baik dengan semua pihak yang terkait dengan Perseroan (stakeholder) diantaranya instansi Pemerintah, nasabah dan mitra usaha lainnya.
- Memastikan bahwa seluruh kegiatan, ketentuan dan kebijakan yang dibuat oleh Perseroan telah sesuai dengan ketentuan yang ditetapkan oleh Pemerintah dan peraturan perundang-undangan yang berlaku.
- Menindaklanjuti temuan-temuan audit dan rekomendasi dari satuan kerja audit, auditor eksternal, hasil pengawasan Otorisasi Jasa Keuangan.
- Implementing appropriate Good Corporate Governance in accordance to the Company's Articles of Association, Other Laws and Regulations, and the Good Corporate Governance principle in all our business activities.
- Developing Annual Business Plan which will guide the Company's work during the year and the Company's Annual Business Plan shall be submitted to the Board of Commissioners for approval.
- Creating and maintaining an effective Internal Control System and ensure the system is running safely and healthy in accordance to the internal control objectives determined by the Company.
- Managing the Company in accordance with authority and responsibility as stipulated in the prevailing Articles of Association, laws and regulations.
- Reviewing all laws, regulations and the company's organizational structure in the event of changes in the provisions and regulations, both internal and external regulatory rules.
- Optimizing the use of all resources for the development of the Company.
- Fostering and maintaining good relations with all parties related to the Company stakeholders) including government agencies, customers and other business partners.
- Ensuring all activities, rules and policies made by the Company is in accordance with the conditions stipulated by the Government and all the applicable laws and regulations.
- Following up on audit findings and recommendations of the internal audit units, external auditors, and results of the Financial Services Authorization (FSA) supervision.

Rapat Direksi

Rapat Direksi adalah rapat yang dilakukan oleh seluruh Direksi bersama para Kepala Divisi yang diselenggarakan 1 (satu) kali dalam sebulan, namun tidak tertutup kemungkinan bahwa Direksi mengadakan Rapat Direksi di luar jadwal yang telah ditentukan.

Board of Directors Meetings

Board of Directors meeting which was attended by all Directors and Division Heads is held once in a month, but it is also possible that Board of Directors held a Board of Directors Meeting outside predetermined schedule.

Sepanjang tahun 2014, Rapat Direksi yang telah diselenggarakan adalah sebanyak 12 kali, dengan rincian sebagai berikut:

Board of Directors meeting conducted during the year 2014 was convened 12 (twelve) times, with the following details:

No	Nama / Name	Jabatan / Position	Jumlah Rapat / Total of Meetings	Kehadiran / Attendance	Persentase / Percentage
1	Doddy Susanto	Direktur Utama / President Director	12	11	91%
2	Kurniawan Udjaja	Direktur Keuangan / Director of Finance	12	12	100%
3	Fuganto Widjaja	Direktur Pengembangan / Director of Development	12	11	91%
4	Dani Lihardja	Direktur Operasional / Director of Operational	12	12	100%
5	Agus Leman Gunawan	Direktur Tidak Terafiliasi / Unaffiliated Director	12	12	100%

Pengembangan Kompetensi Direksi 2014

Dalam meningkatkan kompetensi dan menunjang pelaksanaan tugasnya, selama tahun 2014 anggota Direksi Perseroan dan anak perusahaan telah mengikuti program pengembangan dalam bentuk pelatihan dan pengembangan di berbagai bidang, seperti keuangan, pemasaran, manajemen strategi, dan lain-lain. Direksi juga telah mengikuti pelatihan-pelatihan dan seminar-seminar berhubungan dengan tanggung jawab dan keahliannya masing-masing.

Competency Development of the Board of Directors in 2014

Throughout 2014, members of the Board of Directors of the Company and subsidiaries have participated in the development programs in the form of training and development in various fields, such as finance, marketing, strategy management, and others. The Board of Directors has attending trainings and seminars related to the responsibility and expertise of each Director.

HUBUNGAN AFILIASI

AFFILIATED RELATIONSHIP

Nama / Name	Memiliki hubungan afiliasi dengan / Having affiliated relationship with					
	Pemegang Saham Pengendali / Controlling Shareholders		Dewan Komisaris / Board of Commissioners		Direksi / Board of Directors	
	Ya / Yes	Tidak / No	Ya / Yes	Tidak / No	Ya / Yes	Tidak / No
Indra Widjaja	✓		✓		✓	
Howen Widjaja	✓		✓		✓	
Robinson Simbolon		✓		✓		✓
Doddy Susanto		✓		✓		✓
Kurniawan Udjaja		✓		✓		✓
Fuganto Widjaja	✓		✓		✓	
Dani Lihardja		✓		✓		✓
Agus Leman Gunawan		✓		✓		✓

Remunerasi Dewan Komisaris dan Direksi

Kebijakan remunerasi dan fasilitas lain bagi Dewan Komisaris serta Direksi mengacu kepada keputusan dari pemegang saham sebagaimana ditetapkan dalam rapat umum pemegang saham. Berdasarkan keputusan RUPS tanggal 13 Juni 2014, Pemegang Saham memberikan wewenang kepada Dewan Komisaris

Remuneration of the Board of Commissioners and Board of Directors

The policy of the remuneration and other facilities for the Board of Commissioners and Board of Directors refers to the decision of the shareholders, as stipulated in the general meeting of shareholders. Based on the GMS dated June 13, 2014, the Shareholders provides authority to the Board of Commissioners

untuk menetapkan Remunerasi atau gaji dan tunjangan Dewan Komisaris serta Direksi Perseroan.

Besarnya gaji dan tunjangan yang telah dibayar oleh Perseroan kepada seluruh Dewan Komisaris dan Direksi adalah sebesar Rp127.464 juta dan Rp99.135 juta.

KOMITE AUDIT

Pembentukan Komite Audit di dalam Perseroan dimaksudkan untuk menjadi organ Dewan Komisaris yang membantu pelaksanaan fungsi Dewan Komisaris dalam mengawasi efektivitas pelaksanaan Sistem Pengendalian Intern. Selain itu, Komite Audit difungsikan juga untuk meningkatkan peran aktif dalam memastikan adanya tindak perbaikan terhadap permasalahan perusahaan yang dapat mengurangi efektivitas Sistem Pengendalian Intern.

Dalam melakukan evaluasi terhadap efektivitas pelaksanaan Sistem Pengendalian Intern, Komite Audit melakukan evaluasi terhadap kewajaran Laporan Manajemen yang disusun oleh Direksi. Selain itu, Komite Audit juga bertugas mengidentifikasi berbagai masalah yang berkaitan dengan pelanggaran terhadap peraturan dan ketentuan yang berlaku dalam kegiatan yang dilakukan Perseroan. Dalam melaksanakan tugasnya untuk membantu Dewan Komisaris, Komite Audit berpedoman pada rencana kerja yang telah disusun.

Pengangkatan dan Pemberhentian Komite Audit

Pengangkatan dan pemberhentian anggota Komite Audit dilakukan oleh Dewan Komisaris berdasarkan Surat Keputusan yang dikeluarkan oleh Dewan Komisaris.

Pemberhentian anggota Komite Audit dapat dilakukan apabila yang bersangkutan berakhir masa jabatan keanggotaannya dan/atau karena tidak memenuhi kinerja yang telah ditetapkan, serta tidak kompeten dalam menjalankan tugasnya.

Komposisi Komite Audit

Susunan komposisi anggota Komite Audit per tanggal 31 Desember 2014 berdasarkan keputusan Rapat Umum Pemegang Saham yang diadakan pada hari Jumat, tanggal 13 Juni 2014 adalah sebagai berikut :

to determine the Remuneration or salary and allowance of the Board of Commissioners and Board of Directors of the Company.

The amount of salary and allowance paid by the Company to all Board of Commissioners and Board of Directors is Rp127,464 million and Rp99,135 million.

AUDIT COMMITTEE

The establishment of the Audit Committee in the Company aims to become organs of the Board of Commissioners that will assist the implementation of the Board of Commissioners' function to supervise the effectiveness of the implementation of Internal Control System. In addition, the Audit Committee functions to increase active role in ensuring that the Company's problems have been solved, especially the ones that can decrease the effectiveness of the Internal Control System.

In conducting evaluation and effectiveness of the implementation of the Internal Control System, the Audit Committee evaluates the reasonableness of the Management Report which has been drawn up by the Board of Directors. In addition, the Audit Committee also has duty to identify various problems related to the violation of the applicable regulations and provisions in the activities that are conducted by the Company. In carrying out its duties to assist the Board of Commissioners, the Audit Committee refers to the work plan that has been prepared.

Appointment and Dismissal of the Audit Committee

The appointment and dismissal of the member of the Audit Committee is conducted by the Board of Commissioners based on the Decree issued by the Board of Commissioners.

The appointment of members of the Audit Committee is conducted if the terms of office of the related member ends and or because the related member is no longer qualified to the criteria or incompetent in performing duties.

Composition of the Audit Committee

The composition of the member of the Audit Committee as of December 31, 2014 based on the decision of the General Meeting of Shareholders conducted on Friday, dated June 13, 2014 is as follows:



Robinson Simbolon
Ketua / Chairman

Robinson merupakan Komisaris Independen Perseroan, dan profilnya telah diuraikan dalam profil Dewan komisaris.

Robinson is Independent Commissioner. The profile of Robinson is available in the Profile of Board of Commissioners.



Agustinus Antonius
Anggota / Member

Warga Negara Indonesia, memperoleh gelar Magister Manajemen dari Universitas Gajah Mada, Yogyakarta pada 1992 dan Sarjana Pertanian Universitas Jambi pada 1990. Pernah menjabat sebagai Kepala Departemen Kredit Bank Sumitomo Mitsui Indonesia (sebelumnya Bank Sumitomo Niaga) sejak 1992 sampai dengan 1997, Senior Manager Divisi Manajemen Risiko Bank Commonwealth dari tahun 1997 sampai dengan tahun 1999, berkarier di Badan Penyehatan Perbankan Nasional dari tahun 1999 sampai dengan 2004 dengan jabatan terakhir sebagai Vice President Kepala Divisi Pengelolaan Asset, Direktur Utama PT Fortius Agro Asia (CPO Commercial Mill) dari bulan Januari 2005 sampai dengan Maret 2006, Direktur Utama PT Teguhkarsa Wanalestari (Oil Palm Plantation) dari September 2005 sampai dengan Mei 2007. Komite Manajemen Risiko pada PT Bank Sinarmas Tbk dari Juli 2007 sampai dengan sekarang, dan Komisaris Independen PT Sinar Mas Multiartha Tbk sejak April 2008 sampai dengan Juni 2014. Anggota Komite Audit PT Sinar Mas Multiartha Tbk sejak 13 Juni 2014 sampai dengan sekarang.

An Indonesian Citizen, earned his Magister of Management degree from University of Gajah Mada, Yogyakarta, in 1992 and Faculty of Agriculture (majoring in Soil Science), Jambi University, in 1990. He was Head of Credit Department of Bank Sumitomo Mitsui Indonesia (previously Bank Sumitomo Niaga) from 1992 to 1997, Senior Manager of Risk Management of Bank Commonwealth from 1997 to 1999, worked at Indonesian Bank Restructuring Agency from 1999 to 2004 with his last position as Vice President Head of Asset Management Division, Director of PT Fortius Agro Asia (CPO Commercial Mill) from January 2005 to March 2006, President Director of PT Teguhkarsa Wanalestari (Oil Palm Plantation) from September 2005 until May 2007. Risk Management Committee at PT Bank Sinarmas Tbk from July 2007 until now, and Independent Commissioner of PT Sinar Mas Multiartha Tbk from April 2008 to June 2014, served as member of Audit Committee of PT Sinar Mas Multiartha Tbk since June 13, 2014 until now.



Herawan Hadidjaja
Anggota / Member

Warga Negara Indonesia, lahir pada tahun 1952. Meraih gelar Bachelor of Mathematics dari University of Waterloo, Canada pada tahun 1975, dan Bachelor of Commerce dari University of Windsor, Canada pada tahun 1976. Pernah menduduki beberapa jabatan diantaranya Senior Marketing Officer PT Orient Bina Usaha Leasing pada tahun 1977, Kepala Akuntan dan Assisten Manajer Pemasaran PT Laurel Pharmaceutical Industry (1977 – 1978), Kepala Bagian Akuntansi dan Manajer Keuangan pada Continental Oil Company of Indonesia (CONOCO – Indonesia) tahun 1979 – 1984, Presiden Direktur PT Sinar Mas Multiartha Tbk dari 1 Agustus 1985 sampai dengan 22 Juni 2009, Presiden Komisaris PT Sinar Mas Multifinance dari 2 Nopember 2001 sampai dengan 21 Juli 2009, Presiden Komisaris PT AB Sinar Mas Multifinance dari 1 Juni 2002 sampai dengan 25 Juli 2009, Komisaris PT Certis Cisco dari 18 Januari 2000 sampai dengan 14 Oktober 2009, Direktur Utama PT OKI Pulp and Paper Mills dari tanggal 1 Juni 2012 sampai dengan 28 Agustus 2013, Anggota Komite Audit PT Dian Swastika Sentosa Tbk dari Maret 2010 sampai dengan sekarang, Anggota Komite Audit PT Smart Tbk dari 1 Agustus 2010 sampai dengan sekarang, Komisaris PT Oto Multiartha dari tanggal 31 Mei 2012 sampai dengan sekarang, Komisaris PT Summit Oto Finance dari tanggal 31 Mei 2012 sampai dengan sekarang, Anggota Komite Audit PT Duta Pertiwi Tbk dari tanggal 1 Januari 2012 sampai dengan sekarang, Anggota Komite Audit PT Bumi Serpong Damai Tbk dari tanggal 7 Januari 2013 sampai dengan sekarang, Komisaris PT OKI Pulp and Paper Mills dari 29 Agustus 2013 sampai dengan sekarang dan Anggota Komite Audit PT Sinar Mas Multiartha Tbk dari 13 Juni 2014 sampai dengan sekarang.

An Indonesian Citizen, born in 1952. He earned his Bachelor of Mathematics from the University of Waterloo, Canada in 1975, and Bachelor of Commerce from the University of Windsor, Canada in 1976. Having been served for several positions including Senior Marketing Officer at PT Orient Bina Usaha Leasing in 1977, Chief Accountant and Assistant Marketing Manager at PT Laurel Pharmaceutical Industry (1977-1978), Head of Accounting and Finance Manager at Continental Oil Company of Indonesia (Conoco - Indonesia) in 1979-1984, President Director at PT Sinar Mas Multiartha Tbk from August 1, 1985 until June 22, 2009, President Commissioner at PT Sinar Mas Multifinance from 2 November 2001 to July 21, 2009, President Commissioner at PT AB Sinar Mas Multifinance of June 1, 2002 until July 25, 2009, Commissioner at PT Certis Cisco 200 from January 18 to October 14, 2009, President Director at PT OKI Pulp and Paper Mills on June 1, 2012 until August 28, 2013, member of the Audit Committee at PT Dian Swastika Sentosa Tbk from March 2010 until now, member of Audit Committee at PT Smart Tbk from 1 August 2010 until the present, the Commissioner at PT Oto Multiartha of May 31, 2012 until the present, the Commissioner at PT Summit Oto Finance on May 31, 2012 up to now, Member of Audit Committee at PT Duta Pertiwi Tbk from January 1, 2012 up to now, Member of Audit Committee at PT Bumi Serpong Damai Tbk since January 7, 2013 until now, Commissioner at PT OKI Pulp and Paper Mills on August 29, 2013 until now and Member of Audit Committee at PT Sinar Mas Multiartha Tbk since June 13, 2014 until now.

Independensi Komite Audit

Komite Audit secara independen melapor dan bertanggung jawab kepada Dewan Komisaris dalam melaksanakan tugasnya. Anggota Komite Audit terbebas dari hubungan keuangan, manajerial, kepemilikan dan/atau hubungan keluarga dengan anggota Dewan Komisaris, Direksi dan/atau Pemegang Saham utama dan/ atau dengan pengendali utama. Komite Audit terdiri dari para profesional di bidangnya, yang mengawasi dan memberi saran kepada Dewan Komisaris.

Tugas, Wewenang dan Tanggung Jawab Komite Audit

Komite Audit dibentuk dengan tujuan untuk membantu dan memfasilitasi Komisaris dalam menjalankan tugas dan fungsi pengawasan atas hal-hal yang berkaitan dengan informasi keuangan, sistem pengendalian intern, efektivitas pemeriksaan Auditor Internal dan Eksternal, efektivitas pelaksanaan manajemen risiko serta kepatuhan terhadap peraturan perundang-undangan yang berlaku.

Tugas, wewenang dan tanggung jawab Komite Audit meliputi namun tidak terbatas pada melakukan pemantauan dan evaluasi atas perencanaan dan pelaksanaan audit serta pemantauan atas tindak lanjut hasil audit dalam rangka menilai kecukupan pengendalian intern.

Ruang lingkup tugas, wewenang tanggung jawab Komite Audit meliputi namun tidak terbatas pada :

1. Melakukan penelaahan atas ketaatan terhadap peraturan perundang undangan yang berhubungan dengan kegiatan perseroan.
2. Melakukan pemantauan dan evaluasi atas perencanaan dan pelaksanaan audit serta pemantauan atas tindak lanjut hasil audit dalam rangka menilai kecukupan pengendalian intern termasuk kecukupan proses pelaporan keuangan.
3. Dalam rangka melaksanakan tugas Komite Audit paling kurang melakukan pemantauan dan evaluasi terhadap :
 - a. Pelaksanaan tugas Satuan Kerja Audit Intern
 - b. Kesesuaian pelaksanaan audit oleh Kantor Akuntan Publik dengan standar audit yang berlaku.
 - c. Kesesuaian laporan keuangan dengan standar akuntansi yang berlaku.

Audit Committee Independency

The Audit Committee shall report and responsible independently to the Board of Commissioners for their duties. Audit Committee members have no financial ties, managerial, ownership and/or family relationship with member of Board of Commissioners, Board of Directors and/or shareholders and/or main controller. The Audit Committee consists of professionals in the field, which oversees and give advice to the Board of Commissioners

The Duties, Authorities and Responsibilities of the Audit Committee

The Audit Committee was formed with the purpose to assist and facilitate the Board of Commissioner in carrying out the duties and functions of supervision over matters relating to financial information, internal control systems, the effectiveness of the Internal and External Auditors examination, the effectiveness of risk management, and compliance with laws and regulations applicable.

The duties, authorities and responsibilities of the Audit Committee include, but are not limited to the monitoring and evaluation of the audits planning and execution as well as monitoring the follow-up of audit results in order to assess the adequacy of internal controls.

The scope of duties, authority responsibilities the Audit Committee include but are not limited to:

1. Reviewing the adherence to applicable laws and regulations relating to the Company's activities
2. Conduct monitoring and evaluation of the planning and execution of audits and follow-up monitoring of the result of the audit in order to assess the adequacy of internal controls, including the adequacy of the financial reporting process.
3. In order to carry out the duties of the Audit Committee at least do the monitoring and evaluation of :
 - a. The implementation of the Internal Audit Unit task.
 - b. The suitability of the audit done by the Public Accountant Firm with applicable auditing standards.
 - c. Conformity of financial statements with the applicable accounting standards.

- d. Pelaksanaan tindak lanjut oleh Direksi atas hasil temuan Satuan Kerja Audit Intern, Akuntan Publik, dan hasil pengawasan OJK, guna memberikan rekomendasi kepada Dewan Komisaris
4. Memberikan rekomendasi mengenai penunjukkan Akuntan Publik dan Akuntan Publik kepada Dewan Komisaris untuk disampaikan kepada Rapat Umum Pemegang Saham.

Realisasi Pelaksanaan Tugas Komite Audit 2014

Sepanjang tahun 2014, Komite Audit telah melaksanakan fungsi, tugas, serta tanggung jawabnya sesuai dengan ketentuan Piagam Komite Audit (Committee Audit Charter).

Rapat Komite Audit

Secara berkala, Komite Audit melakukan rapat untuk mengevaluasi pelaksanaan tugas SKAI dan tindak lanjut Direksi atas hasil temuan pemeriksa (baik internal maupun eksternal) yang diteruskan rekomendasi kepada Dewan Komisaris. Dalam pelaksanaan rapat, keputusan rapat yang diambil berdasarkan musyawarah mufakat. Namun bila tidak terjadi kemufakatan, maka pengambilan keputusan dilakukan berdasarkan suara terbanyak.

Selama tahun 2014, Komite Audit telah melakukan 4 kali pertemuan untuk membahas laporan pelaksanaan dan pokok-pokok temuan hasil pemeriksaan Internal Audit. Rincian jumlah kehadiran rapat Komite Audit sebagaimana tabel berikut ini:

No	Nama / Name	Jabatan / Position	Jumlah Rapat / Total of Meetings	Kehadiran / Attendance	Persentase / Percentage
1	Robinson Simbolon	Ketua / Chairman	4	4	100%
2	Agustinus Antonius	Anggota / Member	4	4	100%
3	Herawan Hadidjaja	Anggota / Member	4	4	100%

Rekomendasi Komite Audit tahun 2014

Selama tahun 2014 anggota Komite Audit telah memberikan berbagai rekomendasi antara lain rekomendasi kepada Dewan Komisaris agar Laporan Keuangan Konsolidasi Perseroan yang telah di audit untuk tahun buku yang berakhir pada tanggal 31 Desember 2014 dapat diterima dan dilaporkan dalam Laporan Tahunan Perseroan serta rekomendasi kepada Manajemen atas tindak lanjut dan pelaksanaan atas temuan-temuan oleh Audit Internal baik pada Perseroan maupun Anak Perusahaan.

- d. Follow-up by the Board of Directors on the Internal Audit Unit and Public Accountants findings as well as the results of FSA supervision, to provide recommendations to the Board.
4. Gives recommendations for the appointment of the Public Accountants to the Board to be submitted to the General Meeting of Shareholders.

Implementation of Duties of the Audit Committee in 2014

During the year 2014, the Audit Committee has been carrying out the functions, duties and responsibilities in accordance with the Audit Committee Charter.

The Audit Committee Meeting

Periodically, the Audit Committee convened to evaluate the implementation of the Internal Audit tasks and follow up on the findings of the Board of Directors (both internal and external) in order to provide recommendations to the Board of Commissioner. Meeting decisions taken by consensus agreement (mufakat), in this case if it does not happen then the deliberation and consensus decision-making is done by a majority vote.

During the year 2014, the Audit Committee convened four (4) times to discuss the report and the specifics of Internal Audit examination findings. Details of attendance of the Audit Committee meeting, as the following table:

The Audit Committee's Recommendation in 2014

During the year 2014 the Audit Committee has provided a variety of recommendations including recommendations to the Board of Commissioner that the Company's Consolidated Financial Statements have been audited for the fiscal year ended December 31, 2014 can be accepted and reported in the Company's Annual Report as well as recommendations to the Management in regards of follow-up and implementation of the Internal Audit's finding at the Company and its Subsidiaries.

KOMITE LAIN

Hingga akhir tahun 2014, Perseroan belum memiliki Komite Nominasi maupun Komite Remunerasi. Perseroan menyadari pentingnya melakukan pemilihan terhadap kandidat-kandidat terbaik dan mempertahankan motivasi mereka untuk mencapai kinerja yang terbaik melalui remunerasi yang pantas. Sehubungan dengan hal ini, Perseroan akan mempertimbangkan untuk membentuk komite-komite tersebut di masa yang akan datang sesuai dengan kebutuhan.

SEKRETARIS PERUSAHAAN

Sekretaris Perusahaan bertugas sebagai penghubung antara Perseroan dengan para pemangku kepentingan dan publik. Sekretaris Perusahaan juga bertanggung jawab untuk menyediakan dan menyampaikan informasi yang penting mengenai Perseroan kepada masyarakat umum maupun untuk kepentingan pemegang saham. Sekretaris Perusahaan mengemban misi untuk mendukung terciptanya citra perusahaan yang baik secara konsisten dan berkesinambungan melalui pengelolaan program komunikasi yang efektif kepada segenap pemangku kepentingan.

Sekretaris Perusahaan bertanggungjawab untuk membantu Perseroan dalam menjalankan Tata Kelola Perusahaan yang baik dan memastikan kepatuhan Perseroan terhadap aspek pengungkapan dan penyampaian informasi maupun terhadap peraturan bursa, pasar modal, dan juga perundang-undangan lainnya yang berlaku. Sekretaris Perusahaan juga mempunyai fungsi menyebarkan informasi mengenai kondisi Perseroan kepada publik, bertindak sebagai penghubung antara Perseroan dengan Badan Pengawas Pasar Modal dan Lembaga Keuangan, Bursa Efek Indonesia dan publik. Selain itu, Sekretaris Perusahaan juga bertugas mengkoordinasikan kegiatan Dewan Komisaris dan Direksi secara internal maupun eksternal.

Profil Sekretaris Perusahaan

Saat ini Sekretaris Perusahaan dijabat oleh Kurniawan Udjaja Berdasarkan Surat Direksi tanggal 29 Desember 2001 yang mana saat ini Kurniawan Udjaja juga merangkap sebagai Direktur Perseroan, profil beliau tersaji dalam sub bab profil Direksi.

OTHER COMMITTEES

Until the end 2014, the Company did not have Nomination and Remuneration Committee. The Company realizes the importance of choosing the best people and maintaining their motivation to achieve the best performance through appropriate remuneration. In connection with this, the Company will consider to establish such committees in the future as needed.

CORPORATE SECRETARY

Corporate Secretary jobs it to serve as a liaison between the stakeholders and the general public and responsible for providing and conveying important information about the Company to the general public or for the benefit of shareholders. The Corporate Secretary has a mission to support the creation of a consistently and continuously good corporate image through effective communication management programs to all stakeholders.

The Corporate Secretary is responsible to assist the Company in implementing Good Corporate Governance and ensuring the Company's compliance with disclosure aspects and submission of information to stock exchanges authorities, capital markets and other laws and regulations. The Corporate Secretary also has the function of disseminating information to the public about the condition of the Company, acting as a liaison between the Company and Capital Market Supervisory Agency and Financial Institution, the Indonesia Stock Exchange and the public. Additionally, the Corporate Secretary is also responsible for coordinating the activities of the Board of Commissioners and Board of Directors internally and externally.

Corporate Secretary's Profile

At present, Kurniawan Udjaja is the Corporate Secretary by virtue of Letter of the Board of Directors dated 29 December 2001; Kurniawan Udjaja is concurrently the Company's Director. His profile is available in the Profile of Board of Director Profile.

PUBLIKASI INFORMASI PERUSAHAAN

Perseroan senantiasa memegang teguh prinsip transparansi sebagai bentuk komitmen penerapan GCG. Sebagai bentuk transparansi informasi perusahaan, selama tahun 2014 Perseroan telah mempublikasikan informasi baik di media internal maupun oleh media eksternal.

Perseroan berupaya memberikan kemudahan dalam akses informasi bagi para pemangku kepentingan melalui penyebaran informasi kepada stakeholders merupakan bagian penting dalam pelaksanaan prinsip transparansi. Penyebaran informasi tersebut dilakukan melalui media *website*, www.sinarmasmultiartha.com

Selain itu, informasi tentang Perseroan dapat pula diperoleh melalui fungsi *public relation* di alamat sebagai berikut:

Sinar Mas Land Plaza Tower I Lantai 9
Jl. M.H Thamrin No.51
Jakarta Pusat 10350
Telp : (62-21) 392 5660
Fax : (62-21) 392 5788

AUDIT INTERNAL

Perseroan senantiasa berupaya meningkatkan penerapan pengendalian internal melalui pengembangan sistem dan prosedur yang aplikatif dalam upaya pencegahan terjadinya fraud. Penerapan sistem pengendalian internal oleh Perseroan diarahkan untuk dapat memberikan suatu keyakinan bahwa perusahaan memiliki catatan keuangan dalam penyusunan laporan keuangan, penggunaan aset sesuai dengan peruntukannya dan kepatuhan terhadap ketentuan yang berlaku.

Penerapan sistem pengendalian internal Perseroan dilakukan oleh tim Auditor Internal yang bertugas untuk memastikan sistem pengendalian internal efektif dan memadai untuk menjaga aset Perseroan. Tugas Auditor Internal antara lain melakukan verifikasi informasi Perseroan baik informasi operasional maupun keuangan. Masalah yang ditemukan akan ditelaah dan diinformasikan kepada manajemen dan Komite Audit. Auditor Internal juga memberikan masukan mengenai penerapan strategi Perseroan.

COMPANY INFORMATION PUBLICATION

The Company always uphold the transparency principle as a commitment to the GCG implementation. As a form of corporate information transparency, during 2013 the Company has published the information either in internal or external media.

The Company seeks to provide ease of information access for all stakeholders through the dissemination of information to stakeholders is an important part in the implementation of the principle of transparency. Dissemination of information is through the medium of websites, www.sinarmasmultiartha.com.

In addition, information about the Company can be also obtained through public relations function at the following address:

Sinar Mas Land Plaza Tower I 9 floor
Jl. M.H Thamrin No.51
Jakarta Pusat 10350
Telp : (62-21) 392 5660
Fax : (62-21) 392 5788

INTERNAL AUDIT

The Company continues to improve its internal control implementation through the development of applicable systems and procedures and prevent fraud. Implementation of the internal control system by the Company are directed to provide an assurance that the Company has the financial records for preparing financial statements, assets uses in the manner intended and compliance with applicable laws and regulations.

The Implementation of the Company's internal control system is done by a team of internal auditors whose job is to ensure an effective system of internal controls and adequate to safeguard the assets of the Company. Internal Auditor duties include verifying both the Company's operational and financial information. Problems found will be analyzed and communicated to management and the Audit Committee. Internal auditors also provide input regarding the implementation of the Company's strategy.

Profil Auditor Internal

Sumber daya Auditor Internal pada tahun 2014 berjumlah 2 (dua) orang yang terdiri dari 1 (satu) orang jabatan struktural dan 1 (satu) orang jabatan fungsional.

Saat ini Kepala Internal Audit dijabat oleh **Edy Tjandra** berdasarkan SK Direksi No.012/SMMA/Dir/II/2010 tanggal 4 Februari 2010.

Tugas dan Tanggung Jawab

1. Menyusun dan melaksanakan rencana audit internal tahunan.
2. Menguji dan mengevaluasi pelaksanaan pengendalian interen dan sistem manajemen risiko sesuai dengan kebijakan perusahaan
3. Melakukan pemeriksaan dan penilaian atas efisiensi dan efektivitas di bidang keuangan, akuntansi, operasional, sumber daya manusia, pemasaran, teknologi informasi dan kegiatan lainnya;
4. Memberikan saran perbaikan dan informasi yang obyektif tentang kegiatan yang diperiksa pada semua tingkat manajemen;
5. Membuat laporan hasil audit dan menyampaikan laporan tersebut kepada direktur utama dan dewan komisaris;
6. Memantau, menganalisis dan melaporkan pelaksanaan tindak lanjut perbaikan yang telah disarankan;
7. Bekerja sama dengan Komite Audit;
8. Menyusun program untuk mengevaluasi mutu kegiatan audit internal yang dilakukannya; dan
9. Melakukan pemeriksaan khusus apabila diperlukan.

Standar Pelaksanaan

Kegiatan Divisi Audit Internal berpedoman pada Manual Kerja dan Piagam Audit Internal yang disusun berdasarkan Standar Pelaksanaan Fungsi Audit Internal dari ketentuan mengenai Pembentukan dan Pedoman Penyusunan Piagam Audit Internal dari Keputusan Ketua Bapepam-LK No. KEP-496/BL/2008 tanggal 28 November 2008 mengenai Pembentukan dan Pedoman Penyusunan Piagam Unit Audit Internal.

SISTEM PENGENDALIAN INTEREN

Sistem Pengendalian Interen (SPI) merupakan suatu perencanaan yang meliputi struktur organisasi dan semua metode dan alat-alat yang dikoordinasikan yang digunakan

Auditor Internal Profil

Internal Auditor resources in 2014 is 2(two) peoples consisting of 1 (one) the structural position and 1 (one) the functional position .

The Internal Audit Head currently held by **Edy Tjandra** based on the Decree No.012/SMMA/Dir/II/2010, dated February 4, 2010.

Duties and Responsibilities

1. Developing and implementing internal audit yearly plans;
2. Examining and evaluating the implementation of internal control and risk management system in accordance with company policies;
3. Examining and assessing of the efficiency and effectiveness in finance, accounting, operational, human resources, marketing, information technology and other activities;
4. Providing recommendation for improvement and objective information about the activities examined at all levels management;
5. Making the results of the audit report and submitting the report to President Director and Board of Commissioners;
6. Monitoring, Analyzing and reporting on implementation follow-up improvement that has been suggested;
7. Working closely with the Audit Committee;
8. Developing program to evaluate the activities quality of internal Audit are performed; and
9. Conducting special inspections if necessary.

Implementation Standards

Internal Audit Division activities guided by Manual Work and the Internal Audit Charter prepared by standard Internal Audit Function Implementation of the provision concerning the Establishment and Guidelines for Internal Audit Charter from the Chairman of Bapepam-LK No. KEP-496/BL/2008 dated November 28, 2008 on the Establishment and Guidelines for Preparation of Internal Audit Charter.

INTERNAL CONTROL SYSTEM

Internal Control System (SPI) is a planning that covers organization structure and all methods and devices coordinated used in the Company. The purpose of SPI is to maintain the

di dalam Perseroan. Tujuan dari SPI adalah untuk menjaga keamanan harta milik perusahaan, memeriksa ketelitian dan kebenaran data akuntansi, mendorong efisiensi, dan membantu mendorong dipatuhinya kebijakan manajemen yang telah ditetapkan.

Lingkungan Pengendalian

Adalah kondisi lingkungan organisasi yang sehat untuk mendukung penerapan SPI, yang komponennya terdiri dari:

- Integritas dan nilai-nilai etika yang tertanam dalam budaya Perseroan,
- Komitmen terhadap kompetensi.
- Peran dan pengaruh Dewan Komisaris serta Komite Audit.
- Filosofi manajemen dan kultur operasi Perseroan.
- Struktur Perseroan yang mampu memberikan kejelasan wewenang dan tanggung jawab dengan baik.
- Budaya dan aturan yang sehat dalam mekanisme penetapan otoritas serta tanggung jawab.
- Kebijakan dan praktik yang sehat di bidang sumber daya manusia.
- Pengaruh faktor-faktor eksteren Perseroan.

Evaluasi Kinerja SPI 2014

Sepanjang tahun 2014, SPI telah melaksanakan fungsi, tugas, serta tanggung jawabnya dengan baik dan sesuai dengan ketentuan prosedural yang berlaku.

SISTEM PELAPORAN PELANGGARAN

Merujuk peraturan Bapepam Nomor KEP-431/BL/2012 tanggal 1 Agustus 2012 perihal penyampaian Laporan Tahunan Emiten atau Perusahaan Publik poin G.13 perihal uraian sistem pelaporan pelanggaran (*whistleblowing system*), dimana Perusahaan diwajibkan untuk melaporkan mengenai *whistleblowing system* antara lain meliputi :

Program Whistleblowing

Whistleblowing merupakan salah satu sarana yang efektif dalam membantu mengungkap adanya kejadian *Fraud* dan penyimpangan lainnya. Manajemen mengharuskan setiap lini unit bisnis untuk secara konsisten menjalankan fungsi pengawasan melekat dan berjenjang, serta menetapkan

security of the Company's property, to check the accuracy and correctness of accounting data, to promote efficiency and to help encourage compliance with management policies that have been determined.

Controlling Environment

It is a condition for a healthy organizational environment to support the implementation of SPI, which components consist of:

- Integrity and ethical values which are embedded in the Company's cultures;
- Commitment to competence.
- The role and influence of the Board of Commissioners and the Audit Committee.
- Management philosophy and cultures of the Company's operation.
- The Company's structure that provides clear authority and responsibility.
- Healthy culture and rules in the mechanism of authority and responsibility determination.
- Healthy policies and practices in the field of human resources.
- External factors of the Company.

Evaluation of SPI's Performance in 2014

Throughout 2014, SPI has been carrying out functions, duties as well as their responsibilities properly and in accordance with the applicable procedural provisions.

WHISTLEBLOWING SYSTEM

Referring to Bapepam No. KEP-431/BL/2012 dated on August 1, 2012 regarding on the submission of Annual Report of Issuers or Public Company on G.13 point which explains about the whistleblowing system, whereby the Company are required to report on whistleblowing system, including:

Whistleblowing Programs

Whistleblowing is one of effective tools which can help to uncover the Fraud and other irregularities. In its application, the Management requires that every line of business units to consistently perform the functions inherent and tiered supervision, as well as setting policy by opening a channel that

kebijakan dengan membuka saluran pengaduan yang dapat didayagunakan sebagai *early warning* untuk dapat dilakukan langkah-langkah penyempurnaan system pengendalian internal. Hal yang diatur melalui mekanisme ini mencakup proses pelaporan, tindak lanjut atas pelaporan, proses komunikasi dan program perlindungan bagi *whistleblower*.

Pelaporan Whistleblowing

Pelaporan yang diperoleh dari mekanisme *whistleblower* ini perlu mendapatkan perhatian dan tindak lanjut, termasuk juga penerapan hukuman yang tepat agar dapat memberikan efek jera bagi pelaku penyimpangan/ pelanggaran dan juga bagi mereka yang terpikir melakukan hal tersebut. Oleh sebab itu, setiap informasi/ laporan yang diterima dengan lampiran bukti-bukti akan ditangani dan ditindaklanjuti secara profesional, termasuk namun tidak terbatas dengan menugaskan Tim Audit untuk melakukan investigasi/ observasi kebenaran informasi yang dilaporkan tersebut apabila dianggap perlu. Pelaporan dapat disampaikan langsung oleh karyawan melalui media surat tertutup, email kepada Direksi dan SKAI .

can be utilized as an early warning si there can be a step by step improvement of the internal control system . This mechanism redulation include the reporting process, reporting follow-up, communication processes and programs for the protection of whistleblowers

Whistleblowing Reporting

Reports obtained from the whistleblower mechanism require close attention and follow-up, including the imposition of appropriate penalties in order to give deterrent effects to the perpetrators of deviations/violations and also for they are thought to do so. Therefore, every information/report received with the attachment of the proof wil be handled and followed-up professionally, including but not limited to assigning the Audit Team to conduct investigation/observation of the truthfulness of the reproted information, if necessary. The report can be directly reported by the employees through closed printed media and email to the Board of Directors and SKAI.

Direksi dan Dewan Komisaris bertugas untuk melindungi kepentingan pemegang saham dan semua *stakeholders*, sesuai dengan peraturan dan perundang-undangan yang berlaku

The Board of Directors and Board of Commissioners is responsible to protect the interests of shareholders and all stakeholders, in accordance with the applicable rules and regulations

Perlindungan bagi Whistleblower

Untuk memberikan perlindungan kepada pemberi informasi/pengaduan, manajemen akan menjamin kerahasiaan identitas pelapor, sehingga karyawan mendapatkan kebebasan untuk melaporkan adanya tindakan penyimpangan/pelanggaran. Manajemen akan memberikan penghargaan kepada karyawan yang memberikan pengaduan penyimpangan/pelanggaran, apabila pengaduan yang disampaikan terbukti benar.

