



mandiri
tunas finance

| ADAPT TO CHANGE

ANNUAL REPORT 2018 PT MANDIRI TUNAS FINANCE



ABOUT **PT MANDIRI TUNAS FINANCE** 2018 ANNUAL REPORT

Welcome to the 2018 Annual Report of PT Mandiri Tunas Finance with the theme "Adapt to Change". The theme was chosen based on studies and facts from the development of Mandiri Tunas Finance's business in 2018 and the future of the Company's business sustainability. The main objective of the preparation of this Annual Report is to improve the disclosure of the Company's information to the relevant authorities and to become an annual book that helps build pride and solidarity among employees.

The 2018 Annual Report Mandiri Tunas Finance is a source of comprehensive documentation that contains information on the Company's performance in a year. The information contains complete documentation that describes the profile of the Company; operational, marketing and financial performance; information about the duties, roles and structural functions of the Company's organizations that apply the best practices concept and the principles of Good Corporate Governance (GCG).

In addition, this Annual Report also aims to build understanding and trust about Mandiri Tunas Finance by providing appropriate, balanced and relevant information. Shareholders and all other stakeholders can obtain adequate information regarding policies that have been and will be carried out and the success of the Company's achievements in 2018. The Mandiri Tunas Finance 2018 Annual Report is presented in 2 (two) different books with 2 (two) different languages, which is Indonesian and English, using types and size of letters that are easy to read and print with good quality.

This Annual Report can be viewed and downloaded on the Mandiri Tunas Finance official website: www.mtf.co.id

DISCLAIMER and Limitation of Liability

This Annual Report contains a statement of financial conditions, results of operations, policies, projections, plans, strategies, and objectives of Mandiri Tunas Finance which are classified as forward statements in the implementation of applicable laws, except for historical matters. These statements have the prospect of risks, uncertainties, and can result in actual developments materially different from those reported. Prospective statements in this Annual Report are based on various assumptions regarding current conditions and future conditions and the business environment in which

Mandiri Tunas Finance conducts business activities. Mandiri Tunas Finance does not guarantee that documents that have been ensured of their validity will bring certain results as expected. This Annual Report contains the words "Company", "MTF", or "Mandiri Tunas Finance" which are defined as PT Mandiri Tunas Finance which runs main business activities in the field of four-wheeled vehicle financing service providers, heavy equipment financing, and other financing. Sometimes the word "we" is used on the basis of convenience to call PT Mandiri Tunas Finance in general.

INFORMATION PRESENTED IN THE ANNUAL REPORT

The references and standards used by the Company in preparing the Annual Report of PT Mandiri Tunas Finance are standard parameters and criteria that apply in Indonesia where the Company carries out its business activities. Due to the Company's issuance of bonds, its status as an issuer of Annual Report submission uses the criteria listed in the Financial Services Authority Regulation No. 29 /POJK.04/2016 concerning the Annual Report of Issuers or Public Companies and Financial Services Authority Circular Letter No.30 / SEOJK.04 / 2016 concerning the Form and Content of the Annual Report of Issuers or Public Companies, as well as criteria in the Annual Report Award (ARA).

In order to carry out best practice implementation of the principles of Good Corporate Governance (GCG), the submission of this report also refers to the guidelines for governance practices that apply in the ASEAN regional scope using the ASEAN CG Scorecard parameter. The Company also presents several aspects that are part of our development and interpretation of the contents of the Annual Report. Thus, Mandiri Tunas Finance expects this Annual Report to encourage an increase in fair information disclosure along with the fulfillment of the composition and substance aspects.

ADAPT TO CHANGE

The condition of the national economy that is growing slowly but surely had a significant impact on the performance of the Company. During the period of 2018, Mandiri Tunas Finance managed to carve out a glorious achievement by recording business growth better than last year's period, and was able to realize the financing achievement of the initial target. Government policies in supporting the financing and automotive sectors as one of the supporting factors for national economic growth and efforts to improve regional infrastructure, especially in the East and Central Indonesia, have become a factor in improving performance.

SUSTAINABILITY OF THE ANNUAL REPORT THEME



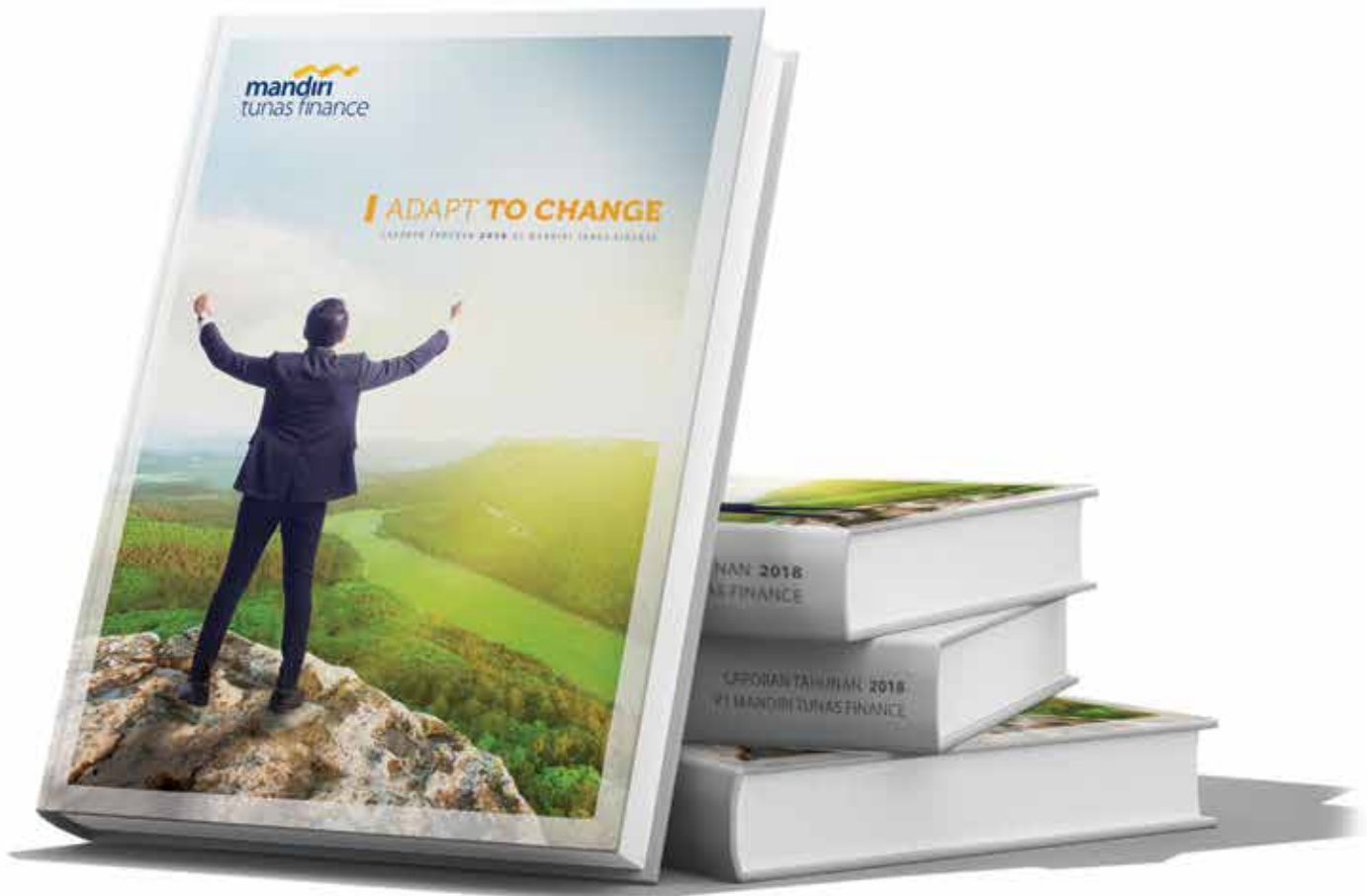
2016 STRATEGY INNOVATION FOR INDONESIA

The Company grew over time, the technology was developed without knowing the end. Reality competition motivates companies to continue realized to improve. Together with technological excellence, innovation became apparent usher Mandiri Tunas Finance realize the excellent service.



2017 STRENGTHENING THE FOUNDATION TO TRANSFORM

The strengthening of foundation under the name PERWIRA (kePERcayaan/ trust, keWlrausahaan/ entrepreneurship, and kegmbiRAan/happiness) as the way of thinking and taking action in serving the customers is continuously sought since it is the key in running the business activity. In line with such matter, "Strengthening the Foundation to Transform" is chosen as the topic of the 2017 Annual Report and becomes the representation of high dedication of all personnel of Mandiri Tunas Finance in serving the nation.



2018 ADAPT TO CHANGE

The condition of the national economy that is growing slowly but surely had a significant impact on the performance of the Company. During the period of 2018, Mandiri Tunas Finance managed to carve out a glorious achievement by recording business growth better than last year's period, and was able to realize the financing achievement of the initial target. Government policies in supporting the financing and automotive sectors as one of the supporting factors for national economic growth and efforts to improve regional infrastructure, especially in the East and Central Indonesia, have become a factor in improving performance.

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**Full Support from
Shareholders,
"Mandiri" and "Tunas"
Brand Selling Value**





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Bank Mandiri supports the Car Ownership Credit (KPM) program that can be implemented in all Bank Mandiri branches, thus enabling the addition of lending from the referral segment to both retail and fleet purchases. In addition, an alliance of cooperation with related business units at Bank Mandiri enables Mandiri Tunas Finance to work on partner customers by Bank Mandiri. Tunas Group supports Mandiri Tunas Finance by providing Mandiri Tunas Finance the first opportunity to finance Tunas Group vehicle financing loans, which enables Mandiri Tunas Finance to increase lending from the new car segment.

By bearing a reputable name, Bank Mandiri allows Mandiri Tunas Finance to work with the new car manufacturers to help finance vehicle loans. In addition, for customers, the reputable name of Bank Mandiri provides trust and security to establish a partnership with Mandiri Tunas Finance.