Penanganan Pengaduan

Tindak lanjut laporan yang disampaikan oleh *whistleblower* dan mekanisme penanganannya dilakukan oleh Fraud Detection, Investigation and Litigation Team (FDILT), dimana didalam tim penanganan kasus *Fraud* ini diketuai oleh Direktur dengan susunan anggota yang melibatkan Unit Kerja SKAI, Legal dan HRD. Masing-masing Unit Kerja memiliki tugas dan tanggung jawab yang telah diatur secara jelas, mulai dari tahapan melakukan deteksi awal sampai dengan penyelesaian atas kasus *Fraud* ataupun penyimpangan lainnya.

Whistleblower Protection

To protection of the whistleblower, the Company is obligated to keep confidentiality of the whistleblower identity, so that employees have the freedom to report any act of deviation / violation. The Management will provide awards to employees who report complaints of irregularities / violations, if the complaint that has been reported is proven true.

Complaint handling

Follow-up report submitted by the whistleblower and the handling mechanism carried by the Fraud Detection, Investigation and Litigation Team (FDILT), where the fraud case management team is headed by a Director involving the members of the Internal Audit, Legal and HR Work Team. Each unit has a duty and responsibility that have been clearly set, ranging from early stage detection up to the settlement of fraud or other irregularities case.



Pihak Pengelola Pengaduan

Untuk memastikan bahwa setiap pelaporan ditangani sesuai dengan ketentuan yang berlaku, maka pengelolaan pengaduan dilakukan dengan melibatkan unit kerja. Manajemen juga telah menunjuk SKAI sebagai unit atau fungsi yang bertugas menangani penerapan dari Kebijakan *Anti-Fraud Management*.

Hasil dari Penanganan Pengaduan 2014

Hasil dari penanganan pengaduan disampaikan oleh *Fraud Detection* kepada manajemen yang memuat kesimpulan dari hasil penanganan, serta rekomendasi perbaikan sistem pengendalian internal yang masih dinilai terdapat kelemahan dan juga rekomendasi pemberian sanksi atas petugas-petugas terkait kelemahan yang ditimbulkan. Penanganan dari kasus yang dilaporkan dimaksudkan dalam rangka untuk memperkuat Sistem Pengendalian Interen, serta memotivasi seluruh pihak/karyawan untuk menghindari kegiatan/ transaksi yang dapat berpotensi/berakibat merugikan perusahaan atau dapat mengganggu perusahaan beroperasi secara aman.

MANAJEMEN RISIKO KEUANGAN

Aktivitas Grup terpengaruh berbagai risiko keuangan seperti risiko pasar (termasuk risiko mata uang asing, risiko suku bunga dan risiko harga), risiko kredit dan risiko likuiditas. Program manajemen risiko Grup secara keseluruhan difokuskan pada pasar keuangan yang tidak dapat diprediksi dan Grup menjalankan kegiatan operasional secara hati-hati untuk meminimalkan efek yang berpotensi merugikan kinerja keuangan Grup.

Manajemen risiko merupakan tanggung jawab Direksi dengan tugas menentukan prinsip dasar kebijakan manajemen risiko Grup secara keseluruhan serta kebijakan pada area tertentu seperti risiko mata uang asing, risiko suku bunga, risiko harga, risiko kredit dan risiko likuiditas.

Dalam pelaksanaannya, penerapan manajemen risiko Grup meliputi pengawasan aktif manajemen, penerapan kebijakan dan prosedur, penetapan limit risiko, proses identifikasi, pengukuran dan pemantauan risiko, penerapan sistem informasi dan pengendalian risiko serta sistem pengendalian internal.

Complaint Management

To ensure that all reporting is handled in accordance with applicable regulations, the complaints management made by involving work unit. Management also has appointed Internal Audit as a unit or function which is responsible for handling the application of the Anti - Fraud Management Policy .

Results of Complaints Handling in 2014

Results of complaint handling by the Fraud Detection delivered to Management that includes conclusions from investigation as well as recommendations for improvement of internal control system which is still considered gas weaknesses and also recommendation sanctioning officials which causes the weaknesses. Reported cases handling is intended to strengthen the internal control system, as well as to motivate all parties/ employees to avoid activities/transactions that could potentially/cause harm to the company or may disrupt the company operates safely.

FINANCIAL RISK MANAGEMENT

Group activity affected by various financial risks: market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk. The overall Group risk management program focused on the unpredictable financial markets and Group conducted its operating activities carefully to minimize the effect of potentially detrimental to the Group's financial performance.

Risk management is the responsibility of the Board of Directors. The Board of Directors in charge of determining the basic principle of the Group's risk management policies as well as the overall policy in certain areas such as foreign exchange risk, interest rate risk, price risk, credit risk and liquidity risk.

In practice, the application of the Group's risk management includes active management monitoring, implementation of policies and procedures, risk limits setting, the process of identification, measurement and monitoring of risks, the implementation of information systems and risk control as well as internal control system.

Risiko Kredit

Risiko kredit adalah risiko bahwa Grup akan mengalami kerugian yang timbul dari pelanggan atau pihak lawan akibat gagal memenuhi liabilitas kontraktualnya. Grup mengendalikan risiko kredit dengan cara melakukan hubungan usaha dengan pihak lain yang memiliki kredibilitas, menganalisa risiko kredit pelanggan baru sebelum persyaratan pembayaran dan distribusi ditawarkan, menetapkan kebijakan verifikasi dan otorisasi kredit, serta memantau kolektibilitas pinjaman yang diberikan dan piutang secara berkala untuk mengurangi jumlah piutang tak tertagih.

Risiko Pasar

Risiko pasar merupakan nilai wajar atau arus kas kontraktual masa datang dari suatu instrument keuangan yang dimiliki oleh Grup akan terpengaruh akibat perubahan variabel pasar seperti suku bunga, nilai tukar, termasuk turunan dari kedua risiko tersebut (risiko instrumen derivatif).

a. Risiko Suku Bunga

Risiko suku bunga Grup timbul dari kredit, simpanan dan simpanan dari bank lain dan pinjaman yang diterima. Kredit, simpanan dan simpanan dari bank lain dan pinjaman yang diterima dengan suku bunga mengambang mengakibatkan timbulnya risiko suku bunga arus kas terhadap Grup. Aset keuangan dan liabilitas keuangan dengan suku bunga tetap mengakibatkan timbulnya risiko nilai wajar suku bunga terhadap Grup.

Grup menganalisa eksposur suku bunga secara dinamis. Berbagai skenario disimulasikan dengan mempertimbangkan pembiayaan kembali, pembaruan posisi yang ada, serta alternatif pembiayaan. Untuk setiap simulasi, pergerakan suku bunga yang sama digunakan untuk seluruh mata uang. Berdasarkan skenario ini, Grup menghitung dampak laba atau rugi dari pergerakan suku bunga. Skenario-skenario tersebut dilakukan hanya untuk liabilitas yang mewakili posisi utama yang dikenakan bunga.

b. Risiko Mata Uang Asing

Grup terpengaruh risiko nilai tukar mata uang asing yang timbul dari berbagai eksposur mata uang, terutama terhadap Dolar Amerika Serikat. Risiko nilai tukar mata uang asing timbul dari transaksi komersial di masa depan serta aset dan liabilitas yang diakui.

Credit Risk

Credit risk is a risk that Group will suffer from losses arising from customers or counterparties failing to meet their contractual liabilities. The Group controls credit risk by creating business relationships with other credible parties, formulating new customer credit verification before offering payment requirement and distribution to setting up verification and credit authorization policy, and periodically monitor receivable collectability to reduce total bad debts.

Market Risk

Market risk is the fair value or future contractual cash flows of an finance instrument owned by the Group which will be affected due to changes in market variables such as interest rates, exchange rates, including the second derivative of the risk (the risk of derivative instruments).

a. Interest Rate Risk

Group interest rate risk arising from loans, deposits and deposits from other banks and received loans. Loans, deposits and deposits from other banks and borrowings with floating interest rates gives rise to cash flow interest rate risk of the Group. Financial assets and financial liabilities with fixed interest rates result in a fair value interest rate risk for the Group.

The Group analyzes interest rate exposure dynamically. Various scenarios are simulated with taking into consideration refinancing, renewal of existing positions, as well as alternative financing. For each simulation, the same interest rate movements are used for all currencies. Based on these scenarios, the Group calculates the impact of gains or losses on interest rate movements. The scenarios are done only for liabilities that represent the major interestbearing positions.

b. Foreign Currency Risk

The Groups affected by the risk of foreign currency exchange rates arising from various currency exposures, primarily against the U.S. Dollar. The risk of foreign currency exchange rates arising from future commercial transactions and recognized assets and liabilities

Manajemen telah menetapkan kebijakan yang mengharuskan Grup mengelola risiko nilai tukar mata uang asing terhadap mata uang fungsionalnya. Risiko nilai tukar mata uang asing timbul ketika transaksi komersial masa depan atau aset dan liabilitas yang diakui didenominasikan dalam mata uang yang bukan mata uang fungsional. Risiko diukur dengan menggunakan proyeksi arus kas.

c. Risiko Harga

Grup terpengaruh risiko harga efek ekuitas dan efek utang karena Grup memiliki investasi yang diklasifikasikan sebagai tersedia untuk dijual atau diukur pada nilai wajar melalui laporan laba rugi dalam laporan posisi keuangan konsolidasian.

Untuk mengelola risiko harga yang timbul dari investasi efek ekuitas, Grup melakukan diversifikasi portofolio. Diversifikasi portofolio dilakukan sesuai dengan batasan yang ditentukan oleh Grup.

Risiko Likuiditas

Risiko likuiditas adalah risiko kerugian yang timbul karena Grup tidak memiliki likuiditas yang cukup untuk memenuhi liabilitasnya. Dalam pengelolaan risiko likuiditas, manajemen memantau dan menjaga jumlah kas dan setara kas yang dianggap memadai untuk membiayai operasional Grup dan untuk mengatasi dampak fluktuasi arus kas. Manajemen juga melakukan evaluasi berkala atas proyeksi arus kas dan arus kas aktual, termasuk jadwal jatuh tempo utang, dan terusmenerus melakukan penelaahan pasar keuangan untuk mendapatkan sumber pendanaan yang optimal.

PERKARA PENTING PERSEROAN

Hingga akhir tahun 2014, Perseroan beserta Entitas Anak tidak memiliki kasus hukum yang signifikan.

Management has set a policy that requires the Group to manage the risk of foreign currency exchange rates against the functional currency. Foreign currency exchange rate risk arises when future commercial transactions or recognized assets and liabilities denominated in currencies other than the functional currency. Risk is measured using cash flow projections.

c. Price risk

The Groups affected by equity securities price risk and debt securities because the Group has investments classified as available-for-sale or at fair valued through income statement in the consolidated statement of financial position.

To manage price risk arising from investments in equity securities, the Group decides to diversify its portfolio. Diversification of portfolio is done in accordance with the limits set by the Group.

Liquidity Risk

Liquidity risk is a financial risk arising because the Company does not have adequate cash flow to meet its liabilities. In liquidity risk management, the Management monitors and maintains total cash and cash equivalents considered adequate to fund the Company's operation and to mitigate impacts of cash flow fluctuation. The Management also periodically evaluates cash flow forecast and actual cash flow, including debt maturity schedule, and consistently reviews the financial market to obtain optimum funding sources.

LEGAL CASES

The Company and subsidiaries was not linked with any significant legal dispute, whether in civil or criminal level for the year 2014



TANGGUNG JAWAB SOSIAL PERUSAHAAN

Corporate Social Responsibility

Perseroan sebagai sebuah organisasi bisnis yang bertujuan menghasilkan keuntungan usaha tidak dapat dilepaskan dari tanggung jawab sosial atau Corporate Social Responsibility (CSR). Perseroan memandang CSR sebagai komponen penting guna menciptakan interaksi harmonis antara Perseroan dengan masyarakat luas.

PENDIDIKAN DAN KETENAGAKERJAAN

Pendidikan

Sebagai anjuran OJK untuk literisasi keuangan di sekolah dan masyarakat umumnya, Mega Life mengadakan Corporate Social Responsibility (CSR) mewujudkan tanggung jawab sosial perusahaan terhadap lingkungan serta program edukasi industri keuangan khususnya asuransi kepada para pelajar.

Dengan mengangkat tema “Langkahkan Kaki Mengajar Impian”, CSR dilaksanakan di YPI Darul Ulum Ciharangpondok Caringin kota Bogor pada 18 Desember 2014. Bantuan berupa Sepatu dan Alat Tulis diserahkan langsung kepada siswa/siswi yang hadir serta pemberian reward kepada 3 pelajar berprestasi.

Dan untuk menindaklanjuti ketentuan OJK melalui SE OJK Nomor 1/SEOJK.07/2014 tentang Pelaksanaan Edukasi Dalam Rangka Meningkatkan Literasi Keuangan Kepada Konsumen dan/atau Masyarakat, PT. Asuransi Sinar Mas telah melakukan kegiatan untuk menindaklanjuti SE tersebut.

The Company as a business organization that aims to obtain business profit cannot be separated from Corporate Social Responsibility. The Company considers that CSR is a significant component to create a good interaction between the Company and public.

EDUCATION AND EMPLOYMENT

Education

As a Financial Service Authority (FSA) recommendation for financial literacy at school and public, Mega Life held Corporate Social Responsibility (CSR) to implement the social responsibility of the Company to the environment and education program of financial industry, particularly insurance, to the students.

With a theme “step forward to chase the dream”, CSR was held in YPI Darul Ulum Ciharang pondok Caringin Bogor on December 18, 2014. The donations, which are shoes and stationary, were given directly to the students attending the program, as well as giving a reward to 3 (three) outstanding students.

To follow-up FSA regulation through SEFSANo.1/5EOJK.07/2014 regarding Education Implementation to Increase Financial Literacy to Consumers and/or Public, PT Asuransi Sinar Mas conducted an activity to follow-up SE.



Kegiatan yang dilakukan diantaranya melalui pemasangan artikel mengenai edukasi keuangan melalui media cetak (Majalah Investor dan Majalah Kartini), edukasi melalui brosur, serta kegiatan edukasi yang dilakukan bagi nasabah/non nasabah secara langsung melalui seminar atau training.

Untuk kegiatan literasi keuangan secara langsung telah dilakukan sebagai berikut :

1. Literasi Keuangan bagi warga masyarakat lingkungan kantor ASM

Kegiatan literasi ditujukan untuk para Ibu Rumah Tangga, Pelajar, Perangkat desa (ketua RT, ketua RW) yang berada di sekitar lingkungan kantor ASM.

Materi yang diberikan adalah penjelasan umum seputar resiko, cara mengelola resiko dan asuransi. Kegiatan telah dilakukan 2 kali yaitu :

1. Warga masyarakat di sekitar Kantor ASM Cabang Bandung
2. Warga masyarakat sekitar Kantor Pusat Asuransi Sinar Mas (Jakarta)

2. Literasi Keuangan mengenai Jaminan Kesehatan Nasional dan Koordinasi Manfaat BPJS Kesehatan

Kegiatan edukasi dilakukan dengan tujuan untuk memberikan pemahaman kepada peserta mengenai jaminan Koordinasi Manfaat BPJS Kesehatan. Target peserta adalah Non Nasabah, Nasabah peserta asuransi simas sehat corporate dan para partner/agen.

Kegiatan telah dilakukan sebanyak 14 kali di daerah Jakarta, Bandung, Yogyakarta, Semarang, Mojokerto, Surabaya, Cirebon, Palembang, Makassar dan

The activity conducted by the Company are promoted by the issuance of article about financial education via mass media (Investor Magazine and Kartini Magazine), education via brochure, as well as education activity conducted for customers/non-customers directly through seminar and training.

Financial literacy activities given directly have been conducted as follows:

1. Financial Literacy for community in the environment of ASM office

Literacy activity is held for housewives, students, village officials (neighbor hood leader, commune leader) in ASM work environment.

Material given is general explanation of risks, how to manage risk and insurance. The activities have been held twice (2), that are:

1. Society around ASM Branch Office of Bandung
2. Society around Head Office of Asuransi Sinar Mas (Jakarta).

2. Financial Literacy on National Health Insurance and Coordination Benefit of Health BPJS

Educational activities are carried out with the aim to provide thorough understanding to the participants on the warranty of coordination benefit of Health BPJS. Target participants are Non Customer, Clients of simas sehat corporate insurance and the partners/agents.

The activity has been held 14 times in Jakarta, Bandung, Yogyakarta, Semarang, Mojokerto, Surabaya, Cirebon, Palembang, and Makassar.



3. Literasi keuangan bagi nasabah asuransi kecelakaan diri (Larissa)

Kegiatan edukasi mengenai perencanaan keuangan serta edukasi asuransi bagi para anggota Komunitas Larissa, pemegang Polis Asuransi Kecelakaan Diri Asuransi Sinar Mas.

Balai Latihan Kerja

Balai Latihan Kerja (BLK) merupakan program pendidikan dan pelatihan keterampilan khusus di bidang perbaikan kerusakan dan pengecatan panel kendaraan bermotor (*body repair & paint*), yang meliputi bidang keahlian bongkar/pasang, las/ketok, dempul/sanding/masking, cat, poles dan *finishing*. BLK ditujukan bagi para pemuda lulusan SLTA /STM/ sederajat untuk dididik menjadi tenaga terampil di bidang perbaikan kendaraan bermotor.

PENGEMBANGAN SOSIAL DAN KEMASYARAKATAN

Pengobatan Gratis

Dengan mengangkat tema "Hidup Sehat Bersama Simas Sehat", PT. Asuransi Sinar Mas (ASM) melakukan kegiatan Pengobatan Gratis bagi warga di sekitar lingkungan kantor ASM. Kegiatan dilakukan pada :

- Tanggal 26 April 2014 di Kantor ASM Cabang Magelang
- Tanggal 10 Mei 2014 di Gedung Asuransi Sinar Mas Cabang Bandung.
- Tanggal 07 Juni 2014 di lingkungan Kantor Pusat ASM (Plaza Simas)

Kegiatan melibatkan team medis dari Asuransi Sinar Mas meliputi dokter, perawat, apoteker dan juga karyawan ASM.

3. Financial literacy for the customers of personal accident insurance (Larissa)

Educational activities regarding financial planning and education on insurance for the member of Larissa Community, and Personal Accident Insurance Policy holders of Asuransi Sinar Mas.

Employment Training Center

Employment Training Center (BLK) is a program of education and training of specialized skills in the field of motor vehicles body damage repairing and painting, covering areas of expertise of assembling/disassembling, welding, sanding, masking, painting, polishing and finishing. BLK is aimed for young high school graduates/STM/equivalent to be educated as skilled workers in motor vehicle body repair.

SOCIAL AND COMMUNITY DEVELOPMENT

Free medical care

With the theme of "Living Healthy With Simas Sehat", PT. Asuransi Sinar Mas (ASM) gives Free Medical Care for residents in the surrounding neighborhood of ASM office. The activities were carried out on:

- April 26, 2014 at ASM Branch Office Magelang
- May 10, 2014 at the Building of Asuransi Sinar Mas Branch Bandung
- June 7, 2014 in the area of ASM Head Office (Plaza Simas)

The activity involves the medical team of Asuransi Sinar Mas including doctors, nurses, pharmacists, and also employees of ASM.

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Surat Pernyataan Anggota Dewan Komisaris dan Direksi Tentang Tanggung Jawab atas Laporan Tahunan 2014 PT Sinar Mas Multiartha Tbk

Statement of Members of Board of Commissioners and Board of Directors on
the Responsibility for the 2014 Annual Report of PT Sinar Mas Multiartha Tbk

Kami yang bertanda tangan di bawah ini menyatakan bahwa semua informasi dalam Laporan Tahunan PT Sinar Mas Multiartha Tbk tahun 2014 telah dimuat secara lengkap dan bertanggung jawab penuh atas kebenaran isi laporan tahunan dan laporan keuangan perusahaan.

We, the undersigned, testify that all information in the Annual Report of PT Sinar Mas Multiartha Tbk for 2014 is presented in its entirety and we are fully responsible for the correctness of the contents in the annual report and financial report of the Company.

Demikian pernyataan ini dibuat dengan sebenarnya.

This statement is hereby made in all truthfulness.

Jakarta, 28 April 2015 / Jakarta, April 28, 2015

Dewan Komisaris Board of Commissioners



Indra Widjaja
Komisaris Utama
President Commissioner



Howen Widjaja
Komisaris
Commissioner



Robinson Simbolon
Komisaris Independen
Independent Commissioner

Direksi Board of Directors



Dody Susanto
Direktur Utama
President Director



Kurniawan Udjaja
Direktur Keuangan
Director of Finance



Fuganto Widjaja
Direktur Pengembangan
Director of Development



Dani Lihardja
Direktur Operasional
Director of Operations



Agus Leman Gunawan
Direktur Independen
Independent Director

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PT Sinar Mas Multiartha Tbk and Its Subsidiaries

Consolidated Financial Statements
For the Years Ended December 31, 2014 and 2013

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Business License No.1219/KM.1/2011
Intiland Tower, 7th Floor
Jl. Jenderal Sudirman, Kav 32
Jakarta - 10220
INDONESIA

T : 62-21-570 8111
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Independent Auditors' Report

No. 04361015SA

**The Stockholders, Board of Commissioners and Directors
PTSinar Mas MultiarthaTbk**

We have audited the accompanying consolidated financial statements of PT Sinar Mas Multiartha Tbk and its subsidiaries, which comprise the consolidated statement of financial position as of December 31, 2014, and the consolidated statements of comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of such consolidated financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on such consolidated financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of PT Sinar Mas Multiartha Tbk and its subsidiaries as of December 31, 2014, and their consolidated financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

MULYAMIN SENSI SURYANTO & LIANNY



Maria Leckzinska
Certified Public Accountant License No.AP 0155

March 30, 2015



**DIRECTOR'S STATEMENT
ON
THE RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2014 AND 2013
AND FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
PT SINAR MAS MULTIARTHA Tbk AND ITS SUBSIDIARIES**

We, the undersigned:

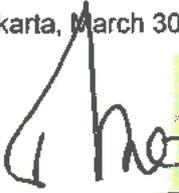
- | | | |
|--|---|--|
| 1. Name | : | Doddy Susanto |
| Office Address | : | Sinar Mas Land Plaza, Tower I, 9 th Floor
Jl. M.H. Thamrin No. 51 Jakarta 10350 |
| Residential Address/in accordance with
Personal Identity Card | : | Jl. Pulau Matahari II.AG/19, Rt. 016
Rw.009 Kembangan Utara Jakarta Barat |
| Telephone Number | : | (021) 392-5660 |
| Title | : | President Director |
| | | |
| 2. Name | : | Kumiawan Udjaja |
| Office Address | : | Sinar Mas Land Plaza, Tower I, 9 th Floor
Jl. M.H. Thamrin No.51 Jakarta 10350 |
| Residential Address/in accordance with
Personal Identity Card | : | Bukit Nusa Indah Kav. 1528 BNI Rt.001 Rw.014
Kelurahan Serua, Kecamatan Ciputat,
Tangerang |
| Telephone Number | : | (021) 392-5660 |
| Title | : | Director |

declare that :

1. We are responsible for the preparation and presentation of the Company's and Its Subsidiaries Consolidated Financial Statements as of December 31, 2014 and 2013 and for the years ended December 31, 2014 and 2013.
2. The Company's and Its Subsidiaries consolidated financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards.
3. a. All information has been fully and correctly disclosed in the Company's and Its Subsidiaries consolidated financial statements, and
b. The Company's and Its Subsidiaries financial statements do not contain materially misleading information or facts, and do not conceal any information or facts.
4. We are responsible for the Company's and Its Subsidiaries internal control system.

This statement has been made truthfully.

Jakarta, March 30, 2015

 Doddy Susanto President Director	 Kumiawan Udjaja Director
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PT SINAR MAS MULTIARTHA Tbk AND ITS SUBSIDIARIES
Consolidated Statements of Financial Position
December 31, 2014 and 2013
(Figures are Presented in Millions of Rupiah, unless Otherwise Stated)

	<u>Notes</u>	<u>2014</u>	<u>2013</u>
ASSETS			
Cash and Cash in Banks	2,4,51,52	2,637,727	2,599,638
Short-term Investments	2,5,51,52		
Related parties	50	1,340,807	1,236,438
Third parties		23,853,841	23,305,786
Allowance for impairment losses		(125)	(248)
Net		<u>25,194,523</u>	<u>24,541,976</u>
Securities Purchased Under Agreements to Resell	2,6,52	-	139,211
Consumer Financing Receivables	2,7,52		
Third parties		851,667	1,209,070
Unearned income		(246,269)	(310,354)
Allowance for impairment losses		(8,340)	(2,729)
Net		<u>597,058</u>	<u>895,987</u>
Net Investments in Finance Lease	2,8		
Third parties		125,649	164,197
Guaranteed residual value		2,295	6,494
Unearned lease income		(27,988)	(41,572)
Security deposits		(2,295)	(6,494)
Allowance for impairment losses		(1,798)	(2,167)
Net		<u>95,863</u>	<u>120,458</u>
Factoring Receivables	2,9,51,52		
Related parties	50	69,825	70,084
Third parties		1,333,444	1,085,351
Deferred factoring income		-	(8,348)
Allowance for impairment losses		(4,580)	(3,021)
Net		<u>1,398,689</u>	<u>1,144,066</u>
Premiums and Reinsurance Receivables	2,10,51		
Related parties	50	234,057	117,809
Third parties		735,229	460,492
Allowance for impairment losses		(4,659)	(1,969)
Net		<u>964,627</u>	<u>576,332</u>
Loans	2,11,51,52,53		
Related parties	50	818,780	944,678
Third parties		13,479,655	10,021,393
Total		<u>14,298,435</u>	<u>10,966,071</u>
Allowance for impairment losses		(75,078)	(56,333)
Net		<u>14,223,357</u>	<u>10,909,738</u>
Acceptance Receivables	2,12,51,52	67,836	238,324
Ijarah Assets	2,13		
Cost		173,733	126,015
Accumulated depreciation		(78,765)	(21,459)
Total		<u>94,968</u>	<u>104,556</u>
Allowance for impairment losses		(10,788)	-
Net		<u>84,180</u>	<u>104,556</u>

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

PT SINAR MAS MULTIARTHA Tbk AND ITS SUBSIDIARIES
Consolidated Statements of Financial Position
December 31, 2014 and 2013
(Figures are Presented in Millions of Rupiah, unless Otherwise Stated)

	<u>Notes</u>	<u>2014</u>	<u>2013</u>
Receivables from Brokers	2,14,50,52	263,426	378,544
Other Accounts Receivable	2,15,51,52		
Related parties	50	14,636	14,642
Third parties		2,090,811	609,248
Allowance for impairment losses		(134)	(139)
Net		<u>2,105,313</u>	<u>623,751</u>
Reinsurance Assets	2,16,51,53	1,178,833	1,447,770
Investment in Shares of Stock	2,17,52	813,790	530,348
Investment Properties	2,18		
Cost		243,613	227,960
Accumulated depreciation		(44,790)	(32,330)
Net Book Value		<u>198,823</u>	<u>195,630</u>
Property and Equipment	2,19		
Cost		3,718,059	3,173,838
Accumulated depreciation		(915,613)	(757,545)
Net Book Value		<u>2,802,446</u>	<u>2,416,293</u>
Foreclosed Properties	2,20	146,291	115,993
Allowance for impairment losses		(3,477)	(3,227)
Net Book Value		<u>142,814</u>	<u>112,766</u>
Deferred Tax Assets	2,48	40,534	28,232
Other Assets	2,21,51,52		
Related parties	50	42,072	61,278
Third parties		968,152	715,794
Total		<u>1,010,224</u>	<u>777,072</u>
TOTAL ASSETS		<u><u>53,820,063</u></u>	<u><u>47,780,692</u></u>

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

PT SINAR MAS MULTIARTHA Tbk AND ITS SUBSIDIARIES
Consolidated Statements of Financial Position
December 31, 2014 and 2013
(Figures are Presented in Millions of Rupiah, unless Otherwise Stated)

	<u>Notes</u>	<u>2014</u>	<u>2013</u>
LIABILITIES AND EQUITY			
Liabilities			
Deposits and Deposits from Other Banks	2,22,51,52		
Related parties	50	2,534,085	2,996,072
Third parties		14,631,229	10,611,398
Total		<u>17,165,314</u>	<u>13,607,470</u>
Insurance Payable	2,23,51		
Related parties	50	33,725	12,709
Third parties		631,533	408,862
Total		<u>665,258</u>	<u>421,571</u>
Premiums Received in Advance	2,24,51	1,268,032	1,343,529
Liability for Future Policy Benefits	2,25,51	8,592,486	7,923,725
Segregated Funds Contract Liabilities - Unit Link	2,52	1,525,012	1,912,482
Insurance Contract Liability	2	72,033	76,072
Unearned Premiums and Estimated Claims Liability	2,26,51		
Related parties	50	755,426	458,290
Third parties		1,417,070	1,454,498
Total		<u>2,172,496</u>	<u>1,912,788</u>
Acceptance Payables	2,12,51	67,836	238,324
Payables to Brokers	2,27,50,52	193,927	81,341
Taxes Payable	2,28,48	65,329	282,991
Accrued Expenses	2,29,50,51,52	104,096	88,004
Securities Issued	2,30,52	1,293,454	1,290,904
Loans Received	2,31,52	573,837	714,895
Deferred Tax Liabilities	2,48	95,292	82,551
Long-term Employee Benefits Liability	2,47	133,821	106,570
Reserve for Profit Sharing Distributed to Participants		2,212	3,131
Other Liabilities	2,32,51,52		
Related parties	50	2,700	3,330
Third parties		1,005,812	564,862
Total		<u>1,008,512</u>	<u>568,192</u>
Total Liabilities		<u>34,998,947</u>	<u>30,654,540</u>

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

PT SINAR MAS MULTIARTHA Tbk AND ITS SUBSIDIARIES
Consolidated Statements of Financial Position
December 31, 2014 and 2013
(Figures are Presented in Millions of Rupiah, unless Otherwise Stated)

	<u>Notes</u>	<u>2014</u>	<u>2013</u>
Equity			
Equity Attributable to Owners of the Company			
Capital Stock - Rp 5,000 (in full Rupiah amount) par value per Series A share and Rp 100 (in full Rupiah amount) par value per Series B share Authorized - 142,474,368 Series A shares and 21,371,155,200 Series B shares Issued and paid-up - 142,474,368 Series A shares and 6,095,334,349 Series B shares as of December 31, 2014 and 2013	34	1,321,905	1,321,905
Additional Paid-in Capital - Net	2,35	903,989	903,989
Other Equity Component	36	2,811,110	2,602,067
Retained Earnings			
Appropriated	38	791,607	791,607
Unappropriated		<u>6,955,625</u>	<u>5,953,481</u>
Total		12,784,236	11,573,049
Non-Controlling Interests	2,33	<u>6,036,880</u>	<u>5,553,103</u>
Total Equity		<u>18,821,116</u>	<u>17,126,152</u>
TOTAL LIABILITIES AND EQUITY		<u><u>53,820,063</u></u>	<u><u>47,780,692</u></u>

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

PT SINAR MAS MULTIARTHA Tbk AND ITS SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the Years Ended December 31, 2014 and 2013
(Figures are Presented in Millions of Rupiah, unless Otherwise Stated)

	<u>Notes</u>	<u>2014</u>	<u>2013</u>
INCOME	2		
Insurance underwriting income	39,50	9,582,791	11,810,876
Interest income and profit sharing	40,50	2,857,384	2,478,403
Gain on investments in units of mutual funds	5	957,154	499,041
Administration fee and commissions		324,418	301,083
Unrealized gain on change in fair value of marketable securities	5	274,690	-
Sales	41	180,900	142,027
Stock brokerage, underwriting and investment management income		163,796	136,417
Gain on sale of investment in shares	5	47,376	1,043,447
Gain on foreign exchange - net		30,143	313,240
Gain on sale of short-term investments - net	5	-	49,514
Share in net income of the associates - net	17	114,545	42,100
Securities administration fee	50	3,932	3,187
Other income	42	278,745	230,877
Total Income		<u>14,815,874</u>	<u>17,050,212</u>
EXPENSES	2		
Insurance underwriting expenses	43	9,506,637	12,290,009
General and administrative expenses	44	1,109,650	933,832
Salaries and employee benefits	50	1,022,525	890,029
Interest expense and profit sharing	45	989,719	778,922
Loss on sale of short-term investments - net	4	379,287	-
Costs of goods sold	41	179,563	141,628
Provision for impairment losses on financial and non-financial assets - net		63,005	7,596
Stock brokerage, underwriting and investment management expenses		34,605	31,777
Unrealized loss on decline in fair value of securities	5	-	274,583
Other expenses	46	216,800	204,030
Total Expenses		<u>13,501,791</u>	<u>15,552,406</u>
INCOME BEFORE TAX		<u>1,314,083</u>	<u>1,497,806</u>
TAX EXPENSE	2,48		
Current		103,955	333,779
Deferred		439	41,825
Total		<u>104,394</u>	<u>375,604</u>
NET INCOME		<u>1,209,689</u>	<u>1,122,202</u>
OTHER COMPREHENSIVE INCOME (LOSS)			
Share in unrealized gain (loss) on change in fair value of available for sale securities of subsidiaries	5,36	244,776	(415,470)
Realization of other equity components related to gain on sale of investments in shares	17,36	62	6,614
Share in translation adjustment of a subsidiary	36	75	2,502
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)		<u>244,913</u>	<u>(406,354)</u>
TOTAL COMPREHENSIVE INCOME		<u>1,454,602</u>	<u>715,848</u>
Net income attributable to:			
Owners of the Company		1,008,382	1,213,374
Non-controlling interests	2,33	201,307	(91,172)
		<u>1,209,689</u>	<u>1,122,202</u>
Comprehensive income (loss) attributable to:			
Owners of the Company		1,217,425	950,472
Non-controlling interests	2,33	237,177	(234,624)
		<u>1,454,602</u>	<u>715,848</u>
Earnings per Share (in full Rupiah amount)	2,49		
Basic		162	195

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

PT SINAR MAS MULTIARTHA Tbk AND ITS SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the Years Ended December 31, 2014 and 2013
(Figures are Presented in Millions of Rupiah, unless Otherwise Stated)

	Equity Attributable to Equity Holders of the Parent Company										Non Controlling Interests	Total Equity	
	Notes	Capital Stock	Additional Paid-in Capital - Net	Other Equity Components			Total	Retained Earnings		Total			
				Unrealized Gain (Loss) on Change in Fair Value of Available For Sale Securities of Subsidiaries	Translation Adjustment of a Subsidiary	Impact of Subsidiaries and Associates Transactions with Other Investors or Non-Controlling Interest		Changes in Fair Value of Derivative Instruments and Others	Appropriated				Unappropriated
Balance as of January 1, 2013		1,321,718	903,239	7,218	353	2,866,497	(9,099)	2,864,969	791,607	4,746,344	10,627,877	5,627,802	16,255,679
Additional capital stock from conversion of Series IV warrants	34,35,38	187	750	-	-	-	-	-	-	-	937	-	937
Capital contribution by non-controlling interest		-	-	-	-	-	-	-	-	-	-	284,485	284,485
Cash dividends to non-controlling interest		-	-	-	-	-	-	-	-	-	-	(123,049)	(123,049)
Sales of investment in shares	17	-	-	-	-	-	-	-	-	-	-	(1,511)	(1,511)
Cash dividends	37	-	-	-	-	-	-	-	-	(6,237)	(6,237)	-	(6,237)
Total comprehensive income during the year		-	-	(271,069)	1,691	(2,561)	9,037	(262,902)	-	1,213,374	950,472	(234,624)	715,848
Balance as of December 31, 2013		1,321,905	903,989	(263,851)	2,044	2,863,936	(62)	2,602,067	791,607	5,953,481	11,573,049	5,553,103	17,126,152
Capital contribution by non-controlling interest		-	-	-	-	-	-	-	-	-	-	246,600	246,600
Cash dividends	37	-	-	-	-	-	-	-	-	(6,238)	(6,238)	-	(6,238)
Total comprehensive income during the year		-	-	185,650	64	23,267	62	209,043	-	1,008,382	1,217,425	237,177	1,454,602
Balance as of December 31, 2014		<u>1,321,905</u>	<u>903,989</u>	<u>(78,201)</u>	<u>2,108</u>	<u>2,887,203</u>	<u>-</u>	<u>2,811,110</u>	<u>791,607</u>	<u>6,955,625</u>	<u>12,784,236</u>	<u>6,036,880</u>	<u>18,821,116</u>

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

PT SINAR MAS MULTIARTHA Tbk AND ITS SUBSIDIARIES
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2014 and 2013
(Figures are Presented in Millions of Rupiah, unless Otherwise Stated)

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Insurance underwriting income received	9,555,957	11,841,167
Interest and profit sharing revenues	2,848,572	2,418,248
Stock brokerage, underwriting and investment management income received	162,505	135,912
Securities administration fee received	4,050	3,102
Other income received	783,212	669,997
Insurance underwriting expenses paid	(9,327,191)	(16,562,571)
Operating expenses	(2,270,158)	(1,949,966)
Interest and profit sharing expenses	(749,584)	(558,260)
Stock brokerage, underwriting and investment management expenses paid	(34,605)	(31,777)
Gain on foreign exchange	13,913	158,095
Operating cash flows before changes in operating assets/liabilities	<u>986,671</u>	<u>(3,876,053)</u>
Decrease (increase) in assets:		
Short-term investments	2,322,035	1,288,800
Securities purchased under agreements to resell	139,211	(139,211)
Consumer financing receivables	284,708	(206,965)
Net investments in finance lease	24,964	48,131
Factoring receivables	(261,604)	95,610
Segregated funds net assets - unit link		
Loans	(3,342,191)	(589,772)
Ijarah assets	42,210	(49,446)
Receivables from brokers	116,409	(8,943)
Other accounts receivable	(1,505,127)	321,517
Foreclosed properties	(41,381)	(30,564)
Other assets	(233,152)	(148,893)
Increase (decrease) in liabilities:		
Deposits and deposits from other banks	3,557,844	1,037,751
Premiums received in advance	400,202	122,506
Payables to brokers	112,586	(59,881)
Taxes payable	8,870	(3,445)
Accrued expenses	818	7,024
Mudharabah reserve	(919)	(182)
Other liabilities	<u>470,608</u>	<u>105,698</u>
Net Cash Provided by (Used in) Operations before Income Tax	3,082,762	(2,086,318)
Income tax paid	<u>(330,487)</u>	<u>(121,926)</u>
Net Cash Provided by (Used in) Operating Activities	<u>2,752,275</u>	<u>(2,208,244)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received from associates	21,653	10,398
Proceeds from sale of property and equipment	16,444	8,109
Proceeds from disposal of a subsidiary - net of cash balance of subsidiaries sold	1,000	1,239,027
Acquisition of investment properties	(15,653)	(8,414)
Acquisition of property and equipment	(609,330)	(771,534)
Acquisition of a subsidiary - net of cash balance of a subsidiaries	(191,977)	(175,312)
Proceeds from sale of investment properties	-	2,000
Net Cash Provided by (Used in) Investing Activities	<u>(777,863)</u>	<u>304,274</u>

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

PT SINAR MAS MULTIARTHA Tbk AND ITS SUBSIDIARIES
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2014 and 2013
(Figures are Presented in Millions of Rupiah, unless Otherwise Stated)

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loan received	330,217	10,000
Proceeds from issuance of shares of subsidiaries to non-controlling interest	246,599	284,485
Payment of cash dividend	(6,238)	(6,237)
Payment of interest on bonds	(54,551)	(26,875)
Payment of interest on loan	(77,997)	(221,600)
Payment of interest on medium term notes	(89,197)	(102,361)
Payment of loan received	(471,841)	(165,808)
Proceeds from additional issuance of capital stock of the Company from conversion of Series IV warrants	-	937
Proceeds from issuance of bonds	-	500,000
Payment of cash dividend to non-controlling interest	-	(123,049)
Settlement of medium term notes	-	(200,000)
Net Cash Used in Financing Activities	<u>(123,008)</u>	<u>(50,508)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,851,404	(1,954,478)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	5,933,544	7,731,186
Effect of foreign exchange rate changes	<u>16,294</u>	<u>156,836</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u><u>7,801,242</u></u>	<u><u>5,933,544</u></u>
SUPPLEMENTAL DISCLOSURES		
Cash and cash in banks	2,637,727	2,599,638
Short-term investments with maturities of three months or less from the placement date	<u>5,163,515</u>	<u>3,333,906</u>
Total Cash and Cash Equivalents	<u><u>7,801,242</u></u>	<u><u>5,933,544</u></u>

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

PT SINAR MAS MULTIARTHA Tbk AND ITS SUBSIDIARIES
Notes to Consolidated Financial Statements
For the Years Ended December 31, 2014 and 2013
(Figures are Presented in Millions of Rupiah, unless Otherwise Stated)

1. General

a. Establishment and General Information

PT Sinar Mas Multiartha Tbk (the Company) which was formerly named PT Internas Arta Leasing Company or PT Internas Arta Finance Company, was established by virtue of Notarial Deed No. 60 dated October 21, 1982 of Benny Kristianto, S.H., public notary in Jakarta, which was approved by the Minister of Justice of the Republic of Indonesia in his Decision Letter No. C2-6537.HT.01.01.Th.83 dated September 30, 1983, under the name of PT Internas Arta Leasing Company. The Articles of Association of the Company were registered in the Court of Justice of West Jakarta on May 17, 1984 under registration No. 489/1984.

On May 1, 1989, the stockholders held an Extraordinary Stockholders' Meeting and agreed to change the Company's name from PT Internas Arta Leasing Company to PT Internas Arta Finance Company. These decisions were documented in Notarial Deed No. 15 dated May 1, 1989 of Benny Kristianto, S.H., public notary in Jakarta, and were approved by the Minister of Justice of the Republic of Indonesia in his Decision Letter No. C2-6968.HT.01.04.Th.89 dated August 2, 1989. This Notarial Deed was registered in the Court of Justice of West Jakarta on August 16, 1989 under registration No. 1109/1989.

On February 25, 1995, the stockholders held an Extraordinary Stockholders' Meeting and agreed to change the Company's name to PT Sinar Mas Multiartha. These decisions were documented in Notarial Deed No. 218 dated February 25, 1995 of Veronica Lily Dharma, S.H., public notary in Jakarta, and were approved by the Minister of Justice of the Republic of Indonesia in his Decision Letter No. C2-5573.HT.01.04.Th.95 dated May 5, 1995.

On February 18, 2003, in the Extraordinary Stockholders' Meeting held by the stockholders, it was agreed to increase the Company's authorized capital stock from Rp 1,125,000 to Rp 2,849,487 and approved the reverse stock split from Rp 500 (in full Rupiah amount) per share to Rp 5,000 (in full Rupiah amount) per share, and at the same time added series of shares from 1 series to 2 series, consisting of Series A shares with a par value of Rp 5,000 (in full Rupiah amount) per share and Series B shares with a par value of Rp 100 (in full Rupiah amount) per share. These decisions were documented in Notarial Deed No. 40 dated February 18, 2003 of Aulia Taufani, S.H., substitute notary of Sutjipto, S.H., notary public in Jakarta, and was approved by the Minister of Justice and Human Rights of the Republic of Indonesia in his Decision Letter No. C-04209.HT.01.04.TH.2003 dated February 27, 2003.

The Company's Articles of Association have been amended several times, most recently by Notarial Deed No. 72 dated July 9, 2008 of Sutjipto, S.H., public notary in Jakarta, based on the Extraordinary Stockholders' Meeting in relation to revisions in the Company's Articles of Association to be in accordance with the provisions of the Republic of Indonesia Law No. 40/2007 and Capital Market and Financial Institution Supervisory Agency (Bapepam – LK) regulation, including the change in the members of the Company's Board of Commissioners and Directors, and approval of Limited Public Offering IV. These amendments were approved by Minister of Law and Human Rights of Republic of Indonesia in his Decision Letter No. AHU-27024.AH.01.02.TH.2009 dated June 18, 2009.

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Changes in the Main Business Activities

The Company started its commercial operations in 1983, engaging in finance leasing, factoring and consumer financing. The Company obtained an approval to operate as a multifinance company from the Minister of Finance of the Republic of Indonesia in his Decision Letter No. 300/KMK.013/1990 dated March 3, 1990.

On May 30, 1996, the stockholders of the Company held an Extraordinary Stockholders' Meeting and agreed on significant matters including change in the main business activities of the Company from financing activities and treasury management to trading, manufacturing, transportation, real estate and services; and changing the entire Articles of Association to comply with Corporate Law No. 1 of 1995, concerning Limited Liability Companies, including changing the name of the Company to PT Sinar Mas Multiartha Tbk.

The minutes of this meeting were documented in Notarial Deed No. 143 and 144 dated May 30, 1996 and Deed of Amendment No. 69 dated August 23, 1996 of Sutjipto, S.H., public notary in Jakarta. These Notarial Deeds were approved by the Minister of Justice of the Republic of Indonesia in his Decision Letter No. C2-8689.HT.01.04.Th.96 dated August 30, 1996.

Bank of Singapore Limited is the immediate holding company of the Company. The Company and its subsidiaries (the Group) are part of the Sinar Mas Group.

The Company is domiciled in Jakarta. The Company's head office is located at Sinar Mas Land Plaza, Tower I 9th Floor, Jl. M.H. Thamrin No. 51, Jakarta, Indonesia.

b. Public Offering of the Company's Shares

On June 14, 1995, the Company received the Notice of Effectivity from the Chairman of the Capital Market Supervisory Agency (currently Financial Services Authority/OJK) in his Decision Letter No. S-759/PM/1995 for the offering of 60,000,000 shares with a par value of Rp 500 (in full Rupiah amount) per share to the public at an offering price of Rp 1,800 (in full Rupiah amount) per share. The Company's shares were listed in the Indonesia Stock Exchange on July 5, 1995.

On November 8, 1996, the stockholders held an Extraordinary Stockholders' Meeting to ratify the plan of the Company on the issuance of additional 663,000,000 shares with a par value of Rp 500 (in full Rupiah amount) per share through Limited Public Offering I at an exercise price of Rp 750 (in Rupiah full amount) per share, with 99,450,000 Series I warrants attached to such shares, free of charge. The Series I warrants issued by the Company could be exercised starting May 28, 1997 to November 28, 2001. The minutes of this Extraordinary Stockholders' Meeting were documented in Notarial Deed No. 40 dated November 8, 1996 of Sutjipto, S.H., public notary in Jakarta.

The Limited Public Offering I took effect upon receipt from the Chairman of Bapepam (currently OJK) of the Notice of Effectivity in his Decision Letter No. S-1811/PM/1996 dated November 8, 1996. The proceeds from this Limited Public Offering I amounting to Rp 497,250 were received by the Company in January 1997. This Limited Public Offering I increased the Company's paid-up capital stock from Rp 331,500 to Rp 663,000 and additional paid-in capital from Rp 1,500 to Rp 167,250.

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On June 24, 2003, the stockholders held an Extraordinary Stockholders' Meeting to ratify the plan of the Company on the issuance of pre-emptive rights to buy 2,137,115,520 Series B shares with a par value of Rp 100 (in full Rupiah amount) per share at an exercise price of Rp 100 (in full Rupiah amount) per share, with 4 Series II warrants attached to every 15 Series B shares, free of charge. The Series II warrants issued by the Company totaling to 569,897,472 warrants can be exercised into shares during the period from January 23, 2004 to July 23, 2008. The minutes of this Extraordinary Stockholders' Meeting were documented in Notarial Deed No. 153 dated June 24, 2003 of Aulia Taufani, S.H., substitute notary of Sutjipto, public notary in Jakarta.

The Limited Public Offering II took effect upon receipt from the Chairman of Bapepam (currently OJK) of the Notice of Effectivity in his Decision Letter No. S-1485/PM/2003 dated June 23, 2003. The proceeds from this Limited Public Offering II amounting to Rp 213,711 were received by the Company in July 2003. This Limited Public Offering II increased the Company's paid-up capital stock from Rp 712,372 to Rp 926,083.

The funds from the Limited Public Offering II were used by the Company for additional investments in subsidiaries and to settle its obligations or loans received in order to increase its working capital ratio.

On June 28, 2005, the stockholders held an Extraordinary Stockholders' Meeting to ratify the plan of the Company on the issuance of pre-emptive rights to buy 991,621,601 Series B shares with a par value of Rp 100 (in full Rupiah amount) per share at an exercise price of Rp 125 (in full Rupiah amount) per share, with 991,621,601 Series III warrants attached to such shares, free of charge. The Series III warrants issued by the Company can be exercised into shares during the period from January 12, 2006 to July 13, 2010. The minutes of this Extraordinary Stockholders' Meeting were documented in Notarial Deed No. 274 dated June 28, 2005 of Aulia Taufani, S.H., substitute notary of Sutjipto, S.H., public notary in Jakarta.

The Limited Public Offering III took effect upon receipt from the Chairman of Bapepam (currently OJK) of the Notice of Effectivity in his Decision Letter No. S-1691/PM/2005 dated June 27, 2005. The Limited Public Offering III resulted to issuance of additional 991,325,341 Series B shares with 991,325,341 Series III warrants attached. The proceeds received from this Limited Public Offering III amounted to Rp 123,916.

The proceeds received from the Limited Public Offering III were used by the Company for additional investments in subsidiaries and to increase its working capital.

On June 17, 2008, the stockholders held an Extraordinary Stockholders' Meeting to ratify the plan of the Company on the issuance of pre-emptive rights to buy 966,427,608 Series B shares with a par value of Rp 100 (in full Rupiah amount) per share at an exercise price of Rp 100 (in full Rupiah amount) per share, with 1,449,641,412 Series IV warrants attached to such shares, free of charge. The Series IV warrants issued by the Company can be converted into shares during the period from January 6, 2009 to July 9, 2013. The minutes of this Extraordinary Stockholders' Meeting were documented in Notarial Deed No. 141 dated June 17, 2008 of Sutjipto, S.H., public notary in Jakarta.

The Limited Public Offering IV took effect upon receipt from the Chairman of Bapepam and LK (currently OJK) of the Notice of Effectivity in his Decision Letter No. S-3859/BL/2008 dated June 16, 2008. The Limited Public Offering IV resulted to issuance of additional 964,528,953 Series B shares with 1,446,793,426 Series IV warrants attached. The proceeds received from this Limited Public Offering IV amounted to Rp 96,453.

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The funds from the Limited Public Offering IV were used by the Company for additional investments in subsidiaries and to settle its obligations or loans received in order to increase its working capital ratio.

c. Consolidated Subsidiaries

As of December 31, 2014 and 2013, the subsidiaries which were consolidated, including the respective percentages of ownership held by the Company, are as follows:

	Domicile	Nature of Business	Year of Operation/ Establishment	Percentage of Ownership		Total Assets (Before Elimination)	
				2014	2013	2014	2013
Direct acquisitions							
PT Bank Sinarmas Tbk (BS)	Jakarta	Banking	1989	53.41%	57.17%	21,259,549	17,447,455
PT Asuransi Jiwa Sinarmas MSIG (AJSM)	Jakarta	Life insurance	1984	50.00%	50.00%	20,204,151	19,091,451
PT Asuransi Sinar Mas (ASM)	Jakarta	Loss insurance	1986	99.99%	99.99%	6,446,120	5,663,411
PT Sinar Mas Multifinance (SMF)	Jakarta	Multifinance	1996	99.99%	99.99%	2,999,335	3,094,587
PT Sinarmas Sekuritas (SMS)	Jakarta	Securities	1992	99.99%	99.99%	1,220,580	1,043,248
PT AB Sinar Mas Multifinance (ABSM)	Jakarta	Multifinance	1995	99.99%	99.99%	272,288	255,538
PT Shinta Utama (SU)	Jakarta	General trading	1991	99.30%	99.30%	224,565	216,543
PT Jakarta Teknologi Utama (JTU)	Jakarta	Workshop	1999	99.97%	99.97%	204,052	159,951
PT Rizky Lancar Sentosa (RLS)	Jakarta	Property	2001	99.99%	99.99%	154,582	161,854
PT Asuransi Simas Net	Jakarta	On-line insurance	2013	1.00%	1.00%	107,419	100,033
PT Sinartama Gunita (STG)	Jakarta	Shares registrar	1992	99.80%	99.80%	25,044	23,469
Global Asian Investment Limited (GAI)	Hong Kong	Investment	2012	100.00%	100.00%	9,961	5,091
Sinar Mas Insurance (SMI)	Democratic Republic of Timor Leste	Loss insurance	2011	8.57%	10.00%	7,640	5,994
PT Simas Money Changer (SMC)	Jakarta	Money changer	2003	99.90%	99.90%	4,215	4,079
PT Wapindo Jasaartha (WJA)	Jakarta	Trading & services	2000	99.96%	99.90%	3,303	1,440
PT Arthamas Solusindo (AMS)*	Jakarta	Information services	2000	99.99%	99.99%	2,776	763
PT Sinar Artha Konsulindo (SAK)	Jakarta	Insurance agency	2000	99.92%	99.75%	2,195	4
PT Balai Lelang Sinarmas (BLS)*	Jakarta	Auction house	2008	99.90%	99.90%	1,643	1,534
PT Arthamas Konsulindo (AMK)*	Jakarta	Insurance agency	2000	99.99%	99.99%	1,023	967
PT Sinar Artha Solusindo (SAS)*	Jakarta	Trading & services	2000	99.60%	99.60%	283	195
PT Arthamas Informatika (AMI)*	Jakarta	Trading & services	2000	99.60%	99.60%	266	185
PT Komunindo Arga Digital (KAD)*	Jakarta	Trading & services	2000	95.00%	95.00%	100	102
PT Artha Bina Usaha (ABU)*	Jakarta	Trading & services	2008	92.00%	92.00%	75	74
PT Sinar Artha Inforindo (SAI)*	Jakarta	Information services	2000	99.60%	99.60%	69	72
PT Sinar Artha Trading (SAT)*	Jakarta	General trading	2008	92.00%	92.00%	1	1
Indirect acquisitions							
PT Bank Sinarmas Tbk (BS) (through PT Shinta Utama)	Jakarta	Banking	1989	2.59%	2.77%	21,259,549	17,447,455
PT Sinarmas Asset Management (SAM) (through PT Sinarmas Sekuritas)	Jakarta	Asset management	2011	99.98%	99.98%	119,926	113,935
PT Asuransi Simas Net (through PT Asuransi Sinar Mas)	Jakarta	On-line insurance	2013	99.98%	99.98%	107,419	100,033
PT Sinarmas Futures (SF) (through PT Sinarmas Sekuritas)	Jakarta	Commodity trading	2004	99.98%	99.98%	28,834	29,013
PT Autopro Utama Perkasa (AUP) (through PT Jakarta Teknologi Utama)	Jakarta	Workshop	2006	99.88%	99.88%	25,537	26,020
Nanjing Sinar Mas & Zijin Venture Capital Management (NSZ) (through Global Asian Investment Limited)	Nanjing, China	Fund management	2012	60.00%	60.00%	10,855	12,670
Sinar Mas Insurance (SMI) (through PT Asuransi Sinar Mas and PT Shinta Utama)	Democratic Republic of Timor Leste	Loss insurance	2011	91.36%	89.92%	7,640	5,994

*) Subsidiaries have not operate yet

Acquisitions and Disposals

PT Wapindo Jasaartha (WJA)

In June 2014, the Company increased its investment in WJA amounting to Rp 1,500, thus, increased its direct ownership interest in WJA from 99.90% to 99.96%.

PT Sinar Artha Konsulindo (SAK)

In August 2014, the Company increased its investment in SAK amounting to Rp 30, thus, increased its direct ownership interest in SAK from 99.75% to 99.92%.

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PT Asuransi Sinar Mas (ASM)

ASM obtained an approval from the Minister of Finance of the Republic of Indonesia through the Directorate General of Domestic Monetary Affairs to engage in loss insurance under Decree No KEP-2562/MD/1986 dated April 21, 1986. ASM obtained an approval from the Minister of Finance of the Republic of Indonesia to open a branch which was based on Sharia principles in his Decision Letter No. 253/KM.6/2004 dated June 25, 2004.

In June 2014, ASM declared and distributed dividends to the Company and SMF, amounting to Rp 276,000.

PT Bank Sinarmas Tbk (BS)

BS obtained an approval from the Minister of Finance of the Republic of Indonesia to engage in general banking business in his Decision Letter No. KEP-156/KMK.013/1990 dated February 16, 1990. Pursuant to Bank Indonesia's Decree No. 27/156/KEP/DIR dated March 22, 1995, BS was authorized to operate as a Foreign Exchange Bank. BS obtained an approval from the Bank Indonesia to open a branch which was based on Syariah principles in his Decision Letter Deputy Governor of Bank Indonesia No. 11/13/KEP.DpG/2009 dated October 27, 2009.

On November 29, 2010, BS obtained the Notice of Effectivity from the Chairman of Bapepam - LK (currently OJK) in his letter No. S-10683/BL/2010 of its initial public offering of shares and being a publicly listed company.

On June 15, 2012, BS obtained the Notice of Effectivity from the Chairman of Bapepam and LK (currently OJK) in his letter No. S-7461/BL/2012 for Limited Public Offering I. In relation to Limited Public Offering I, the Company and SU exercised their preemptive rights to buy shares of BS, thus, there is no change in their respective ownership interest in BS.

In 2013, the Company and the non-controlling shareholder (public) converted warrants of BS into shares, thus, the ownership of the Company and SU in BS were diluted to 57.17% and 2.77%, respectively as of December 31, 2013. The impact of the dilution in ownership interest amounting to Rp 138 was recognized as "Other equity component" in equity section of the 2013 consolidated statement of financial position (Note 36).

In 2014, the Company and the non-controlling shareholder (public) converted warrants of BS into shares, thus, the ownership of the Company and SU in BS were diluted to 53.41% and 2.59%, respectively as of December 31, 2014. The impact of the dilution in ownership interest amounting to Rp 23,367 was recognized as "Other equity component" in equity section of the 2014 consolidated statement of financial position (Note 36).

PT Rizky Lancar Sentosa (RLS)

In September 2013, the Company acquired 177,499 shares or 99.99% ownership interest in RLS from AJSM and other shareholders at an acquisition cost of Rp 177,499.

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The transaction value, fair value, and carrying value of assets and liabilities of RLS on acquisition date are shown in table below:

	Carrying Value	Fair Value
Cash	3,062	3,062
Trade accounts receivable	758	758
Prepaid taxes	780	780
Property and equipment - net	1,170	1,170
Investment properties - net	154,282	181,689
Other assets	909	909
Taxes payable	(12)	(12)
Unearned income	(2,281)	(2,281)
Other liabilities	(8,575)	(8,575)
Net assets	<u>150,093</u>	177,500
Deferred tax liabilities		(6,852)
Net assets after deferred tax		170,648
Goodwill		6,852
PT Shinta Utama		(1)
Consideration paid		<u>177,499</u>

Cash flows for acquisition of RLS on acquisition date are as follows:

	Amount
Consideration paid	177,499
Cash balance of subsidiary on acquisition date	(3,062)
Net cash flows for acquisition	<u>174,437</u>

PT Asuransi Jiwa Sinarmas MSIG (AJSM)

AJSM obtained an approval from the Minister of Finance of the Republic of Indonesia to engage in life insurance business based on its Decision Letter No. KEP-107/KM.13/1989 dated August 5, 1989.

In June 2013, AJSM declared and distributed dividends to the Company and Mitsui Sumitomo Insurance, Co. Ltd., Japan, amounting to Rp 246,098.

PT Asuransi Simas Net (ASN)

On December 13, 2013, the Company and PT Asuransi Sinar Mas established ASN which engages in on-line insurance business, by investing Rp 1,000 and Rp 99,000, or representing 1% and 99% ownership interest in ASN, respectively.

PT Autopro Utama Perkasa (AUP)

In May 2013, JTU made additional investment in shares of AUP amounting to Rp 10,000. The increase in investment did not change its direct ownership interest in AUP.

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PT Sinar Mas Multifinance (SMF)

SMF obtained an approval from the Minister of Finance of the Republic of Indonesia to engage in finance leasing, factoring and consumer financing in his Decision Letter No. 441/KMK.017/1996 dated June 21, 1996.

In April 2013, the Company increased its investment in SMF amounting to Rp 300,000. The increase in investment did not change its direct ownership interest in SMF.

In April 2013, SMF declare and distribute dividends to the Company and STG totaling to Rp 115,000.

PT Jakarta Teknologi Utama Motor (JTU)

In April 2013, the Company increased its investment in JTU amounting to Rp 50,000, thus, increased its direct ownership interest in JTU from 99.95% to 99.97%.

PT Shinta Utama (SU)

In December 2013, SU has sold all of its investment in shares of PT Golden Tropical to third party amounting to Rp 1,500.

PT Sinarmas Futures (SF)

SF obtained an approval from Commodity Measurement Trading Supervisory Agency to engage in business activity as measurement broker in its Decision Letter No.889/BAPPEBTI/SI/3/2006 dated March 27, 2006.

In October 2004, SMS and SMF established SF which engages in commodity trading. SMS's ownership interest in SF as of December 31, 2014 and 2013 is 99.75%.

PT Sinarmas Sekuritas (SMS)

SMS obtained an approval from the Capital Market Supervisory Agency or Bapepam-LK to engage in stock brokerage, stock underwriting and as an investment manager in its Decision Letters No. Kep-82/PM/1992 dated February 29, 1992, No. Kep 83/PM/1992 dated February 29, 1992 and No. Kep-02/PM/MI/2000 dated May 15, 2000.

PT AB Sinar Mas Multifinance (ABSM)

ABSM obtained an approval from the Minister of Finance of the Republic of Indonesia to engage in finance leasing, factoring and consumer financing in his Decision Letter No. 525/KMK.017/1995 dated November 17, 1995.

PT Sinartama Gunita (STG)

STG obtained an approval from Capital Market Supervisory Agency (Bapepam-LK or currently OJK) to engage in business activities as shares registrar in its Decision Letter No. Kep-82/PM/1991 dated September 30, 1991.

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d. Employees, Directors and Commissioners

As of December 31, 2014 and 2013, The Company's management consists of the following:

	<u>2014</u>	<u>2013</u>
President Commissioner	: Indra Widjaja	Indra Widjaja
Commissioner	: Howen Widjaja	Howen Widjaja
Independent Commissioners	: Robinson Simbolon	Sunarto Agustinus Antonius
President Director	: Doddy Susanto	Doddy Susanto
Directors	: Kurniawan Udjaja Fuganto Widjaja Dani Lihardja	Kurniawan Udjaja Fuganto Widjaja Dani Lihardja
Non Affiliated Director	: Agus Leman Gunawan	Agus Leman Gunawan

As of December 31, 2014 and 2013, the Company's Audit Committee consists of the following:

	<u>2014</u>	<u>2013</u>
Chairman	: Robinson Simbolon	Sunarto
Members	: Agustinus Antonius Herawan Hadidjaja	Rusli Prakarsa Pande Putu Raka

The form of the Company's Audit Committee complies with Regulation No. IX.1.5 concerning the "Form and Orientation of the Audit Committee Working Implementation".

Key management personnel consist of Commissioners, Directors, Division Head, Group Head, the Coordinator of the Region and Branch Managers.

As of December 31, 2014 and 2013, the Company has a total number of permanent employees (unaudited) of 15 and 16, respectively, while the Group has a total number of permanent employees (unaudited) of 5,139 and 6,014 as of December 31, 2014 and 2013, respectively.

The consolidated financial statements of PT Sinar Mas Multiartha Tbk and its subsidiaries for the year ended December 31, 2014 were completed and authorized for issuance on March 30, 2015 by the Company's Directors who are responsible for the preparation and presentation of the consolidated financial statements.

2. Summary of Significant Accounting and Financial Reporting Policies

a. Basis of Consolidated Financial Statements Preparation and Measurement

The consolidated financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards "SAK", which comprise the statements and interpretations issued by the Board of Financial Accounting Standards of the Indonesian Institute of Accountants and Regulation No. VIII.G.7. regarding "Presentation and Disclosures of Public Companies' Financial Statements" included in the Appendix of the Decree of the Chairman of the Capital Market and Financial Institution Supervisory Agency (Bapepam – LK) (currently Financial Services Authority) No. KEP-347/BL/2012 dated June 25, 2012. Such consolidated financial statements are an English translation of the Group's statutory report in Indonesia.

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The consolidated financial statements are prepared in accordance with the Statements of Financial Accounting Standard ("PSAK") No. 1 (Revised 2009), "Presentation of Financial Statements".

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

The consolidated statement of cash flows are prepared using the modified direct method with classifications of cash flows into operating, investing, and financing activities. For the purpose of the consolidated statements of cash flows, cash and cash equivalents include cash, cash in banks, demand deposits with Bank Indonesia, and other liquid deposits, with original maturity of three (3) months or less from the acquisition date and funds placed in securities companies.

The accounting policies adopted in the preparation of the consolidated financial statements for the year ended December 31, 2014 are consistent with those adopted in the preparation of the consolidated financial statements for the year ended December 31, 2013.

The reporting currency used in the preparation of the consolidated financial statements is the Indonesian Rupiah (Rupiah) which is also the functional currency of the Company.

The preparation of consolidated financial statements in conformity with Indonesian Financial Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

b. Principles of Consolidation

The consolidated financial statements include the accounts of the Company and Subsidiaries mentioned in Note 1c.

Inter-company transactions, balances and unrealized gains or loss on transactions between Group companies are eliminated.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtained control, and continue to be consolidated until the date such control ceases. Control is presumed to exist if the Company owns, directly or indirectly through another subsidiary, more than half of the voting power of an entity unless, in exceptional circumstances, it can be clearly demonstrated that such ownership does not constitute control. Control also exists under certain circumstances when there is:

- power over more than half of the voting rights by virtue of an agreement with other investors;
- power to govern the financial and operating policies of the entity under a statute or an agreement;
- power to appoint or remove the majority of the members of the board of directors or board of commissioners or equivalent governing body and control of the entity is by that board or body; or
- power to cast the majority of votes at meetings of the board of directors or board of commissioners or equivalent governing body and control of the entity is by that board or body.

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Losses of a non-wholly owned subsidiary are attributed to the NCI even if that results in a deficit balance.

In case of loss of control over a subsidiary, the Company and/or its subsidiaries:

- derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- derecognizes the carrying amount of any NCI;
- derecognizes the cumulative translation differences, recorded in equity, if any;
- recognizes the fair value of the consideration received;
- recognizes the fair value of any investment retained;
- recognizes any surplus or deficit in profit or loss; and
- reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

NCI represents the portion of the profit or loss and net assets of the subsidiaries attributable to equity interests that are not owned directly or indirectly by the Company, which are presented in the consolidated statement of comprehensive income and under the equity section of the consolidated statement of financial position, respectively, separately from the corresponding portion attributable to owners of the Company.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

c. Accounting for Business Combination

Among Entities Not Under Common Control

Business combinations, except business combination among entities under common control, are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests (NCI) in the acquiree. For each business combination, the acquirer measures the NCI in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs incurred are directly expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as of the acquisition date.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognized in accordance with PSAK No. 55 either in profit or loss or as other comprehensive income. If the contingent consideration is classified as equity, it should not be measured until it is finally settled within equity.

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At acquisition date, goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognized for NCI over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company and/or its subsidiaries' cash-generating units ("CGU") that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquired are assigned to those CGUs.

Where goodwill forms part of a CGU and part of the operation within that CGU is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

Among Entities Under Common Control

Entities under common control are parties which directly or indirectly (through one or more intermediaries) control, or are controlled by or are under the same control.

Business combination of entities under common control is a business combination of all entities or combined businesses, which are ultimately controlled by the same party (prior or subsequent to the business combination), in which the control is not temporary.

Business combination transaction of entities under common control in form of business transfer with regard to reorganization of entities within the same group of companies does not result in a change of the economic substance of the ownership, in which the transaction does not incur gain or loss to the group as a whole or to the individual company within the group. Therefore, the transaction is recognized at carrying value based on pooling of interest method.

Any difference between amount of consideration transferred and the carrying value of each business combination of entities under common control is recognized as additional paid-in capital as part of equity section in the consolidated statement of financial position.

An entity which is disposing a business unit in connection with the disposal of a business unit of an entity under common control recognizes the difference between the consideration received and carrying amount of the disposed business unit as additional paid-in capital as part of equity section in the consolidated statement of financial position.

d. Foreign Currency Translation

Functional and Reporting Currencies

Items included in the financial statements of each of the Group's companies are measured using the currency of the primary economic environment in which the entity operates (the functional currency).

The consolidated financial statements are presented in Rupiah which is the Company functional and presentation currency.

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Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of comprehensive income. Non-monetary assets that are measured at fair value are translated using the exchange rate at the date that the fair value was determined. Translation differences on equities and similar non-monetary items measured at fair value are recognized in profit or loss.

As of December 31, 2014 and 2013, the conversion rates used by the Group were the middle rates of Bank Indonesia of Rp 12,440 (in full Rupiah amount) and Rp 12,189 (in full Rupiah amount), respectively, per US\$ 1.

The conversion rates used by BS (a subsidiary engaged in banking) to translate monetary assets and liabilities as of December 31, 2014 and 2013, are the Reuters rate at 16:00 WIB of Rp 12,385 (in full Rupiah amount) and Rp 12,170 (in full Rupiah amount), respectively, per US\$ 1.

Group Companies

The results and financial position of all the Group companies that have a functional currency different from the reporting currency are translated into the reporting currency as follows:

- a. assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- b. income and expenses for each statement of income are translated at average exchange rates; and
- c. all resulting exchange differences are recognized as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to equity. When a foreign operation is sold, such exchange differences arising from the translation of the net investment in such foreign operation taken to equity are recognized in the consolidated statement of comprehensive income as part of the gain or loss on sale.

As of December 31, 2014 and 2013, Global Asian Investment Limited (GAI), a subsidiary, and Sinar Mas Insurance (SMI), a subsidiary of ASM, use the United States Dollar as their functional currency, and Nanjing Sinar Mas & ZiJin Venture Capital Management Co Ltd (NSZ), a subsidiary of GAI, uses the China Yuan as its functional currency.

The translation of the net investment in foreign entities is taken to equity. When a foreign operation is sold, exchange differences arising from the translation of the net investment in such foreign operation taken to equity are recognized in the consolidated statement of comprehensive income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

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e. Transactions with Related Parties

A related party is a person or entity that is related to the Group:

1. A person or a close member of that person's family is related to the Group if that person:
 - a. has control or joint control over the Group;
 - b. has significant influence over the Group; or
 - c. is a member of the key management personnel of the reporting entity or of a parent of the Group.
2. An entity is related to the Group if any of the following conditions applies:
 - a. The entity and the Group are members of the same group.
 - b. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - c. Both entities are joint ventures of the same third party.
 - d. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - e. The entity is a post-employment defined benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
 - f. The entity is controlled or jointly controlled by a person identified in (1).
 - g. A person identified in (1) (a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

All significant transactions with related parties are disclosed in the consolidated financial statements.

f. Cash and Cash in Banks

Cash and cash in banks consist of cash on hand and cash in banks, and short term investment, with original maturities of three (3) months or less from the date of placements, and which are not used as collateral and are not restricted.

g. Minimum Liquidity Reserve

On October 4, 2010, Bank Indonesia (BI) issued a regulation No.12/19/PBI/2010 regarding Statutory Reserves at Bank Indonesia for Commercial Banks in Rupiah and Foreign Currencies, as amended by Bank Indonesia Regulation (PBI) No. 13/10/PBI/2011 dated February 9, 2011. The latest amendment is PBI No. 15/15/PBI/2013 which effective since December 24, 2013. Based on the Bank Indonesia Regulation, the statutory reserve consists of Rupiah and Foreign Currency Reserve. Statutory Reserve in Rupiah consist of Primary Reserve, Secondary Reserve, and Loan to Deposit Ratio (LDR) Reserve.

Primary Statutory Reserve is a minimum deposit that should be maintained by the bank in current account with BI based on a certain percentage of Third Party Fund (TPF) as determined by BI.

Secondary Statutory Reserve is a minimum deposit that should be maintained by the bank in the form of Bank Indonesia Certificates (SBI), Government Debenture Debt (SUN) and/or Excess Reserve, based on certain percentage of TPF in accordance with the regulation.

LDR Reserve is a minimum deposit required to be maintained by the banks in the form of current account with BI for the percentage of TPF which is calculated based on the difference of LDR held by banks and Target LDR which must be complied by banks.

h. Financial Instruments

The Group recognizes a financial asset or a financial liability in the consolidated statement of financial position if, and only if, it becomes a party to the contractual provisions of the instrument. All regular way purchases and sales of financial instruments are recognized on the transaction date.

Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of an asset) or received (in case of a liability). The fair value of the consideration given or received is determined by reference to the transaction price or other market prices. If such market prices are not reliably determinable, the fair value of the consideration is estimated as the sum of all future cash payments or receipts, discounted using the prevailing market rates of interest for similar instruments with similar maturities. The initial measurement of financial instruments, except for financial instruments at fair value through profit and loss (FVPL), includes transaction costs.

Transaction costs include only those costs that are directly attributable to the acquisition of a financial asset or issue of financial liability and they are incremental costs that would not have been incurred if the instrument had not been acquired or issued. Such transaction costs are amortized over the terms of the instruments based on the effective interest rate method.

Effective interest rate method is a method of calculating the amortized cost of a financial asset or a financial liability and allocating the interest income or expense over the relevant period by using an interest rate that exactly discounts estimated future cash payments or receipts through the expected life of the instruments or, when appropriate, a shorter period to the net carrying amount of the financial instruments. When calculating the effective interest, the Group estimates future cash flows considering all contractual terms of the financial instruments excluding future credit losses and includes all fees and points paid or received that are an integral part of the effective interest rate.

Amortized cost is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest rate method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

The classification of the financial instruments depends on the purpose for which the instruments were acquired and whether they are quoted in an active market. At initial recognition, the Group classifies its financial instruments in following categories: financial assets at FVPL, loans and receivables, held-to-maturity (HTM) investments, available for sale (AFS) financial assets, financial liabilities at FVPL, and other financial liabilities; and, where allowed and appropriate, re-evaluates such classification at every reporting date.

Determination of Fair Value

The fair value of financial instruments traded in active markets at the statements of financial position date is based on their quoted market price or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. When current bid and asking prices are not available, the price of the most recent transaction is used since it provides evidence of the current fair value as long as there has not been a significant change in economic circumstances since the time of the transaction. For all other financial instruments not listed in an active market, except investment in unquoted equity securities, the fair value is determined by using appropriate valuation techniques. Valuation techniques include net present value techniques, comparison to similar instruments for which market observable prices exist, options pricing models, and other relevant valuation models. In the absence of a reliable basis for determining fair value, investments in unquoted equity securities are carried at cost net of impairment.

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The Group classifies the measurement of fair value by using fair value hierarchy which reflects significance of inputs used to measure the fair value. The fair value hierarchy is as follows:

1. Quoted prices in active market for identical assets or liabilities (Level 1);
2. Inputs other than quoted prices included within Level 1, and are either directly or indirectly observable for assets or liabilities (Level 2);
3. Inputs for assets and liabilities which are not derived from observable data (Level 3).

The level in fair value hierarchy to determine the measurement of fair value as a whole is determined based on the lowest level of input which is significant to the measurement of fair value. Assessment of significance of an input to the measurement of fair value as a whole needs necessary judgments by considering specific factors of the assets or liabilities.

“Day 1” Profit/Loss

Where the transaction price in a non-active market is different from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Group recognizes the difference between the transaction price and fair value (a “Day 1” profit/loss) in the consolidated statement of comprehensive income unless it qualifies for recognition as some other type of asset. In cases where the data is not observable, the difference between the transaction price and model value is only recognized in the consolidated statement of comprehensive income when the inputs become observable or when the instrument is derecognized. For each transaction, the Group determines the appropriate method of recognizing the “Day 1” profit/loss amount.

Financial Assets

1. Financial Assets at FVPL

Financial assets at FVPL include financial assets held for trading and financial assets designated upon initial recognition at FVPL. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Financial assets may be designated at initial recognition at FVPL if the following criteria are met:

- a. The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the financial assets or recognizing gains or losses on them on a different basis; or
- b. The assets are part of a group of financial assets, financial liabilities or both which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- c. The financial instruments contain an embedded derivative, unless the embedded derivative does not significantly modify the cash flows or it is clear, with little or no analysis, that it would not be separately recorded.

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Financial assets at FVPL are recorded in the consolidated statement of financial position at fair value. Changes in fair value are recognized directly in the consolidated statement of comprehensive income. Interest earned is recorded as interest income, while dividend income is recorded as part of other income according to the terms of the contract, or when the right of payment has been established.

As of December 31, 2014 and 2013, this category includes short-term investments – securities (bonds, unit of mutual fund, shares and warrants which are traded in the Indonesia Stock Exchange), segregated funds net assets – unit link and other assets – derivative assets.

2. Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are not entered into with the intention of immediate or short-term resale and are not classified as financial assets at FVPL, HTM investments or AFS financial assets.

After initial measurement, loans and receivables are subsequently measured at amortized cost using the effective interest method, less allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the effective interest rate. The amortization is included as part of interest income in the consolidated statement of comprehensive income. The losses arising from impairment are recognized in the consolidated statement of comprehensive income.

As of December 31, 2014 and 2013, this category includes cash and cash in banks, short-term investments (time deposits, placement with other banks, and securities - export bill receivables), securities purchased under agreements to resell, consumer finance receivables, factoring receivables, loans, acceptance receivables, receivables from brokers, other accounts receivable, and other assets (security deposits).

3. HTM Investments

HTM investments are non-derivative financial assets with fixed or determinable payments and fixed maturities for which the Group's management has the positive intention and ability to hold to maturity. When the Group sells or reclassifies other than an insignificant amount of HTM investments before maturity, the entire category would be tainted and reclassified as AFS financial assets.

After initial measurement, these investments are subsequently measured at amortized cost using the effective interest method, less impairment in value. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The amortization is included as part of interest income in the consolidated statement of comprehensive income. Gains and losses are recognized in the consolidated statement of comprehensive income when the HTM investments are derecognized and impaired, as well as through the amortization process using effective interest method.

As of December 31, 2014, this category includes short-term investments (bonds).

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4. AFS Financial Assets

AFS financial assets are those which are designated as such or not classified in any of the other categories. They are purchased and held indefinitely and may be sold in response to liquidity requirements or changes in market conditions.

After initial measurement, AFS financial assets are measured at fair value with unrealized gains or losses recognized as other comprehensive income, until the investment is sold, or determined to be impaired, at which time the cumulative gain or loss is reclassified to the profit and loss and removed from comprehensive income.

As of December 31, 2014 and 2013, this category includes short-term investments – securities (bonds, Republic of Indonesia – ROI Loans, shares that are traded in Indonesia Stock Exchange), placement with Bank Indonesia, and investment in shares of stock.