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Sources of Sustainable Funding Through Joint Financing, and Good Relations with Main Funding Sources

The most important factor of a finance company is the existence of a source of funds for financing that allows finance companies to always support the Dealer / Showroom in selling their vehicles through credit purchases. With the availability of sustainable funds, it will provide a sense of security for Dealers / Showrooms doing business with Mandiri Tunas Finance.

Besides funding from joint financing, non-joint financing funds are also needed in the financing structure; therefore good relations with non-joint financing sources will provide certainty of the availability of funds for Mandiri Tunas Finance.





Widespread Networks Across Indonesia and Supported by Bank Mandiri Strategic Alliance

To provide fast and quality service to Dealers / Showrooms and customers, a good service level response is needed. Therefore, Mandiri Tunas Finance approached the potential market by adding office network to reach out to its customers.

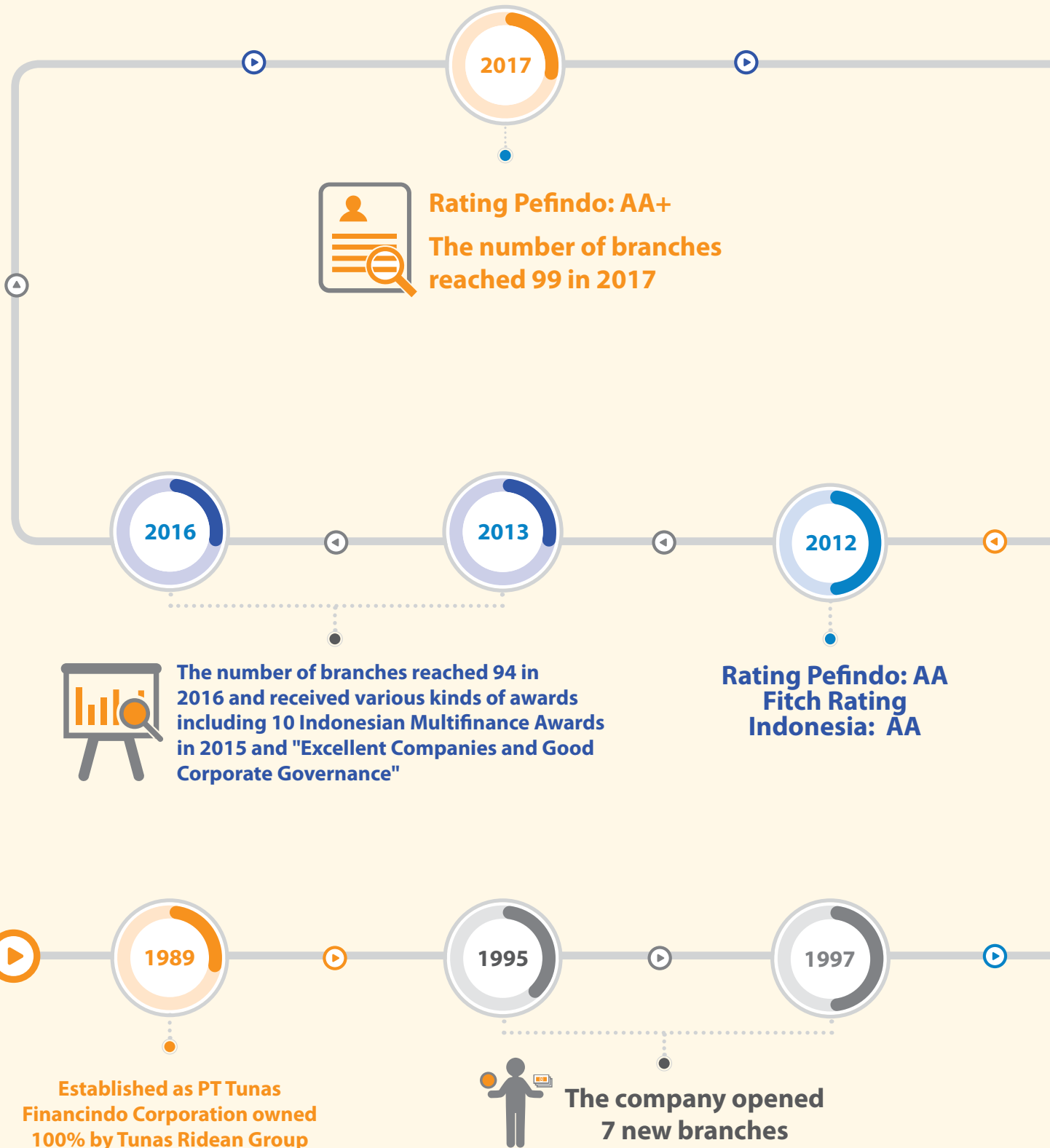


**Good and Wide
Relationship with
Dealer Networks
and Authorized
Distributor (APM)**



Mandiri Tunas Finance has established good relationships with many dealers and leading Authorized Distributors (APMs) in Indonesia, including premium car / luxury car dealers and large motorbike dealers.

COMPANY MILESTONES



2018 PERFORMANCE
MANAGEMENT REPORT
COMPANY PROFILE
MANAGEMENT DISCUSSION & ANALYSIS
BUSINESS SUPPORT FUNCTIONS
GOOD CORPORATE GOVERNANCE
CORPORATE SOCIAL RESPONSIBILITY

2018

- **Implementation of Centralized Input Process (SPRINT)**
- **Minimizing the cost of funds through off-shore funding, asset purchase**
- **Opening of 3 branches: Medan 2, Pekanbaru 2, and Ungaran**

2011



The company continues to grow, opening 35 new branches in Jakarta, Kalimantan, Sulawesi and Sumatra.

2010

2009

Renamed to PT Mandiri Tunas Finance. 51% of the Company's shares acquired by Bank Mandiri (Persero)

2000

The company changed its name to PT Tunas Financindo Sarana

2004

The company opened 20 new branches

2008



SUMMARY OF COMPANY PERFORMANCE 2018

21.6%



NEW FINANCING
OF Rp26.9 trillion
up 21.6%

15.2%



NET PROFIT OF
Rp403.3 billion
up 15.2%

6.09%



COST EFFICIENCY
RATIO 49.3%
up 6.09%
from 46.50%



102
branches

Total 102 **BRANCHES**
in 2018, from 99
branches in 2017

2018 PERFORMANCE
MANAGEMENT REPORT
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GOOD CORPORATE GOVERNANCE
CORPORATE SOCIAL RESPONSIBILITY

356,464

THE NUMBER OF CONSUMERS in 2018 was 356,464 up 4.7% from 340,049 in 2017



0.83%

NPL OF 0.83%
from 0.80% YOY

Rp17.5

triliun

ASSETS Rp 17.5 trillion, up 18.6%



Rp3.12

trillion

TOTAL INCOME OF
Rp3.12 trillion, up 13.94%



2018 PERFORMANCE



SUMMARY OF IMPORTANT FINANCIAL DATA

PROFIT (LOSS) AND COMPREHENSIVE INCOME

(Expressed in millions of Rupiah, unless otherwise stated)

REMARKS	2018	2017	2016	2015	2014	YoY 2017-2018 (%)
Revenue						
Consumer financing	1,936,719	1,830,424	1,772,265	1,423,223	1,063,442	5.81% ↑
Financial lease	386,302	178,983	92,307	99,641	87,369	115.83% ↑
Factoring	96	-	-	-	-	-
Interest	12,116	9,036	10,099	7,672	19,798	34.09% ↑
Others – net	784,959	719,921	574,598	456,996	342,946	9.03% ↑
Total Revenue	3,120,192	2,738,364	2,449,269	1,987,532	1,513,555	13.94% ↑
Expenses						
Financial charges	(1,260,010)	(1,035,442)	(921,263)	(703,121)	(548,682)	21.69% ↑
Salaries and benefits	(518,980)	(437,812)	(342,088)	(304,698)	(235,081)	18.54% ↑
General and administration	(398,555)	(354,063)	(309,840)	(279,747)	(197,569)	12.57% ↑
Provision for impairment losses						
Consumer financing	(394,619)	(434,774)	(426,997)	(291,487)	(209,114)	(9.24%) ↓
Financial lease	(3,950)	(5,784)	(196)	2,356	(10,805)	(31.71%) ↓
Factoring	(113)	-	-	-	-	-
Other receivables	(4,122)	(2,111)	-	9	19	95.26% ↑
Total Expenses	(2,580,349)	(2,269,986)	(2,000,384)	(1,576,688)	(1,201,232)	13.67% ↑
Income Before Final Tax and Income Tax Expense	539,843	468,378	448,885	410,844	312,323	15.26% ↑
Income Tax						
Final Tax Expense	(2,423)	(1,807)	(2,020)	(1,534)	(3,960)	34.09% ↑
Income Before Income Tax Expense	537,420	466,571	446,865	409,310	308,363	20.34% ↑
Income Tax Expense	(134,100)	(116,329)	(111,495)	(102,510)	(74,317)	15.28% ↑
Income for the year	403,320	350,242	335,370	306,800	234,046	15.15% ↑
Other Comprehensive Income						
Item that will not be reclassified to profit or loss						
Remeasurement of employee benefits obligation	6,730	(13,162)	(4,266)	(7,221)	(5,302)	151.13% ↑
Income tax effect	(1,682)	3,290	1,067	1,805	1,325	(151.12%) ↓
	5,048	(9,872)	(3,199)	(5,416)	(3,977)	151.13% ↑
item that will be reclassified to profit or loss						
Effective portion of loss on hedging instruments in a cash flow hedge	(27,695)	(16,826)	-	-	-	64.60% ↑
Income tax effect	6,924	4,206	-	-	-	64.62% ↑
	(20,771)	(12,620)	-	-	-	64.59% ↑
Other comprehensive income – net of tax	(15,723)	(22,492)	(3,199)	(5,416)	(3,977)	(30.10%) ↓
Total Comprehensive Income for The Year	387,597	327,750	332,171	301,384	230,069	18.26% ↑
Basic Earnings per Share (Full amount)	161	140	134	123	94	15.00% ↑