In the absence of a reliable basis for determining the fair value, the Group's investments in shares of stock enumerated in Note 17 are carried at cost, net of any impairment.

Financial Liabilities

1. Financial Liabilities at FVPL

Financial liabilities are classified in this category if these result from trading activities or derivative transactions that are not accounted for as accounting hedges, or when the Group elects to designate a financial liability under this category.

Changes in fair value are recognized directly in the consolidated statement of comprehensive income.

As of December 31, 2014 and 2013, this category includes segregated funds contract liabilities – unit linked policies and other liabilities – derivative liabilities.

2. Other Financial Liabilities

This category pertains to financial liabilities that are not held for trading or not designated at FVPL upon the inception of the liability.

Issued financial instruments or their components, which are not classified as financial liabilities at FVPL are classified as other financial liabilities, where the substance of the contractual arrangement results in the Group having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

Other financial liabilities are recognized initially at fair value and are subsequently carried at amortized cost, taking into account the impact of applying the effective interest method of amortization (or accretion) for any related premium, discount, and any directly attributable transaction costs.

As of December 31, 2014 and 2013, this category includes deposits and deposits from other banks, payables to brokers, accrued expenses, securities issued, loans received, and other liabilities.

Derivative Financial Instruments and Hedging Activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair values. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

1. Hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges); or
2. Hedges of a particular risk associated with a recognized asset or liability or a highly probable forecast transaction (cash flow hedge).

At the inception of the transaction, the Group documents the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

In doing the business, the Group enters into transactions involving derivative financial instruments such as foreign currency spot and forward contracts and foreign currency swaps. Derivative financial instruments are valued and recorded on statement of financial position at their fair value using market rates. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Gains or losses as a result of fair value changes are recognized as current year profit/loss.

1. Fair Value Hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the profit and loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The Group only applies fair value hedge accounting for hedging fixed interest risk on borrowings. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognized in the profit or loss within "Interest and other financial charges", together with changes in the fair value of the hedged fixed rate borrowings attributable to interest rate risk. The gain or loss relating to the ineffective portion is recognized in the profit or loss within "Other Income (Expense) – Net".

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of the hedged item, for which the effective interest method is used, is amortized to profit or loss over the period to maturity.

2. Cash Flow Hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as a cash flow hedge is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in the profit or loss within "Other Income (Expense) – Net".

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Amounts accumulated in equity are recycled to profit or loss in the periods when the hedged item affects profit or loss. The gain or loss relating to the effective portion of interest rate swaps hedging floating rate borrowings is recognized in profit or loss within "Other Income (Expense) – Net". However, when the forecast transaction that is hedged results in the recognition of a non-financial asset, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amount will eventually be recognized as "Depreciation" if these assets are property and equipment.

Offsetting of Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable right to offset the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Impairment of Financial Assets

The Group's management assesses at each consolidated statement of financial position date whether a financial asset or group of financial assets is impaired.

1. **Assets Carried at Amortized Cost**

The Company assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Objective evidence that financial assets are impaired can include default or delinquency by a borrower, restructuring of a loan with the terms that the Company would not otherwise consider if the borrower has no financial difficulties, indications that a borrower or issuer will enter into bankruptcy, disappearance of an active market for a security due to financial difficulties, observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio.

The management first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the management determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss, is or continues to be recognized are not included in a collective assessment of impairment.

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If there is an objective evidence that an impairment has been incurred on financial assets in loans and receivables or HTM investments category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of loss is charged to the consolidated statement of comprehensive income.

The calculation of the present value of the estimated future cash flows of a collateralized financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

For the purposes of a collective assessment impairment, financial assets are grouped based on similar characteristics such as credit risk and credit segmentation considering delinquent status. The characteristics chosen are relevant to the estimation of future cash flows from the assets that indicates the ability of the debtor counterparty to pay all liabilities with maturities corresponding contractual terms of the assets being assessed.

Future cash flows from the financial assets that are collectively assessed for impairment, are estimated based on contractual cash flows and historical loss experience for assets with similar credit risk characteristics of the group. Historical loss experience is adjusted on the basis of current observable data to reflect effects in the period in which the experience is based and to remove the effects of conditions in the historical period that do not currently exist.

If, in a subsequent year, the amount of the impairment loss decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in the consolidated statement of comprehensive income, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

When a financial asset is uncollectible, it is written off against the related allowance for impairment loss. Such financial asset is written off after all the necessary procedures have been completed and the amount of the loss has been determined.

2. Financial Assets Carried at Cost

If there is an objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, the amount of the loss is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

3. AFS Financial Assets

In case of equity investments classified as AFS, assessment of any impairment would include a significant or prolonged decline in the fair value of the investments below its cost. Where there is evidence of impairment, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in the profit and loss is removed from equity and recognized in the profit and loss. Impairment losses on equity investments are not reversed through the profit and loss. Increases in fair value after impairment are recognized directly in equity.

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In the case of debt instruments classified as AFS, impairment is assessed based on the same criteria as financial assets carried at amortized cost. Interest continues to be accrued at the original effective interest rate on the reduced carrying amount of the asset and is recorded as part of interest income in the consolidated statement of comprehensive income. If, in subsequent year, the fair value of a debt instrument increased and the increase can be objectively related to an event occurring after the impairment loss was recognized in the consolidated statement of comprehensive income, the impairment loss is reversed through profit and loss.

Derecognition of Financial Assets and Liabilities

1. Financial Assets

Financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- a. The rights to receive cash flows from the financial asset have expired;
- b. The Group retains the right to receive cash flows from the financial asset, but has assumed an obligation to pay them in full without material delay to a third party under a “pass-through” arrangement; or
- c. The Group has transferred its rights to receive cash flows from the asset and either (i) has transferred substantially all the risks and rewards of the financial asset, or (ii) has neither transferred nor retained substantially all the risks and rewards of the financial asset, but has transferred control of the financial asset.

Where the Group has transferred its rights to receive cash flows from a financial asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the financial asset is recognized to the extent of the Group continuing involvement in the financial asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2. Financial Liabilities

A financial liability is derecognized when the obligation under the contract is discharged, cancelled or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability. The recognition of a new liability and the difference in the respective carrying amounts is recognized in the consolidated statement of comprehensive income.

i. Securities

Securities consist of SBI, bonds, medium term notes, export bill receivables, and other money market and capital market securities.

Bonds consist of Government Bonds and Corporate Bonds purchased from the market.

Marketable securities are classified as financial assets held for trading, loans and receivables, and available for sale. Refer to Note 2h for the accounting policy for financial assets held for trading, loans and receivables and available for sale.

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Marketable securities are initially measured at fair value plus directly attributable transaction costs. For securities measured at fair value through profit and loss, the transaction costs are directly charged to profit/loss.

Investment in Sukuk

1. Investment in sukuk measured at cost

Investment in sukuk is initially measured at cost, including transaction costs. The difference between the acquisition cost and the nominal value is amortized on a straight-line basis over the term of the sukuk.

If indication of impairment exists then the amount of impairment loss is measured as the difference between the recoverable amount of sukuk and its carrying value.

2. Investment in sukuk measured at fair value

Investment in sukuk is measured at cost, excluding transaction costs. After initial recognition, the difference between the fair value and the carrying amount is recognized in the consolidated statement of comprehensive income.

j. Consumer Financing Receivables

Consumer financing is financing activity for procurement of goods based on the needs of consumer with payment by installments.

Consumer financing receivables are categorized as loans and receivable and are stated at amortized cost less allowance for doubtful accounts (see Note 2h). Interest income is recognized based on the effective interest rate method.

In relation to joint consumer financing transactions and channeling of consumer financing receivables with other parties, the Group's responsibility is to collect and administer the transferred consumer financing receivables. The difference between the interest charged to the customers by the Group and the interest charged by the investors is recognized as income by the Group and directly credited to the "Consumer financing income" account in the consolidated statements of comprehensive income.

In joint financing and credit channeling transactions on a with recourse basis, the Group recognizes assets or liabilities in its books. In joint financing and credit channeling transactions on a without recourse basis, the assets are presented at net amounts in the consolidated statements of financial position.

Receivables are deemed uncollectible if the debtors are unable to pay and, and have been delinquent for more than 90 to 120 days.

The Group repossesses the collateral – vehicle if the consumers had not made payments despite issuance of two collection letters. When the collateral - vehicle has been repossessed from the consumers, the consumer financing receivables are written off.

The repossessed vehicle is stated at the lower of the carrying value of consumer finance receivables or net realizable values. Any difference between the carrying amount and net realizable value is recorded as the allowance for impairment loss and normally charged to operations in the year such costs are incurred. In the settlement of receivables, the consumer authorizes the Group to sell the vehicle or perform other actions in case of breach of the financing agreement. If the selling price of the vehicle is lower than the collateral value of financing receivables, the difference is charged to the consolidated statement of comprehensive income.

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k. Lease Transactions

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A reassessment is made after inception of the lease only if one of the following applies:

1. there is a change in contractual terms, other than a renewal or extension of the agreement;
2. a renewal option is exercised or extension granted, unless the term of the renewal or extension was initially included in the lease term;
3. there is a change in the determination of whether the fulfillment is dependent on a specified asset; or
4. there is a substantial change to the asset.

Where a reassessment is made, lease accounting shall commence or cease from the date when the change in circumstances gave rise to the reassessment for scenarios 1, 3 or 4 and the date of renewal or extension period for scenario 2.

1. Accounting Treatment as a Lessee

Finance Lease

Leases which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest in the remaining balance of the liability. Finance charges are charged directly against consolidated statement of comprehensive income.

Capitalized leased assets are depreciated over the estimated useful life of the assets except if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, in which case the lease assets are depreciated over the shorter of the estimated useful life of the assets and the lease term.

Operating Lease

Operating lease payments are recognized as an expense in the consolidated statements of comprehensive income on a straight-line basis over the lease term.

2. Accounting Treatment as a Lessor

Finance Lease

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of the ownership to the lessee. Amount due from lessees under finance leases are recorded at the amount of the Group's net investments in finance lease.

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Net investments in finance lease consist of the total lease receivables plus the guaranteed residual value (option price) to be received at the end of the lease period, less unearned lease income, security deposits, and allowance for impairment losses.

The difference between the finance lease receivables plus the guaranteed residual value and the acquisition cost of the leased assets is recorded as unearned lease income. This is recognized as finance lease income over the lease period at a periodic rate of return on the net investments in finance lease. The Group does not recognize interest income from finance lease receivables which are overdue for more than ninety (90) days. Such interest income is recognized as income when already received.

At the inception of the lease, if the leased asset has residual value at the end of the lease period, the lessee is required to make a security deposit which will be applied as payment to the purchase option price of the leased asset at the end of the lease period if the option to purchase is exercised by the lessee. Otherwise, the security deposit will be returned to the lessee at the end of the lease period.

If the leased assets are sold to the lessee before the end of the lease period, the difference between the sales price and the net investments in finance lease is recorded as gain or loss at the time of sale.

Operating Lease

Leases where the Group retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

I. Factoring Receivables

Factoring of receivables is a financing activity in the form of the purchase of short term trade receivables of Group including administration of the receivables.

Factoring receivables are categorized as loans and receivables and are stated at amortized cost less allowance for impairment losses (see Note 2h).

In transfer of factoring receivable transactions, the Group transfers its factoring receivables to equivalent amount of fund received from the investors. The Group's responsibility is to collect and administer the transferred factoring receivables. The difference between the interest charged to the customers by the Group and the interest charged by the investors is recognized as income by the Group and directly credited to the "Factoring income" account in the consolidated statements of comprehensive income.

In transfer of factoring receivable transactions on a with recourse basis, the Group recognizes assets and liabilities in its books. In transfer of factoring receivable transactions on a without recourse basis, the assets are presented at net amounts in the consolidated statements of financial position.

Factoring receivables are written off through an allowance for impairment losses when management believes that the accounts should be written off because the consumers are unable to pay or difficult to be billed. Subsequent collection of factoring receivables written off in current year or prior year, is credited to allowance for impairment losses.

m. Segregated Funds Net Assets and Contract Liabilities – Unit Link

Certain long-duration contracts (unit-link policies) are linked to specific portfolios of assets. Such contracts provide benefits to policyholders, which are wholly or partly determined by reference to the value of specific investments or income thereof. Such contracts also provide life insurance cover of guaranteed death benefits.

Investments held to cover the unit-linked policies are recognized and carried at fair value in the consolidated statements of financial position; the initial transaction costs, fair value adjustments and realized gains and losses are recognized in the consolidated statements of comprehensive income.

The liabilities which arose from unit-linked policies are recorded as segregated liabilities for unit-linked policies, which are designated as fair-value-through-profit-or-loss. Fair value of the units is measured in reference with the fair value of the underlying assets supporting the policies.

n. Loans

Loans represent provision of cash or cash equivalents based on agreements with borrowers, where borrowers are required to repay their debts with interest after specified periods.

Loans are classified as loans and receivables (refer to Note 2h).

Loans are initially measured at fair value plus transaction costs that are directly attributable and additional costs to acquire the asset, and after initial recognition are measured at amortized cost using the effective interest method less any allowance for impairment losses.

Included in loans are Islamic financing murabahah receivables. Murabahah is a contract of sale of goods with a selling price at cost plus profit (margin) as agreed and the seller must disclose the cost of the goods to the buyer.

Loan restructuring may involve a modification of the terms of the loans, conversion of loans into equity or other financial instruments and/or a combination of both.

In restructuring credit that had been converted into shares, BS, a subsidiary, obtain participation of temporary investment. In accordance with Bank Indonesia Regulation (PBI) No. 15/11/PBI/2013 on the Precautionary Principal Capital Investment Activity, release or divestment to participation of temporary investment is mandatory if the participation of temporary investment has exceeded the maximum period of five (5) years or the Companies where investment of temporary investment have obtained a cumulative profit.

Restructured loans are stated at the lower of carrying value of the loan at the time of restructuring or net present value of the total future cash receipts after restructuring. Losses arising from any excess of the carrying value of the loan at the time of restructuring over the net present value of the total future cash receipts after restructuring are recognized in profit/loss. Thereafter, all cash receipts under the new terms are accounted for as recovery of principal and interest revenue, in accordance with the restructuring scheme.

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Sharia Unit

Specially for sharia business activities, BS, a subsidiary, provides an allowance for impairment losses of productive assets and estimated loss from off balance sheet transactions based on the evaluation of collectibility of each individual assets and off balance sheet transaction with credit risk in accordance with Bank Indonesia regulation.

o. Ijarah Assets

Ijarah Assets are recognized at cost (refer to PSAK No. 16: Fixed Assets and PSAK No. 19: Intangible Assets).

Ijarah assets, such as motorcycle, machinery, heavy equipment and software are depreciated or amortized over the lease term or the economic lives of assets, whichever is shorter, where at the end of the year, these assets are assigned to customer.

For the Ijarah muntahiyah bitamlik contracts (lease financing), if at the time of transfer of ownership of the Asset from the owner to the Ijarah tenant by grant, then the carrying amount is recognized as an Ijarah asset expense.

Lease income during lease term is recognized when the benefits of assets have been handed over to the lessee.

Ijarah income is presented net of related expenses such as, depreciation, maintenance and repairs expenses. Ijarah net income is presented as part of "Interest income" in the consolidated statements of comprehensive income.

p. Investments in Associates

Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost. Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% to 50% of the voting rights. These investments include goodwill identified on acquisition, net of any impairment loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of its associates' post-acquisition profits or losses is recognized in consolidated statement of comprehensive income, and its share of post acquisition movements in other comprehensive income is recognized in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to "share in net income of associates" in the profit or loss. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of its interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Adjustments are made where necessary to conform the associate's accounting policies with the policies adopted by the Group.

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Profits or losses resulting from upstream and downstream transactions between the Group and its associates are recognized in the Group's consolidated financial statements only to the extent of unrelated investor's interests in the associates.

Dilution gains or losses arising from investments in associates are recognized in the consolidated statement of comprehensive income.

q. Investment Properties

Investment properties are measured at cost, including transaction costs, less accumulated depreciation and any impairment loss. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the consolidated statement of comprehensive income in the year of retirement or disposal.

Investment properties in the form of the building, are depreciated using the straight-line method at 5% per annum.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party. Transfers are made from investment properties when, and only when, there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale.

r. Property and Equipment

Property and equipment, except land, are carried at cost, excluding day to day servicing, less accumulated depreciation and any impairment in value. Land is not depreciated and is stated at cost less any impairment in value.

The initial cost of property and equipment consists of its purchase price, including import duties and taxes and any directly attributable costs in bringing the property and equipment to its working condition and location for its intended use.

Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance costs, are normally charged to operations in the year such costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of the property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional costs of property and equipment.

Initial legal costs incurred to obtain legal rights are recognized as part of the acquisition cost of the land, and these costs are not depreciated. Costs related to renewal of land rights are recognized as intangible assets and amortized during the period of the land rights.

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All property and equipment, except for land and buildings, are depreciated over their estimated useful lives using the double-declining-balance method. Buildings are depreciated over their estimated useful lives using the straight-line method. The depreciation rates are as follows:

	<u>Rate</u>
Buildings:	
• Permanent	5%
• Non-permanent	10%
Property and equipment other than buildings:	
Class I : Assets with useful lives of less than 4 years	50%
Class II : Assets with useful lives of between 4 to 8 years	25%

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable.

When each major inspection is performed, its cost is recognized in the carrying amount of the item of property and equipment as a replacement if the recognition criteria are satisfied. Such major inspection is capitalized and amortized over the next major inspection activity.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. When assets are sold or retired, the cost and related accumulated depreciation and amortization and any impairment loss are eliminated from the accounts. Any gains or loss arising from de-recognition of property and equipment (calculated as the difference between the net disposal proceeds, if any, and the carrying amount of the item) is included in the consolidated statement of comprehensive income in the year the item is derecognized.

The asset's residual values, if any, useful lives and depreciation method are reviewed and adjusted if appropriate, at each financial year end.

Construction in Progress

Construction in progress represents property and equipment under construction which is stated at cost and is not depreciated. The accumulated costs are reclassified to the respective property and equipment account and are depreciated when the construction is substantially complete and the asset is ready for its intended use.

s. Foreclosed Properties

Foreclosed properties are stated at the lower of carrying amount and fair value less costs to sell. The difference between the value of the foreclosed properties and the outstanding loan principal, if any, is charged to the current year consolidated statement of comprehensive income.

The difference between the carrying value of the foreclosed property and the proceeds from its sale is recognized as a gain or loss in the period the property was sold.

The costs of maintenance of foreclosed properties are charged to consolidated statement of comprehensive income when incurred.

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The carrying amount of the property is written-down to recognize a permanent diminution in value of the foreclosed property, which is charged to the current year consolidated statement of comprehensive income.

Management evaluates regularly the carrying value of foreclosed property. The carrying amount of the property is written-down to recognize a permanent diminution in value of the foreclosed property, which is charged to the current year consolidated statement of comprehensive income.

t. Prepaid Expenses

Prepaid expenses are amortized over their beneficial or contract periods using the straight-line method.

u. Impairment of Non-Financial Assets

The Group assesses at each annual reporting period whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use, and is determined for an individual asset, unless the asset does not generate cash in flows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations are recognized in the consolidated statement of comprehensive income as "impairment losses". In assessing the value in use, the estimated net future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available.

If no such transactions can be identified, an appropriate valuation model is used to determine the fair value of the assets. These calculations are corroborated by valuation multiples or other available fair value indicators.

Impairment losses of continuing operations, are recognized in the consolidated statement of comprehensive income under expense categories that are consistent with the functions of the impaired assets.

An assessment is made at each annual reporting period as to whether there is any indication that previously recognized impairment losses recognized for an asset may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss for an asset is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The reversal is limited so that the carrying amount of the assets does not exceed its recoverable amount nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Reversal of an impairment loss is recognized in the consolidated statement of comprehensive income. After such a reversal, the depreciation charge on the said asset is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

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v. Deposits and Deposits from Other Banks

Deposits and deposits from other banks are classified as financial liabilities measured at amortized cost using the effective interest method. Incremental costs directly attributable to the acquisition of deposits and deposits from other banks are deducted from the amount of deposits. Refer to Note 2h for the accounting policy for financial liabilities measured at amortized cost.

Deposits are liabilities to customers in the form of demand deposits, savings deposits and time deposits.

Demand deposits represent deposits of customers which may be used as instruments of payment, and which may be withdrawn at any time by checks, or other orders of payment or transfers.

Savings deposits represent deposits of customers which may only be withdrawn when certain agreed conditions at the account opening are met. They may not be withdrawn by checks or other equivalent instruments, except by using specific withdrawal slip which can only be validated at the depository bank and/or by using Automatic Teller Machine (ATM) card.

Time deposits represent deposits of customers which may only be withdrawn after a certain period of time in accordance with the agreement with the customers at the time of placement, or the customers will be fined or penalized if withdrawals are made before maturity.

Deposits include syariah deposits and unrestricted investments consisting of:

- Savings Wadiah is entrusted funds in the form of savings where income fund owners get a bonus.
- Unrestricted investments in current accounts, savings and time deposits represent deposits of customers' funds that provide benefits for the owner of funds from Islamic unit revenue for the use of these funds in accordance with the ratio determined and approved previously.

Deposits from other banks are liabilities to other banks in the form of demand deposits, call money less than or 90 days and time deposits with original maturities of each agreement.

w. Insurance Contracts

Insurance contracts are those contracts wherein the insurers have accepted significant insurance risk from another party (the policyholders) by agreeing to compensate the policyholders if a specified uncertain future event (the incurred event) adversely affects the policyholders.

A contract remains valid, even if the insurance risk is reduced significantly during this period, unless all rights and obligations are extinguished.

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Reinsurance Assets

Reinsurance assets are the cedant's net contractual rights under a reinsurance contract. The amount of reinsurance asset of the liability for future policy benefits, unearned premiums and estimated claims liability are estimated in a manner consistent with the approach used in determining the liability for future policy benefits, unearned premiums and claims liability estimates, based on the terms and the terms of the insurance contract.

The Group's management assesses at each consolidated statement of financial position date whether reinsurance assets are impaired. Reinsurance asset impairment occurs if, and only if, there is an objective evidence that the cedant did not receive the entire amount in accordance with the contract requirements and the impact can be measured reliably. Impairment loss is recognized in the consolidated of statement of comprehensive income.

Liabilities for Future Policy Benefits

Liabilities for future policy benefits represent the difference between the present value of future policy benefits and the present value of the expected future premiums.

The liabilities for future policy benefits are estimated by the Company's registered actuary based on outstanding policies in-force, including policies with unpaid premiums within the policy grace period, in accordance with actuarial principles generally accepted in Indonesia. Policy acquisition costs are not deferred and are charged to expense as incurred. Changes in liabilities for insurance policy benefits are recognized as underwriting expenses in the consolidated statement of comprehensive income for the current year.

Unearned Premiums and Estimated Claims Liability

Unearned premiums are calculated using the daily method by individual policy.

Estimated claims liability represents amounts set aside to provide for the outstanding and incurred claims arising from insurance policies in force during the accounting period. The liability includes both reported and unreported claims.

Insurance Contract Liabilities

Insurance contract liabilities consist of premiums received in advance, estimated claim liabilities, unearned premium and liability for future policy benefits. On reporting date, the Group assesses insurance contract liabilities whether the recognized insurance liabilities are adequate using current estimates of future cash flow under the insurance contract. If the assessment represent insurance liability less related deferred acquisition cost is not adequate if compared to current estimates of future cash flows, the deficiency is recognized in the consolidated statement of comprehensive income.

x. Loans Received

Loans received are stated at amortized cost.

Loans received classified as financial liability measured at amortized cost using the effective interest rate method. Transaction costs that are directly attributable to the acquisition cost of loan received, are deducted from the loans received (Note 2h).

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y. Securities Issued

Securities issued are securities issued in the form of Medium Term Notes (MTN) and Bonds.

Medium term notes are classified as financial liabilities measured at amortized cost using the effective interest method. Transaction costs that are directly attributable to the acquisition of securities issued are deducted from the amount of securities issued (Note 2h).

z. Financial Guarantee Contracts

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss incurred because a specified debtor defaulted to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given from Group to bank, financial institutions and other institutions on behalf of customers to secure loans and other banking facilities.

Initial recognition of financial guarantees in the consolidated financial statements is recognized at fair value at the time the guarantee is given. The fair value of financial guarantee at the time of the transaction is generally equal to the premium received, with normal terms and conditions, and the initial fair value is amortized over the life of financial guarantee.

Subsequently, these contracts are measured at the higher of amortized amount and the present value of any expected payment (when a payment under the guarantee has become probable) and the difference is charged to other operating expense in the consolidated statement of comprehensive income.

aa. Stock Issuance Costs

Stock issuance costs are deducted from the additional paid-in capital portion of the related proceeds from issuance of shares and are not amortized.

ab. Revenue and Expense Recognition

1. Recognition of Interest Revenues, Interest Expense, Sharia Revenue, and Revenue Sharing Distribution

Interest Revenue and Interest Expense

Interest income and interest expense for all financial instruments are recognized in the consolidated statement of comprehensive income on accrual basis using the effective interest rate method.

Transaction costs incurred and are directly attributable to the acquisition or issuance of financial instruments not measured at fair value through profit and loss are amortized over the life of financial instruments using the effective interest rate method and recorded as part of interest income for transaction costs, directly attributable to financial assets, and as part of interest expense for transaction costs related to financial liabilities.

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If a financial asset or group of similar financial assets in the category are held to maturity, loans and receivables, and available for sale are impaired, the interest income earned after the impairment loss is recognized using the interest rate used for discounting future cash flows in calculating impairment losses.

Revenue and Expense/Sharia Profit Sharing

Revenue consists of income from murabahah sharia, income from muntahiyah bittamlik ijarah (lease), and profit sharing from mudharabah financing.

Murabahah and revenue from ijarah muntahiyah bittamlik are recognized over the contract period on an accrual basis. Revenues for the results of financing are recognized when received or within the period of entitlement based on profit sharing agreement.

Expense based on sharia consists of profit sharing expense of mudharabah, wadiah bonus expense and profit sharing expense of Certificate of Sharia Interbank Mudharabah Investment.

2. Recognition of Insurance Underwriting Income and Expenses

Underwriting Income

Premiums on insurance contracts short-term period contracts are recognized as revenue over the policy contract period in proportion to the insurance coverage provided. Premiums on long-term insurance contracts are recognized as revenue on due date of policyholders. Premiums received prior to the issuance of insurance policies is recorded as Policyholders' deposit (AJSM) and deferred premium income (ASM).

Gross reinsurance premiums are recognized as an expense when payable or on the effective date of the policy.

Claims Expense

Claims consist of settled claims, claims in process, claims incurred but not reported and claims settlement expense. Claims are recognized as expense when the obligation to settle the claims incurred. The portion of claims received from reinsurance are recognized and recorded as deduction from claims expenses in the same period when the claims expenses are recognized. Subrogation rights are recognized as deduction from claims expenses at the time of realization.

Claims in process (estimated claims) are computed based on estimated loss which at consolidated statements of financial position date are still in process, including claims incurred but not reported.

Commission Expense

Commission due to insurance brokers, agents and other insurance companies in connection with the insurance coverage are recorded as commission expense, whereas commissions obtained from reinsurance transactions are recorded as commission income and recognized in the consolidated statements of comprehensive income when earned.

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3. Recognition of Securities Administration, Underwriting and Stock Brokerage Fees and Investment Management Income

Securities administration fees, stock brokerage fees and underwriting fees are recognized as income when the services for trading of securities in the stock exchange and underwriting activities are performed.

Investment management income is recognized based on agreed conditions as stated in the "Collective Investment Contract".

4. Recognition of Other Revenue and Expenses

Fees and Commissions Related to Financial Instruments

Commission income and expense fees associated with the acquisition of financial instruments categorized as held to maturity, loans and receivables, and available for sale, or related to a period of time and that the amount is significant, is recorded as part of the fair value of financial assets or financial liability and amortized over the term of the financial instrument period using the effective interest rate method. Meanwhile, fees and commissions that are not significant in amounts are recognized as revenue when the revenue is received or expense at the time of payment.

Other Fees and Commission

Fees and commissions that are significant in amount and are not related to the issuance or acquisition of financial instruments and have maturity terms are treated as deferred income or expenses and amortized using the straight-line method over the term of the relevant transaction.

Other fees and commission revenues not related to credit, such as banca assurance services, and revenues associated with import and export bank guarantee, are recognized as revenue associated with the services provided.

Other Income and Expense

Income from assets for lease (operating lease) is recognized using the straight-line method over the lease period (Note 2k).

Administration income incurred in relation with lease, consumer finance, and factoring transaction are recognized when earned.

Other income (expense) are recognized when earned (incurred) and in accordance with their beneficial period (accrual basis).

ac. Employee Benefits

Short-term employee benefits liability

Short-term employee benefits are in form of wages, salaries, and other employee benefits and bonuses. Short-term employee benefits are recognized at its undiscounted amount as a liability after deducting any amount already paid in the consolidated statement of financial position and as an expense in the consolidated statement of comprehensive income.

Long-term employee benefits liability

Long-term employee benefits liability represents post-employment benefits, unfunded defined-benefit plans which amounts are determined based on years of service and salaries of the employees at the time of pension. The actuarial valuation method used to determine the present value of defined-benefit liability, related current service costs, and past service costs is the Projected Unit Credit. Current service costs, interest costs, vested past service costs, and effects of curtailments and settlements (if any) are charged directly to current operations. Past service costs which are not yet vested and actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions in excess of the corridor or greater of 10% of the fair value of plan assets or 10% of the present value of the defined benefit obligation are charged or credited to profit or loss over the employees expected average remaining working lives, until the benefits become vested.

ad. Income Tax

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

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to the differences between the financial statements' carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences and carryforward tax benefit of unused fiscal losses, to the extent that it is probable that taxable income will be available in future periods against which the deductible temporary differences and carryforward tax benefit of fiscal losses, can be utilized.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted at the consolidated statement of financial position date. Deferred tax is charged or credited in the consolidated statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also charged or credited directly to equity.

Deferred tax assets and liabilities are offset in the consolidated statement of financial position, except if these are for different legal entities, in the same manner the current tax assets and liabilities are presented.

Amendments to tax obligations are recorded when an assessment is received or, if appealed against by the Group, when the result of the appeal is determined.

ae. Earnings per Share

Earnings per share are computed by dividing net income attributable to owners of the Company by the weighted average number of shares outstanding during the year.

Diluted earnings per share are computed by dividing net income attributable to owners of the Company by the weighted average number of shares outstanding during the year as adjusted for the effects of all potentially dilutive ordinary shares.

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af. Segment Information

Segment information is prepared using the accounting policies adopted for preparing and presenting the consolidated financial statements.

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess the Group's performance.

An operating segment is a component of an entity:

1. That engages in business activities which it may earn revenue and incur expenses (including revenue and expenses relating to the transaction with other components of the same entity);
2. Whose operating results are reviewed regularly by the entity's chief operating decision maker to make decision about resources to be allocated to the segments and assess its performance; and
3. For which discrete financial information is available.

Information reported to the chief operating decision maker for the purpose of resources allocation and assessment of its performance is more specifically focused on the category of each product, which is similar to the business segment information reported in the prior period.

ag. Provisions

Provisions are recognized when the Group has present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3. Management Use of Estimates, Judgments and Assumptions

In the application of the Group's accounting policies, which are described in Note 2 to the consolidated financial statements, management is required to make estimates, judgments, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

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Management believes that the following represent a summary of the significant estimates, judgments, and assumptions made that affected certain reported amounts and disclosures in the consolidated financial statements:

Judgments

The following judgments are made by management in the process of applying the Group's accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements:

a. Functional Currency

In the process of applying the Group's accounting policies, management has made judgment on the determination of functional currency of the foreign subsidiaries.

The functional currency of the Company and its subsidiaries is the currency of the primary economic environment in which each of them operates. It is the currency, among others, that mainly influences sales prices for goods and services, and of the country whose competitive forces and regulations mainly determine the sales prices of its goods and services, and the currency in which funds from financing activities are generated.

b. Classification of Financial Assets and Financial Liabilities

The Group determines the classifications of certain assets and liabilities as financial assets and liabilities by judging if they meet the definition set forth in PSAK No. 55. Accordingly, the financial assets and liabilities are accounted for in accordance with the Group's accounting policies disclosed in Note 2.

c. Financial Assets Not Quoted in Active Market

The Group classifies financial assets by evaluating, among others, whether the asset is quoted or not in an active market. Included in the evaluation on whether a financial asset is quoted in an active market is the determination on whether quoted prices are readily and regularly available, and whether those prices represent actual and regularly occurring market transactions on an arm's length basis.

d. Allowance for Impairment of Financial Instruments

Allowance for impairment losses is maintained at a level considered adequate to provide for potentially uncollectible receivables. The Group assesses specifically at each consolidated statement of financial position date whether there is an objective evidence that a financial asset is impaired (uncollectible).

The level of allowance is based on past collection experience and other factors that may affect collectability such as the probability of insolvency or significant financial difficulties of the debtors or significant delay in payments.

If there is an objective evidence of impairment, timing and collectible amounts are estimated based on historical loss data. Allowance for impairment is provided on accounts specifically identified as impaired. Written off loans and receivables are based on management's decisions that the financial assets are uncollectible or cannot be realized in whatsoever actions have been taken. Evaluation of receivables to determine the total allowance to be provided is performed periodically during the year. Therefore, the timing and amount of allowance for impairment recorded at each period might differ based on the judgments and estimates that have been used.

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The carrying value of the Group's financial assets classified as held to maturity and loans and receivables as of December 31, 2014 and 2013 are as follows:

	<u>2014</u>	<u>2013</u>
Held to Maturity		
Short-term investments - securities - bonds	69,726	-
Loans and Receivables		
Cash and cash in banks	2,637,727	2,599,638
Securities purchased under agreements to resell	-	139,211
Short-term investments - placements with other banks	308,569	593,813
Short-term investments - time deposits	3,767,547	1,950,998
Short-term investments - securities - export bill receivables	170,213	207,001
Consumer finance receivables - net	597,058	895,987
Factoring receivables - net	1,398,689	1,144,066
Receivables from brokers	263,426	378,544
Other receivables - net	2,105,313	623,751
Loans - net	12,519,290	9,924,090
Acceptance receivables	67,836	238,324
Other assets	33,264	25,940
Total	<u>23,868,932</u>	<u>18,721,363</u>

e. Impairment of AFS Equity Investments

The Group follows the guidance of PSAK No. 55 (Revised 2011) to determine when an AFS equity investment is impaired. This determination requires significant judgment. In making this judgment, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

If all of the decline in fair value below cost were considered significant or prolonged, the Group would suffer an additional loss in consolidated financial statements, being the transfer of the accumulated fair value adjustments recognized in equity on the impaired AFS financial assets to the profit or loss.

f. Lease Commitments

Group as Lessee

The Group has entered into various lease agreements for commercial spaces. The Group has determined that it is an operating lease since the Group does not bear substantially all the significant risks and rewards of ownership of the related assets.

Group as Lessor

The Group has entered into various commercial lease agreements. The Group has determined that it is an operating lease since the Group bears substantially all the significant risks and rewards of ownership of the related assets.

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g. Income Tax

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain due to different interpretation of tax regulations. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will have an impact on the current and deferred income tax assets and liabilities in the period in which such determination is made.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are disclosed below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market changes on circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur:

a. Fair Value of Financial Assets and Financial Liabilities

Indonesian Financial Accounting Standards require measurement of certain financial assets and liabilities at fair values, and the disclosure requires the use of estimates. Significant component of fair value measurement is determined based on verifiable objective evidence (i.e. foreign exchange rate, interest rate), while timing and amount of changes in fair value might differ due to different valuation method used.

The fair value of financial assets and liabilities are set out in Note 52.

b. Estimated Useful Lives of Investment Properties and Property and Equipment

The useful life of each of the item of the Group's investment properties and property and equipment are estimated based on the period over which the asset is expected to be available for use. Such estimation is based on a collective assessment of similar business, internal technical evaluation and experience with similar assets. The estimated useful life of each asset is reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence, and legal or other limits on the use of the asset. It is possible, however, that future results of operations could be materially affected by changes in the amounts and timing of recorded expenses brought about by changes in the factors mentioned above. A reduction in the estimated useful life of any item of investment properties and property and equipment would increase the recorded depreciation and decrease the carrying values of these assets.

There is no change in the estimated useful lives of investment properties and property and equipment during the year. The carrying value of these assets are further explained in Notes 18 and 19.

c. Assessment of Insurance Contract Liability (Life Insurance and Loss Insurance)

Liability for Future Policy Benefits

Liability for future policy benefits represents the present value of estimated future policy benefits to be paid to policyholders or their heirs less present value of estimated future premiums to be received from the policyholders, recognized in correlation with the recognition of premium income. Liability for future policy benefits is stated in the consolidated statement of financial position in accordance with the actuarial calculation. Increase or decrease in liability for future policy benefits is recognized in the current year consolidated statement of comprehensive income.

The liability for life insurance contracts is calculated either based on current assumptions or on assumptions established at inception of the contract, reflecting the best estimate at the time increased with a margin for risk and adverse deviation. Valuation of liabilities to policyholders reflects management's best current estimate of future cash flows.

The main assumptions used related to mortality, morbidity, expenses, lapse and surrender rates and discount rates. The Group bases mortality and morbidity on standard Indonesian industry mortality tables which reflect historical experiences, adjusted when appropriate to reflect the Group's unique risk exposure, product characteristics, target markets and own claims severity and frequency experiences.

Estimates are also made as to future investment income arising from the asset-backed life insurance contracts. These estimates are based on current market returns as well as expectations about future economic and financial developments.

Assumptions on future expense are based on current expense levels, adjusted for expected expense inflation if appropriate.

Discount rate is based on current industry risk rates, adjusted for the Group's own risk exposure.

Estimated Claim Liabilities

Estimated claims liability represents amounts set aside to provide for the outstanding and incurred claims arising from insurance policies in force during the accounting period. Management's judgment is required to determine the amount of estimated claims liability based on guidelines from Minister of Finance of Republic of Indonesia.

The carrying value of liability for future policy benefit and estimated claim liability are disclosed in Notes 25 and 26.

d. Long-term Employee Benefits

The determination of the obligation and long-term employee benefits is dependent on the selection of certain assumptions used by actuary in calculating such amounts. Those assumptions are described in Note 47 and include, among others, discount rate and rate of salary increase. Actual results that differ from the Group's assumptions are accumulated and amortized over future periods and therefore, generally affect the recognized expense and recorded obligation in such future periods. While it is believed that the Group's assumptions are reasonable and appropriate, significant differences in actual experience or significant changes in assumptions may materially affect the amount of long-term employee benefits liability.

The carrying value of long-term employee benefits is disclosed in Note 47.

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e. Deferred Tax Assets

Deferred tax assets are recognized for all temporary differences between the financial statements' carrying amounts of existing assets and liabilities and their respective taxes bases to the extent that it is probable that taxable profit will be available against which the temporary differences can be utilized. Significant management estimates are required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The carrying value of deferred tax assets is disclosed in Note 48.

f. Impairment of Non-Financial Assets

Impairment review is performed when certain impairment indicators are present. Determining the fair value of assets requires the estimation of cash flows expected to be generated from the continued use and ultimate disposition of such assets. Any significant changes in the assumptions used in determining the fair value may materially affect the assessment of recoverable values and any resulting impairment loss could have a material impact on results of operations.