2018 PERFORMANCE

MANAGEMENT REPORT

COMPANY PROFILE

MANAGEMENT DISCUSSION & ANALYSIS

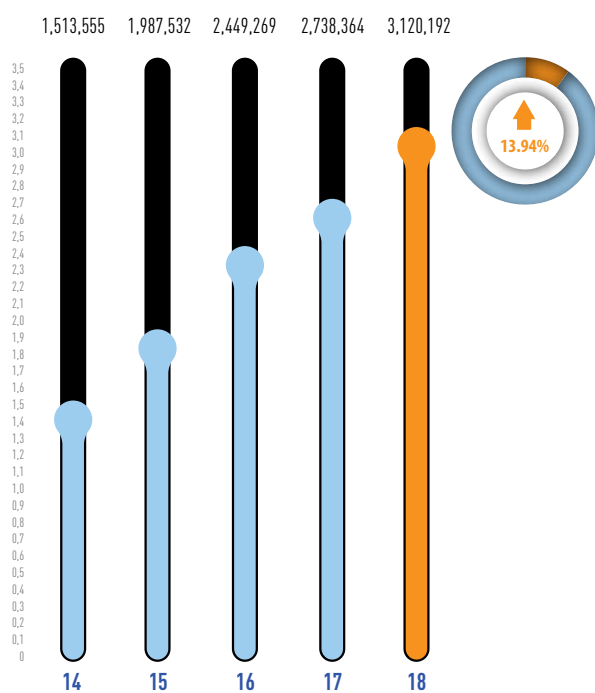
BUSINESS SUPPORT FUNCTIONS

GOOD CORPORATE GOVERNANCE

CORPORATE SOCIAL RESPONSIBILITY

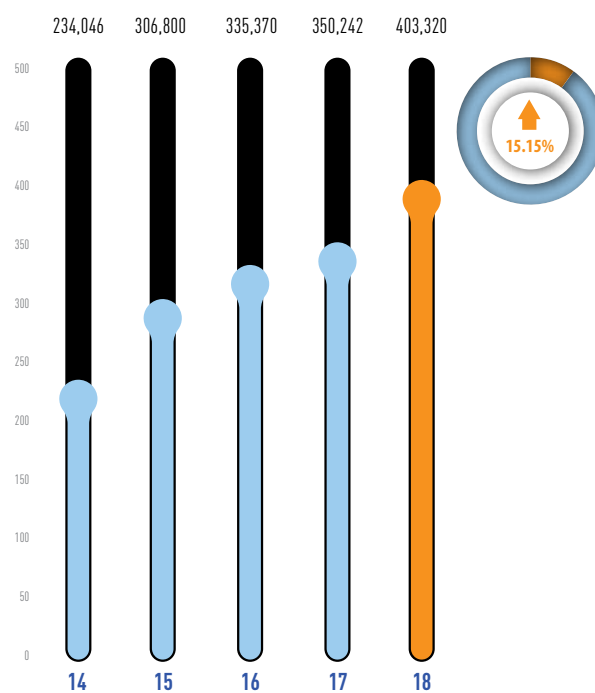
INCOME

(Rp million)



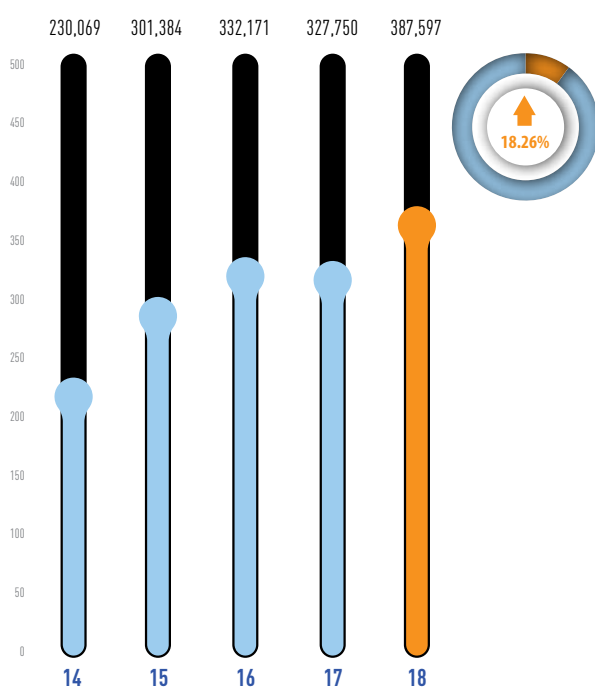
INCOME FOR THE YEAR

(Rp million)



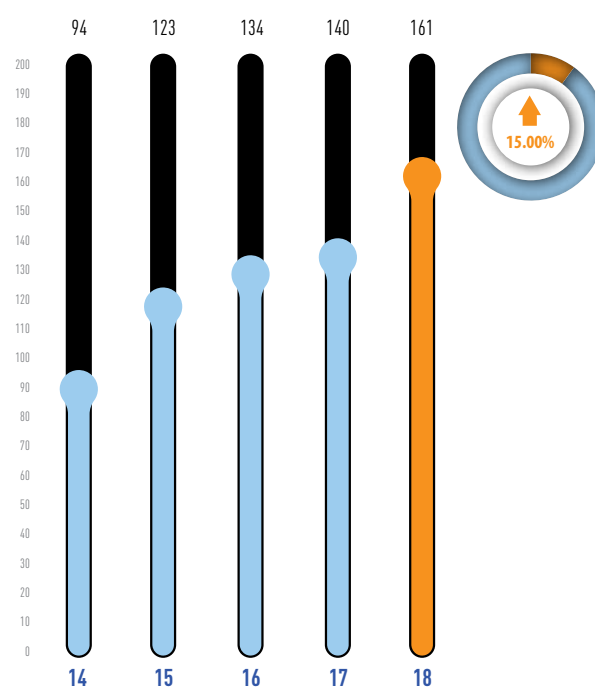
TOTAL COMPREHENSIVE INCOME FOR THE YEAR

(Rp million)



BASIC EARNINGS PER SHARE

(Rp)



FINANCIAL POSITION

(Expressed in millions of Rupiah, unless otherwise stated)

REMARKS	2018	2017	2016	2015	2014	YoY 2017-2018 (%)
ASSETS						
Cash and Cash Equivalents						
Cash on Hand	12,863	20,198	24,074	19,938	13,951	(36.32%) ↓
Cash in Banks						
Third Parties	105,923	8,944	21,521	3,257	8,914	1084.29% ↑
Related Parties	136,154	131,408	212,299	68,771	250,585	3.61% ↑
	254,940	160,550	257,894	91,966	273,450	58.79% ↑
Consumer financing receivables						
Third Parties	12,927,542	11,444,554	9,956,989	8,148,026	6,080,567	12.96% ↑
Related Parties	5,822	7,957	10,532	5,886	7,420	(26.83%) ↓
	12,933,364	11,452,511	9,967,521	8,153,912	6,087,987	12.93% ↑
Less: Allowance for Impairment Losses	(303,884)	(271,205)	(298,650)	(270,477)	(194,852)	12.05% ↑
	12,629,480	11,181,306	9,668,871	7,883,435	5,893,135	12.95% ↑
Finance lease receivables						
Third Parties	3,328,389	2,364,629	834,483	604,150	783,737	40.76% ↑
Less: Allowance for Impairment Losses	(9,286)	(7,739)	(4,538)	(5,791)	(17,213)	19.99% ↑
	3,319,103	2,356,890	829,945	598,359	766,524	40.83% ↑
Factoring Receivables						
Third Parties	11,416	-	-	-	-	-
Less: Allowance for Impairment Losses	(113)	-	-	-	-	-
	11,303	-	-	-	-	-
Other Receivables						
Third Parties	115,193	104,140	69,420	76,923	43,921	10.61% ↑
Related Parties	620,215	564,131	274,585	388,421	320,326	9.94% ↑
	735,408	668,271	344,005	465,344	364,247	10.05% ↑
Less: Allowance for Impairment Losses	(6,007)	(2,896)	(785)	(785)	(794)	107.42% ↑
	729,401	665,375	343,220	464,559	363,453	9.62% ↑
Deferred tax assets	59,921	38,004	23,079	19,907	12,885	57.67% ↑
Claims for tax refund	43,538	65,538	65,538	-	-	(33.57%) ↓
Derivative receivables	138,333	23,202	-	-	-	496.21% ↑
Fixed Assets	182,005	165,907	141,322	102,852	74,531	9.70% ↑
Other Assets						
Third Parties	111,593	81,340	73,061	41,081	36,845	37.19% ↑
Related Parties	2,227	1,346	1,132	835	966	65.45% ↑
TOTAL ASSETS	17,481,844	14,739,458	11,404,062	9,202,994	7,421,789	18.61% ↑

2018 PERFORMANCE

MANAGEMENT REPORT

COMPANY PROFILE

MANAGEMENT DISCUSSION & ANALYSIS

BUSINESS SUPPORT FUNCTIONS

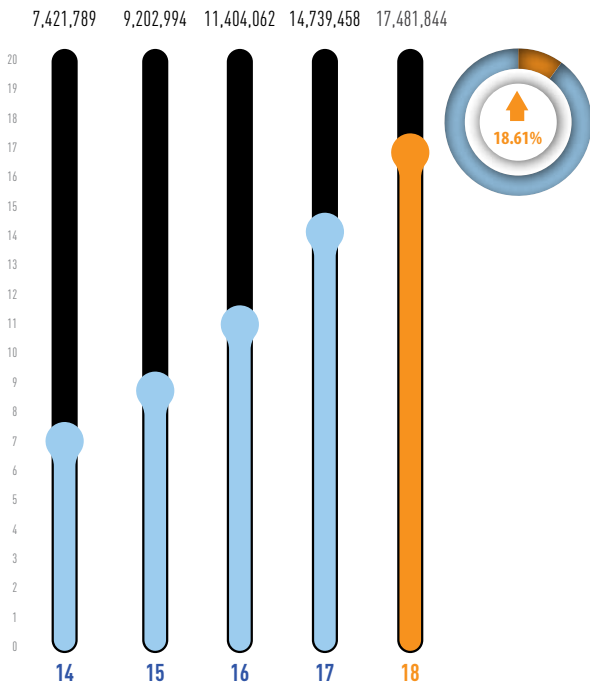
GOOD CORPORATE GOVERNANCE

CORPORATE SOCIAL RESPONSIBILITY

REMARKS	2018	2017	2016	2015	2014	YoY 2017-2018 (%)
LIABILITIES AND EQUITY						
LIABILITIES						
Trade Payables	649,630	606,513	593,910	390,262	523,518	7.11% ↑
Other Payables						
Third Parties	199,947	194,491	150,048	110,205	84,605	2.81% ↑
Related Parties	84,738	30,344	106,733	44,803	53,799	179.26% ↑
Current Tax Liabilities	1,852	33,916	13,594	20,462	11,037	(94.54%) ↓
Accrued Expenses						
Third Parties	220,282	135,559	89,259	94,240	91,704	62.50% ↑
Related Parties	1,828	1,227	868	1,835	2,691	48.98% ↑
Bank Loans						
Third Parties	9,843,103	6,641,977	4,118,987	4,228,720	2,941,445	48.20% ↑
Related Parties	1,379,632	1,602,605	1,502,505	1,272,623	1,364,359	(13.91%) ↓
	11,222,735	8,244,582	5,621,492	5,501,343	4,305,804	36.12% ↑
Unamortized Provision Cost	(34,611)	(34,152)	(12,340)	(14,753)	(14,662)	1.34% ↑
	11,188,124	8,210,430	5,609,152	5,486,590	4,291,142	36.27% ↑
Securities Issued						
Third Parties	1,835,300	2,443,300	2,284,000	1,297,250	1,092,000	(24.88%) ↓
Related Parties	1,014,700	1,231,700	1,041,000	552,750	358,000	(17.62%) ↓
	2,850,000	3,675,000	3,325,000	1,850,000	1,450,000	(22.45%) ↓
Unamortized Issuance Cost	(5,284)	(9,749)	(8,766)	(4,590)	(2,631)	(45.80%) ↓
	2,844,716	3,665,251	3,316,234	1,845,410	1,447,369	(22.39%) ↓
Derivative Payables	89,788	19,540	-	-	-	359.51% ↑
Employee Benefits Obligation	80,024	73,845	50,135	36,549	21,271	8.37% ↑
TOTAL LIABILITIES	15,360,929	12,971,116	9,929,933	8,030,356	6,527,136	18.42% ↑
EQUITY						
Share Capital	-	-	-	-	-	-
Paid-Up Capital	250,000	250,000	250,000	250,000	250,000	0.00% ↑
Other Comprehensive Income:						
Remeasurement of employee benefits obligation - net	(19,519)	(24,567)	(14,695)	(11,496)	(6,080)	(20.55%) ↓
Cumulative Loss on Derivative Instrument for Cash Flow Hedge – net	(33,391)	(12,620)	-	-	-	164.59% ↑
Retained Earnings						
Appropriated	50,000	50,000	50,000	50,000	50,000	0.00% ↑
Unappropriated	1,873,825	1,505,529	1,188,824	884,134	600,733	24.46% ↑
TOTAL EQUITY	2,120,915	1,768,342	1,474,129	1,172,638	894,653	19.94% ↑
TOTAL LIABILITIES AND EQUITY	17,481,844	14,739,458	11,404,062	9,202,994	7,421,789	18.61% ↑

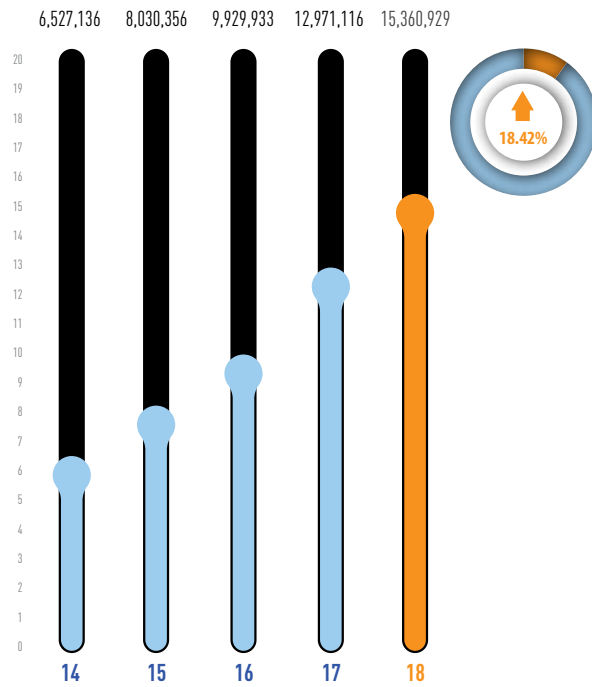
TOTAL ASSETS

(Rp million)



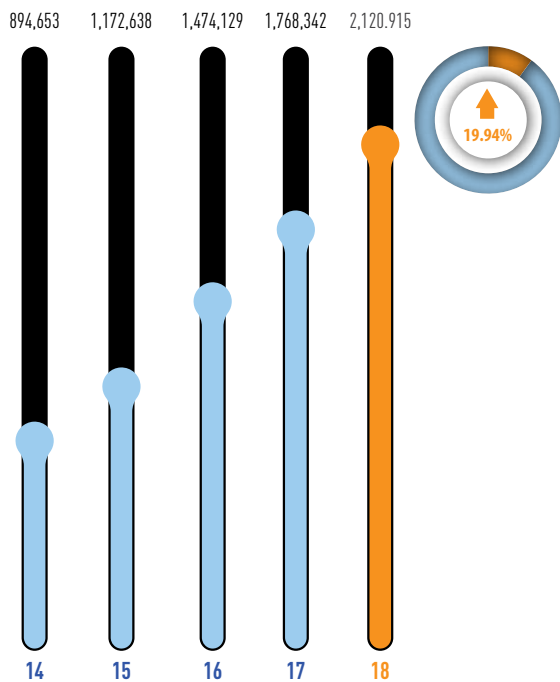
TOTAL LIABILITIES

(Rp million)



TOTAL EQUITY

(Rp million)



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CASH FLOWS*(Expressed in millions of Rupiah, unless otherwise stated)*

REMARKS	2018	2017	2016	2015	2014	YoY 2017-2018 (%)	
Cash Flows from Operating Activities	(1,943,479)	(2,970,105)	(1,329,902)	(1,703,073)	(1,151,645)	(34.57%)	↓
Cash Flows from Investing Activities	(50,719)	(49,941)	(59,268)	(45,974)	(42,357)	1.56%	↑
Cash Flows from Financing Activities	2,088,588	2,922,702	1,555,098	1,567,563	1,276,213	(28.54%)	↓
Net Increase (Decrease) in Cash and Cash Equivalents	94,390	(97,344)	165,928	(181,484)	82,211	196.97%	↑
Cash and Cash Equivalents at The Beginning of Year	160,550	257,894	91,966	273,450	191,239	(37.75%)	↓
Cash and Cash Equivalents at The End of Year	254,940	160,550	257,894	91,966	273,450	58.79%	↑

FINANCIAL RATIOS

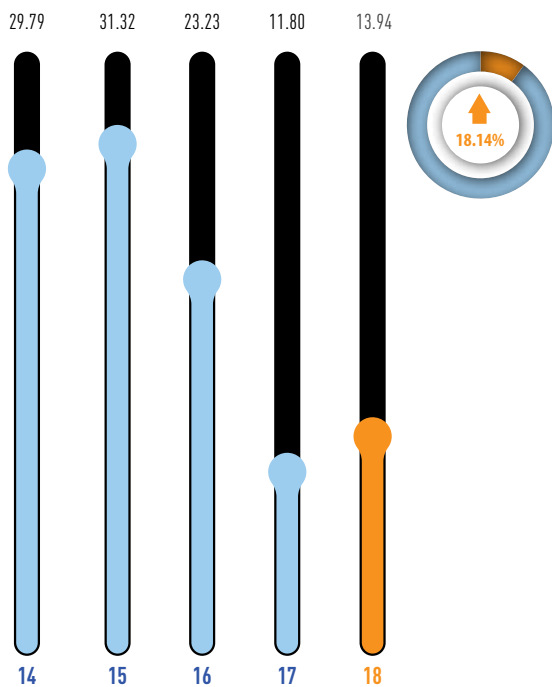
REMARKS	2018	2017	2016	2015	2014	YoY 2017-2018 (%)	
PROFITABILITY							
Return on Assets	2.50%	2.68%	3.25%	3.69%	3.58%	(6.72%)	↓
Return on Assets*	3.35%	3.58%	4.36%	4.94%	4.78%	(6.42%)	↓
Average asset yield *	3.33%	3.67%	4.32%	5.11%	4.74%	(9.26%)	↓
Equity yield	20.74%	21.60%	25.34%	29.68%	29.62%	(3.98%)	↓
Average equity returns	20.73%	22.10%	25.53%	29.77%	29.71%	(6.20%)	↓
Total Income/Total Assets	17.85%	18.58%	21.48%	21.60%	20.39%	(3.93%)	↓
PRODUCTIVE ASSETS							
Net managed financing receivables **	43,490,232	36,849,316	31,272,392	26,758,485	21,161,175	18.02%	↑
Joint financing receivables **	27,217,063	23,032,176	20,470,388	18,000,423	14,289,451	18.17%	↑
Problematic receivables under management	0.83%	0.80%	1.49%	1.20%	1.15%	3.75%	↑
LIQUIDITY							
Total liabilities / total assets (times)	0.88	0.88	0.87	0.87	0.88	0.00%	-
Total liabilities / total equity (times)	7.24	7.34	6.74	6.85	7.30	(1.36%)	↓
Interest debt / total equity *** (times)	6.62	6.72	6.05	6.25	6.41	(1.49%)	↓