The carrying value of these assets in form of investment in shares at acquisition cost, investment properties, property and equipment, and foreclosed properties are as disclosed in Notes 17, 18, 19 and 20.

4. Cash and Cash in Banks

These consist of:

	<u>2014</u>	<u>2013</u>
Cash on hand		
Rupiah	324,054	347,327
Foreign currencies (Note 51)	<u>49,244</u>	<u>30,897</u>
Total - cash on hand	<u>373,298</u>	<u>378,224</u>
Cash in banks		
Third parties		
Rupiah		
PT Bank Mayapada Internasional Tbk	144,140	40
Standard Chartered Bank, Indonesia	97,133	723
PT Bank Central Asia Tbk	46,134	37,603
PT Bank International Indonesia Tbk - Sharia Division	21,793	46,575
PT Bank Negara Indonesia (Persero) Tbk	10,385	9,198
PT Bank CIMB Niaga Tbk	9,256	4,669
PT Bank Internasional Indonesia Tbk	7,943	15,773
PT Bank Permata Tbk	6,150	119,355
PT Bank CIMB Niaga Tbk - Sharia Division	4,745	5,181
PT Bank Mandiri (Persero) Tbk	3,667	6,350
PT Bank Mega Tbk	78	8,647
Others (below Rp 5,000 each)	<u>15,243</u>	<u>17,493</u>
Total	<u>366,667</u>	<u>271,607</u>

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	2014	2013
Cash in banks		
Third parties		
Foreign currencies (Note 51)		
Bank of China, Australia	39,577	16,801
PT Bank Central Asia Tbk	39,468	22,002
Deutsche Bank Trust Company Americas, United States of America	26,859	21,556
PT Bank ICBC Indonesia	20,070	61
United Overseas Bank, Singapore	15,035	26,302
Bank of America, Merrill Lynch, United States of America	15,010	13,172
PT Bank Mandiri (Persero) Tbk	14,849	38,687
Bank of China, Jakarta	13,059	12,274
Deutsche Bank AG, Germany	10,647	17,787
Bank International Ningbo, China	9,163	10,789
Wells Fargo Bank, N.A, England	8,583	8,863
OCBC, Singapore	7,722	6,811
Bank of China, China	7,341	8,235
Sumitomo Mitsui Banking Corporation, United States of America	6,565	105
PT Bank Internasional Indonesia Tbk	5,753	3,307
Others (below Rp 5,000 each)	14,249	17,046
Total	<u>253,950</u>	<u>223,798</u>
Total - Cash in banks	<u>620,617</u>	<u>495,405</u>
Demand deposits with Bank Indonesia		
Rupiah	1,174,543	1,043,323
Foreign currency (Note 51)	<u>359,642</u>	<u>418,155</u>
Total	<u>1,534,185</u>	<u>1,461,478</u>
Funds placed in securities companies		
Related party		
Foreign currency (Note 51)	<u>15,439</u>	<u>10,887</u>
Segregated funds net assets - Unit link		
Rupiah	57,984	36,687
Foreign currency (Note 51)	<u>36,204</u>	<u>216,957</u>
Total	<u>94,188</u>	<u>253,644</u>
Total	<u>2,637,727</u>	<u>2,599,638</u>

According to the regulation of Bank Indonesia, each bank in Indonesia is required to maintain a minimum liquidity reserve of a certain percentage of third party funds both in Rupiah and foreign currency. As of December 31, 2014 and 2013, the balance of primary minimum liquidity reserves of BS, a subsidiary, in Rupiah, amounted to Rp 1,078,761 and Rp 793,580, respectively, while the minimum liquidity reserves in foreign currency amounted to Rp 358,449 and Rp 417,270, respectively. As of December 31, 2014 and 2013, secondary minimum liquidity reserves of BS, in Rupiah, amounted to Rp 517,237 and Rp 387,219, respectively. The minimum liquidity reserves as of December 31, 2014 and 2013 were determined in accordance with Bank Indonesia Regulation.

As of December 31, 2014 and 2013, no allowance for impairment losses was provided on cash and cash in banks as management believes that cash and cash in banks are collectible.

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5. Short-term Investments

	<u>2014</u>	<u>2013</u>
Time deposits	3,767,547	1,950,998
Placements with Bank Indonesia and other banks	2,057,957	1,736,252
Segregated funds net assets - Unit link	1,727,537	2,418,851
Securities - net	<u>17,641,482</u>	<u>18,435,875</u>
Total Net	<u><u>25,194,523</u></u>	<u><u>24,541,976</u></u>

a. Time deposits

	<u>2014</u>	<u>2013</u>
Third parties		
Rupiah		
Banks		
PT Bank Rakyat Indonesia (Persero) Tbk	659,690	55,640
PT Bank Bukopin Tbk	500,200	360,200
PT Bank OCBC NISP Tbk	384,680	42,000
PT Bank Victoria International Tbk	299,300	260,100
PT Bank Permata Tbk	298,832	25,000
PT Bank Mandiri (Persero) Tbk	251,300	11,000
PT Bank Internasional Indonesia Tbk	187,560	355,876
PT Bank CIMB Niaga Tbk	176,000	25,550
PT Bank Mayapada Internasional Tbk	164,254	2,600
PT BPD Sumatera Utara	100,000	-
PT BPD Jawa Barat dan Banten Tbk	75,800	500
PT Bank Danamon Indonesia Tbk	50,000	-
PT Bank Artha Graha Internasional Tbk	50,000	25
PT Bank CIMB Niaga Tbk - Sharia Divison	49,750	15,250
PT Bank Permata Tbk - Sharia Division	37,450	25,950
PT Bank Tabungan Pensiun Nasional Tbk	37,000	220,000
PT BRI Syariah	31,100	38,850
PT Bank Mutiara Tbk	31,000	75,200
PT BPR Modern Express	30,000	100,000
PT Bank Muamalat Indonesia Tbk	26,200	9,500
PT BPD Jawa Barat dan Banten Tbk - Sharia Division	21,000	1,000
PT Bank Mega Tbk	20,000	50,000
PT Bank Syariah Mandiri	17,810	20,310
PT BNI Syariah	14,250	14,000
PT Bank Syariah Bukopin	14,050	15,050
PT Bank DKI Syariah	13,150	5,400
PT Bank Internasional Indonesia Tbk - Sharia Division	12,300	11,300
PT Bank OCBC NISP Tbk - Sharia Division	11,950	12,450
PT Bank Dinar	10,110	25,610
PT BCA Syariah	7,600	7,100
PT Bank Victoria Syariah	5,300	3,300
PT Bank Syariah Mega Indonesia - Sharia	5,250	6,250
PT Bank Tabungan Negara (Persero) Tbk	5,100	5,750
PT Bank Capital Indonesia Tbk	5,000	5,000
PT Bank Negara Indonesia (Persero) Tbk	1,250	7,900
PT Bank ICB Bumiputera Indonesia Tbk	1,100	7,100
PT Bank Windu Kentjana International Tbk	550	6,300
PT Bank Central Asia Tbk	-	24,171
Others (below Rp 5,000 each)	16,774	12,700
Total	<u><u>3,622,660</u></u>	<u><u>1,863,932</u></u>

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	<u>2014</u>	<u>2013</u>
Third parties		
Rupiah		
Foreign currencies (Note 51)		
PT Bank Permata Tbk	68,420	-
PT Bank Internasional Indonesia Tbk	31,869	49,065
PT Bank OCBC NISP Tbk	24,461	-
PT Bank Mandiri (Persero) Tbk	14,743	7,916
PT Bank Central Asia Tbk	-	23,281
Others (below Rp 5,000 each)	669	2,377
Total	<u>140,162</u>	<u>82,639</u>
PT Kliring Berjangka Indonesia	3,626	3,406
PT Kliring Penjaminan Efek Indonesia	1,099	1,021
Total	<u>4,725</u>	<u>4,427</u>
Total	<u><u>3,767,547</u></u>	<u><u>1,950,998</u></u>

The interest rates per annum on time deposits are as follows:

	<u>2014</u>	<u>2013</u>
Rupiah	4.25% - 13.50%	5.50% - 15.00%
Foreign currency	0.15% - 3.00%	0.40% - 3.00%

Short-term Investments in the form of time deposits included time deposits with maturities of more than three (3) months and guarantee deposits, in compliance with the regulation of the Minister of Finance of the Republic of Indonesia under the name of the Minister of Finance on behalf of the subsidiary and time deposits of SMS and SF, subsidiaries, placed with PT Kliring Penjaminan Efek Indonesia and PT Kliring Berjangka Indonesia, respectively.

As of December 31, 2014 and 2013, no allowance for impairment losses was provided on time deposits as management believes that all such time deposits are collectible.

b. Placements with Bank Indonesia and other banks

	<u>2014</u>	<u>2013</u>
Bank Indonesia	1,749,388	1,142,439
Other banks	308,569	593,813
Total	<u><u>2,057,957</u></u>	<u><u>1,736,252</u></u>

As of December 31, 2014 and 2013, placements with Bank Indonesia are classified as available for sale financial assets, whereas placements with other banks are classified as financial assets in loans and receivables category.

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Placements with other banks as of December 31, 2014 and 2013, represent placements by BS, a subsidiary, with details as follows:

	<u>2014</u>	<u>2013</u>
Rupiah		
Negotiable Certificates of Deposits	42,900	-
Call money	20,000	-
Time deposits	-	40,000
Total	<u>62,900</u>	<u>40,000</u>
Foreign currencies (Note 51)		
Call money	243,851	432,113
Deposito on call	1,818	-
Time deposits	-	121,700
Total	<u>245,669</u>	<u>553,813</u>
Total	<u><u>308,569</u></u>	<u><u>593,813</u></u>

The interest rates per annum on placements with Bank Indonesia and other banks are as follows:

	<u>2014</u>	<u>2013</u>
Rupiah	5.75% - 9.50%	5.75% - 8.50%
Foreign currency	0.03% - 1.00%	0.12% - 2.50%

As of December 31, 2014 and 2013, the details of Rupiah call money, NCD, and time deposits are as follows:

<u>Nama of Bank</u>	<u>2014</u>	<u>2013</u>
PT Bank Tabungan Negara (Persero) Tbk	24,079	-
PT Bank Ekspor Indonesia	20,000	20,000
PT Bank Commonwealth	18,821	-
PT Bank Pundi	-	20,000
Total	<u>62,900</u>	<u>40,000</u>

As of December 31, 2014 and 2013, details of call money, NCD, and time deposits in foreign currencies are as follows:

<u>Name of Bank</u>	<u>2014</u>	<u>2013</u>
Standard Chartered Bank, New York, USA	120,001	85,268
Well Fargo Bank, National Association, New York, USA	86,695	298,165
PT Bank Capital Indonesia Tbk	37,155	48,680
UBS AG, Singapore	1,818	-
PT Bank Muamalat Indonesia Tbk	-	121,700
	<u>245,669</u>	<u>553,813</u>

As of December 31, 2014 and 2013, no allowance for impairment losses was provided on placement with other banks as management believes that all placements with Bank Indonesia and other banks are collectible.

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c. Segregated Funds Net Assets - Unit Link

	2014	2013
Investments		
Bonds		
Related parties		
Rupiah		
Government Bonds FR27	5,062	5,136
Total	5,062	5,136
Units of mutual funds		
Related parties (Note 50)		
Rupiah		
Simas Saham Unggulan	46,815	1,402
Danamas Stabil	5,465	46,274
Simas Satu	1,049	-
Total	53,329	47,676
Foreign currency (Note 51)		
Danamas Dollar	63,873	178
Total	117,202	47,854
Third parties		
Rupiah		
Si Dana Batavia Terbatas VI	429,018	430,646
RDPT Sucorinvest Pendapatan Tetap I	327,220	1,153,186
Panin Dana Bersama Plus	149,535	124,593
Syailendra Equity Opportunity Fund	129,386	25,063
BNP Paribas Prima II	81,720	72,284
Panin Dana Maxima	81,096	69,537
Schroder Dana Mantap Plus II	65,037	79,458
PNB Paribas Ekuitas	35,816	28,742
Batavia Dana Obligasi Ultima	25,745	21,907
ETF LQ45	20,096	-
RHB OSK Alpha Sector Rotation	18,206	-
Sam Indonesian Equity Fund	18,174	-
Schroder Dana Prestasi Plus	15,297	14,223
Schroder Dana Terpadu II	1,905	1,821
BNP Paribas Solaris	421	18,073
Syailendra Balanced Opportunity Fund	-	145,908
HPAM Maestro Flexi I	-	14,429
Pratama Saham	1,117	-
Total	1,399,789	2,199,870

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	2014	2013
Investments		
Units of mutual funds		
Third parties		
Foreign currency (Note 51)		
Corfina Bima Berimbang Dollar Penyertaan Terbatas	133,674	124,824
PT HRAM Maestro Dollar I	40,080	41,167
BNP Paribas Prima USD	31,730	-
Total	<u>205,484</u>	<u>165,991</u>
Total - Third parties	<u>1,605,273</u>	<u>2,365,861</u>
Total - units of mutual fund	<u>1,722,475</u>	<u>2,413,715</u>
Total	<u><u>1,727,537</u></u>	<u><u>2,418,851</u></u>

As of December 31, 2014 and 2013, segregated funds net assets – unit link are classified as financial assets at FVPL.

d. Securities

	2014	2013
At fair value through profit and loss		
Related parties (Note 50)		
Rupiah		
Shares		
PT Golden Energy Mines Tbk	44	147,104
Others (below Rp 5,000 each)	6,994	8,673
Total	<u>7,038</u>	<u>155,777</u>
Warrant	<u>-</u>	<u>14</u>
Units of mutual fund		
Danamas Stabil	561,984	427,668
Simas Danamas Saham	163,158	177,360
Simas Satu	77,377	70,253
Danamas Fleksi	77,326	78,332
Simas Saham Unggulan	73,829	28,348
Simas Danamas Mantap Plus	34,351	31,359
Danamas Rupiah Plus	456	434
Total - Rupiah	<u>988,481</u>	<u>813,754</u>
Foreign currency (Note 51)		
Danamas Dollar	<u>28,853</u>	<u>-</u>
Total - Related parties	<u><u>1,024,372</u></u>	<u><u>969,545</u></u>

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	2014	2013
At fair value through profit and loss		
Third parties		
Rupiah		
Shares		
PT Indomobil Sukses International Tbk	24,000	29,400
PT Agung Podomoro Land Tbk	15,745	10,105
PT Astra International Tbk	14,882	5,469
PT Energi Mega Persada Tbk	14,755	21,380
PT Bakrie & Brothers Tbk	10,000	27,638
PT Bank Rakyat Indonesia (Persero) Tbk	6,756	-
PT Bakrieland Development Tbk	6,147	8,897
PT Eureka Prima Jakarta Tbk	5,060	-
PT Borneo Lumbung Energi & Metal Tbk	4,228	32,015
PT Berau Coal Energy Tbk	1,890	5,580
PT Multistrada Arah Sarana Tbk	945	70,430
PT Bank Danamon Indonesia Tbk	220	210,100
PT Atlas Resources Tbk	-	42,744
PT Bank Tabungan Negara (Persero) Tbk	-	10,860
PT Dayaindo Resources International Tbk	-	5,857
Others (below Rp 5,000 each)	24,000	25,017
Total - shares	<u>128,628</u>	<u>505,492</u>
Bonds		
Bonds Negara RI Series FR0042	34,719	-
Continous Bonds Indonesia Eximbank I Level III 2013 Series A	-	20,000
Total - Bonds	<u>34,719</u>	<u>20,000</u>
Units of mutual fund		
Kharisma Flexi Terbatas 3	1,716,405	1,676,616
RDPT Sucorinvest PT I (formerly Gani Penyertaan Terbatas PT I)	852,997	-
HPAM Maestro Flexi I	756,115	725,775
Syailendra Multi Strategy Fund I	632,946	852,049
HPAM Maestro Flexi II	557,835	502,479
Si Dana Batavia VI	488,606	490,285
Si Dana Batavia Terbatas Optimal	306,098	388,017
Sucorinvest Proteksi 10	219,362	-
Syailendra Multi Strategy Fund II	203,869	216,977
RD Terproteksi Milenium Dana Terproteksi II	134,873	-
Alamanda Growth Fund	132,440	-
Sucorinvest Proteksi 5	112,795	115,584
Sucorinvest Proteksi 7	103,219	103,180
Batavia Proteksi Optimal 15	101,564	103,547
Star Capital Protected Fund II	90,011	99,752

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	2014	2013
At fair value through profit and loss		
Third parties		
Rupiah		
Units of mutual fund		
Star Balanced	12,125	10,510
SAM Indonesian Equity Fund	1,061	1,771
Panin Dana Maksima	1,037	1,717
Batavia Dana Obligasi Ultima	533	2,442
Batavia Dana Dinamis	167	143
Batavia Proteksi Optimal 16	-	995,911
Millenium Dana Proteksi	-	110,366
Star High Yield Fund	-	130,294
Corfina Bima Berimbang PT	-	45,043
Investa Flexi IV Penyertaan Terbatas	-	7,823
RD Terproteksi Kharisma Terproteksi	-	1,173
Total - units of mutual fund	<u>6,424,058</u>	<u>6,581,454</u>
Total - Rupiah	<u>6,587,405</u>	<u>7,106,946</u>
Foreign currencies (Note 51)		
Shares		
Jobstreet Berhad Malaysia	<u>10,045</u>	<u>-</u>
Units of mutual fund		
Adenium Lestari Dolar Fund	542	7,829
HPAM Maestro Flexi Dollar II	-	5,990
HPAM Maestro Dollar I	-	883
Total	<u>542</u>	<u>14,702</u>
Total - Foreign currencies	<u>10,587</u>	<u>14,702</u>
Total - Third parties	<u>6,597,992</u>	<u>7,121,648</u>
Total - at fair value through profit and loss	<u>7,622,364</u>	<u>8,091,193</u>
Available for sale		
Related parties (Note 50)		
Rupiah		
Shares		
PT Bumi Serpong Damai Tbk	<u>-</u>	<u>29,227</u>
Bonds		
Continuous Bonds Bumi Serpong Damai I 2012 Series C	<u>-</u>	<u>237,666</u>
Units of mutual fund		
Danamas Stabil	143,184	-
Simas Saham Unggulan	15,503	-
Total	<u>158,687</u>	<u>-</u>

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	2014	2013
Available for sale		
Related parties (Note 50)		
Foreign currencies (Note 51)		
Units of mutual fund		
Danamas Dollar	25,192	-
Total - Related parties	183,879	266,893
Third parties		
Rupiah		
Shares		
PT Semen Baturaja Tbk	13,326	7,140
PT Atlas Resources Tbk	7,437	14,110
PT Bumi Resources Tbk	5,259	19,722
PT Semen Gresik (Persero) Tbk	4,039	81,759
PT Bank Rakyat Indonesia Tbk	2,155	20,481
PT Perusahaan Gas Negara Tbk	1,658	13,546
PT Bank Mandiri (Persero) Tbk	1,401	66,289
PT Indocement Tunggul Prakarsa Tbk	1,112	49,510
PT Jasa Marga (Persero) Tbk	635	54,980
PT Bank Danamon Indonesia Tbk	459	35,894
PT Indo Tambang Raya Megah Tbk	338	10,545
PT Bank Negara Indonesia (Persero) Tbk	275	11,850
PT Holcim Indonesia Tbk	-	15,447
PT Tambang Batubara Bukit Asam Tbk	-	38,551
PT Astra Internasional Tbk	-	31,348
PT Bank Tabungan Negara (Persero) Tbk	-	11,934
PT PP London Sumatra Indonesia Tbk	-	11,070
PT Krakatau Steel Tbk	-	11,012
PT Benakat Petroleum Energy Tbk	-	7,491
PT Indomobil Multi Jasa Tbk	-	7,375
Others (below Rp 5,000 each)	15,166	4,256
Total - Shares	53,260	524,310
Units of mutual fund		
Batavia Proteksi Andalan 8	834,033	-
SUCORINVEST Proteksi 6	564,446	560,887
RDT BNIAM Proteksi Sriwijaya X	494,805	-
Terproteksi Pacific Protected Fund	470,128	-
RD Terproteksi Sucorinvest Proteksi 9	404,209	-
RHB OSK Smile Fixed Income Fund	403,951	273,318
BNP PARIBAS Maxi Obligasi	343,117	306,764
RDT BNIAM Proteksi Mega Pundi V	334,897	-
RHB OSK Capital Protected Fund 27	312,381	-
SAM Cendrawasih Fund	251,401	255,130
Batavia Proteksi Andalan 15	219,366	-

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	2014	2013
Available for sale		
Third parties		
Rupiah		
Units of mutual fund		
RD Dana Terproteksi Bahana C Optima 74	202,683	-
HPAM Smart Protected III	200,080	-
RD Terproteksi Pratama Terproteksi I	192,374	-
HPAM Smart Protected II	188,782	-
RDT Danareksa Terproteksi XVIII	149,194	-
RD Corfina Dana Terproteksi	119,294	-
RHB OSK Capital Protected Fund 26	106,497	105,690
RD Syailendra Capital Protected Fund 6	104,587	-
Reksa dana Recapital Terproteksi VI	104,014	-
RD Kharisma Proteksi Dana Prima	100,105	-
Reksa Dana Recapital Terproteksi VII	95,541	-
Panin Dana Maksima	88,121	69,683
Total - Units of mutual fund	<u>6,284,006</u>	<u>1,571,472</u>
Bonds		
Government Bonds FR0065	239,543	225,595
Government Bonds FR0070	170,748	144,833
Government Bonds FR0058	98,931	93,900
Government Bonds FR0028	84,360	84,800
Continuous Bonds I Bank BTN Level II 2013	84,319	104,917
Government Bonds FR0068	65,663	61,978
Government Bonds FR0047	63,060	59,854
Government Bonds FR0064	58,465	54,600
Government Bonds FR0038	56,025	56,600
Continuous Bonds I Antam Level I 2011		
Series B	52,646	63,784
Government Bonds FR0027	40,420	41,000
Government Bonds FR0031	34,410	34,035
Government Bonds FR0043	33,810	32,940
Continuous Bonds I Sumber Alaria Trijaya		
Level I 2014	30,060	-
MTN BFI Finance II 2014	30,000	-
Government Bonds FR0034	24,910	24,740
Government Bonds FR0036	22,800	22,850
Government Bonds FR0045	22,410	20,990
Government Bonds FR0063	21,579	20,521
Government Bonds ORI 011	20,284	-
Government Bonds ORI 010	20,250	19,960
Continuous Bonds II Adira Finance Level III		
2014 Series A	20,100	-
Bonds Indofood Sukses Makmur VII 2014	20,160	-
Bonds I Ciputra Residence 2014 Series A	20,080	-
Bonds I Pupuk Indonesia 2014 Series A	20,060	-
MTN Perdana Gapuraprima Tbk 2013	20,000	100,000
Bonds Global Mediacom I 2012 Series B	20,000	-

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Available for sale		
Third parties		
Rupiah		
Bonds		
Continuous Bonds I PP Level I 2013	17,562	20,000
Continuous Bonds I ROTI Level I 2013	15,002	27,820
Bonds I Expres Transindo Utama 2014	13,181	-
Government Bonds FR0040	12,050	11,565
Government Bonds FR0071	10,600	-
Continuous Bonds I FIF Level III 2014 Series A	10,033	-
Bonds SAN Finance II 2012 Series C	10,001	10,182
Bonds Bank Victoria IV 2013	10,000	10,000
Continuous Bonds I Japfa Level 2 2012	9,980	10,200
Government Bonds FR0059	9,050	8,485
Bonds I Sarana Multi Infrastruktur 2014 Series A	8,000	-
Government Bonds FR0062	7,580	7,065
Continuous Bonds I Astra Sedaya Finance Level III 2013 Series B	7,814	8,000
MTN I Bank ICBC Indonesia 2014 Series A	5,000	-
Bonds Astra Sedaya Finance XII 2011 Series D	2,009	-
Continuous Subordinated Bonds I Bank BII Level II 2012	-	292,865
Obligasi I Agung Podomoro Land 2011 Series B	-	223,189
Obligasi Apexindo Pratama Duta II 2009 Series B	-	211,850
Continuous Bonds I Lautan Luas Level I 2013	-	207,880
Obligasi TPS Food I 2013	-	201,856
MTN BFI Finance I 2012 Series B	-	200,000
MTN Clipan Finance I 2012	-	200,000
MTN Verena Multi Finance I 2011	-	200,000
Obligasi Medco Energi Internasional II 2009 Series B	-	184,582
Subordinated Bonds III Bank OCBC NISP 2010	-	164,592
Subordinated Bonds Bank Mayapada III 2013	-	172,249
Subordinated Bonds II Bank Permata 2011	-	155,984
Continuous Bonds I Medco Energi Internasional Level II 2013	-	142,562
Continuous Subordinated Bonds Bank Permata I 2012	-	120,508
Bonds Sumberdaya Sewatama I 2012 Series B	-	111,686
MTN PP Tahap XVII 2012	-	110,000
Continuous Bonds I Duta Anggada Realty Level I 2013	-	103,046
Subordinated Bonds I Bank BII 2011	-	102,278
Subordinated Bonds I Bank Sumut 2011	-	100,686
Subordinated Bonds Bank Panin III 2010	-	100,345
MTN III PTPN II 2012	-	100,000
Subordinated Bonds II Bank DKI 2011	-	99,492
Continuous Subordinated Bonds Bank Permata II 2012	-	87,515
Bonds Aneka Gas Industri II 2012	-	84,761

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	2014	2013
Available for sale		
Third parties		
Rupiah		
Bonds		
Subordinated Bonds II Bank CIMB Niaga 2010	-	79,864
Bonds Indomobil Finance Indonesia IV		
Level 2011 Series C	-	76,719
Government Bonds FR0026	-	71,925
Bonds II Agung Podomoro Land 2012	-	71,417
MTN I Perum Perumnas 2012 Series A	-	70,000
Bonds Surya Semesta Internusa I 2012 Series B	-	64,326
Bonds Thames PAM Jaya I 2008 Series C	-	53,889
Subordinated Bonds I Bank Nagari 2010	-	49,460
Bonds Bank Sulut IV 2010	-	40,803
Bonds BFI Finance Indonesia III 2011 Series C	-	40,421
Bonds I PNM 2012	-	37,459
Government Bonds FR0042	-	32,850
Continuous Bonds Indonesia Eximbank I Level III		
2013 Series A	-	30,000
Bonds Indosat VIII 2012 Series B	-	22,261
Continuous Bonds I ADMF Level I 2011		
Series B	-	15,150
Subordinated Bonds Bank Sulut I 2010	-	10,079
Subordinated Bonds BCA Finance I 2010	-	9,952
Continuous Bonds I Astra Sedaya Finance Level III		
2013 Series A	-	8,937
Continuous Bonds I FIF Level I 2012 Series B	-	8,002
Bonds Matahari Putra Prima III 2009 Series B	-	5,120
Others (below Rp 5,000 each)	-	8,383
Total - Bonds	<u>1,542,955</u>	<u>5,866,157</u>
Foreign currencies (Note 51)		
Bonds		
Jababeka International BV Callable	222,707	206,913
Republic of Indonesia 37 (ROI 2037)	87,581	73,097
CENTRAL China Real Estat	79,025	97,097
Majapahit Holdings BV (PLN) 2017	68,109	66,780
LI & FUNG Ltd Callable	66,789	63,466
PERTAMINA 2042	60,490	51,651
Majapahit Holdings BV (PLN) 2019	50,939	-
Republic of Indonesia 15 (ROI 15)	50,348	52,270
PERTAMINA 2043	46,650	38,639
Trade & Dev Bank Mongolia	42,452	41,595
Barclays Bank PLC US06740L8C27	39,120	37,539
ALAM Synergi PTE LTD Callable 27/03/17	34,614	34,117
Majapahit Holdings BV (PLN) 2016	27,306	26,797
PERTAMINA 2022	24,880	22,491

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	2014	2013
Available for sale		
Third parties		
Foreign currencies (Note 51)		
Bonds		
Republic of Indonesia 2019	24,678	24,462
Bank Rakyat Indonesia	24,631	-
Prudential PLC	19,493	17,833
AXA SA	18,221	16,760
Majapahit Holdings BV (PLN) 2037	14,804	12,600
Republic of Indonesia 17 (ROI 17)	13,652	13,689
PERTAMINA 2041	12,844	10,625
SHIMAO PPTY Holding Limited	11,588	11,300
PERTAMINA 2023	11,911	10,483
Merlion Capital Funding	9,910	12,615
Helium Capital Funding	9,846	9,647
Loan Royal Chemie International Limited	7,514	7,362
Perusahaan Listrik Negara 2042	7,255	6,095
Republic of Indonesia 2014 (ROI 2014 - 2)	-	62,760
OLAM International Ltd	-	21,540
Others (below Rp 5,000 each)	7,452	9,750
Total - Bonds	<u>1,094,809</u>	<u>1,059,973</u>
Units of mutual fund		
Schroder USD Bond Fund	124,628	-
Danareksa Melati Premium Dollar	37,279	-
Total	<u>161,907</u>	<u>-</u>
Total - Third parties	<u>9,136,937</u>	<u>9,021,912</u>
Total - Available for sale	<u>9,320,816</u>	<u>9,288,805</u>
Instrument Based on Sharia - Costs		
Third parties		
Rupiah		
Bonds		
Subnotes BSM Level II 2011	190,000	190,000
Sukuk Ijarah TPS Food I Tahun 2013	25,000	100,000
Government Bonds IFR 006	20,717	20,961
Sukuk Ijarah Sumberdaya Sewatama I 2012	15,000	25,092
Government Bonds PBS 003	9,900	9,892
Government Bonds SR004	9,853	9,676
Government Bonds IFR001	8,915	7,793
Continuous Sukuk Ijarah I Summarecon Agung Level II 2014	6,037	-
Sukuk Ijarah Titan Petrokimia Nusantara I 2010	4,910	5,174
Continuous Sukuk Subordinated Mudarabah I Level I Bank Muamalat 2012	-	290,000
MTN Syariah Ijarah Intraco Penta 2011	-	10,093
Sukuk Ijarah Matahari Putra Prima II 2009 Series B	-	5,290
Others (below Rp 5,000 each)	6,629	8,580
Total - Costs	<u>296,961</u>	<u>682,551</u>

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	2014	2013
Instrument Based On Sharia - Fair value		
Related Parties (Note 50)		
Rupiah		
Units of mutual fund		
Simas Syariah Unggulan	7,991	-
Simas Syariah Berkembang	7,363	-
Total - Related Parties	<u>15,354</u>	<u>-</u>
Third Parties		
Rupiah		
Shares		
PT Astra Internasional Tbk	3,787	3,468
PT Semen Gresik (Persero) Tbk	2,592	2,264
PT Tambang Batubara Bukit Asam Tbk	2,075	1,693
PT United Tractors Tbk	1,839	2,014
PT Indo Tambang Raya Megah	753	1,397
PT Adaro Energy Tbk	520	545
Total - Shares	<u>11,566</u>	<u>11,381</u>
Units of mutual fund		
I-HAJJ Syariah Fund	16,543	15,270
PANIN Dana Syariah Saham	15,141	5,582
SAM Syariah Berimbang	11,934	-
BNP Paribas Pesona Syariah	7,298	5,892
PNM Ekuitas Syariah	5,696	4,752
Insight Terproteksi Syariah II	4,988	-
Total - Units of mutual fund	<u>61,600</u>	<u>31,496</u>
Bonds		
Government Bonds SR006	20,250	-
Continuous Sukuk Ijarah I PLN Level I 2013	10,483	11,000
Government Bonds SR005	9,825	9,550
Sukuk Ijarah BKLJT I Summarecon Agung Level II 2014	9,785	-
Sukuk Ijarah BKLJT I Summarecon Agung Level I 2013	7,049	-
Government Bonds PBS 005	-	25,201
Government Bonds PBS 004	-	14,964
Sukuk Ijarah TPS Food I 2013	-	10,140
Continuous Sukuk Mudharabah I ADMF Level I 2013 Series C	-	9,846
Mitra Adiperkasa Ijarah I 2009 Series B	-	5,116
Others (below Rp 5,000 each)	3,880	487
Total - Bonds	<u>61,272</u>	<u>86,304</u>
Foreign currencies (Note 51)		
Bonds		
Republic of Indonesia 2022 - Sukuk	11,735	-
Republic of Indonesia 2014 (ROI 2014) - Sukuk	-	37,392
Total - Bonds	<u>11,735</u>	<u>37,392</u>
Total - Third Parties	<u>146,173</u>	<u>166,573</u>
Total - Fair Value	<u>161,527</u>	<u>166,573</u>

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	<u>2014</u>	<u>2013</u>
Held To Maturity		
Third parties		
Rupiah		
Bonds		
Government Bonds RI Series FR0069	49,726	-
Continuous Bonds I Indosat Level I		
2014 Series A	<u>20,000</u>	<u>-</u>
	<u>69,726</u>	<u>-</u>
Total - Held To Maturity	<u>69,726</u>	<u>-</u>
Loan and receivables		
Third parties		
Foreign currencies (Note 51)		
Export bill receivables	<u>170,213</u>	<u>207,001</u>
Allowance for impairment losses	<u>(125)</u>	<u>(248)</u>
Total	<u><u>17,641,482</u></u>	<u><u>18,435,875</u></u>

The balance of unrealized losses on available for sale securities (including the securities which were reclassified from held to maturity category) as of December 31, 2014 and 2013, is presented as a part of "Other Equity Component – Share in Unrealized Gain on Changes in Fair Value of Available for Sale Securities of Subsidiaries" (Note 36).

As of December 31, 2013, the balance of time deposits and bonds are included in the guarantee fund of AJSM, a subsidiary, in compliance with the regulation of Minister of Finance of Republic of Indonesia No. 424/KMK.06/2003 with the latest amendment through regulation of Minister of Finance No. 158/PNK.010/2008 dated October 28, 2008 and regulation of Government of Republic of Indonesia No. 39 year 2008 article 7.

The changes in allowance for impairment losses on securities are as follows:

	<u>2014</u>	<u>2013</u>
Balance at the beginning of the year	248	127
Provisions (reversal) during the year	<u>(123)</u>	<u>121</u>
Balance at the end of the year	<u><u>125</u></u>	<u><u>248</u></u>

Management believes that the allowance for impairment losses on securities as of December 31, 2014 and 2013 is adequate to cover possible losses which might arise from these securities.

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Bonds

The corporate bonds' rating from PT Pemeringkat Efek Indonesia (PT Pefindo), Fitch Rating, and Standard & Poor's as reported by Indonesia Stock Exchange and the maturity date of the bonds with nominal value of over Rp 10,000 each, as of December 31, 2014 and 2013, are as follows:

	2014	
	Rating	Maturity date
Bonds SAN Finance II 2012 Series C	idAA-	January 20, 2015
Continuous Bonds I FIF Level III 2014 Series A	idAAA	March 24, 2015
MTN BFI Finance II 2014	A (idn)	June 14, 2015
Trade & Dev Bank Mongolia	B2	September 20, 2015
MTN Perdana Gapuraprima Tbk 2013	BBB+	July 26, 2016
Majapahit Holdings BV (PLN) 2016	AA-	October 17, 2016
Bonds I Ciputra Residence 2014 Series A	A (idn)	April 2, 2017
Continuous Bonds II Adira Finance Level III 2014 Series B	idAAA	May 14, 2017
Continuous Bonds I Sumber Alfaria Trijaya Level I 2014	AA- (idn)	June 26, 2017
Majapahit Holdings BV (PLN) 2017	AA-	June 28, 2017
Bonds I Pupuk Indonesia 2014 Series A	AAA (idn)	July 8, 2017
Bonds Global Mediacom I 2012 Series B	idA+	July 12, 2017
Jababeka International BV Callable	B+	September 24, 2019
Sukuk Ijarah Sumberdaya Sewatama I 2012	idA (sy)	November 30, 2017
Continuous Bonds I Indosat Level I 2014 Series A	idAAA	December 12, 2017
Continuous Bonds I PP Level I 2013	idA	March 19, 2018
Sukuk Ijarah TPS Food I 2013	idA- (sy)	April 5, 2018
Continuous Bonds I ROTI Level I 2013	A-	June 11, 2018
Bonds Bank Victoria IV 2013	idA-	June 27, 2018
Bonds Indofood Sukses Makmur VII 2014	idAA+	June 13, 2019
Bonds I Expres Transindo Utama 2014	A	June 24, 2019
Majapahit Holdings BV (PLN) 2019	AA-	August 7, 2019
SHIMAO PPTY Holding Limited	BB	January 14, 2020
CENTRAL China Real Estat	B+	January 28, 2020
ALAM Synergi PTE LTD Callable 27/03/17	A	March 27, 2020
Continuous Sukuk Ijarah I PLN Level I 2013	idAAA(sy)	July 5, 2020
Continuous Bonds I Antam Level I 2011 Series B	AA-	December 14, 2021
Subnotes BSM Level II 2011	AA	December 19, 2021
PERTAMINA 2022	BBB-	May 3, 2022
Barclays Bank PLC US06740L8C27	BBB	November 21, 2022
Continuous Bonds I Bank BTN Level II 2013	AA	March 27, 2023
PERTAMINA 2023	BBB-	May 20, 2023
Majapahit Holdings BV (PLN) 2037	AA-	June 29, 2037
PERTAMINA 2041	BBB-	May 27, 2041
PERTAMINA 2042	BBB-	May 3, 2042
Prudential PLC	BBB+	December 31, 2042
PERTAMINA 2043	BBB-	May 20, 2043
Bank Rakyat Indonesia	BB+	March 26, 2018
AXA SA	BBB	July 22, 2019
LI & FUNG Ltd Callable	BBB	November 25, 2049

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	2013	
	Rating	Maturity date
Bonds Bank Sulut IV 2010	A-	April 9, 2015
Subordinated Bonds Bank Sulut I 2010	BBB+	April 9, 2015
MTN I Perum Perumnas 2012 Series A	A-	May 31, 2015
Sukuk Ijarah Titan Petrokimia Nusantara I 2010	A+	June 2, 2015
Bonds Indomobil Finance Indonesia IV 2011 Series C	A	June 9, 2015
Trade & Dev Bank Mongolia	B1	September 20, 2015
Continuous Bonds I Astra Sedaya Finance Level III 2013 Series B	AA+	February 22, 2016
Continuous Sukuk Mudharabah I ADMF Level I 2013 Series C	AA+	March 1, 2016
Continuous Sukuk Ijarah I PLN Level I 2013	AA (sy)	June 21, 2016
MTN Perdana Gapuraprima Tbk 2013	BBB+	July 26, 2016
Bonds I Agung Podomoro Land 2011 Series B	A	August 25, 2016
Majapahit Holdings BV (PLN) 2016	AA-	October 17, 2016
Continuous Bonds I Japfa Level II 2012	A+	February 1, 2017
Majapahit Holdings BV (PLN) 2017	AA-	June 28, 2017
Subordinated Bonds III Bank OCBC NISP 2010	AA	June 30, 2017
Jababeka International BV Callable	B+	July 26, 2017
Bonds II Agung Podomoro Land 2012	A	August 15, 2017
Bonds I PNM 2012	A	October 12, 2017
Bonds Surya Semesta Internusa I 2012 Series B	A	November 6, 2017
Subordinated Bonds Bank Panin III 2010	AA-	November 9, 2017
Bonds Sumberdaya Sewatama I 2012 Series B	A	November 30, 2017
Sukuk Ijarah Sumberdaya Sewatama I 2012	A (sy)	November 30, 2017
Bonds Aneka Gas Industri II 2012	A-	December 18, 2017
Subordinated Bonds I Bank Nagari 2010	A-	January 13, 2018
Continuous Bonds I Medco Energi Internasional Level II 2013	AA-	March 15, 2018
Continuous Bonds I PP Tahap I 2013	A-	March 19, 2018
Bonds TPS Food I 2013	A-	April 5, 2018
Subordinated Bonds I Bank BII 2011	AA+	May 19, 2018
Continuous Bonds I ROTI Level I 2013	AA-	June 11, 2018
Subordinated Bonds II Bank DKI 2011	A	June 17, 2018
Continuous Bonds I Lautan Luas Level I 2013	A-	June 19, 2018
Bonds Bank Victoria IV 2013	A-	June 27, 2018
Subordinated Bonds II Bank Permata 2011	AA	June 28, 2018
Subordinated Bonds I Bank Sumut 2011	A	July 5, 2018
Continuous Bonds I Duta Anggada Realty Level I 2013	A-	October 8, 2018
Continuous Subordinated Bonds Bank Permata I 2012	AA-	June 15, 2019
Continuous Bonds Bumi Serpong Damai I 2012 Series C	AA-	June 11, 2018
Continuous Subordinated Bonds I Bank BII Level II 2012	AA+	October 31, 2019
Continuous Subordinated Bonds Bank Permata II 2012	AA-	December 19, 2019
SHIMAO PPTY Holding Limited	BB	January 14, 2020
CENTRAL China Real Estat	B+	January 28, 2020
ALAM Synergi PTE LTD Callable 27/03/17	A	March 27, 2020
Continuous Sukuk Ijarah I PLN Level I 2013	AA (sy)	July 5, 2020
Subordinated Bonds Bank Mayapada III 2013	BBB+	July 5, 2020
Subordinated Bonds II Bank CIMB Niaga 2010	AA	December 23, 2020
Continuous Bonds I Antam Level I 2011 Series B	AA-	December 14, 2021
Subnotes BSM Level II 2011	AA (sy)	December 19, 2021
PERTAMINA 2022	BBB-	May 3, 2022
Bonds Indosat VIII 2012 Series B	AA+	June 27, 2022
Continuous Sukuk Subordinated Mudarabah I Level I Bank Muamalat 2012	A (sy)	June 29, 2022
Merlion Capital Funding	AAA	September 9, 2022
Barclays Bank PLC US06740L8C27	BBB	November 21, 2022
Continuous Bonds I Bank BTN Level II 2013	AA	March 27, 2023
PERTAMINA 2023	BBB-	May 20, 2023
Majapahit Holdings BV (PLN) 2037	AA-	June 29, 2037
PERTAMINA 2041	BBB-	May 27, 2041
PERTAMINA 2042	BBB-	May 3, 2042
Prudential PLC	BBB+	December 31, 2042
PERTAMINA 2043	BBB-	May 20, 2043
AXA SA	BBB	July 22, 2049

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As of December 31, 2014 and 2013, the average interest rates on bonds denominated in Rupiah range from 5.63% to 13.60% and 5.63% to 17.00% per annum, respectively. As of December 31, 2014 and 2013, the average interest rates on bonds denominated in foreign currency range from 2.95% to 11.75% and 4.30% to 11.75% per annum, respectively.