REMARKS	2018	2017	2016	2015	2014	YoY 2017-2018 (%)
GROWTH						
Revenue growth	13.94%	11.80%	23.23%	31.32%	29.79%	18.14% ↑
Growth of income for the year	15.15%	4.43%	9.31%	31.09%	32.62%	241.99% ↑
Asset growth	18.61%	29.25%	23.92%	24.00%	31.59%	(36.38%) ↓
Liabilities growth	18.42%	30.63%	23.65%	23.03%	31.74%	(39.86%) ↓
Equity growth	19.94%	19.96%	25.71%	31.07%	30.47%	(0.10%) ↓
OTHER RATIO						
Income before income tax expense/revenue	17.30%	17.10%	18.33%	20.67%	20.64%	1.17% ↑
Net profit after tax for the year/revenue	12.93%	12.79%	13.69%	15.44%	15.46%	1.09% ↑
Cost efficiency ratio	49.33%	46.50%	42.67%	45.43%	44.81%	6.09% ↑

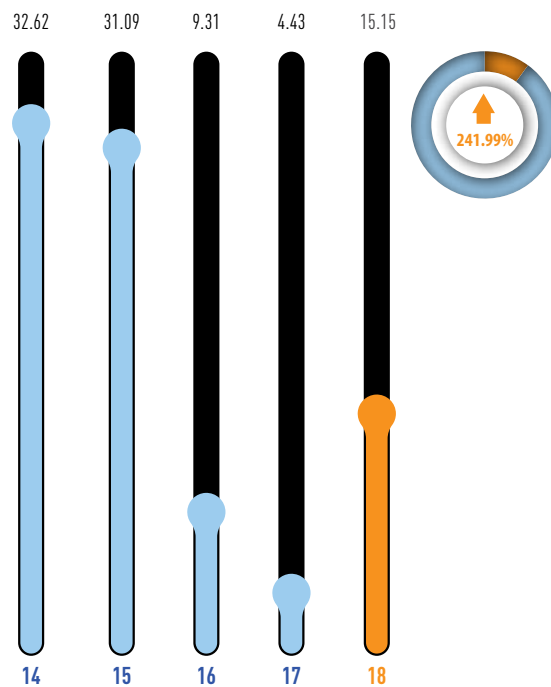
Notes:

- * Using a calculation of pre-tax profits
- ** In million rupiah
- *** Gearing ratio

REVENUE GROWTH (%)



GROWTH OF INCOME FOR THE YEAR (%)



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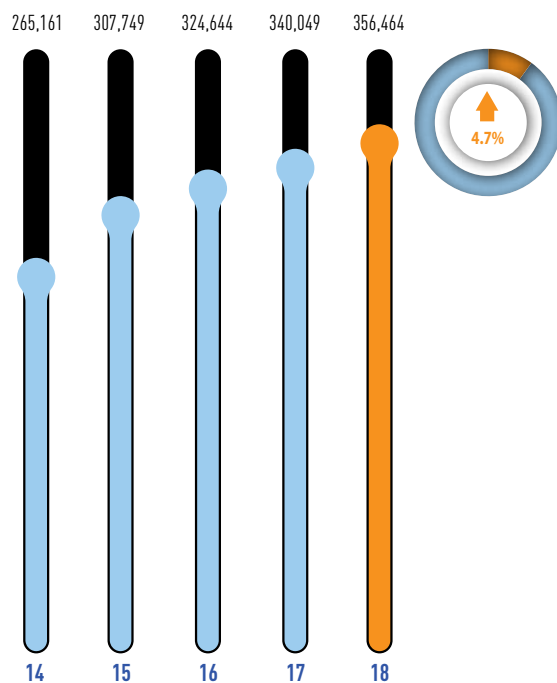
CORPORATE SOCIAL RESPONSIBILITY

OPERATIONS OVERVIEW

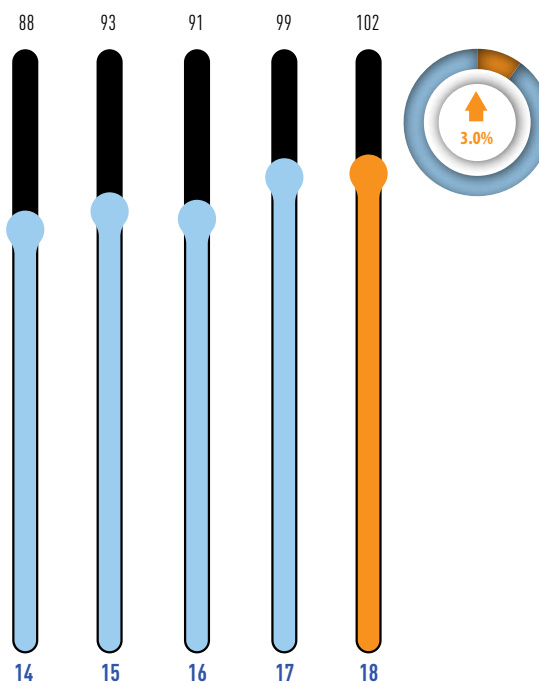
OPERATIONS OVERVIEW

REMARKS	2018	2017	2016	2015	2014	YoY 2017-2018 (%)
Total Consumers	356,464	340,049	324,644	307,749	265,161	4.7% ↑
Total Branches	102	99	91	93	88	3.0% ↑
New Financing	Rp26.99 trillion	Rp22.20 trillion	Rp18.63 trillion	Rp17.14 trillion	Rp14.78 trillion	21.6% ↑
Total Human Resources	3,448	3,467	3,572	3,725	3,329	0.5% ↑

TOTAL CONSUMERS



TOTAL BRANCHES



SUMMARY OF BONDS, BONDS BASED ON SHARIA PRINCIPLES OR CONVERSION BONDS

Mandiri Tunas Finance has issued several Bonds whose funds are used entirely for motor vehicle financing activities. Although Mandiri Tunas Finance received full support for funding facilities, especially Joint Financing from PT Bank Mandiri (Persero) Tbk, Mandiri Tunas Finance continued to diversify its funding to support business

performance. Issuance of Bonds, among others, aims to maintain good relations with investors and maintain existence in the Capital Market.

The Bonds that are still outstanding and still not fully paid for the 2017-2018 period can be seen in the table below

SUMMARY OF BONDS

Year	Name of Bond	Series	Rating	Bond Value (Rp)	Interest Rate	Interest Payments Frequency	Date Publishing	Due Date
2015	MTF Continuing Bonds I Phase III	-	idAA	150,000,000,000	9.75 % p.a	Every 3 (three) months	Jun 9, 2015	Jun 9, 2018
		A	idAA	500,000,000,000	10.20 % p.a	Every 3 (three) months	Dec 18, 2015	Dec 18, 2018
			100,000,000,000	10.80 % p.a	Dec 18, 2015		Dec 18, 2020	
2016	MTF Continuing Bonds II Phase II			600,000,000,000				
		A	idAA	720,000,000,000	8.95 % p.a	Every 3 (three) months	Jun 1, 2016	Jun 1, 2019
		B	idAA	680,000,000,000	9.25 % p.a		Jun 1, 2016	Jun 1, 2021
				1,400,000,000,000				
	MTF Continuing Bonds III Phase I	A	idAA+	400,000,000,000	8.20% p.a	Every 3 (three) months	Oct 7, 2016	Oct 7, 2019
		B	idAA+	100,000,000,000	8.55% p.a		Oct 7, 2016	Oct 7, 2021
			500,000,000,000					
2017	MTF Continuing Bonds III Phase II	A	idAA+	610,000,000,000	8.50% p.a	Every 3 (three) months	Jun 6, 2017	Jun 6, 2020
		B	idAA+	240,000,000,000	8.85% p.a		Jun 6, 2017	Jun ,6 2022
TOTAL							Rp3,350,000,000,000	

In addition to the above bonds, Mandiri Tunas Finance does not issue any securities in other forms.

INFORMATION ABOUT OTHER FUNDING SOURCES

Mandiri Tunas Finance has several times issued Medium Term Notes (MTN) in order to diversify funding to strengthen vehicle financing. The latest Medium Term Notes were issued under the name Mandiri Tunas Finance Medium Term Notes (MTN) III in 2012 with a value of Rp200,000,000,000 issued on February 2, 2012. The Medium Term Notes have been fully paid in accordance with maturity date on February 2, 2015.

Since the publication of Mandiri Tunas Finance Medium Term Notes (MTN) III in 2012 until the end of 2018, Mandiri Tunas Finance has no longer issued Medium Term Notes. All funding for financing motorized vehicles is fulfilled from Joint Financing from PT Bank Mandiri (Persero) Tbk as the parent entity, and bond issuance as described above.

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SHARE OVERVIEW

NUMBER OF SHARES

The number of shares of Mandiri Tunas Finance is 2,500,000,000 shares, with ownership of PT Bank Mandiri (Persero) Tbk totaling 1,275,000,000 shares or 51.00%, and PT Tunas Ridean Tbk with 1,225,000,000 shares or 49.00%. Mandiri Tunas Finance does not issue shares to be owned by the public or by management or employees.

shares are listed; and information in graphical form that contains at least the closing price based on the price on the Stock Exchange where the shares are listed and the trading volume of shares on the Stock Exchange where the shares are listed; For every quarter in the last 2 (two) years, including temporary suspension of stock trading in the last 2 (two) years.

INFORMATION ABOUT STOCK TRADING AND PUBLIC SHARE OWNERSHIP

As of December 31, 2018 Mandiri Tunas Finance has never conducted an Initial Public Offering and has not traded its shares to the public. Therefore, there is no information related to stock trading that contains market capitalization based on the prices on the Stock Exchange where the shares are listed; the highest, lowest and closing share price based on the price on the Stock Exchange where the shares are listed; trading volume of shares on the Stock Exchange where the



INFORMATION ABOUT CORPORATE ACTIONS

Throughout 2017 and 2018, Mandiri Tunas Finance does not carry out corporate actions such as stock splits, reverse stock, bonus shares, or a decrease in share nominal value.

SHARE DIVIDEND

The distribution of Share Dividends for the results of the 2016 financial year conducted in 2017 and the Share Dividend for the results of the 2017 financial year distributed in 2018 are as follows:

SHARE DIVIDEND

Share Dividend	2018 (for Stock Dividend for Financial Year 2017)	2017 (for Stock Dividend for Financial Year 2016)	Increase (Decrease)
Amount of Dividend Distributed (Rp - Million)	35,024	33,537	4.43% 
Cash Dividend per Share (Rp)	14.01	13.00	7.69% 
Dividend Distribution Ratio (%)	10%	10%	-
Announcement Date	March 9, 2018	April 10, 2017	-
Payment Date	March 29, 2018	April 27, 2017	-

EVENTS HIGHLIGHTS



JANUARY 20-21 NATIONAL WORK MEETING

PT Mandiri Tunas Finance (MTF) held a National Work Meeting (Rakernas) which was attended by all Managers levels to the Board of Directors in order to gather solidarity and enthusiasm to welcome 2018. The activity was held at Aston Hotel, Sentul, Bogor, starting with "fun rally" continued with a series of sharing sessions, getting commitment, and was closed with music entertainment.



FEBRUARY 6 CELEBRATION OF THE 9TH MTF ANNIVERSARY

PT Mandiri Tunas Finance (MTF) celebrated its 9th anniversary at Ballroom Graha Mandiri, which was attended by Anton Setiawan as MTF's founding father and owner of Tunas Group, MTF Commissioner, Harry Gale, and MTF Independent Commissioner, Ravik Karsidi. This celebration also signifies that MTF has served customers in the field of motor vehicle financing in Indonesia for 9 whole years. On that occasion, President Director of MTF, Ignatius Susatyo Wijoyo, inaugurated the Company's new product, MTF Signature which offered a down payment of 9%.



FEBRUARY 13 INAUGURATION OF THE MANADO BRANCH OFFICE

PT Mandiri Tunas Finance (MTF) inaugurated a branch office in the city of Manado, which was attended by Deputy Director of MTF, Albertus Henditrianto, and Regional Manager of Region IX, Makkah Indra Purnomo. MTF Office Manado Branch is located at Jalan Piere Tendeau Komplek Ruko Marina Plaza, Blok C No. 3, Kota Manado, North Sulawesi. With a more strategic and accessible office location, MTF is confident that it can better serve customers around the city of Manado.



FEBRUARY 27 PRESS CONFERENCE ON MTF PERFORMANCE FOR 2017 FINANCIAL YEAR

PT Mandiri Tunas Finance (MTF) held a 2017 Press Conference on MTF Year Performance. In its presentation, MTF as one of the nation's assets proved to be consistent in its commitment to contribute to the acceleration of Indonesia's economic development. This is reflected in the results of the Company's efforts to maintain sustainable growth in line with the distribution of motorized vehicle financing in 2017. MTF President Director, Ignatius Susatyo Wijoyo, explained, "Throughout 2017, MTF has channeled new financing of Rp22.2 trillion or up 19 % compared to new financing in 2016 of IDR 18.6 trillion. Of the total financing, 72.78% was channeled to passenger cars, 19.57% for commercial vehicles, then 7.46% for heavy equipment and others".



MARCH 2 MTF WON TWO AWARDS IN THE FIELD OF CORPORATE SECRETARY & CORPORATE COMMUNICATION AND IT

PT Mandiri Tunas Finance (MTF) won two awards in the field of Corporate Secretary & Corporate Communication and Information Technology, which is the Corporate Secretary of Indonesia & Corporate Communication (ICCA) Award III 2018 for the Multifinance category in the Platinum industry, as ranked 1 with a score of 94, with the title "Very Excellent". As well as the 2018 Indonesia Information Technology (ITA) Award I in the Platinum category, ranked 1st with a score of 88.54, with the title "Very Excellent". Both awards were received by Deputy Director of MTF, William Francis Indra.



MARCH 9 PT MANDIRI TUNAS FINANCE'S ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR FINANCIAL YEAR 2017

PT Mandiri Tunas Finance (MTF) conducted the Annual General Meeting of Shareholders (GMS) for the 2017 Financial Year at the Belitung Room, Plaza Mandiri 2nd Floor, Jakarta. One of the results of the Annual GMS was to amend the composition of the Board of Directors, namely to appoint Arya Suprihadi as President Director, and Harjanto Tjitohardjojo and Armendra as Directors.

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MARCH 23 GREETINGS FROM THE DIRECTORS OF MTF

PT Mandiri Tunas Finance (MTF) held a welcoming event for MTF Directors at Graha Mandiri Ballroom, Jakarta. MTF expressed its gratitude to Ignatius Susatyo Wijoyo for completing his term as President Director from 2009 until 2018. On this occasion, MTF also congratulated Arya Suprihadi as the new President Director, and Armendra as a new member in the Board of Directors, which was appointed through the decision of the Annual GMS in 2018.



APRIL 15 JOGJA MARATHON 2018

PT Mandiri Tunas Finance (MTF) participated as a sponsor and participant in the Jogja Marathon 2018 event organized by Bank Mandiri. The President Director of MTF, Arya Suprihadi, Director of MTF, Armendra and Deputy Director of MTF, Albertus Hendi, attended and participated in this running event. In this event, MTF runners participated in the 5K, 10K and Full Marathon (42K) categories.



APRIL 17 PARTICIPATION IN THE APPI SPORTS WEEK

PT Mandiri Tunas Finance (MTF) once again recorded achievements in the field of sports, namely as a 1st Place Tennis Champion and getting 2nd place in the 5K Fun Run category at the Sports Week (POR) event organized by the Indonesian Financial Services Association (APPI). In an activity held in Jakarta on April 2018, MTF participated as a sponsor and participant in a number of sports.



APRIL 19 MTF OFFICIAL LEASING IIMS 2018

PT Mandiri Tunas Finance (MTF) became the Official Leasing Partner for the Indonesia International Motor Show (IIMS) 2018. The event organized by Dyandra was located at JIEXPO, Kemayoran, Jakarta. MTF was present in the IIMS 2018 to meet the financing needs of community vehicles for 10 days between 10 and 19 of April 2018



MAY 25 BREAK FASTING WITH MTF EMPLOYEES AND ORPHANS

PT Mandiri Tunas Finance (MTF) holds a joint Break Fasting event, as one of the hospitality events between Management and employees that is routinely held every Ramadhan month. The event which was held at Graha Mandiri Ballroom, Jakarta, was attended by all Directors and employees in the Head Office. The break fasting event was also enlivened by the appearance of MTF talents. While the tauziah session was delivered by Prof. Dedi Djubaedi who is a Professor of Syarif Hidayatullah UIN Jakarta. In the event, MTF also invited and shared with orphans from one of the orphanages in Jakarta



JULY 19-21 2018 LEADERSHIP FORUM "SYNERGY & INNOVATION TO BREAK THE LIMIT"

PT Mandiri Tunas Finance (MTF) held a 2018 Leadership Forum event in Belitung, with themed "Synergy and innovation to break the limit". This indicates how increasingly solid the MTF Management in facing challenges in the second semester of 2018. The event was attended by all Directors, Heads of Divisions and Heads of Regions MTF. During the event, Bank Mandiri Senior Economist, Andry Asmoro, presented material on Indonesia's macroeconomic updates which became a reference for Management.



AUGUST 10
MTF WON THREE 2018 TOP
MULTIFINANCE AWARDS

PT Mandiri Tunas Finance (MTF) re-incised achievements in the world of financing business, with the achievement of the 2018 TOP Multifinance award from BusinessNews Indonesia Magazine. The award ceremony was held in Jakarta, and was attended by MTF President Director, Arya Suprihadi. In the event, MTF received three award categories, namely TOP Multifinance (assets of Rp10-20 trillion), TOP CEO Multifinance - Arya Suprihadi, and TOP Multifinance in the field of Digital Technology Implementation.



AUGUST 20
CELEBRATION OF THE 73RD
INDONESIAN INDEPENDENCE
DAY

PT Mandiri Tunas Finance (MTF) celebrated the 73rd independence day of the Republic of Indonesia at Graha Mandiri, Jakarta, simply attended by the Board of Directors and all employees at the head office.



AUGUST 30
PARTICIPATION IN BANK
MANDIRI SPORTS AND ART
WEEK

PT Mandiri Tunas Finance (MTF) participated in Sports and Art Week (Porseni) which was held regularly every year by Bank Mandiri, and was attended by not only Bank Mandiri employee representatives but also employees of the Mandiri Group Subsidiary Company.



SEPTEMBER 4
NATIONAL CUSTOMER DAY
CELEBRATION

PT Mandiri Tunas Finance (MTF) celebrated National Customer Day (Harpelnas) with simultaneously the MTF Board of Directors and Branch Heads at 99 Branch Offices, directly serving customers. In addition, the MTF Directors also delivered their own ordered cars to the customer's address, as well as stay in touch with customers and their families. MTF launched a number of promotional programs carried out in connection with Harpelnas, and re-introduced the MTF GO application with MTF Aksesku feature. MTF GO itself is an application that makes it easy for customers to get information about MTF, either about products, applicable interest rates, prices and specifications of vehicles, branch addresses and credit simulations.



OCTOBER 12
INAUGURATION OF UNGARAN
BRANCH OFFICE

PT Mandiri Tunas Finance (MTF) Ungaran Branch Office, which was inaugurated directly by MTF President Director, Arya Suprihadi, and accompanied by Region VI Regional Manager, Puji Bisno Santoso, Corporate Secretary & Legal Business Division Head, Vivid Zulprimiandanni, Ungaran MTF Branch Manager, Doddy Pratidina, as well as a number of other invited guests. Ungaran MTF Branch Office is located in Ruko Mutiara Square No.6, Jalan Gatot Subroto 133, Ungaran.