Units of Mutual Fund

Securities in units of mutual fund of a related party which are held for trading are arranged by SMS, a subsidiary, as the investment manager (Note 50).

The Group invested in various types of units of mutual fund such as fixed income mutual funds, money market mutual funds, mixed mutual funds, shares mutual funds, protected mutual fund and private equity mutual fund.

6. Securities Purchased Under Agreements to Resell

Type	2013		Carrying value
	Term	Maturity date	
Rupiah			
Government Bonds			
Surat Perbendaharaan Negara Series SPN12140507	7 days	January 7, 2014	<u>139,211</u>

Securities purchased under agreements to resell as of December 31, 2013 were settled at its maturity date.

7. Consumer Financing Receivables

a. This account consists of:

	2014	2013
Third parties - Rupiah		
Consumer finance - gross	3,311,271	3,895,558
Amount financed by other parties	<u>(2,459,604)</u>	<u>(2,686,488)</u>
Total consumer finance - Net	851,667	1,209,070
Unearned consumer income - gross	(477,459)	(553,071)
Amount financed by other parties	<u>231,190</u>	<u>242,717</u>
Total unearned consumer income - Net	(246,269)	(310,354)
Total	605,398	898,716
Allowance for impairment losses	<u>(8,340)</u>	<u>(2,729)</u>
Net	<u>597,058</u>	<u>895,987</u>
Interest rate per annum		
Rupiah	15.00% - 33.52%	15.00% - 33.64%

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- b. The details of consumer financing receivables based on object financed:

	<u>2014</u>	<u>2013</u>
Object Financed		
Car	693,119	1,045,931
Motorcycle	149,706	151,594
Land and building	5,694	6,298
Others	<u>3,148</u>	<u>5,247</u>
Total	<u><u>851,667</u></u>	<u><u>1,209,070</u></u>

- c. SMF and ABSM, subsidiaries, grant consumer financing for vehicles with terms ranging from one (1) to four (4) years.

- d. Management believes that there are no significant concentrations of credit risk in consumer financing receivables from third parties.

The consumer financing receivables are secured with the related certificates of ownership (BPKB) of the vehicles financed by SMF and ABSM.

- e. As of December 31, 2014 and 2013, there are consumer financing receivables which are pledged as collateral in relation to loans received (Note 31).

- f. The details of consumer financing receivables based on its remaining period until maturity are as follows:

	<u>2014</u>	<u>2013</u>
Past due and impaired	61,562	18,408
Not past due		
Less than or equal to 1 year	528,887	709,809
More than 1 year until 2 years	187,328	354,086
More than 2 years	<u>73,890</u>	<u>126,767</u>
Total	<u><u>790,105</u></u>	<u><u>1,190,662</u></u>
Total	<u><u>851,667</u></u>	<u><u>1,209,070</u></u>

- g. The changes in allowance for impairment losses are as follows:

	<u>2014</u>	<u>2013</u>
Balance at the beginning of the year	2,729	1,714
Provisions during the year	14,221	30,084
Write-off during the year	<u>(8,610)</u>	<u>(29,069)</u>
Balance at the end of the year	<u><u>8,340</u></u>	<u><u>2,729</u></u>

Management believes that the allowance for impairment losses is adequate to cover the possible losses which might arise from uncollectible consumer financing receivables.

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8. Net Investments in Finance Lease

- a. This account consists of:

	<u>2014</u>	<u>2013</u>
Lease receivable - third parties	125,649	164,197
Guaranteed residual value	2,295	6,494
Unearned lease income	(27,988)	(41,572)
Security deposits	<u>(2,295)</u>	<u>(6,494)</u>
Total	97,661	122,625
Allowance for impairment losses	<u>(1,798)</u>	<u>(2,167)</u>
Net	<u>95,863</u>	<u>120,458</u>
Interest rate per annum	9.32% - 25.00%	13.62% - 25.00%

- b. SMF and ABSM, subsidiaries, grant lease financing for heavy equipment, industrial machinery and transportation equipment.

- c. The details of consolidated finance lease receivables based on its remaining period until maturity are as follows:

	<u>2014</u>	<u>2013</u>
Past due and impaired	21,636	18,955
Not past due		
Less than or equal to 1 year	43,316	46,231
More than 1 year but less than 2 years	31,322	40,141
More than 2 years	<u>29,375</u>	<u>58,870</u>
Total	<u>104,013</u>	<u>145,242</u>
Total	<u>125,649</u>	<u>164,197</u>

- d. As of December 31, 2014 and 2013, there are finance lease receivables which are pledged as collateral in relation to loans received (Note 31).

- e. The changes in allowance for impairment losses are as follows:

	<u>2014</u>	<u>2013</u>
Balance at the beginning of the year	2,167	3,819
Recoveries during the year	<u>(369)</u>	<u>(1,652)</u>
Balance at the end of the year	<u>1,798</u>	<u>2,167</u>

Management believes that the allowance for impairment losses is adequate to cover the losses which might arise from uncollectible finance lease receivables.

- f. During 2014 and 2013, ABSM, a subsidiary, engaged in transfer of finance lease receivables transactions on a without recourse basis to a third party, with SMS, a subsidiary, as the investment manager. The collection of receivables transferred is being done by ABSM.

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9. Factoring Receivables

- a. This account consists of:

	<u>2014</u>	<u>2013</u>
Related parties (Note 50)		
Rupiah	69,825	69,825
Foreign currency (Note 51)	-	259
Total	<u>69,825</u>	<u>70,084</u>
Third parties		
Rupiah	1,315,406	1,067,677
Foreign currency (Note 51)	18,038	17,674
Total	<u>1,333,444</u>	<u>1,085,351</u>
Total	1,403,269	1,155,435
Deferred factoring income	-	(8,348)
Allowance for impairment losses	<u>(4,580)</u>	<u>(3,021)</u>
Net	<u><u>1,398,689</u></u>	<u><u>1,144,066</u></u>
	<u>2014</u>	<u>2013</u>
Interest rate per annum		
Rupiah	6.00% - 24.00%	6.00% - 24.00%
Foreign currencies	9.00%	9.00%

- b. As of December 31, 2014 and 2013, there are factoring receivables which are pledged as collateral in relation to loans received (Note 31).

- c. The details of factoring receivables based on maturity are as follows:

	<u>2014</u>	<u>2013</u>
Past due	47,111	30,461
Not past due	<u>1,356,158</u>	<u>1,124,974</u>
Total	<u><u>1,403,269</u></u>	<u><u>1,155,435</u></u>

- d. The changes in allowance for impairment losses are as follows:

	<u>2014</u>	<u>2013</u>
Balance at the beginning of the year	3,021	3,170
Provisions during the year	6,981	3,687
Write-off during the year	<u>(5,422)</u>	<u>(3,836)</u>
Balance at the end of the year	<u><u>4,580</u></u>	<u><u>3,021</u></u>

Management believes that the allowance for impairment losses is adequate to cover the losses which might arise from uncollectible factoring receivables.

- e. During 2014 and 2013, SMF and ABSM, subsidiaries, engaged in transfer of factoring receivables transactions on a without recourse basis to a third party, with SMS, a subsidiary, as the investment manager. The collection of receivables transferred is being done by SMF and ABSM.

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10. Premiums and Reinsurance Receivables

- a. This account consists of:

	<u>2014</u>	<u>2013</u>
Related parties (Note 50)		
Premiums receivable	215,691	97,160
Reinsurance receivables	18,366	20,649
Subtotal	<u>234,057</u>	<u>117,809</u>
Third parties		
Premiums receivable	524,683	388,732
Reinsurance receivables	210,546	71,760
Subtotal	<u>735,229</u>	<u>460,492</u>
Total	969,286	578,301
Allowance for impairment losses	<u>(4,659)</u>	<u>(1,969)</u>
Net	<u><u>964,627</u></u>	<u><u>576,332</u></u>

- b. The details of premiums and reinsurance receivables classified based on currency are as follows:

	<u>2014</u>	<u>2013</u>
Rupiah		
Premiums receivable	445,956	288,803
Reinsurance receivables	68,045	51,634
Subtotal	<u>514,001</u>	<u>340,437</u>
Foreign currencies (Note 51)		
Premiums receivable	294,418	197,089
Reinsurance receivables	160,867	40,775
Subtotal	<u>455,285</u>	<u>237,864</u>
Total	969,286	578,301
Allowance for impairment losses	<u>(4,659)</u>	<u>(1,969)</u>
Net	<u><u>964,627</u></u>	<u><u>576,332</u></u>

- c. The details of reinsurance receivables classified based on domicile of the reinsurer are as follows:

	<u>2014</u>	<u>2013</u>
Local	89,130	76,628
Foreign	<u>139,782</u>	<u>15,781</u>
Total	<u><u>228,912</u></u>	<u><u>92,409</u></u>

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- d. The details of premiums receivable based on its remaining period until maturity are as follows:

	<u>2014</u>	<u>2013</u>
Due within 1 - 60 days		
Related parties	213,095	77,369
Third parties	480,791	337,657
Due over 60 days		
Related parties	2,596	19,791
Third parties	43,892	51,075
Total	<u><u>740,374</u></u>	<u><u>485,892</u></u>

- e. The changes in allowance for impairment losses are as follows:

	<u>2014</u>	<u>2013</u>
Balance at the beginning of the year	1,969	1,678
Provisions during the year	<u>2,690</u>	<u>291</u>
Balance at the end of the year	<u><u>4,659</u></u>	<u><u>1,969</u></u>

Management believes that the allowance for impairment losses as of December 31, 2014 and 2013 is adequate to cover the possible losses which might arise from uncollectible premiums and reinsurance receivables.

11. Loans

This account represents loans given by BS, a subsidiary.

- a. By Type of Loans

	<u>2014</u>	<u>2013</u>
Related parties (Note 50)		
Rupiah		
Fixed loans	100,000	101,490
Sharia receivables - murabahah	2,498	104
Loans to employees	1,513	1,734
Overdraft	1,096	11,428
Consumer loans	1,032	2,490
Installment loans	504	5,957
Subtotal - Rupiah	<u>106,643</u>	<u>123,203</u>
Foreign currency (Note 51)		
Fixed Loans	<u>712,137</u>	<u>821,475</u>
Total - Related parties	<u><u>818,780</u></u>	<u><u>944,678</u></u>

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	2014	2013
Third Parties		
Rupiah		
Installment loans	3,135,231	2,363,118
Consumer loans	3,071,647	3,075,899
Fixed loans	2,528,943	2,015,169
Factoring loans	796,872	739,818
Sharia receivables - mudharabah	780,549	451,003
Sharia receivables - murabahah	682,894	543,669
Overdraft	164,115	176,268
Loans to employees	41,431	36,762
Investment loans	428,988	33,000
Total	<u>11,630,670</u>	<u>9,434,706</u>
Foreign currencies (Note 51)		
Fixed loans	1,239,118	237,062
Installment loans	346,380	345,240
Sharia receivables - mudharabah	260,085	-
Sharia receivables - murabahah	1,705	2,910
Factoring loans	1,697	1,475
Subtotal	<u>1,848,985</u>	<u>586,687</u>
Subtotal	<u>13,479,655</u>	<u>10,021,393</u>
Total	<u>14,298,435</u>	<u>10,966,071</u>
Allowance for impairment losses	<u>(75,078)</u>	<u>(56,333)</u>
Net	<u><u>14,223,357</u></u>	<u><u>10,909,738</u></u>

b. By Economic Sector

	2014	2013
Rupiah		
Household	3,301,612	2,775,058
Wholesale and retail	3,077,807	2,119,995
Financial intermediary	1,535,804	843,114
Real estate, leasing services and servicing companies	720,787	1,014,499
Manufacturing	691,258	428,361
Agriculture, hunting and forestry	602,949	264,077
Services in social, art, culture, recreation and other individual services	552,437	419,045
Construction	485,484	253,483
Transportation, warehousing and communication	381,876	316,166
Mining and excavation	260,579	322,717
Accommodation and food and beverage	77,469	51,816
Fishery	15,264	16,023
Health and social services	813	881
Individual services that serve household	229	120
Electricity, gas and water	3	19,813
Education services	43	234
Others	32,899	712,507
Subtotal	<u>11,737,313</u>	<u>9,557,909</u>

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	<u>2014</u>	<u>2013</u>
Foreign currency (Note 51)		
Manufacturing	1,156,056	872,755
Real estate, leasing services and servicing companies	261,790	-
Mining and excavation	159,036	375,921
Wholesale and retail	62,495	73,254
Financial intermediary	13,846	42,371
Education services	18,330	28,052
Transportation, warehousing and communication	13,623	9,078
Agriculture, hunting and forestry	528	3,315
Construction	350,301	2,910
Others	525,117	506
Subtotal	<u>2,561,122</u>	<u>1,408,162</u>
Total	14,298,435	10,966,071
Allowance for impairment losses	<u>(75,078)</u>	<u>(56,333)</u>
Net	<u><u>14,223,357</u></u>	<u><u>10,909,738</u></u>

c. By Maturity

The classifications of loans based on its credit period, as stated in the loan agreements, and based on its remaining period until maturity.

Based on credit period:

	<u>2014</u>	<u>2013</u>
Rupiah		
1 year or less	1,462,841	2,828,461
More than 1 year until 2 years	3,458,616	1,839,279
More than 2 years until 5 years	4,776,541	2,493,712
More than 5 years	2,039,315	2,396,457
Subtotal	<u>11,737,313</u>	<u>9,557,909</u>
Foreign currencies (Note 51)		
1 year or less	304,928	977,120
More than 1 year until 2 years	1,276,461	81,581
More than 2 year until 5 years	819,796	349,461
More than 5 years	159,937	-
Subtotal	<u>2,561,122</u>	<u>1,408,162</u>
Total	14,298,435	10,966,071
Allowance for impairment losses	<u>(75,078)</u>	<u>(56,333)</u>
Net	<u><u>14,223,357</u></u>	<u><u>10,909,738</u></u>

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Based on remaining period until maturity:

	<u>2014</u>	<u>2013</u>
Rupiah		
1 year or less	5,090,720	3,812,123
More than 1 year until 2 years	1,933,103	1,851,242
More than 2 years until 5 years	3,661,089	3,426,823
More than 5 years	1,052,401	467,721
Subtotal	<u>11,737,313</u>	<u>9,557,909</u>
Foreign currency (Note 51)		
1 year or less	1,508,152	1,072,911
More than 1 year until 2 years	820,693	17,863
More than 2 years until 5 years	125,758	317,388
More than 5 years	106,519	-
Subtotal	<u>2,561,122</u>	<u>1,408,162</u>
Total	14,298,435	10,966,071
Allowance for impairment losses	<u>(75,078)</u>	<u>(56,333)</u>
Net	<u>14,223,357</u>	<u>10,909,738</u>

d. Average interest rates per annum on loans are as follows:

	<u>2014</u>	<u>2013</u>
Rupiah	6.00% - 57.76%	6.00% - 24.31%
Foreign currencies	1.65% - 12.00%	2.50% - 12.00%

e. The changes in allowance for impairment losses on loans are as follows:

	<u>2014</u>	<u>2013</u>
Balance at the beginning of the year	56,333	92,248
Provision (reversal) during the year	28,572	(26,130)
Write-off during the year	(17,334)	(10,233)
Recovery of loans written off	7,507	448
Balance at the end of the year	<u>75,078</u>	<u>56,333</u>

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

- f. As of December 31, 2014 and 2013, the outstanding balance of BS' channeling amounted to Rp 3,021,082 and Rp 3,323,881, respectively, of which Rp 2,219,209 and Rp 2,424,810, respectively, were disbursed through SMF.
- g. Loans granted to related parties, in form of employee loans, represent loans for purchases of cars, houses and other necessities with interest rates of 0% for loans with term below 1 year and 6% for loans with terms ranging between 1 to 10 years.
- h. As of December 31, 2014 and 2013, the total gross non-performing loans amounted to Rp 403,066 and Rp 276,562, respectively.
- i. Management believes that the value of the collaterals on loans is adequate to cover the possible losses which might arise from uncollectible loans.

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12. Acceptance Receivables and Payables

a. Acceptance Receivables

	<u>2014</u>	<u>2013</u>
Third parties		
Rupiah	37,015	-
Foreign currencies (Note 51)	<u>30,821</u>	<u>238,324</u>
Total	<u><u>67,836</u></u>	<u><u>238,324</u></u>

Based on maturity date, acceptance receivables and payables are 1 year or less.

No allowance for impairment losses was provided on acceptances receivables as management believes that all such acceptances receivable are collectible.

b. Acceptance Payables

Acceptance payables represent payables to other banks – third parties.

13. Ijarah Assets

As of December 31, 2014 and 2013, this account represents the object of the Ijarah lease transactions with an option to transfer the Muntahiyah Bittamlik object property to lessee.

	<u>January 1, 2014</u>	<u>Changes during the year 2014</u>		<u>December 31, 2014</u>
		<u>Additions</u>	<u>Transfer to the lessee at the end of contract</u>	
Cost				
Vehicles	30,400	3,636	(20,472)	13,564
Heavy equipment	4,227	-	(1,227)	3,000
Machineries	2,354	4,174	(278)	6,250
Multiservice assets	14,565	109	(8,936)	5,738
Freehold title	16,895	4,000	(15,298)	5,597
Houses	-	900	(900)	-
Home office	-	200	(200)	-
Others	<u>57,574</u>	<u>117,026</u>	<u>(35,016)</u>	<u>139,584</u>
Total	<u>126,015</u>	<u>130,045</u>	<u>(82,327)</u>	<u>173,733</u>
Accumulated depreciation				
Vehicles	7,729	2,219	(6,012)	3,936
Heavy equipment	4,503	463	(3,114)	1,852
Machineries	1,660	2,978	(278)	4,360
Multiservice assets	1,242	2,944	(2,639)	1,547
Freehold title	2,794	1,759	(4,120)	433
Others	<u>3,531</u>	<u>129,270</u>	<u>(66,164)</u>	<u>66,637</u>
Total	<u>21,459</u>	<u>139,633</u>	<u>(82,327)</u>	<u>78,765</u>
Allowance for impairment losses	<u>-</u>	<u>10,788</u>	<u>-</u>	<u>10,788</u>
Net Book Value	<u><u>104,556</u></u>			<u><u>84,180</u></u>

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	January 1, 2013	Changes during the year 2013		December 31, 2013
		Additions	Transfer to the lessee at the end of contract	
Cost				
Vehicles	19,227	18,838	(7,665)	30,400
Heavy equipment	18,000	1,227	(15,000)	4,227
Machineries	6,552	-	(4,198)	2,354
Multiservice assets	14,565	-	-	14,565
Electronic	11	-	(11)	-
Freehold title	16,830	177	(112)	16,895
Bicycle	3	-	(3)	-
Document	-	64	(64)	-
Houses	3	-	(3)	-
Others	-	61,734	(4,160)	57,574
Total	75,191	82,040	(31,216)	126,015
Accumulated depreciation				
Vehicles	14,370	1,024	(7,665)	7,729
Heavy equipment	9,654	9,849	(15,000)	4,503
Machineries	1,917	3,941	(4,198)	1,660
Multiservice assets	1,242	-	-	1,242
Electronic	6	5	(11)	-
Freehold title	1,487	1,419	(112)	2,794
Bicycle	1	2	(3)	-
Houses	1	2	(3)	-
Document	-	64	(64)	-
Others	-	7,691	(4,160)	3,531
Total	28,678	23,997	(31,216)	21,459
Net Book Value	46,513			104,556

14. Receivables From Brokers

	2014	2013
Receivables from customers	135,827	287,927
Receivables from PT KPEI	117,739	82,085
Commissions receivable	9,823	8,532
Others	37	-
Total	263,426	378,544

Receivables from PT Kliring Penjaminan Efek Indonesia (KPEI) and receivables from customers pertain to receivables in relation to purchases and sales of shares and other securities (net) which have not yet been received as of consolidated statement of financial position date.

As of December 31, 2014 and 2013, the balance of receivables from brokers from related parties amounted to Rp 67,993 and Rp 1,834, respectively (Note 50).

Management did not provide allowance for impairment losses on receivables from brokers because management believes that all such receivables are collectible.

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15. Other Accounts Receivable

	<u>2014</u>	<u>2013</u>
Policy loans	1,823,799	343,744
Interest receivables	149,164	172,616
Mortgage receivables	26,885	26,086
Claims receivable	11,847	6,851
Loans employees and marketing agents	7,002	7,196
Receivables on sale of stocks	736	4,063
Others	86,014	63,334
Total	<u>2,105,447</u>	<u>623,890</u>
Allowance for impairment losses	<u>(134)</u>	<u>(139)</u>
Net	<u><u>2,105,313</u></u>	<u><u>623,751</u></u>

Policy loans represent policy cash value provided in the form of loans to the policyholders.

The details of policy loans are as follows:

	<u>2014</u>	<u>2013</u>
Rupiah	1,697,297	322,390
Foreign currency (Note 51)	<u>126,502</u>	<u>21,354</u>
Total	<u><u>1,823,799</u></u>	<u><u>343,744</u></u>

Interest rate per annum are as follows:

Rupiah	6.00% - 18.00%	6.50% - 14.00%
Foreign currency	2.35% - 7.00%	1.85% - 6.00%

Interest receivables consist of interest from time deposits, bonds and factoring receivables.

Mortgage receivables represent loans cash value provided by ASM and AJSM, subsidiaries, to their employees and third parties for purchase of land or building. Mortgage loans granted to employees bear special interest rate while those granted to third parties bear prevailing market interest rate. Payments are made through monthly installment. These receivables are collateralized with land or building's certificate of ownership.

Claims receivable represent receivables from policyholders in relation to payment of claims by subsidiaries in excess of the insurance limit of policyholders.

As of December 31, 2014 and 2013, the consolidated balance of other accounts receivable from related parties amounted to Rp 14,636 and Rp 14,642, respectively (Note 50).

The changes in allowance for impairment losses on other receivables are as follows:

	<u>2014</u>	<u>2013</u>
Balance at the beginning of the year	139	281
Recoveries during the year	<u>(5)</u>	<u>(142)</u>
Balance at the end of the year	<u><u>134</u></u>	<u><u>139</u></u>

Management believes that the allowance for impairment losses on other receivables as of December 31, 2014 and 2013 is adequate to cover the possible losses which might arise from uncollectible other receivables.

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16. Reinsurance Assets

	<u>2014</u>	<u>2013</u>
Estimated claim liability	786,085	355,517
Unearned premium	260,689	484,495
Premium in advance	<u>132,059</u>	<u>607,758</u>
Total	<u><u>1,178,833</u></u>	<u><u>1,447,770</u></u>

17. Investment in Shares of Stock

As of December 31, 2014 and 2013, investment in shares with percentage of ownership of below 20% are categorized as available for sale (AFS) financial assets and in the absence of basis of fair value are stated at acquisition cost.

	<u>2014</u>	<u>2013</u>
The Company's investment in shares of stock		
Equity method	<u>284,342</u>	<u>275,324</u>
Subsidiaries' investments in shares of stock		
Equity method	285,942	187,495
AFS - acquisition cost	69,706	67,529
Fair value - temporary investment	<u>173,800</u>	<u>-</u>
Total	<u>529,448</u>	<u>255,024</u>
Total	<u><u>813,790</u></u>	<u><u>530,348</u></u>

a. The Company's Investments in Shares of Stock

	Percentage of ownership %	2014			Ending Investment December 31
		Beginning Investment January 1	Share in net income	Divesment	
Equity Method					
Associates					
PT Asuransi Jiwa Mega Life	50.00	256,930	9,310	-	266,240
PT Panji Ratu Jakarta	21.02	17,967	135	-	18,102
PT JobStreet Indonesia	40.00	427	-	(427)	-
Total		<u>275,324</u>	<u>9,445</u>	<u>(427)</u>	<u>284,342</u>
2013					
	Percentage of ownership %	Beginning Investment January 1	Share in net income	Divesment	Ending Investment December 31
Equity Method					
Associates					
PT Asuransi Jiwa Mega Life	50.00	236,272	20,658	-	256,930
PT Panji Ratu Jakarta	21.02	17,728	239	-	17,967
PT Super Wahana Tehno	35.19	10,455	166	(10,621)	-
PT JobStreet Indonesia	40.00	-	427	-	427
Total		<u>264,455</u>	<u>21,490</u>	<u>(10,621)</u>	<u>275,324</u>

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	Percentage of ownership %	2013			Ending Investment December 31
		Beginning Investment January 1	Equity in net income	Divesment	
AFS - Acquisition Cost					
PT Oto Multiartha	16.14	176,309	-	(176,309)	-
PT Summit Oto Finance	0.16	1,269	-	(1,269)	-
Total		<u>177,578</u>	<u>-</u>	<u>(177,578)</u>	<u>-</u>

Equity Method

PT Asuransi Jiwa Mega Life (AJML)

AJML, domiciled in Jakarta, engaged in life insurance.

Based on the General Stockholders' Meeting dated June 26, 2014, the AJML stockholders decided to distributed the dividend of shares amounting to Rp 400,000 proportionately to the stockholder in accordance with percentage of ownership.

PT Panji Ratu Jakarta (PRJ)

PRJ, domiciled in Jakarta, engaged in development, trading and service.

Jobstreet Indonesia (JI)

JI, domiciled in Jakarta, engaged in employee recruitment services by internet and human resources management.

On March 14, 2014, the Company has sold all its investment in shares of PT Jobstreet Indonesia to Jobstreet.com Pte Ltd, Singapore with selling price RM 13,740,000 (equivalent to Rp 47,865), and recognized, gain on sale of investment in shares amounting Rp 47,438. The proceeds from sale of shares, were used to buy the shares of Jobstreet Bernhard Malaysia amounting to RM 13,740,000 (equivalent to Rp 47,865) and categorized by the Company as short-term investment at FVPL (Note 5).

The condensed financial information of the associates are as follows :

	2014	2013
Total Assets	1,239,966	1,488,055
Total Liabilities	622,685	888,968
Total Equity	617,281	599,087
Net Income	19,262	43,727

Cost Method

PT Oto Multiartha and PT Summit Oto Finance

On March 1, 2013, the Company has sold all its shares of stock in PT Oto Multiartha and PT Summit Oto Finance, for a selling price of Rp 1,223,212, accordingly, the Company realized a gain on sale of investments amounting to Rp 1,045,634.

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PT Super Wahana Tehno (SWT)

On June 17, 2013, the Company has sold all its shares of stock in PT Super Wahana Tehno, for a selling price of Rp 15,048, accordingly, the Company realized a gain on sale of investment amounting to Rp 4,427.

b. Subsidiaries' investments in shares of stock

	<u>2014</u>	<u>2013</u>
Equity Method		
PT Bintang Rajawali Perkasa	176,027	100,281
PT Asuransi Summit Oto	65,401	57,948
PT LIG Insurance Indonesia	44,514	29,266
Subtotal	<u>285,942</u>	<u>187,495</u>
Available for sale - acquisition cost		
Aries Capital Partner II	43,548	43,548
PT Bursa Komoditi dan Derivatif Indonesia	7,000	8,000
PT Kustodian Sentral Efek Indonesia	6,600	6,600
PT Pemeringkat Efek Indonesia	3,500	350
Nanjing Sinar Mas & Zi Jin Private Equity	3,214	3,214
Konsorsium Asuransi Risiko Khusus -		
PT Tugu Reasuransi Indonesia	3,000	3,000
PT Asuransi MAIPARK Indonesia	1,832	1,805
Fair Oil & Energy Insurance Syndicate	455	455
Nanjing Zidong International Creative Park Private Equity	161	161
PT Damai Indah Padang Golf	140	140
PT Bursa Efek Indonesia	135	135
PT Sedana Golf	101	101
PT Menara Proteksi Indonesia	20	20
Subtotal	<u>69,706</u>	<u>67,529</u>
Fair value - temporary investment		
PT Artha Pilar Perkasa	<u>173,800</u>	<u>-</u>
Total	<u>529,448</u>	<u>255,024</u>

Equity Method

PT LIG Insurance Indonesia

PT LIG Insurance Indonesia (LIG) is a joint venture with LG Korea. ASM has 30% ownership interest in LIG.

PT Asuransi Summit Oto

PT Asuransi Summit Oto (ASO) is a joint venture with Djohan Marzuki and PT Summit Investment Indonesia. Ownership ASM on ASO was 48%.

Available for Sale – Acquisition Cost

In 2013, NSZ made investment in shares of Nanjing Sinar Mas & ZiJin Private Equity and Nanjing Zidong International Creative Park Private Equity amounting to CNY 2,000,000 (equivalent with Rp 3,214) and CNY 100,000 (equivalent with Rp 161), or representing 1.04% and 1%, respectively, and NSZ as investment manager.

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Fair Value – Temporary Investment

In 2014, BS, subsidiary and the shareholder of PT Teknologi Energy Terpadu (TET), BS' debtor, signed a Sale and Purchase Agreement which is documented in Notarial Deeds No. 24 and 26 dated November 7, 2014, of Yulia S.H., public notary in Jakarta, in relation to sale of 600 shares (100%) of PT Artha Pilar Perkasa (APP) engaging in trading, service, constructing and industry business which are owned by the shareholders of TET. The aforementioned sale is in relation to the restructuring of BS's receivable from TET. The said sale of shares has been approved in Extraordinary Stockholders' Meeting of APP which was held on February 28, 2015.

BS recognized the purchase of APP's shares as Temporary Investment. In accordance with Bank Indonesia Regulation No. 15/11/PBI/2013 on the Precautionary Principle Capital Investment Activity, BS did not consolidate the financial statements of APP with BS' financial statements, because the investment is temporary and has a different type of business with the Company.

This temporary investment in APP will be disposed through sale. Management believes that this temporary investment can be sold in the near future.

18. Investment Properties

As of December 31, 2014 and 2013, these represent investments in land and building.

Following are the balances of and changes in investment properties and the related accumulated depreciation:

	January 1, 2014	Changes during 2014		December 31, 2014	
		Additions	Deductions		
At Cost					
Land	4,778	12,338	-	17,116	
Building	223,182	3,315	-	226,497	
	<u>227,960</u>	<u>15,653</u>	<u>-</u>	<u>243,613</u>	
Accumulated Depreciation					
Building	32,330	12,460	-	44,790	
	<u>32,330</u>	<u>12,460</u>	<u>-</u>	<u>44,790</u>	
Net Book Value	<u>195,630</u>			<u>198,823</u>	
	January 1, 2013	Changes during 2013			December 31, 2013
		Additions	Deductions	Acquisition	
At Cost					
Land	4,400	378	-	-	4,778
Building	11,724	8,036	(517)	203,939	223,182
	<u>16,124</u>	<u>8,414</u>	<u>(517)</u>	<u>203,939</u>	<u>227,960</u>
Accumulated Depreciation					
Building	5,827	4,463	(414)	22,454	32,330
	<u>5,827</u>	<u>4,463</u>	<u>(414)</u>	<u>22,454</u>	<u>32,330</u>
Net Book Value	<u>10,297</u>				<u>195,630</u>

Depreciation charged to operations for the years ended December 31, 2014 and 2013 amounted to Rp 12,460 and Rp 4,463, respectively.

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As of December 31, 2014 and 2013, the fair value of investment property of ASM, subsidiary, amounted to Rp 23,093 and Rp 22,664 based on independent appraisal report of Ihot, Dolar & Raymond dated February 9, 2015 and February 10, 2014, respectively.

Deductions in investment property pertain to the sale of certain investment properties with details as follows:

	<u>2013</u>
Selling price	2,000
Carrying value	<u>103</u>
Gain on sale of investment properties (Note 42)	<u><u>1,897</u></u>

Investment properties are insured with ASM, a subsidiary and other insurance companies, third parties, for Rp 352,800 and US\$ 1,051,545 in 2014 and Rp 352,800 and US\$ 1,237,112 in 2013. Management believes that the insurance coverages are adequate to cover any possible losses that might arise from the assets insured.

Management believes that there is no impairment in value of the aforementioned assets as of December 31, 2014 and 2013.

19. Property and Equipment

	January 1, 2014	Changes during 2014			December 31, 2014
		Additions	Deductions	Reclassifications	
At cost					
Direct acquisitions					
Land	381,978	63,898	-	47,264	493,140
Buildings	1,036,621	68,204	-	17,438	1,122,263
Office equipment	832,257	121,088	(8,185)	-	945,160
Motor vehicles	246,037	17,022	(12,199)	-	250,860
Furniture and fixtures	48,178	22,879	(177)	-	70,880
Machineries and equipment	55,570	2,576	(44,548)	-	13,598
Construction in progress	573,197	313,663	-	(64,702)	822,158
Total	<u>3,173,838</u>	<u>609,330</u>	<u>(65,109)</u>	<u>-</u>	<u>3,718,059</u>
Accumulated depreciation					
Direct acquisitions					
Buildings	178,249	55,018	-	-	233,267
Office equipment	380,879	108,771	(7,980)	-	481,670
Motor vehicles	133,499	29,730	(8,468)	-	154,761
Furniture and fixtures	29,903	8,671	(164)	-	38,410
Machineries and equipment	35,015	5,395	(32,905)	-	7,505
Total	<u>757,545</u>	<u>207,585</u>	<u>(49,517)</u>	<u>-</u>	<u>915,613</u>
Net Book Value	<u>2,416,293</u>				<u>2,802,446</u>

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	January 1, 2013	Changes during 2013			December 31, 2013
		Additions	Deductions	Acquisition *)	
At cost					
Direct acquisitions					
Land	322,037	61,798	(1,857)	-	381,978
Buildings	782,427	224,330	(357)	-	1,036,621
Office equipment	690,625	150,567	(9,859)	924	832,257
Motor vehicles	238,153	16,551	(8,667)	-	246,037
Furniture and fixtures	36,115	11,167	(38)	934	48,178
Machineries and equipment	41,693	14,174	(297)	-	55,570
Construction in progress	310,471	292,947	-	-	573,197
Total	2,421,521	771,534	(21,075)	1,858	3,173,838
Accumulated depreciation					
Direct acquisitions					
Buildings	133,670	44,579	-	-	178,249
Office equipment	285,609	103,922	(8,876)	224	380,879
Motor vehicles	107,880	31,580	(5,961)	-	133,499
Furniture and fixtures	21,862	7,813	(32)	260	29,903
Machineries and equipment	27,995	7,210	(190)	-	35,015
Total	577,016	195,104	(15,059)	484	757,545
Net Book Value	1,844,505				2,416,293

*) The carrying values of property and equipment of RLS, acquisition subsidiary (Note 1)

Depreciation charged to operations in 2014 and 2013 amounted to Rp 207,585 and Rp 195,104, respectively.

Depreciation which were included in other expenses - direct cost of service center in 2014 and 2013 amounted to Rp 1,741 and Rp 1,863, respectively (Note 46).

As of December 31, 2014, construction in progress represent building construction in Jakarta, Pekalongan, Bengkulu, Yogyakarta, Garut, Bojonegoro, NTT (Ende) Kaliurang, Pekanbaru, Klaten, Cilacap, Purwakarta, Merauke, Jombang, Nusa Tenggara Barat and Bandung with contract value of Rp 106,941 and USD 89,815,000 and estimated date of completion is in 2015-2016, with contractual commitment amounts of Rp 50,655 and USD 18,865,441.

Deductions in property and equipment pertain to the sale of certain property and equipment with details as follows:

	2014	2013
Selling price	16,444	8,109
Net book value	15,592	6,016
Gain on sale of property and equipment (Note 42)	852	2,093

Property and equipment are insured with ASM, a subsidiary, and other insurance companies amounting to Rp 2,020,149 and USD 2,872,920 as of December 31, 2014 and Rp 1,893,724 and USD 3,072,920 as of December 31, 2013. Management believes that the insurance coverages are adequate to cover any possible losses that might arise from the assets insured.

Management believes that there is no impairment in value of the aforementioned assets as of December 31, 2014 and 2013.

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20. Foreclosed Properties

Foreclosed properties were obtained by SMF and BS, subsidiaries, from settlement of their receivables from and loans to customers.

	<u>2014</u>	<u>2013</u>
Land, houses, and apartments	104,022	75,564
Vehicles	29,434	27,925
Heavy equipment	12,460	12,504
Others	375	-
Total	<u>146,291</u>	<u>115,993</u>
Allowance for impairment losses	<u>(3,477)</u>	<u>(3,227)</u>
Net	<u><u>142,814</u></u>	<u><u>112,766</u></u>

These foreclosed properties are not insured.

At this point in time, SMF and BS are still in the process of selling the foreclosed properties, i.e. by cooperating with property agents to sell the land, houses and apartment units.

The changes in allowance for impairment losses on foreclosed properties are as follows:

	<u>2014</u>	<u>2013</u>
Balance at the beginning of the year	3,227	1,664
Provisions during the year	<u>250</u>	<u>1,563</u>
Balance at the end of the year	<u><u>3,477</u></u>	<u><u>3,227</u></u>

As of December 31, 2014 and 2013, management believes that the allowance for impairment losses is adequate to cover the possible losses which might arise from the decline in values of the foreclosed properties.

21. Other Assets

	<u>2014</u>	<u>2013</u>
Prepaid expenses	405,569	302,805
Advanced payment for purchase of property and equipment	234,714	274,400
Deferred acquisition cost	175,600	33,155
Inventories	56,003	26,882
Advanced payment for buildings renovation	33,326	37,188
Security deposits	33,264	25,940
Prepaid taxes	21,028	16,711
Goodwill	6,852	6,852
Advances for investment	500	500
Others	<u>43,368</u>	<u>52,639</u>
Total	<u><u>1,010,224</u></u>	<u><u>777,072</u></u>

Prepaid expenses include prepayments of office rental, shares administration charges, stamp duties and insurance premiums.

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Advanced payment for purchase of property and equipment and advanced payment for buildings renovation represent advances for purchases and/or payment to suppliers and contractors which have not been settled as of the date of consolidated statements of financial position.

Deferred acquisition cost represent cost paid for selling, underwriting, and initiate new insurance contract, both direct cost and indirect cost that are deferred and amortized consistently using unearned premiums method.

Prepaid taxes represent corporate income tax overpaid and Value Added Tax.

As of December 31, 2014 and 2013, the balances of other assets from related parties amounted to Rp 42,072 and Rp 61,278, respectively (Note 50).

22. Deposits and Deposits from Other Banks

These represent deposits and deposits from other banks placed in BS, a subsidiary.

	<u>2014</u>	<u>2013</u>
Demand deposits	3,090,873	3,522,384
Saving deposits	5,247,615	5,236,420
Time deposits	8,060,629	4,591,985
Deposits from other banks	<u>766,197</u>	<u>256,681</u>
Total	<u><u>17,165,314</u></u>	<u><u>13,607,470</u></u>

a. Demand deposits consist of:

	<u>2014</u>	<u>2013</u>
Related parties (Note 50)		
Rupiah	310,642	370,263
Foreign currencies (Note 51)	<u>273,278</u>	<u>801,199</u>
Total	<u><u>583,920</u></u>	<u><u>1,171,462</u></u>
Third parties		
Rupiah	1,536,861	1,335,949
Foreign currencies (Note 51)	<u>970,092</u>	<u>1,014,973</u>
Total	<u><u>2,506,953</u></u>	<u><u>2,350,922</u></u>
Total	<u><u>3,090,873</u></u>	<u><u>3,522,384</u></u>

As of December 31, 2014 and 2013, demand deposits managed by Sharia unit amounted to Rp 36,050 and Rp 37,842, respectively.

Average interest rates per annum on demand deposits are as follows:

	<u>2014</u>	<u>2013</u>
Rupiah	0.00% - 7.00%	0.00% - 6.50%
Foreign currencies	0.00% - 2.50%	0.00% - 2.50%

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b. Savings deposits consist of:

	<u>2014</u>	<u>2013</u>
Rupiah		
Related parties (Note 50)	15,475	24,368
Third parties	<u>5,232,140</u>	<u>5,212,052</u>
Total	<u><u>5,247,615</u></u>	<u><u>5,236,420</u></u>

As of December 31, 2014 and 2013, savings managed by Sharia unit amounted to Rp 136,915 and Rp 49,451, respectively.

Average interest rates per annum on savings deposits are 0.00% - 6.00% and 0.00% - 5.52% as of December 31, 2014 and 2013, respectively.

c. Time deposits consist of:

	<u>2014</u>	<u>2013</u>
Related parties (Note 50)		
Rupiah	942,461	534,172
Foreign currencies (Note 51)	<u>974,893</u>	<u>1,100,788</u>
Total	<u><u>1,917,354</u></u>	<u><u>1,634,960</u></u>
Third parties		
Rupiah	4,837,739	2,484,494
Foreign currencies (Note 51)	<u>1,305,536</u>	<u>472,531</u>
Total	<u><u>6,143,275</u></u>	<u><u>2,957,025</u></u>
Total	<u><u>8,060,629</u></u>	<u><u>4,591,985</u></u>

As of December 31, 2014 and 2013, time deposits are managed by Sharia unit, amounting to Rp 1,229,731 and Rp 472,195, respectively.

Total time deposits which were blocked and used as collateral for credits, letters of credit, and bank guarantees as of December 31, 2014 and 2013, amounted to Rp 1,045,451 and Rp 1,208,490, respectively (Notes 11 and 54).

Interest rates per annum on time deposits are as follows:

	<u>2014</u>	<u>2013</u>
Rupiah	5.00% - 12.50%	5.00% - 10.50%
Foreign currencies	0.15% - 3.50%	0.15% - 3.50%

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d. Deposits from other banks consist of:

	<u>2014</u>	<u>2013</u>
Demand deposits	85,772	201,481
Time deposits	378,500	35,200
Call Money	206,925	20,000
Certificate of Sharia Interbank Mudharabah Investment	<u>95,000</u>	<u>-</u>
Total	<u><u>766,197</u></u>	<u><u>256,681</u></u>

a. Demand deposits consist of:

	<u>2014</u>	<u>2013</u>
Related parties (Note 50)		
Foreign currencies (Note 51)	17,336	36,199
Third parties		
Rupiah	<u>68,436</u>	<u>165,282</u>
Total	<u><u>85,772</u></u>	<u><u>201,481</u></u>

Interest rates per annum are as follows:

	<u>2014</u>	<u>2013</u>
Rupiah	0.00% - 3.00%	0.00% - 5.00%
Foreign currencies	0.00% - 0.15%	0.00% - 0.15%

As of December 31, 2014 and 2013, demand deposits are managed by Sharia unit, amounting to Rp 6,910 and Rp 7, respectively.

b. Time deposits represent time deposits which are placed by third parties in Rupiah.

As of December 31, 2014 and 2013, time deposits are managed by Sharia unit, amounting to Rp 55,000 and nil, respectively.

Interest rates for deposits from other banks per annum are 7.50% - 10.75% and 7.60% - 7.75%, as of December 31, 2014 and 2013, respectively.

c. Call Money consist of:

	<u>2014</u>	<u>2013</u>
Third parties (less than 1 month)		
Rupiah	145,000	20,000
Foreign currencies (Note 51)	<u>61,925</u>	<u>-</u>
Total	<u><u>206,925</u></u>	<u><u>20,000</u></u>

Interest rates per annum for call money in Rupiah are 5.90% - 6.80% and 7.05% in 2014, while in foreign currencies are 0.30% in 2014.

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23. Insurance Payable

Consist of:

	2014	2013
Related parties (Note 50)		
Commissions payable	18,270	6,893
Reinsurance payable	10,315	4,954
Insurance claims payable	3,710	520
Premiums payable	1,430	342
Total	<u>33,725</u>	<u>12,709</u>
Third parties		
Reinsurance payable	387,818	245,080
Insurance claims payable	73,383	88,825
Commissions payable	90,175	41,562
Premiums payable	80,157	33,395
Total	<u>631,533</u>	<u>408,862</u>
Total	<u><u>665,258</u></u>	<u><u>421,571</u></u>

The details of insurance payable based on currency:

	2014	2013
Rupiah		
Reinsurance payable	37,756	58,410
Insurance claims payable	56,659	67,129
Commissions payable	92,876	39,284
Premiums payable	31,719	20,421
Total	<u>219,010</u>	<u>185,244</u>
Foreign currencies (Note 51)		
Reinsurance payable	360,377	191,624
Insurance claims payable	20,434	22,216
Commissions payable	15,569	9,171
Premiums payable	49,868	13,316
Total	<u>446,248</u>	<u>236,327</u>
Total	<u><u>665,258</u></u>	<u><u>421,571</u></u>

The details of insurance payable based on type of insurance:

	2014			
	Reinsurance	Claim	Commission	Premium
Fire	255,025	3,403	14,088	20,852
Health	985	10,902	4,463	-
Motor Vehicles	1,463	17,045	50,183	18,484
Marine Hull	6,899	75	1,851	1,029
Engineering	53,040	1	4,775	27,650
Marine Cargo	807	119	1,096	118
Death	1,918	812	10,195	-
Accident	47	-	-	-
Miscellaneous	77,949	44,736	21,794	13,454
Total	<u><u>398,133</u></u>	<u><u>77,093</u></u>	<u><u>108,445</u></u>	<u><u>81,587</u></u>

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	2013			
	Reinsurance	Claim	Commission	Premium
Fire	137,831	1,645	9,838	13,467
Health	12,087	31,123	3,978	-
Motor Vehicles	5,572	9,974	9,795	16,350
Marine Hull	22,550	641	2,674	1,105
Engineering	49,538	-	1,341	942
Marine Cargo	12,807	230	978	106
Death	965	-	2,026	-
Accident	86	-	-	-
Miscellaneous	8,598	45,732	17,825	1,767
Total	250,034	89,345	48,455	33,737

Reinsurance payables represent insurance premiums due to the reinsurance companies based on the reinsurance contract (treaty) for certain amount of insurance policies.

Commissions payable represent commissions due to brokers and insurance agencies while insurance claims payable represent liabilities to policyholders in relation to claims which have been approved but the payments of which are still in process.

Premiums payable represent co-insurance premium payable to co-insurance member arising from life insurance transaction.

24. Premiums Received in Advance

This account represents premiums received in advance by ASM, a subsidiary, in relation to insurance policies issued with coverage period of more than one (1) year.

Premiums received in advance by type of insurance are as follows:

	2014	2013
Motor Vehicles	986,982	583,676
Fire	109,534	666,058
Engineering	89,173	40,631
Miscellaneous	79,007	47,146
Marine Cargo	3,300	5,759
Marine Hull	5	106
Health	31	153
Total	1,268,032	1,343,529

25. Liability for Future Policy Benefits

- a. Liability for future policy benefits represents the amount set aside to provide the benefits promised to policyholders under the terms of life insurance policies in force, which are stated in the policies and determined in accordance with the actuarial calculation.

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- b. The details of liability for future policy benefits based on type of coverage are as follows:

	<u>2014</u>	<u>2013</u>
Individual:		
Combined endowment	8,011,198	7,349,104
Whole life combined	221,777	222,826
Whole life	51,717	49,897
Endowment	9,679	9,347
Non-traditional	1,660	1,415
Death	5,633	269
Subtotal	<u>8,301,664</u>	<u>7,632,858</u>
Group:		
Death	290,816	290,856
Non-traditional	6	11
Subtotal	<u>290,822</u>	<u>290,867</u>
Total	<u>8,592,486</u>	<u>7,923,725</u>

- c. As of December 31, 2014 and 2013, AJSM, a subsidiary, liability for future policy benefits is recorded by AJSM based on actuarial calculation. The assumptions used in the computation are as follows:

<u>Type of Insurance</u>	<u>Mortality Table</u>	<u>Actuarial Interest</u>		<u>Method of Reserve Computation</u>
		<u>IDR</u>	<u>USD</u>	
a. <u>Individual:</u>				
Death	Reinsurance + TMI93	7.04% - 8.56%	1.28% - 4.95%	GPV
Endowment	Reinsurance + TMI93	8.09% - 8.47%		GPV
Combined endowment	Reinsurance + TMI93	7.04% - 8.58%	1.28% - 5.17%	GPV
Whole life	Reinsurance + TMI93	7.75% - 8.58%	4.24% - 5.17%	GPV
Combined whole life	Reinsurance + TMI93	7.61% - 8.58%	3.84% - 5.17%	GPV
b. <u>Group:</u>				
Death	Reinsurance + CSO 58	7.04% - 8.56%	1.28% - 5.05%	GPV

The above liability for future policy benefits are prospective with linear interpolation.

- d. The changes in liability for future policy benefits are as follows:

	<u>2014</u>	<u>2013</u>
Balance at the beginning of the year	7,923,725	10,008,717
Increase (decrease) in liability for future benefits (Note 43)	649,466	(2,117,408)
Increase in liability for future benefits - sharia	19,295	32,416
Balance at the end of year	<u>8,592,486</u>	<u>7,923,725</u>

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26. Unearned Premiums and Estimated Liability Claims

	<u>2014</u>	<u>2013</u>
Unearned premiums	1,087,316	1,276,711
Estimated liability claims	<u>1,085,180</u>	<u>636,077</u>
Total	<u><u>2,172,496</u></u>	<u><u>1,912,788</u></u>

a. Unearned Premiums

Unearned premiums by type of insurance are as follows:

	<u>2014</u>	<u>2013</u>
Fire	175,089	426,951
Health	155,516	287,930
Motor vehicles	517,060	401,356
Miscellaneous	177,387	105,113
Marine cargo	6,557	5,188
Marine hull	19,759	29,860
Engineering	26,619	17,101
Accident	8,749	2,604
Death	<u>580</u>	<u>608</u>
Total	<u><u>1,087,316</u></u>	<u><u>1,276,711</u></u>

The changes in unearned premiums are as follows:

	<u>2014</u>	<u>2013</u>
Balance at the beginning of the year	1,276,711	1,457,906
Increase in unearned premiums (Note 39)	31,697	123,190
Decrease in reinsurance assets	(223,806)	(312,036)
Increase in unearned premiums tabarru' fund	<u>2,714</u>	<u>7,651</u>
Balance at the end of year	<u><u>1,087,316</u></u>	<u><u>1,276,711</u></u>

b. Estimated Claims Liability

The details of estimated claims liability by type of insurance are as follows:

	<u>2014</u>	<u>2013</u>
Fire	750,469	267,909
Motor vehicles	124,802	101,964
Marine hull	34,114	62,999
Miscellaneous	86,134	88,778
Health	35,082	53,475
Death	15,861	10,173
Marine cargo	9,004	10,177
Engineering	<u>29,714</u>	<u>40,602</u>
Total	<u><u>1,085,180</u></u>	<u><u>636,077</u></u>

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The changes in estimated claims liability are as follows:

	<u>2014</u>	<u>2013</u>
Balance at the beginning of the year	636,077	512,001
Increase in estimated claims liability (Note 43)	11,117	32,449
Increase in reinsurance assets	430,568	90,483
Increase in estimated claims liability tabarru' fund	<u>7,418</u>	<u>1,144</u>
Balance at the end of year	<u><u>1,085,180</u></u>	<u><u>636,077</u></u>

As of December 31, 2014 and 2013, the balance of unearned premiums and estimated claims liability to related parties amounted to Rp 755,426 and Rp 458,290, respectively (Note 50).

27. Payables To Brokers

	<u>2014</u>	<u>2013</u>
Payable to customers	192,261	80,192
Commission payable	<u>1,666</u>	<u>1,149</u>
Total	<u><u>193,927</u></u>	<u><u>81,341</u></u>

Payable to customers are liabilities of SMS, a subsidiary, in relation with purchase and sale transactions of customers' shares of stock.

As of December 31, 2014 and 2013, the balance of payables to brokers to related parties amounted to nil and Rp 1,264, respectively (Note 50).

28. Taxes Payable

	<u>2014</u>	<u>2013</u>
Income taxes		
Article 29 (Note 48)	20,508	246,437
Article 4 (2)	16,593	11,747
Article 21	14,038	14,525
Article 25	6,642	7,245
Articles 23 and 26	5,194	1,831
Value Added Tax	<u>2,354</u>	<u>1,206</u>
Total	<u><u>65,329</u></u>	<u><u>282,991</u></u>

The tax returns filed are based on the Group's own calculation of tax liabilities (self-assessment). Based on the Law No. 28 Year 2007, regarding the third amendment of the General Taxation Provisions and Procedures' the time limit for the tax authorities to assess or amend taxes was reduced to 5 years (previously 10 years), subject to certain exceptions, in accordance with provisions of the Law.

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29. Accrued Expenses

	<u>2014</u>	<u>2013</u>
Interest	57,646	42,372
Others	<u>46,450</u>	<u>45,632</u>
Total	<u><u>104,096</u></u>	<u><u>88,004</u></u>

Others represent accruals of certain operating expenses.

As of December 31, 2014 and 2013, the balance of accrued interest to related parties amounted to Rp 3,252 and Rp 3,366, respectively (Note 50).

30. Securities Issued

	<u>2014</u>	<u>2013</u>
Medium term notes	800,000	800,000
Bonds	500,000	500,000
Unamortized issuance cost	<u>(6,546)</u>	<u>(9,096)</u>
Total	<u><u>1,293,454</u></u>	<u><u>1,290,904</u></u>

Medium Term Notes

SMF, a subsidiary, issued Medium Term Notes Sinar Mas Multifinance Year 2012 with nominal value of Rp 1,000,000 and made in 2 withdrawals as follows:

- a. Amounting to Rp 600,000 on November 13, 2012; and
- b. Amounting to Rp 400,000 on November 29, 2012

MTN' period is three (3) years or less if option is exercised by SMF. MTN' interest rate is 11% per annum which will be paid every 3 months. The MTN will mature on November 13, 2015 and November 29, 2015, respectively.

These MTN's are unsecured and not listed in any stock exchange.

In relation to the issuance of the MTN, the Company ranked [I]dr]A-(A minus) based on rating made by PT ICRA Indonesia.

SMS and BS, subsidiaries, acted as Arranger and Monitoring and Payment Agent, respectively of MTN Sinar Mas Multifinance year 2012.

In July 2013, SMF had settled part of the principal loan amounting to Rp 200,000.

Bonds

On March 28, 2013, SMF obtained the Notice of Effectivity from the Chairman of the Capital Market Financial Services Authority in his Letter No. S-63/D.04/2013 for its offering to the public of Bonds of Sinar Mas Multifinance II Year 2013 with Fixed Interest Rate with total nominal amount of Rp 500,000 and with term of five (5) years. These bonds were issued without warrants and offered with 100% of the principal of bonds. Interest is at 10.75% per annum and payable every 3 months since April 10, 2013. These bonds are secured by consumer financing receivables, net investments in finance lease and factoring receivables.

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The bonds are listed at the Indonesian Stock Exchange and SMF ranked [Idr]A-(A minus) from PT ICRA Indonesia.

PT Bank Permata and SMS, a subsidiary, each acted as trustee and underwriter, respectively, of Bonds of Sinar Mas Multifinance II Year 2013.

31. Loans Received

As of December 31, 2014 and 2013, this account represents loans of SMF and ABSM, subsidiaries, which were obtained from:

	<u>2014</u>	<u>2013</u>
Third Parties		
PT Bank Pan Indonesia Tbk	280,000	400,000
PT Bank Capital Indonesia Tbk	139,000	-
PT Bank Negara Indonesia (Persero) Tbk	89,200	246,782
PT Bank ICBC Indonesia	66,650	67,550
PT Bank Victoria International Tbk	-	2,142
Subtotal	<u>574,850</u>	<u>716,474</u>
Unamortized issuance cost	<u>(1,013)</u>	<u>(1,579)</u>
Total	<u><u>573,837</u></u>	<u><u>714,895</u></u>

PT Bank Pan Indonesia Tbk (Panin)

The Company, obtained a revolving working capital loan facility from Panin with a maximum facility of Rp 400,000. The availability of the facility is for 12 months. The facility has been extended several times, the latest extension is until March 30, 2015. In 2014 and 2013, interest rates per annum range from 11.00% - 11.69% and 8.75% -12.00%, respectively. As of December 31, 2014 and 2013, the outstanding loan amounted to Rp 280,000 and Rp 400,000, respectively.

The facility is fiduciary secured by consumer financing receivables (Note 7).

PT Bank Capital Indonesia Tbk (Capital)

On July 15, 2014, SMF obtained a revolving working capital loan facility from Capital with maximum facility of Rp 139,000. The availability of the facility is for 12 months, with interest rate of 14.00% per annum until December 16, 2015.

The facility is fiduciary secured by factoring receivables (Note 9).

PT Bank Negara Indonesia (Persero) Tbk (BNI)

SMF obtained a working capital loan facility from BNI with maximum facility of Rp 350,000 and loan facility arising from non-revolving loan installment. The availability of the facility is for 12 months. The facility has been extended several times, the latest extension is until April 25, 2015. Interest rates range from 11.00% to 13.00% per annum. As of December 31, 2014 and 2013, the outstanding loan amounted to Rp 89,200 and Rp 246,782, respectively.

The facility is fiduciary secured by motor vehicles consumer financing receivables (Note 7).

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PT Bank ICBC Indonesia (ICBC)

ABSM, a subsidiary, obtained a fixed loan facility - On Demand from ICBC with maximum facility of Rp 70,000. This facility has a term of 1 year and has been extended several times, the latest will be available until June 11, 2015. Interest rate is at 12% per annum.

As of December 31, 2014 and 2013, the outstanding loan amounted to Rp 66,650 and Rp 67,550, respectively.

The facility is fiduciary secured by factoring receivables (Note 9).

PT Bank Victoria International Tbk (Victoria)

On July 16, 2008, ABSM, a subsidiary, obtained a working capital loan facility-fixed loan from Victoria (PTDA) with a maximum facility of Rp 35,000. This facility withdrawn for a period of 12 months from the date of the agreement and paid within a period of 1, 2 and 3 years from the date of each drawdown. On July 4, 2012, this facility has been extended by Victoria with drawdown period from July 16, 2012 until July 16, 2013, with payment period of 1, 2 and 3 years from the date of drawdown. Interest rate on this loan is 11.5% per annum. This facility has been repaid in 2014. As of December 31, 2013, the outstanding loan amounted to Rp 2,142.

The facility is fiduciary secured by net investment in finance lease (Note 8).

The loans obtained by the subsidiaries from BNI, Panin, Victoria, Capital and ICBC include requirements that restrict the subsidiaries, among others, to conduct merger, acquisition, reorganization, change of business or change their legal status or liquidate the subsidiaries, file a petition for bankruptcy or delaying payment of their debts, withdraw or reduce the paid up capital and to guarantee or mortgage shares.

As of December 31, 2014 and 2013, subsidiaries have meet the requirement in its debt agreements mentioned above.

32. Other Liabilities

	<u>2014</u>	<u>2013</u>
Premium deposits	572,370	111,679
Premiums received still in identification process	123,126	111,513
Immediately payable liabilities	118,927	224,885
Tabarru fund	32,471	21,141
Payable to policyholder's	12,388	13,785
Unearned revenues	11,636	8,532
Security deposit	4,211	3,363
Tithe payable	2,213	1,353
Traveller's checks	355	355
Others	130,815	71,586
	<u>1,008,512</u>	<u>568,192</u>
Total	<u>1,008,512</u>	<u>568,192</u>

Tabarru' fund is the fund establish from contribution, investment income, and accumulated tabarru' funds underwriting surplus reserve which is allocated to tabarru fund.

As of December 31, 2014 and 2013, the balance of other liabilities to related parties amounted to Rp 2,700 and Rp 3,330, respectively (Note 50).

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33. Non Controlling Interests in Net Assets and Comprehensive Income (Losses) of the Subsidiaries

a. Non controlling interest in net assets of the subsidiaries

	2014	2013
AJSM	4,623,234	4,430,941
BS	1,409,375	1,118,105
GAI	4,218	4,005
JTU	52	51
AUP	1	1
Total	<u>6,036,880</u>	<u>5,553,103</u>

b. Non controlling interest in comprehensive income (losses) of the subsidiaries

	2014	2013
AJSM	192,293	(276,106)
BS	44,670	40,952
GAI	213	529
JTU	1	1
Total	<u>237,177</u>	<u>(234,624)</u>

34. Capital Stock

The share ownership in the Company based on the records of STG, share registrar, a subsidiary, is as follows:

By Series of Shares:

Shares	2014 and 2013			
	%	Number of Shares	Nominal Value per Share (in full) Rupiah	Total Paid up Capital Stock
Series A	2.28	142,474,368	5,000	712,372
Series B	<u>97.72</u>	<u>6,095,334,349</u>	100	<u>609,533</u>
Total	<u>100.00</u>	<u>6,237,808,717</u>		<u>1,321,905</u>

By Ownership Interest:

Stockholder	2014		2013	
	%	Number of Shares	%	Number of Shares
Bank of Singapore Limited	49.21	3,069,419,078	-	-
Credit Suisse AG Singapore Trust A/C Client	5.64	352,029,516	5.62	350,234,116
BNYM SA/NV Cust of Bank of Singapore	-	-	52.41	3,269,419,078
Masyarakat (masing-masing di bawah 5%)	<u>45.15</u>	<u>2,816,360,123</u>	<u>41.97</u>	<u>2,618,155,523</u>
Total	<u>100.00</u>	<u>6,237,808,717</u>	<u>100.00</u>	<u>6,237,808,717</u>

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All capital stock issued by the Company (Series A and Series B shares) are common stock.

The changes in capital stock of the Company are as follows:

	Total Shares	Paid-in Capital
Balance as of January 1, 2013	6,235,933,276	1,321,718
Additional issuance of capital stock from the conversion of series IV warrants	1,875,441	187
Balance as of December 31, 2013 and 2014	<u>6,237,808,717</u>	<u>1,321,905</u>

Capital Management

The primary objective of the Group' capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholder value. The Group is not required to meet any capital requirement.

The Group manages its capital structure and makes adjustment in light of changes in economic conditions. The Group monitors its capital using gearing ratio (debt to equity ratio), by dividing net debt to capital. The Group's policy is to maintain the gearing ratio within the range of gearing ratios of the other companies with similar industry in Indonesia. Net debt is calculated as total borrowings (including short-term and long-term) less cash and cash in banks. Total capital is calculated as equity attributable to the Company's stockholders as shown in the consolidated statement of financial position.

Ratio of net debt to equity as of December 31, 2014 and 2013 are as follows:

	2014	2013
Deposits and deposits from other banks	17,165,314	13,607,470
Loans received	573,837	714,895
Securities issued	1,293,454	1,290,904
Cash and cash in banks	(2,637,727)	(2,599,638)
Total - net	<u>16,394,878</u>	<u>13,013,631</u>
Total equity	<u>12,784,236</u>	<u>11,573,049</u>
The ratio of net loans and debt to equity	<u>128.24%</u>	<u>112.45%</u>

35. Additional Paid-in Capital - Net

This account consist of additional paid-in capital and equity stock issuance cost as of December 31, 2014 and 2013. Details of this account follows:

Additional paid-in capital	813,642
Difference in value arising from restructuring transactions among entities under common control	93,484
Equity stock issuance cost	<u>(3,137)</u>
Total	<u>903,989</u>

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The changes in additional paid-in capital follows:

	<u>Jumlah</u>
Balance as of January 1, 2013	903,239
Additional issuance of capital stock from the conversion of Series IV warrants	<u>750</u>
Balance as of December 31, 2014 and 2013	<u><u>903,989</u></u>

a. Additional paid-in capital consist of:

Initial public offering	78,000
Limited public offering I	165,750
Limited public offering III	24,783
Conversion of Series I warrants	49,372
Conversion of Series III warrants	396,353
Conversion of Series IV warrants	175,884
Conversion to capital stock	<u>(76,500)</u>
Total	<u><u>813,642</u></u>

b. Equity stock issuance cost incurred on Limited Public Offering II, III and IV, amounted to Rp 904, Rp 1,060, and Rp 1,173, respectively.

c. Difference in Value Arising from Restructuring Transactions Among Entities Under Common Control

In December 2006, the Company increased its investment in AJSM amounting to Rp 15,000. The increase in investment resulted to an increase in ownership interest of the Company in AJSM from 50.00% to 73.08%, since the other stockholders, namely PT Sinarindo Gerbangmas (SG) and PT Sinar Mas Tunggal (SMT) (both companies are owned by Sinar Mas Group) did not increase their investments. Difference between the transfer price and book value of restructuring transactions among entities under common control amounting to Rp 46,028 was recorded in additional paid-in capital account.

In December 2007, the Company increased its investment in AJSM amounting to Rp 20,000. The increase in investment resulted to an increase in ownership interest of the Company in AJSM from 73.08% to 83.33%, since SG and SMT did not increase their investments. Difference between the transfer price and book value of restructuring transactions among entities under common control amounting to Rp 47,475 was recorded in additional paid-in capital account.

In 2012, 2011, 2010, 2009 and 2008, the Company increased its investment in JTUM amounting to Rp 25,000, Rp 25,000, Rp 15,000, Rp 20,000 and Rp 8,000, respectively. The increase in investment resulted to an increase in ownership interest of the Company in JTUM to 99.93% in 2011, 99.90% in 2010, 99.86% in 2009, 99.67% in 2008, since the other stockholders, PT Kalibesar Raya Utama, a company owned by Sinar Mas Group, did not increase their investments. Difference between the transfer price and book value of restructuring transactions among entities under common control amounting to nil, Rp (1), Rp (1), Rp (7) and Rp (10), respectively, was recorded in additional paid-in capital account.

The balance of additional paid-in capital from the above transactions as of December 31, 2014 and 2013 amounted to Rp 93,484.

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36. Other Equity Components

This account represents changes in value of investments of the Company due to changes in equity of the subsidiaries and associated companies which resulted from the change in the Company's ownership interest in AJSM. BS, PT Panji Ratu Jakarta and PT Super Wahana Tehno (SWT), unrealized loss on decrease in value of securities of ASM, AJSM and BS and changes in fair values of derivative instruments of PT Oto Multiartha (OTO).

	<u>2014</u>	<u>2013</u>
Unrealized gain (loss) on change in fair value of securities of subsidiaries (Note 5)	(78,201)	(263,851)
Share in translation adjustment of a subsidiary	2,108	2,044
Effects of transactions of subsidiary and associated company with other investors or non-controlling interest	2,887,203	2,863,936
Changes in fair values of derivative instruments and others	<u>-</u>	<u>(62)</u>
Total	<u><u>2,811,110</u></u>	<u><u>2,602,067</u></u>

In 2014, other components of equity amounting to Rp (62) that has been realized directly in profit and loss pertains to sold shares of PT Jobstreet Indonesia. Loss from realized other components of equity is shown net with gain on sale of investment in shares (Note 17) in the consolidated statements of comprehensive income.

In 2013, other components of equity amounting to Rp 6,614 that has been realized directly in profit and loss pertains to sold shares of OTO and SWT. Loss from realized other components of equity is shown net with gain on sale of investment in shares (Note 17) in the consolidated statements of comprehensive income.

37. Cash Dividends

Based on the Annual General Stockholders' Meeting dated June 13, 2014, the shareholder approved the distribution of cash dividend for 2013 amounting to Rp 6,238 or Rp 1 (in Rupiah full amount) per Series A and Series B share.

Based on the Annual General Stockholders' Meeting dated June 10, 2013 the shareholder approved the distribution of cash dividend for 2012 amounting to Rp 6,237 or Rp 1 (in Rupiah full amount) per Series A and Series B Share.

38. General Reserve

Based on the Annual General Stockholders' Meeting dated June 15, 2012, the Company provided general reserve based on the total issued and paid up capital amounting to Rp 264,276.

As of December 31, 2014 and 2013, the balance of general reserve amounted to Rp 791,607. This general reserve was provided in relation with the Law of Republic of Indonesia No. 40/2007 dated August 16, 2007 regarding Limited Liability Company, which requires Companies to set up general reserve equivalent to at least 20% of the total issued and paid up capital. There is no timeline over which this amount should be appropriated.

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39. Insurance Underwriting Income

	<u>2014</u>	<u>2013</u>
Gross premiums	11,915,604	13,885,244
Premi reasuransi	(2,301,116)	(1,951,178)
Increase in unearned premiums (Note 26)	<u>(31,697)</u>	<u>(123,190)</u>
Total	<u><u>9,582,791</u></u>	<u><u>11,810,876</u></u>

40. Interest Income and Profit Sharing

	<u>2014</u>	<u>2013</u>
Loans	1,598,144	1,220,272
Consumer finance	339,222	386,224
Short-term investment	494,916	413,828
Time deposits	182,134	260,938
Factoring	216,201	167,634
Finance leases	13,307	19,395
Securities purchased under agreements to resell	6,764	4,542
Mortgage receivables	337	3,804
Others	<u>6,359</u>	<u>1,766</u>
Total	<u><u>2,857,384</u></u>	<u><u>2,478,403</u></u>

41. Sales

This account represent sales of foreign currencies by SMC, a subsidiary, in 2014 and 2013, and sales of electronic goods by the Company in 2014.

42. Other Income

	<u>2014</u>	<u>2013</u>
Dividend income	63,616	39,135
Service center income	46,631	32,304
Operator's remuneration for managing insurance operation	39,361	39,464
Interest income - current account	24,454	19,439
Printing insurance policy income	13,286	12,261
Investment management income	8,677	3,671
Income from penalties	3,185	19,921
Surplus underwriting income distribution	2,011	7,371
Others	<u>77,524</u>	<u>57,311</u>
Total	<u><u>278,745</u></u>	<u><u>230,877</u></u>

Others include service income, gain on sale of investment properties and property and equipment (Notes 18 and 19), and other income.

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43. Insurance Underwriting Expenses

	<u>2014</u>	<u>2013</u>
Gross claims	9,342,806	16,155,084
Reinsurance claims	(752,680)	(129,168)
Increase in liability for future policy benefits (Note 25)	649,466	(2,117,408)
Decrease in segregated fund contract liabilities - unit link	(387,470)	(2,030,844)
Commission - net	583,508	454,308
Increase in insurance contract liabilities	(4,900)	(122,624)
Increase in estimated claims liabilities (Note 26)	11,117	32,449
Other underwriting expense	64,790	48,212
Total	<u>9,506,637</u>	<u>12,290,009</u>

44. General and Administrative Expenses

	<u>2014</u>	<u>2013</u>
Office appliances	301,532	236,547
Depreciation (Notes 18 and 19)	218,304	197,704
Marketing and advertising	172,992	120,829
Electricity, water, and telephone	179,719	158,903
Rental	108,512	113,158
Defined-benefit post employment expense (Note 47)	40,016	32,665
Professional fees	30,182	29,227
Others	58,393	44,799
Total	<u>1,109,650</u>	<u>933,832</u>

45. Interest Expense and Profit Sharing

	<u>2014</u>	<u>2013</u>
Saving		
Time deposits	394,912	257,970
Savings deposits	262,560	215,077
Current account	59,597	50,063
Securities Issued		
Medium term notes	89,167	101,267
Bonds	54,551	40,347
Loans received	78,786	83,634
Premiums on Government guarantee	31,455	27,640
Deposits and deposits from other banks	15,904	1,793
Others	2,787	1,131
Total	<u>989,719</u>	<u>778,922</u>

46. Other Expenses

	<u>2014</u>	<u>2013</u>
Repairs and maintenance	113,517	87,617
Training and education	52,681	46,635
Direct costs of service center	17,851	16,317
Others	32,751	53,461
Total	<u>216,800</u>	<u>204,030</u>

Others consist of donation, fine, loss on sale of foreclosed properties and others.

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47. Long Term Employee Benefits Liability

The Group determined long term employee benefits liability based on Law No. 13 Year 2003, dated March 25, 2003. No funding of the benefits has been made to date by the Group.

As of December 31, 2014 and 2013, the last actuarial valuation report on the the long term employee benefit liability of the Group was from an independent actuary.

A reconciliation of the present value of unfunded long term employee benefit liability to the amount of long-term employee benefits liability presented in the consolidated statements of financial position is as follows:

	<u>2014</u>	<u>2013</u>
Present value of unfunded long-term employee benefit liability	205,942	176,688
Unrecognized actuarial losses	(72,101)	(69,880)
Unrecognized past service costs	<u>(20)</u>	<u>(238)</u>
Long-term employee benefits liability	<u><u>133,821</u></u>	<u><u>106,570</u></u>

Following are details of long-term employee benefits expense:

	<u>2014</u>	<u>2013</u>
Current service costs	21,865	20,580
Interest costs	13,658	9,288
Amortization of actuarial gain	3,720	2,942
Past service costs	<u>773</u>	<u>(145)</u>
Total long-term employee benefits expense	<u><u>40,016</u></u>	<u><u>32,665</u></u>

Movements of long-term employee benefit liability are as follows:

	<u>2014</u>	<u>2013</u>
Long-term employee benefit liability at beginning of the year	106,570	96,838
Long-term employee benefit expense during the year (Note 44)	40,016	32,665
Long-term employee benefit payments during the year	<u>(12,765)</u>	<u>(22,933)</u>
Long-term employee benefit liability at end of the year	<u><u>133,821</u></u>	<u><u>106,570</u></u>

Principal actuarial assumptions used in the valuation of the defined post-employment benefits are as follows:

	<u>2014</u>	<u>2013</u>
Future salary increase	0.00% - 8.00%	6.00% - 8.00%
Discount rate	8.00% - 10.00%	8.00% - 8.50%

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48. Income Taxes

The tax expense of the Group consists of the following:

	<u>2014</u>	<u>2013</u>
Current tax expense		
The Company	11,647	222,673
Subsidiaries	92,308	111,106
Subtotal	<u>103,955</u>	<u>333,779</u>
Deferred tax expense (benefit)		
The Company	(88)	1,000
Subsidiaries	527	40,825
Subtotal	<u>439</u>	<u>41,825</u>
Total	<u><u>104,394</u></u>	<u><u>375,604</u></u>

Current Tax

A reconciliation between income before tax per consolidated statements of comprehensive income of the Company and accumulated fiscal losses is as follows:

	<u>2014</u>	<u>2013</u>
Income before tax per consolidated statements of comprehensive income	1,314,083	1,497,806
Deduct:		
Share in net income of the subsidiaries	(1,163,657)	(405,967)
Income before tax of the Company	<u>150,426</u>	<u>1,091,839</u>
Temporary difference:		
Long term employee benefit expense	439	263
Permanent differences:		
Depreciation expense	4,908	6,435
Other expenses	4,314	912
Interest income	(17,885)	(27,605)
Rent income	(9,813)	(7,907)
Gain from investment in units of mutual funds	(70,330)	(6,125)
Gain on sale on investment in shares	(1,144)	109,026
Share in net income of the associates	(9,445)	(21,490)
General and administrative expenses	6,766	-
Net	<u>(92,629)</u>	<u>53,246</u>
Taxable income	58,236	1,145,348
Accumulated fiscal losses in prior periods	-	(36,804)
Uncompensated fiscal losses	-	4,819
Taxable income	58,236	1,113,363
Current tax expense	11,647	222,673
Prepaid tax	(96)	(20)
Current tax payable the Company	11,551	222,653
Current tax payable subsidiaries	8,957	23,784
Total current tax payable (Note 28)	<u><u>20,508</u></u>	<u><u>246,437</u></u>

In 2013, the Company's fiscal losses has been offset with taxable income in 2013.

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Deferred Tax

	January 1, 2013/ December 31, 2012	Credited (charged in) consolidated statement of financial position	Credited (charged in) consolidated statement of comprehensive income	December 31, 2013	Credited (charged in) consolidated statement of comprehensive income	December 31, 2014
Deferred Tax Assets						
Deferred tax assets (liabilities):						
Fiscal losses	1,006	-	(1,006)	-	-	-
Long-term employee benefit expense	123	-	28	151	88	239
Depreciation expense	8	-	(8)	-	-	-
Employee loans	14	-	(14)	-	-	-
Total - the Company	1,151	-	(1,000)	151	88	239
Subsidiaries	52,714	-	(24,633)	28,081	12,214	40,295
Total	53,865	-	(25,633)	28,232	12,302	40,534
Deferred Tax Liabilities						
Subsidiaries	(59,507)	(6,852)	(16,192)	(82,551)	(12,741)	(95,292)

Management believes that deferred tax assets on temporary difference can be realized in the future.