OCTOBER 20
PARTICIPATION IN MANDIRI
KARNAVAL 2018

PT Mandiri Tunas Finance (MTF) participated in the Mandiri Carnival event in celebration of the 20th anniversary of Bank Mandiri by setting up a booth to introduce MTF products to visitors.

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OCTOBER 21 EMPLOYEE GATHERING 2018

PT Mandiri Tunas Finance (MTF) held an annual Employee Gathering event which was attended by around 1,400 employees in Jakarta and surrounding areas. The event was held to improve employee togetherness and cohesiveness, as well as show the company's appreciation. The activity was also carried out on the same month by MTF employees throughout Indonesia.



OCTOBER 26-28 APPI MULTIFINANCE DAY

PT Mandiri Tunas Finance (MTF) participated in the Multifinance Day activities held by the Indonesian Financing Companies Association (APPI) together with 34 finance companies in Trans Studio Mall Makassar. This event is part of financial inclusion activities, which are Government programs.



NOVEMBER 8 MTF COLLABORATES WITH THE DIRECTORATE GENERAL OF POPULATION AND CIVIL REGISTRY (DUKCAPIL)

PT Mandiri Tunas Finance (MTF) collaborated with the Directorate General of Population and Civil Registry (Dukcapil) in order to improve services to customers. The signing of the cooperation agreement established by the two parties was held in Jakarta. Present at the event, Director General of Dukcapil, Prof. Dr. Zudan Arif Fakrulloh SH, MH, Director of Facilitation of Utilization of Population Data and Documents, Ir. Gunawan, MA, President Director of MTF, Arya Suprihadi, MTF Director, Harjanto Tjitohardjojo, and all other invitations. With this cooperation, MTF and Dukcapil synergize in improving Administrative Service Standards (SPA) by accelerating the service process and information validation.



NOVEMBER 29 INVESTOR GATHERING OF BOND ISSUANCE

PT Mandiri Tunas Finance (MTF) held an Investor Gathering event in the context of the Sustainable Public Offering of Mandiri Tunas Finance Continuing Bonds IV Phase I in 2018 with an achievement target of Rp1 trillion. The issuance of the bonds is part of the issuance of Sustainable Bonds IV which targets funds with a nominal value of as much as Rp3 trillion. The Investor Gathering event held in Jakarta, was attended by the Board of Directors of MTF, Bond Underwriters, Supporting Institutions, potential investors, and the mass media.



NOVEMBER 29 MTF RECEIVED THE 2018 BEST MULTIFINANCE AWARD

PT Mandiri Tunas Finance (MTF) won the award as the best finance company in Indonesia with assets above Rp10 trillion from The Finance, a digital platform media which is part of Infobank Group. This award was received directly by the President Director of MTF, Arya Suprihadi, who was present at the "Top 20 2018 Financial Institutions" awarding ceremony.



DECEMBER 11 MANDIRI TUNAS FINANCE BUSINESS CASE COMPETITION

PT Mandiri Tunas Finance (MTF) held the Mandiri Tunas Finance Business Case Competition for senior students from various universities throughout Indonesia. Carrying the theme "Empowering Youth Idea to Transform Multifinance Business", the final assessment session of the finalists was held in Jakarta, on December 11, 2018. The participants were final year students from universities throughout Indonesia such as the University of Indonesia, Gajah Mada University, Universitas Brawijaya, Bandung Institute of Technology, Sepuluh Nopember Institute of Technology etc.



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"The target achievements that have been set at the beginning of 2018 is the key for shareholders to be able to assess the Company's performance. MTF management has proven this success. "

Rico Adisurja Setiawan

President Commissioner

The Board of Commissioners has view that these directives will provide a great impetus for the Company to be able to accelerate and grow in the future, especially with the support of several management strategies that have great potential

Dear shareholders and stakeholders,

As part of a business group of PT Bank Mandiri (Persero) Tbk which is a State-Owned Enterprise (BUMN) in the banking sector, and PT Tunas Ridean Tbk as a business actor in the automotive industry, PT Mandiri Tunas Finance, also called "Company" or "MTF " has a great responsibility to be able to present an accountable business financing and organizational development management. The Board of Commissioners takes part in the realization of these responsibilities, through the supervisory function of the management of the Company by the Board of Directors.

Allow the Board of Commissioners to present a glimpse of its report in the Company's annual report in 2018, which will be an important part of management's reporting on the Company's performance throughout 2018.

PERFORMANCE ASSESSMENT OF THE BOARD OF DIRECTOR ON COMPANY MANAGEMENT AND THE BASICS OF ASSESMENT

An assessment of the performance of the Board of Directors is based on the direction of the shareholders

as stated in the Decree of PT Bank Mandiri (Persero) Tbk No. RTB / 100/2018 dated January 29, 2018 concerning Directives Regarding Priorities and Main Target of MTF in 2018. Through these directives, a management contract was agreed as a Key Performance Indicator (KPI) as criteria to evaluate Directors performance. These directives include giving the Company top priority on the following matters:

- Net profit growth to maintain the Return on Equity level.
- Expansion through Joint Financing to maintain the health of finance companies.
- Management of asset quality to create a healthy financing portfolio.
- Implementation of Good Corporate Governance and strong risk management.
- The Company's strategic contribution to strengthen synergies within Bank Mandiri Group.

To measure and guide the Company's performance in implementing the above priorities, the main targets set are as follows:

PT Mandiri Tunas Finance

Ruang Belitung - Plaza Mandiri Lt. 2

Jakarta 9 Maret 2018



Indicator	%	Target
Net Profit	30%	Rp370.5 billion*
Joint Financing Principal Loan	35%	Rp26.2 trillion*
Non Performing Financing	35%	1.66%*

- Financial statements obtain fair opinions or equivalents from auditors.
- Subsidiary risk profile gets a maximum score of 2 (low to moderate / satisfactory).

* Targets adjust to the latest 2018 RKAP approved by Bank Mandiri

In addition, the Company's strategic contribution to Bank Mandiri Group is an important part of the direction given by shareholders, with the hope that the Company will be able to bring Bank Mandiri Group to become the market leader in the new car segment by 2022. The Board of Commissioners has view that these directives will provide a great impetus for the Company to be able to accelerate and grow in the future, especially with the support of several management strategies that have great potential, such as:

- # 1 in New Car financing
- Increase new car market share 14% -> 15%
- P2P Lending / Financial Technology

- Remarketing Financing
- Mobile Platform Development
- Partnership with Online Marketplace
- Initiative for Reducing CER

The Board of Commissioners appreciates the performance of the Board of Directors throughout 2018. The Lending target of Rp27 trillion and a profit target of Rp400 billion in year 2018, has been successfully achieved. This success cannot be separated from the leadership role of the Board of Directors and the cooperation of all parties involved in the Company's business.

GIVING ADVICE TO BOARD OF DIRECTORS AND SUPERVISION OF COMPANY STRATEGY IMPLEMENTATION

The role of supervision of the Board of Commissioners is carried out through the intense involvement of the Board of Commissioners on a regular basis in giving direction to the preparation of the Company's work plan to the Directors. The Board of Commissioners and Directors have a joint meeting forum that discusses various agendas

regarding work plans, operations, business opportunities, and strategic issues that require the approval of the Board of Commissioners. This meeting is a form of coordination in order to discuss the Directors' periodic reports and provide responses, notes and advice as outlined in the minutes of the meeting.

Throughout 2018, a joint meeting between the Board of Commissioners and Directors is conducted 8 (eight) times. Of the 8 meetings, the average attendance of the Board of Commissioners reached 91.67% or an average attendance rate of 7.33 meetings, while the presence of the Board of Directors reached 87.50% or an average attendance rate of 7 meetings. This shows the commitment of the two organs, both the Board of Commissioners and the Directors, to be able to sit together and discuss the challenges and achievements of the Company. The Board of Commissioners hopes that this commitment can be maintained in the future.

IEWS ON BUSINESS PROSPECTS COMPILED BY THE BOARD OF DIRECTORS

The Board of Commissioners is optimistic about the 2019 target prepared by the Board of Directors and has been approved by shareholders. The target is considered realistic and very optimal when associated with business challenges in 2019. Net profit is targeted at Rp.440 billion. Besides targeting net income, management is targeting the general agenda of the 2019 RKAP, which is to coordinate with Bank Mandiri in connection with the restructuring of customers affected by the earthquake (force majeure) in Lombok, Palu and Donggala. In addition, an equally important target is multipurpose financing that will continue to be strengthened and increase the effectiveness of handling Account Receivable (AR) to suppress Loss on Repo (LOR).

This target is believed by the Board of Commissioners to be achievable, although the challenges that will be faced in 2019 are not easy, such as the existence of the General Election agenda. However, with the performance capabilities of the

Company's management, the Board of Commissioners is optimistic that these targets can be achieved.

IMPLEMENTATION VIEW OF GOOD CORPORATE GOVERNANCE

The Board of Commissioners views that the management of the Company has endeavored to always comply with the provisions of OJK Regulation No. 30 / POJK.05 / 2014 concerning Good Corporate Governance for Financing Companies, among others, implemented through the following matters:

- The Company is always on time in holding the General Meeting of Shareholders (GMS).
- The Board of Commissioners, Directors and Audit Committee meet regularly at least once a month.
- The Company submits reports to regulators in a timely and accurate manner.
- Transparency of financial performance both through websites and press conferences on a regular basis once every 3 (three) months.
- Complying with regulations for the finance company sector.
- Establish an Integrated Governance Guidelines with the holding company Bank Mandiri.