In December 2007, the Government issued a regulation relating to a tax rate reduction of 5% from the applicable tax rates for publicly listed entities effective January 1, 2008, if they comply with certain requirements relating to shareholding composition. Effective on November 21, 2013, regulation has changed with PP No. 77 Tahun 2013 with certain additional requirement has provided a tax rate reduction of 5%.

A reconciliation between the income before tax per consolidated statements of comprehensive income and fiscal losses is as follows:

	2014	2013
Income before tax per consolidated statements of comprehensive income	1,314,083	1,497,806
Deduct:		
Share in net income of subsidiaries	(1,163,657)	(405,967)
Income before tax of the Company	150,426	1,091,839
Tax expense at effective tax rates	30,085	218,368
Tax effects of permanent differences:		
Depreciation expense	982	1,287
Other expenses	863	182
Interest income	(3,577)	(5,521)
Rent income	(1,963)	(1,582)
Gain from investment in units of mutual funds	(14,066)	(1,225)
Gain on sale of investment in shares	(229)	21,805
Share in net income of associates	(1,889)	(4,298)
General and administrative expenses	1,353	-
Total	(18,526)	10,648
Unrecognized deferred tax asset on fiscal losses recovery	-	(5,343)
Tax expense of the Company	11,559	223,673
Tax expense of the subsidiaries	92,835	151,931
Total	104,394	375,604

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49. Earnings Per Share

	<u>2014</u>	<u>2013</u>
Net income for computation of basic earnings per share and diluted earnings per share	<u>1,008,382</u>	<u>1,213,374</u>
Weighted average number of ordinary shares for computation of diluted earnings per share	<u>6,237,808,717</u>	<u>6,236,872,901</u>
Basic earning per share	162	195

50. Nature of Relationship and Transactions with Related Parties

Nature of Relationship

Other than the key management personnel, the related parties of the Company represent companies under the Sinar Mas Group of companies:

- Stockholders (included ultimate stockholder) of the Company.
- The companies which have the same stockholder with the Company, directly or indirectly.
- The companies which are controlled by family members of stockholders and key management of the Company.

Transactions with Related Parties

In the normal course of business, the Group entered into certain transactions with related parties.

- Significant balances with related parties in the consolidated statements of financial position as of consolidated statement of financial position dates are as follows:

	<u>2014</u>		<u>2013</u>	
	<u>Total</u>	Percentage to Total Assets/ Liabilities %	<u>Total</u>	Percentage to Total Assets/ Liabilities %
ASSETS				
Short-term investments	1,340,807	2.00	1,236,438	3.00
Factoring receivables	69,825	0.00	70,084	0.00
Premium and reinsurance receivables	234,057	0.00	117,809	0.00
Loans	818,780	2.00	944,678	2.00
Receivables from brokers	67,993	0.00	1,834	0.00
Other receivables	14,636	0.00	14,642	0.00
Other assets	42,072	0.00	61,278	0.00
Total Assets	<u>2,588,170</u>	<u>4.00</u>	<u>2,446,763</u>	<u>5.00</u>
LIABILITIES				
Deposits and deposits from other banks	2,534,085	7.00	2,996,072	9.00
Insurance payables	33,725	0.00	12,709	0.00
Unearned premium and estimated claims liability	755,426	2.00	458,290	1.00
Payables to brokers	-	0.00	1,264	0.00
Accrued expenses	3,252	0.00	3,366	0.00
Other liabilities	2,700	0.00	3,330	0.00
Total Liabilities	<u>3,329,188</u>	<u>9.00</u>	<u>3,475,031</u>	<u>10.00</u>

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- b. As of December 31, 2014 and 2013, the Group invested their funds amounting to Rp 1,333,769 and Rp 861,608, respectively, in units of mutual funds which were managed by SMS, a subsidiary, as investment manager (Note 5).
- c. For the years ended December 31, 2014 and 2013, the underwriting income from related parties amounted to Rp 1,392,885 and Rp 1,286,561 or 14.53% and 10.89%, respectively, of the total underwriting income.
- d. For the years ended December 31, 2014 and 2013, the interest income from related parties amounted to Rp 44,865 and Rp 70,746 or 1.57% and 2.85%, respectively, of the total interest income.
- e. The Group has insured the investment properties and property and equipment with ASM (Notes 18 and 19).
- f. The aggregate salaries and benefits paid by the Group to all commissioners and directors in 2014 and 2013 amounted to Rp 127,464 and Rp 99,135, respectively.
- g. As of December 31, 2014 and 2013, the total balance of commitments and contingencies transactions (L/C and bank guarantees) with related parties amounted to Rp 196,655 and Rp 138,818, respectively (Note 54).

51. Net Monetary Assets and Liabilities Denominated in Foreign Currencies

	2014		2013	
	Equivalent in US\$	Equivalent in Rp	Equivalent in US\$	Equivalent in Rp
Assets				
Cash and cash in banks	57,665,974	714,479	73,978,260	900,694
Short term investments	173,718,264	2,158,484	224,194,462	2,730,189
Factoring receivables	1,450,000	18,038	1,471,251	17,933
Premiums and reinsurance receivables	36,598,530	455,285	19,514,657	237,864
Loans	206,792,249	2,561,122	115,707,642	1,408,162
Acceptance receivables	2,488,575	30,821	19,582,940	238,324
Other receivables	12,405,097	154,289	4,047,344	49,322
Reinsurance assets	77,558,524	964,828	59,158,284	721,080
Other assets	333,366	4,133	1,332,924	16,224
Total assets	569,010,579	7,061,479	518,987,764	6,319,792
Liabilities				
Deposits and deposits from other banks	290,921,265	3,603,060	281,486,419	3,425,690
Insurance payables	35,872,106	446,248	19,388,535	236,327
Acceptance liabilities	2,488,575	30,821	19,582,940	238,324
Liability for future policy benefits	113,096,540	1,406,921	102,781,150	1,252,799
Segregated funds contract liabilities - Unit link	21,244,621	264,283	29,117,700	354,916
Premiums received in advance	1,174,557	14,611	1,659,581	20,229
Unearned premiums and estimated claim liabilities	84,956,550	1,056,859	66,869,708	815,075
Accrued expenses	183,851	2,277	233,854	2,846
Other liabilities	945,857	11,762	16,639,184	202,520
Total liabilities	550,883,922	6,836,842	537,759,071	6,548,726
Net	18,126,657	224,637	(18,771,307)	(228,934)

As of December 31, 2014 and 2013, the conversion rates used by the Group were disclosed in Note 2 to consolidated financial statements.

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52. Fair Value of Financial Assets and Financial Liabilities

Fair value is defined as the amount at which the financial instruments could be exchanged in a current transaction between knowledgeable, willing parties in an arm's length transaction, other than in a forced sale or liquidation. Fair values are obtained from quoted prices, discounted cash flows model.

The following table sets forth the carrying amounts and estimated fair values of the Group's financial assets and liabilities:

	2014		2013	
	Carrying value	Estimate Fair Value	Carrying value	Estimate Fair Value
Financial Assets				
<i>At fair value through profit and loss</i>				
Short term investment - securities - shares and warrants	145,711	145,711	661,283	661,283
Short term investment - securities - bonds	34,719	34,719	20,000	20,000
Short term investment - securities - units of mutual fund	7,441,934	7,441,934	7,409,910	7,409,910
Short term investment - securities - unit link - units of mutual fund	1,722,475	1,722,475	2,413,715	2,413,715
Short term investment - securities - unit link - bonds	5,062	5,062	5,136	5,136
Other assets - derivative assets	-	-	28	28
<i>Available for sale</i>				
Short term investment - placement with Bank Indonesia	1,749,388	1,749,388	1,142,439	1,142,439
Short term investment - securities - shares	53,260	53,260	553,537	553,537
Short term investment - securities - bonds	2,637,764	2,637,764	7,163,796	7,163,796
Short term investment - securities - units of mutual fund	6,629,792	6,629,792	1,571,472	1,571,472
Investment in shares	69,706	69,706	67,529	67,529
<i>Investment based on sharia - cost</i>				
Short term investment - securities - bonds	296,961	293,085	682,551	629,469
<i>Investment based on sharia - fair value</i>				
Short term investment - securities - shares	11,566	11,566	11,381	11,381
Short term investment - securities - bonds	73,007	73,007	123,696	123,696
Short term investment - securities - units of mutual fund	76,954	76,954	31,496	31,496
<i>Held to Maturity</i>				
Short term investment - securities - bonds	69,726	69,726	-	-
<i>Loan and receivables</i>				
Cash and banks	2,637,727	2,637,727	2,599,638	2,599,638
Securities purchased under agreements to resell	-	-	139,211	139,211
Short term investment - placement with other banks	308,569	308,569	593,813	593,813
Short term investment - time deposits	3,767,547	3,767,547	1,950,998	1,950,998
Short term investment - securities - export bill receivables	170,213	170,213	207,001	207,001
Consumer financing receivables - net	597,058	597,058	895,987	895,987
Factoring receivables - net	1,398,689	1,398,689	1,144,066	1,144,066
Loans - net	12,519,290	12,840,948	9,924,018	10,179,778
Acceptance receivables	67,836	67,836	238,324	238,324
Receivables from brokers	263,426	263,426	378,544	378,544
Other accounts receivable - net	2,105,313	2,105,313	623,751	623,751
Other assets	33,264	33,264	25,940	25,940
Total Financial Assets	44,886,957	45,204,739	40,579,260	40,781,938
Financial Liabilities				
<i>At fair value through profit and loss</i>				
Segregated funds contract liabilities - Unit link	1,525,012	1,525,012	1,912,482	1,912,482
Derivative liability	63	63	-	-
<i>Other financial liabilities</i>				
Deposits and deposits from other banks	15,660,708	15,660,708	13,047,975	13,047,975
Payables to brokers	193,927	193,927	81,341	81,341
Acceptance liabilities	67,836	67,836	238,324	238,324
Securities issued	1,293,454	1,293,454	1,290,904	1,290,904
Loans received	573,837	573,837	714,895	714,895
Accrued expenses	104,096	104,096	88,004	88,004
Other liabilities	260,270	260,270	366,370	366,370
Total Financial Liabilities	19,679,203	19,679,203	17,740,295	17,740,295

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Fair Value Hierarchy

The following table discloses the fair value hierarchy of consolidation financial assets:

	2014			Total
	Level 1	Level 2	Level 3	
Financial Assets				
<i>Fair value through profit and loss</i>				
Shares and warrants	145,711	-	-	145,711
Bonds	34,719	-	-	34,719
Units of mutual fund	2,994,323	4,447,611	-	7,441,934
Segregated funds net assets - Unit link	797,545	929,992	-	1,727,537
<i>Available for sale</i>				
Placement with Bank Indonesia	1,749,388	-	-	1,749,388
Shares	53,260	-	-	53,260
Units of mutual fund	6,629,792	-	-	6,629,792
Bonds	2,587,695	-	50,069	2,637,764
<i>Sharia securities - fair value</i>				
Shares	11,566	-	-	11,566
Units of mutual fund	76,954	-	-	76,954
Bonds	73,007	-	-	73,007
<i>Held to Maturity</i>				
Bonds	69,726	-	-	69,726
Total Financial Assets	15,223,686	5,377,603	50,069	20,651,358
Financial Liabilities				
<i>Fair value through profit and loss</i>				
Segregated funds contract liabilities - Unit link	1,525,012	-	-	1,525,012
Derivative liability	-	63	-	63
Total Financial Liability	1,525,012	63	-	1,525,075
	2013			
	Level 1	Level 2	Level 3	Total
Financial Assets				
<i>Fair value through profit and loss</i>				
Shares and warrants	661,283	-	-	661,283
Bonds	20,000	-	-	20,000
Units of mutual fund	3,611,436	3,798,474	-	7,409,910
Segregated funds net assets - Unit link	654,600	1,764,251	-	2,418,851
Derivative assets	-	28	-	28
<i>Available for sale</i>				
Placement with Bank Indonesia	1,142,439	-	-	1,142,439
Shares	553,537	-	-	553,537
Units of mutual fund	1,571,472	-	-	1,571,472
Bonds	6,154,172	-	1,009,624	7,163,796
<i>Sharia securities - fair value</i>				
Shares	11,381	-	-	11,381
Units of mutual fund	31,496	-	-	31,496
Bonds	123,696	-	-	123,696
Total Financial Assets	14,535,512	5,562,753	1,009,624	21,107,889
Financial Liabilities				
<i>Fair value through profit and loss</i>				
Segregated funds contract liabilities - Unit link	1,912,482	-	-	1,912,482

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from stock exchange, securities trader, broker, industry group pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transaction on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily Indonesia Stock Exchange (IDX) equity investments in shares and warrants, bonds investment and units of mutual fund investment classified as available-for-sale or trading securities and segregated funds net assets - Unit link.

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The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity's specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. Instruments included in Level 2 comprise derivative assets, units of mutual fund and segregated funds contract liabilities - unit link.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. Instruments included in Level 3 comprise of certain bonds.

Fair value of short term investments in securities (shares that are traded in Indonesia Stock Exchange, bonds and units of mutual fund) and segregated funds net assets - unit link based on fair value, net asset value published was calculated by investment manager.

Fair value of loans, consumer financing receivables, finance lease, factoring receivables, and other receivables are determined based on discounted cash flow analysis using market interest rate.

There is no reliable basis for measuring the fair value of investment in shares (Note 17), thus, the investments in shares are stated at cost.

Deposits and deposits from other banks have a demand feature, thus, the fair value is not less than the amount payable on demand discounted from the first date that the amount could be required to be paid which is equal to the carrying amount.

The fair value of loan received and securities issued are determined based on discounted cash flow analysis using market interest rates.

Fair value of cash and cash equivalents, short-term investment in time deposits, placements with other banks, Bank Indonesia Intervention, export bill receivable, securities purchased under agreements to resell, receivables from brokers, other assets (security deposits), securities sold under agreement to repurchase, payables to brokers, accrued expenses, and other liabilities approximates the carrying value due to short term nature of transactions.

53. Agreements and Engagements

- a. On June 6, 2008, the Company entered into room leasing agreement with ASM, a subsidiary, relating to lease at office building of Plaza Simas which is located at Jl. Fachrudin No. 20, Central Jakarta. The lease term is for 15 years, starting from October 1, 2008 up to October 1, 2023 (Note 50).
- b. AJSM, a subsidiary, entered into cooperation agreements, wherein AJSM was appointed as insurance agent with third parties. The third parties are PT Bank Commonwealth Indonesia, PT Bank Mayapada Tbk, PT Bank Permata Tbk, PT Bank Muamalat Indonesia, PT Bank OCBC NISP Tbk, PT Bank Nusantara Parahyangan Tbk, PT Bank Windu Kentjana International Tbk, PT Bank BCA Syariah, BS, PT Bank Kesawan Tbk, PT Bank Syariah Mandiri, PT Bank UOB Buana Tbk, PT Bank Mega Tbk, PT ICB Bumiputera Indonesia Tbk, PT Bank International Indonesia Tbk, PT Bank Mutiara Tbk, PT Bank Victoria International Tbk, Bank of China Limited and some rural banks.
- c. SMF, a subsidiary, has entered into a Joint Financing Agreement by transferring Receivables Portfolio and Appointment as Security Agent and Channelling Credit Transfer Agreement with BS (Note 11).

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- d. ABSM, a subsidiary, entered into certain lease agreements (operating lease) with BS, a subsidiary, on motor vehicles and office equipment owned by ABSM with lease period for 1 year.

54. Commitments and Contingencies

- a. BS, a subsidiary, has commitments on purchases and sales of foreign currency (Spot and Forward) which have not yet been realized as of December 31, 2014 and 2013. Details are as follows:

	<u>2014</u>	<u>2013</u>
Spot and forward contracts to purchase foreign currencies		
U.S Dollar	92,888	121,700
Japan Yen	-	36,423
	<u>92,888</u>	<u>158,123</u>
Total	<u>92,888</u>	<u>158,123</u>
Spot and forward contracts to sell foreign currencies		
U.S Dollar	92,888	109,530
Singapore Dollar	609	-
Australian Dollar	304	-
Japan Yen	-	36,347
Euro	-	5,028
	<u>93,801</u>	<u>150,905</u>
Total	<u>93,801</u>	<u>150,905</u>

The above spot and forward transactions are normally settled in 1 day to 3 days, 3 days to 103 days, and 5 days to 71 days, respectively.

- b. BS has commitments and contingent receivables and liabilities under export-import, guarantees and loans given to the customers as follows:

	<u>2014</u>	<u>2013</u>
Commitments		
Commitment liabilities		
Unused loan commitments granted to customers	486,114	265,516
Irrevocable Letters of Credit	17,823	67,942
	<u>503,937</u>	<u>333,458</u>
Total	<u>503,937</u>	<u>333,458</u>
Contingencies		
Contingent receivables		
Past due interest revenues	76,770	27,934
Contingent liabilities		
Bank guarantees issued	1,049,744	921,253
Net	<u>(972,974)</u>	<u>(893,319)</u>

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As of December 31, 2014 and 2013, the total commitments and contingencies transactions (which consist of letters of credit and bank guarantees) with related parties amounted to Rp 196,655 and Rp 138,818, respectively (Note 50).

As of December 31, 2014 and 2013, the average term of letters of credit is 1 up to 5 months and 1 up to 9 months, respectively, while for bank guarantees is from 14 days up to 38 months and 14 days up to 39 months, respectively.

55. Segment Information

Operating segments are reported in accordance with the internal reporting to the operating decision maker who is responsible for the allocation of resources to each segment are reported as well as assess the performance of each segment.

2014

	The Company	Insurance underwriting	Consumer financing, finance lease and factoring	Securities administration fee	Stock brokerage underwriting and investment manager	Banking	Property, Trading and Service	Total before elimination	Elimination	Total after Elimination
Operating income	-	9,582,791	-	4,010	163,796	-	-	9,750,597	(78)	9,750,519
Interest income and profit sharing	17,868	512,628	596,013	-	9,611	1,787,102	59	2,923,281	(65,897)	2,857,384
Gain from investment in units of mutual fund	70,330	831,542	-	1,230	51,911	-	2,141	957,154	-	957,154
Administration fee and commission	-	-	147,534	-	-	226,939	-	374,473	(50,055)	324,418
Unrealized gain (loss) on change in fair value of marketable securities	(37,820)	283,871	-	-	29,996	(1,357)	-	274,690	-	274,690
Sales	7,199	-	-	-	-	-	173,701	180,900	-	180,900
Equity in net income of associates - net	882,451	29,354	-	-	-	-	79,971	991,776	(877,231)	114,545
Sales of investment in shares	47,376	-	-	-	-	-	-	47,376	-	47,376
Gain on foreign exchange - net	(577)	37,381	108	-	(2,251)	(4,538)	20	30,143	-	30,143
Others	71,046	101,568	20,516	259	18,957	22,066	120,628	355,040	(76,295)	278,745
Total income	1,057,873	11,379,135	764,171	5,499	272,020	2,030,212	376,520	15,885,430	(1,069,556)	14,815,874
Operating expenses	-	9,556,300	-	-	34,997	-	-	9,591,297	(50,055)	9,541,242
General and administrative	16,632	335,992	179,734	1,535	52,576	555,733	56,413	1,198,615	(88,965)	1,109,650
Salaries and employee benefit	6,388	366,709	230,452	2,625	46,258	336,820	33,273	1,022,525	-	1,022,525
Interest expenses	-	-	222,504	-	5	806,882	3,226	1,032,617	(42,898)	989,719
Loss (gain) on sale of short-term investment-Net	-	349,359	-	-	39,422	(9,494)	-	379,287	-	379,287
Cost of goods sold	6,240	-	-	-	-	-	173,323	179,563	-	179,563
Provision for impairment losses of financial assets and non financial assets	-	2,690	21,069	1	-	39,237	8	63,005	-	63,005
Others	5,242	50,412	34,145	248	2,576	100,141	30,551	223,315	(6,515)	216,800
Total expenses	34,502	10,661,462	687,904	4,409	175,834	1,829,319	296,794	13,690,224	(188,433)	13,501,791
Income (losses) before tax	1,023,371	717,673	76,267	1,090	96,186	200,893	79,726	2,195,206	(881,123)	1,314,083
Tax benefit (expense)	(11,559)	7,289	(22,432)	2	(31,086)	(45,963)	(1,107)	(104,856)	462	(104,394)
Net income	1,011,812	724,962	53,835	1,092	65,100	154,930	78,619	2,090,350	(880,661)	1,209,689
Segment assets	1,007,461	26,460,075	3,271,615	24,585	1,197,079	21,143,098	416,327	53,520,240	(575,529)	52,944,711
Investment in associates	11,753,438	159,012	8	301	16,937	173,800	263,467	12,366,963	(11,553,173)	813,790
Unallocated assets	12,638	31,185	-	157	6,564	30	10,988	61,562	-	61,562
Total assets	12,773,537	26,650,272	3,271,623	25,043	1,220,580	21,316,928	690,782	65,948,765	(12,128,702)	53,820,063
Segment liabilities	12,093	15,156,302	1,968,518	2,349	231,443	18,001,800	70,955	35,443,460	(605,134)	34,838,326
Unallocated liabilities	11,774	13,550	8,426	173	7,663	112,274	564	154,424	6,197	160,621
Total liabilities	23,867	15,169,852	1,976,944	2,522	239,106	18,114,074	71,519	35,597,884	(598,937)	34,998,947

* Segment assets are excluded prepaid tax and deferred tax asset whereas segment liabilities are excluded taxes payable and deferred tax liabilities

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2013

	The Company	Insurance underwriting	Consumer financing, finance lease and factoring	Securities administration fee	Stock brokerage underwriting and investment manager	Banking	Property, Trading and Service	Total before elimination	Elimination	Total after Elimination
Operating income	-	11,810,876	-	3,431	136,417	-	-	11,950,724	(244)	11,950,480
Interest income and profit sharing	27,587	485,151	605,906	-	11,404	1,384,681	61	2,514,790	(36,387)	2,478,403
Gain from investment in units of mutual fund	1,043,447	-	-	-	-	-	-	1,043,447	-	1,043,447
Gain (loss) on sale of short-term investment-Net	6,125	490,656	-	1,137	(953)	-	2,076	499,041	-	499,041
Sales	(154)	292,426	2,002	-	16,769	2,316	(119)	313,240	-	313,240
Administration fee and commission	-	-	163,887	-	-	229,475	-	393,362	(92,279)	301,083
Gain on foreign exchange - net	-	-	-	-	-	-	142,027	142,027	-	142,027
Equity in net income of associates - net	-	76,865	-	-	(27,480)	129	-	49,514	-	49,514
Others	373,889	13,335	-	-	-	-	13,373	400,597	(358,497)	42,100
Others	8,392	115,630	19,658	132	38,086	7,223	100,229	289,350	(58,473)	230,877
Total income	1,459,286	13,284,939	791,453	4,700	174,243	1,623,824	257,647	17,596,092	(545,880)	17,050,212
Operating expenses	-	12,372,289	-	-	41,776	-	-	12,414,065	(92,279)	12,321,786
Interest expenses and profit sharing	-	-	226,360	-	19	563,788	314	790,481	(11,559)	778,922
Salaries and employee benefit	3,039	322,357	196,245	2,574	45,748	281,953	38,113	890,029	-	890,029
General and administrative	16,982	279,425	184,238	753	43,951	453,526	31,352	1,010,227	(76,395)	933,832
Provision for impairment losses of financial assets and non financial assets	-	292	33,532	6	-	(26,234)	-	7,596	-	7,596
Unrealized loss on decrease in fair value of securities	-	290,835	-	-	(22,453)	6,201	-	274,583	-	274,583
Cost of goods sold	-	-	-	-	-	-	141,628	141,628	-	141,628
Others	1,641	48,344	38,363	103	24,417	73,490	24,053	210,411	(6,381)	204,030
Total expenses	21,662	13,313,542	678,738	3,436	133,458	1,352,724	235,460	15,739,020	(186,614)	15,552,406
Income (losses) before tax	1,437,624	(28,603)	112,715	1,264	40,785	271,100	22,187	1,857,072	(359,266)	1,497,806
Tax benefit (expense)	(223,673)	(41,781)	(26,483)	(18)	(16,154)	(65,001)	(2,886)	(375,796)	192	(375,604)
Net income	1,213,951	(70,384)	86,232	1,246	24,631	206,099	19,501	1,481,276	(359,074)	1,122,202
Segment assets	824,541	24,638,577	3,349,932	23,058	1,002,786	17,499,102	375,614	47,713,610	(508,211)	47,205,399
Investment in associates	10,936,902	136,284	8	301	14,787	-	182,147	11,270,429	(10,740,081)	530,348
Unallocated assets	9,772	-	185	110	25,675	22	9,181	44,945	-	44,945
Total assets	11,771,215	24,774,861	3,350,125	23,469	1,043,248	17,499,124	566,942	59,028,984	(11,248,292)	47,780,692
Segment liabilities	13,367	13,953,423	2,100,286	1,856	119,327	14,613,978	28,468	30,830,705	(541,707)	30,288,998
Unallocated liabilities	222,797	24,506	8,995	184	7,546	94,221	634	358,883	6,659	365,542
Total liabilities	236,164	13,977,929	2,109,281	2,040	126,873	14,708,199	29,102	31,189,588	(536,048)	30,654,540

* Segment assets are excluded prepaid tax and deferred tax asset whereas segment liabilities are excluded taxes payable and deferred tax liabilities

56. Financial Risk Management Objectives and Policies

The Group's activities are exposed to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Risk management is the responsibility of the Board of Directors (BOD). The BOD has the responsibility to determine the basic principles of the Group's risk management as well as principles covering specific areas, such as foreign exchange risk, interest rate risk, price risk, credit risk, and liquidity risk.

In practice, implementation of risk management of the Group includes active supervision of management, implementation of policies and procedures, risk limits, the process of identification, measurement and monitoring of risk, implementation of information systems and risk management and internal control systems.

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Credit Risk

Credit risk is the risk that the Group will incur a loss arising from the customers or counterparties which fail to fulfill their contractual obligations. The Group manages and controls the credit risk by dealing only with recognized and credit worthy parties, setting internal policies on verifications and authorizations of credit, and regularly monitoring the collectibility of receivables to reduce the exposure to bad debts.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates:

	2014			Total
	Not past due	Past due but unimpaired	Past due and impaired	
Cash and cash in banks	730,244	-	-	730,244
Short-term investments	22,119,318	-	-	22,119,318
Consumer financing receivables	562,610	1,319	41,469	605,398
Net investment in finance lease	86,377	4,922	6,362	97,661
Factoring receivables	1,356,158	32,754	14,357	1,403,269
Loans	13,895,369	-	403,066	14,298,435
Acceptances receivable	67,836	-	-	67,836
Receivables from brokers	263,426	-	-	263,426
Other receivables	2,105,447	-	-	2,105,447
Investment in shares	243,506	-	-	243,506
Other assets	33,264	-	-	33,264
	<u>41,463,555</u>	<u>38,995</u>	<u>465,254</u>	<u>41,967,804</u>
	2013			
	Not past due	Past due but unimpaired	Past due and impaired	Total
Cash and cash in banks	759,936	-	-	759,936
Short-term investments	21,660,216	-	-	21,660,216
Securities purchased under agreements to resell	139,211	-	-	139,211
Consumer financing receivables	876,383	1,567	20,766	898,716
Net investment in finance lease	104,856	-	17,769	122,625
Factoring receivables	1,116,626	17,754	12,707	1,147,087
Loans	10,689,337	172	276,562	10,966,071
Acceptances receivable	238,324	-	-	238,324
Receivables from brokers	378,544	-	-	378,544
Other receivables	623,890	-	-	623,890
Investment in shares	67,529	-	-	67,529
Other assets	25,940	-	-	25,940
	<u>36,680,792</u>	<u>19,493</u>	<u>327,804</u>	<u>37,028,089</u>

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The table below shows consolidated statement of financial position exposures related to credit risk:

	2014		2013	
	Gross amount	Net amount	Gross amount	Net amount
<i>At fair value through profit and loss</i>				
Short-term investment - securities - shares and warrants	145,711	145,711	661,283	661,283
Short-term investment - securities - bonds	-	-	20,000	20,000
Short-term investment - securities - units of mutual fund	7,441,934	7,441,934	7,409,910	7,409,910
Short-term investment - securities - unit link - units of mutual fund	1,722,475	1,722,475	2,413,715	2,413,715
Other assets - derivative assets	-	-	28	28
<i>Available for sale</i>				
Short-term investment - securities - shares	53,260	53,260	553,537	553,537
Short-term investment - securities - bonds	1,496,138	1,496,138	5,565,819	5,565,819
Short-term investment - securities - units of mutual fund	6,629,792	6,629,792	1,571,472	1,571,472
Investment in shares	69,706	69,706	67,529	67,529
<i>Investments based on sharia - at cost</i>				
Short-term investment - securities - bonds	243,962	243,962	630,637	630,637
<i>Investments based on sharia - fair value</i>				
Short-term investment - securities - shares	11,566	11,566	11,381	11,381
Short-term investment - securities - bonds	31,197	31,197	39,154	39,154
Short-term investment - securities - units of mutual fund	76,954	76,954	31,496	31,496
<i>Held to maturity</i>				
Short-term investment - securities - bonds	20,000	20,000	-	-
<i>Fair value - temporary investment</i>				
Temporary investment - investment in shares	173,800	173,800	-	-
<i>Loans and receivables</i>				
Cash and cash in banks	730,243	730,243	759,936	759,936
Securities purchased under agreements to resell	-	-	139,211	139,211
Short-term investment - placement with other banks	308,569	308,569	593,813	593,813
Short-term investment - time deposits	3,767,547	3,767,547	1,950,998	1,950,998
Short-term investment - securities - export bill receivables	170,213	170,213	207,001	207,001
Net investment in finance lease	97,661	95,863	122,625	120,458
Consumer financing receivables	605,398	597,058	898,716	895,987
Factoring receivables	1,403,269	1,398,689	1,147,087	1,144,066
Receivables from brokers	263,426	263,426	378,544	378,544
Other accounts receivable - net	2,105,447	2,105,313	623,890	623,751
Acceptances receivable	67,836	67,837	238,324	238,324
Loans - net	14,298,435	14,223,357	10,966,071	10,909,738
Other assets	33,264	33,264	25,940	25,940
Total Financial Assets	41,967,803	41,877,874	37,028,117	36,963,728

Market Risk

Market risk is the risk that the fair value or future contractual cash flows of a financial instrument held by the Group will be affected due to changes in market variables such as interest rates, exchange rates, including derivatives of both risks (risks of derivative instruments).

a. Interest rate risk

The Group's interest rate risk arises from loans, deposits and deposits from other banks and loans received. Loans, deposits and deposits from other banks and loans received at floating rates expose the Group to cash flow interest rate risk. Financial assets and financial liabilities at fixed rates expose the Group to fair value interest rate risk.

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As of the end of the reporting period, the Group has the following floating rate loans, deposits and deposits from other banks and loans received.

	2014	2013
Asset		
Loans	9,417,314	6,436,172
Liabilities		
Deposits and deposits from other banks	8,165,523	8,872,985
Loans received	485,650	469,692

The Group analyzes its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing. For each simulation, the same interest rate is used for all currencies. Based on these scenarios, the Group calculates the impact on profit or loss of a defined interest rate shift. The scenarios are applied only for liabilities that represent the major interest-bearing positions.

As of December 31, 2014 and 2013, if interest rates on loans, deposits and deposits from other banks and loans received had been 1% higher/lower with all other variables held constant, post-tax profit for the year would have been higher/lower amounting to Rp 575 and Rp 2,181, respectively, mainly as a result of higher/lower interest income and interest expense on loans and loans received with floating interest rates.

b. Foreign currency risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the U.S. Dollar. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.

Management has set up a policy to require Group to manage the foreign exchange risk against their functional currency. Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency that is not the entity's functional currency. The risk is measured using cash flow forecasts.

As of December 31, 2014 and 2013, if the currency had weakened/strengthened by 5%, against the U.S. Dollar with all other variables held constant, post-tax profit for the year would have been higher/lower amounting to Rp 7,984 and Rp 7,986, respectively, mainly as a result of foreign exchange gains (losses) on translation of financial assets and liabilities.

c. Price risk

The Group is exposed to equity and debt securities price risk because of investments held by the Group and classified on the consolidated statements of financial position either as available-for-sale or at fair value through profit or loss.

To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

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The Group has investments in shares of other entities that are traded in stock exchange, investment in units of mutual funds, and investment in debt securities that would have an impact on the increase/decrease on post-tax profit for the period and other equity component. With assumption if FVPL equity and debt securities price assumption of being 1% higher/lower with all other variables held constant, post-tax profit in 2014 and 2013 would have been higher/lower amounting to Rp 77,839 and Rp 82,578, respectively, while if AFS' equity and debt securities had been 1% higher/lower with all other variables held constant, other equity component would have been higher/lower amounting to Rp 93,208 and Rp 92,888 higher/lower. Post-tax profit for the year would increase/decrease as a result of gains (losses) on equity securities classified as at fair value through profit or loss. Other components of equity would increase/decrease as a result of gains (losses) on equity securities classified as available-for-sale.

To manage price risk arising from investments in debt securities, the Group performs an analysis of the offered interest rate of bonds and the required rate of return which is generally expected by the market.

Liquidity Risk

Liquidity risk is a risk arising when the cash flow position of the Group is not enough to cover the liabilities which become due.

In the management of liquidity risk, management monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations and to mitigate the effects of fluctuation in cash flows. Management also regularly evaluates the projected and actual cash flows, including loan maturity profiles, and continuously assess conditions in the financial markets for opportunities to obtain optimal funding sources.

The table below analyzes the Group's financial liabilities into relevant maturity groupings based on the remaining period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flow:

	2014				Total	Transaction cost	Total
	< 1 year	> 1 year to 2 year	> 2 year to 5 year	> 5 year			
Liabilities							
Deposits and deposits from other banks	17,165,314	-	-	-	17,165,314	-	17,165,314
Securities issued	800,000	-	500,000	-	1,300,000	6,546	1,293,454
Loans received	574,851	-	-	-	574,851	1,014	573,837
Acceptances payable	67,836	-	-	-	67,836	-	67,836
Payables to brokers	193,927	-	-	-	193,927	-	193,927
Accrued expenses	104,096	-	-	-	104,096	-	104,096
Other liabilities	260,270	-	-	-	260,270	-	260,270
Total liabilities	19,166,294	-	500,000	-	19,666,294	7,560	19,658,734

	2013				Total	Transaction cost	Total
	< 1 year	> 1 year to 2 year	> 2 year to 5 year	> 5 year			
Liabilities							
Deposits and deposits from other banks	13,607,470	-	-	-	13,607,470	-	13,607,470
Acceptances payable	238,324	-	-	-	238,324	-	238,324
Securities issued	-	800,000	500,000	-	1,300,000	9,096	1,290,904
Loans received	716,474	-	-	-	716,474	1,579	714,895
Payables to brokers	81,341	-	-	-	81,341	-	81,341
Accrued expenses	88,004	-	-	-	88,004	-	88,004
Other liabilities	366,369	-	-	-	366,369	-	366,369
Total liabilities	15,097,982	800,000	500,000	-	16,397,982	10,675	16,387,307

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57. Other Information

Other financial information

- a. The Capital Adequacy Ratio (CAR) of BS were calculated in accordance with Bank Indonesia Regulation.

Calculation of CAR is as follows:

	<u>2014</u>	<u>2013</u>
I. Capital Stock Components		
A. Total Core Capital	2,850,101	2,528,077
B. Supplementary Capital	<u>126,838</u>	<u>109,420</u>
II. Total Core and Supplementary Capital	<u><u>2,976,939</u></u>	<u><u>2,637,497</u></u>
III. Risk Weighted Assets		
Credit risk after considering specific risk	14,291,449	10,384,365
Market risk	73,526	213,655
Operational risk	<u>1,832,145</u>	<u>1,490,878</u>
Total risk weight assets for credit, market and operational risk	<u><u>16,197,120</u></u>	<u><u>12,088,898</u></u>
IV Capital Adequacy Ratio (CAR)		
CAR with credit risk	20.83%	25.40%
CAR with credit and market risk	20.72%	24.89%
CAR with credit and operational risk	18.46%	22.21%
CAR with credit, operational and market risk	18.38%	21.82%
V. Minimum Capital Adequacy Ratio	8%	8%

- b. Solvency Margin Ratio

Calculation of solvency margin is as follows:

	<u>2014</u>	<u>2013</u>
AJSM	747,94%	976,00%
ASM	338,25%	328,59%

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c. The Adjusted Net Working Capital

The Calculation Adjusted Net Working Capital of SMS is as follows:

	2014	2013
Net Working Capital		
Total Current Assets	1,008,689	792,453
Total Liabilities	(227,151)	(103,150)
Total Liabilities Account	<u>(72,994)</u>	<u>(123,083)</u>
Working Capital	708,544	566,220
Adjusted Gross Working Capital	<u>(101,932)</u>	<u>(92,106)</u>
Adjusted Net Working Capital	606,612	474,114
Adjusted Net Working Capital Compulsory	<u>25,000</u>	<u>25,000</u>
Excess Adjusted Net Working Capital	<u><u>581,612</u></u>	<u><u>449,114</u></u>

58. Supplemental Disclosures for Statements of Cash Flows

The following are the non cash activities of the Group which do not have an impact on the consolidated statements of cashflows:

	2014	2013
Write-off of consumer financing receivables (Note 7)	8,610	29,069
Write-off of factoring receivables (Note 9)	5,422	3,836
Write-off of loans (Note 11)	14,909	10,233
Sales of investment in shares (Note 17)	47,865	-
Acquisition of securities at FVPL (Note 5)	47,865	-

59. New Prospective Accounting Pronouncements

The Indonesian Institute of Accountants has issued the following new and revised Statements of Financial Accounting Standards (PSAKs) and revised Interpretation of Financial Accounting Standard (ISAK) which will be effective for annual period beginning January 1, 2015 as follows:

PSAK

- a. PSAK No. 1 (Revised 2013), Presentation of Financial Statements
- b. PSAK No. 4 (Revised 2013), Separate Financial Statements
- c. PSAK No. 15 (Revised 2013), Investments in Associates and Joint Ventures
- d. PSAK No. 24 (Revised 2013), Employee Benefits
- e. PSAK No. 46 (Revised 2014), Income Taxes
- f. PSAK No. 48 (Revised 2014), Impairment of Assets
- g. PSAK No. 50 (Revised 2014), Financial Instruments: Presentation
- h. PSAK No. 55 (Revised 2014), Financial Instruments: Recognition and Measurement
- i. PSAK No. 60 (Revised 2014), Financial Instruments: Disclosures
- j. PSAK No. 65, Consolidated Financial Statements
- k. PSAK No. 66, Joint Arrangements
- l. PSAK No. 67, Disclosures of Interests in Other Entities
- m. PSAK No. 68, Fair Value Measurements

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ISAK

ISAK No. 26 (Revised 2014), Reassessment on Embedded Derivatives

The Group is still evaluating the effects of these new and revised PSAKs and ISAK and has not yet determined the related effects on the consolidated financial statements.

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Menjangkau Masyarakat Luas, Melayani dengan Integritas

 **sinar mas multiartha**

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