The Board of Commissioners always provides direction to all GCG organs in the Company, and always reviews the developments that have been made towards the implementation of GCG. One of the achievements of GCG in 2018 is the acceptance of the Good Corporate Governance Award 2018 - Indonesia Trusted Companies, with category of the Trusted Company Based on the Corporate Governance Perception Index (CGPI) on December 19, 2018 provided by the IICG - SWA Institute. This award is also a benchmark for the Company to be able to evaluate the application of GCG principles within the Company.

ABOUT THE VIOLATION REPORTING MECHANISM IMPLEMENTED IN THE COMPANY

Until the end of 2018, the Company has not implemented

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a Whistleblowing System (WBS) that is managed independently. The violation reporting system is carried out through the Company's internal organizational mechanisms managed by the Human Capital Division and followed up through applicable regulations.

The Company is committed to developing WBS in 2019 as part of the implementation of GCG principles within the Company, which is based on the management of an accountable organization.

of Commissioners includes the Audit Committee, Nomination and Remuneration Committee, and Risk Monitoring Committee. Throughout 2018, the Board of Commissioners considered that these committees had carried out their duties and responsibilities well and effectively. Regular meetings conducted by each committee became an important point for the implementation of the duties and functions of each committee, especially in providing input to the Board of Commissioners.

ASSESSMENT OF THE PERFORMANCE OF COMMITTEES UNDER THE BOARD OF COMMISSIONERS

The Board of Commissioners in carrying out its duties and functions along with its responsibilities assisted by the Committee under the supervision of the Board

COMPOSITION CHANGES OF THE BOARD OF COMMISSIONERS

In 2018, shareholders decided not to make changes to the composition of the Board of Commissioners. Therefore, the composition of the Board of Commissioners as of December 31, 2017 and December 31, 2018 are the same.

Name	Position	Term of Office
Rico Adisurja Setiawan	President Commissioner	GMS year 2017 – GMS year 2020
Harry Gale	Commissioner	GMS year 2017 - GMS year 2020
Ravik Karsidi	Independent Commissioner	GMS year 2017 - GMS year 2020 Position Period: 1st (previously never served as the Company's Board of Commissioners)

THE FINAL WORD

To the shareholders, the Board of Commissioners would like to thank them for their trust. The Board of Commissioners expresses its appreciation to the Board of Directors for the cooperation and commitment that has been demonstrated. The Board of Commissioners also expressed appreciation

to all the Company's employees who have contributed optimally. The Board of Commissioners sincerely hopes that the 2018 journey will become an important note for all levels to be able to continue to formulate the right strategy and be able to bring the Company towards better growth.

On Behalf of The Board of Commissioners

Jakarta, March 2019



Rico Adisurja Setiawan

President Commissioner

BOARD OF DIRECTORS REPORT



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"The value of MTF Financing reached Rp26.99 trillion, an increase of Rp4.79 trillion or 21.56% of the 2017 Financing Value of Rp22.20 trillion. This Financing Increased Value encourages the increase of the Company's revenues and profits in 2018. "

Arya Suprihadi

President Director



Dear shareholders and stakeholders,

Year of 2018 is a challenging year for the finance services industry, especially in the financing sector for vehicles. The stagnant market growth made PT Mandiri Tunas Finance, also called the "Company" or "MTF", carry out a series of strategies to continue to accelerate the growth of its business. This annual report is part of management reporting on the Company's strategy and performance throughout 2018, as well as documentation of the Company's journey to achieve the vision and mission that has been proclaimed.

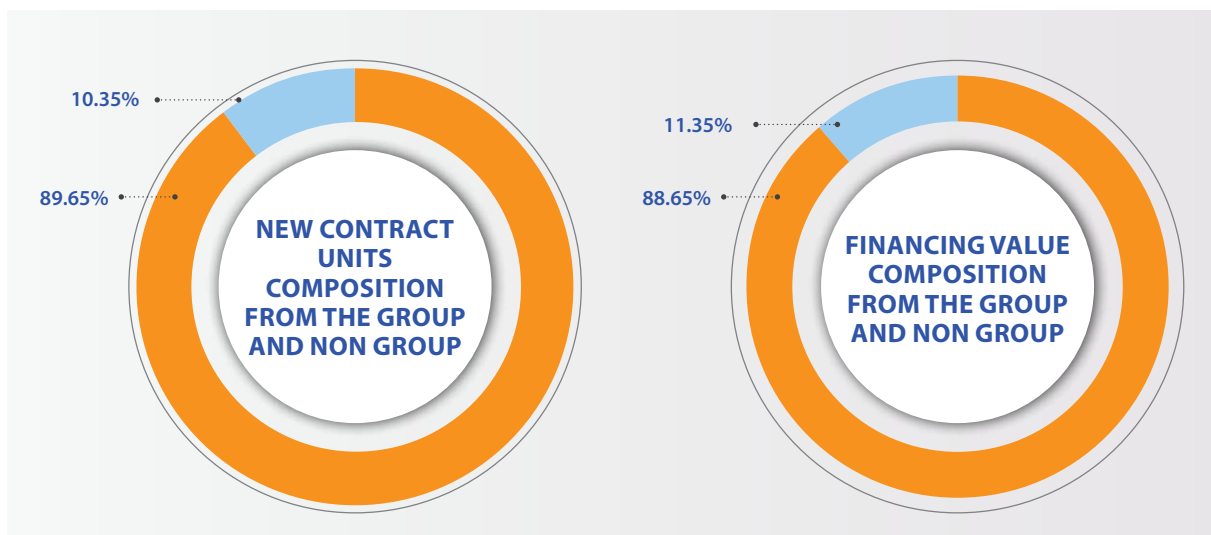
STRATEGIC AND STRATEGIES POLICIES IN 2018

The Company is engaged in investment, working capital, multipurpose, factoring and other business activities based on the approval of the Financial Services Authority (OJK), and has a license based on the latest amendment to the Minister of Finance Decree No. KEP-352 / KM.10 / 2009 dated September 29, 2009. The Company's main advantage lies in the financial strength of PT Bank Mandiri (Persero) Tbk and the automotive dealer network of PT Tunas Ridean Tbk.

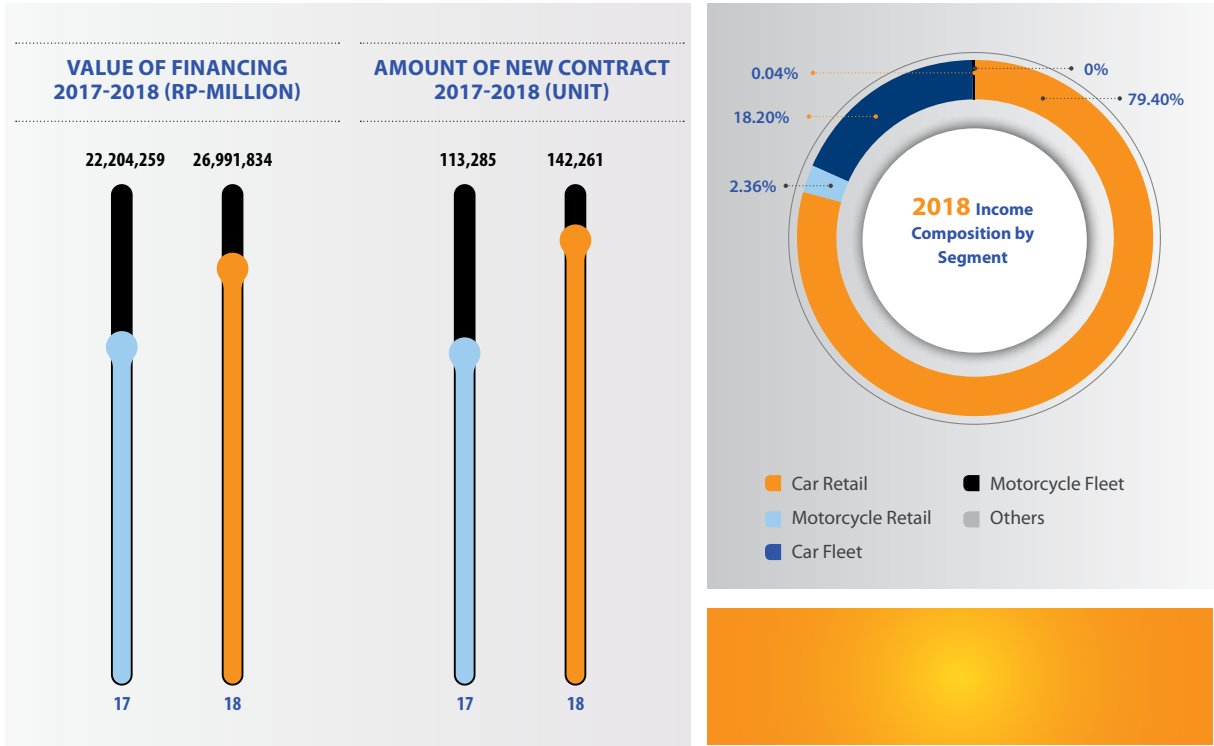
However, the Company tried to find other funding sources such as the sale of Bonds and Medium Term

Notes. Since 2015, the Company has issued 9 (nine) Bonds; the last is MTF Sustainable Bonds III Phase II Series A and Series B on June 6, 2017 with a total value of Rp850 billion. Also with the dealer network, the Company seeks to continue to expand the market. As of December 31, 2018, the Company's Financing Value reached Rp26.99 trillion, an increase of Rp.4.79 trillion or 21.56% of the 2017 Financing Value of Rp22.20 trillion. The amount of New Contracts in 2018 was 142,261 units, an increase of 25.58% from the amount of New Contracts in 2017 which was 113,285 units. From that Value of Financing and the New Contract, the composition between the origin of the contract from TURI / Group and Non Group is actually dominated by Non Group, as shown in the table below.

In carrying out its business, the Company divides operating segments based on major customer groups and products, namely Fleet and Retail. The Retail segment is derived from consumer financing for individual customers, while the Fleet segment is derived from financing for corporate customers. Each segment provides financing for car and motorcycle products. In terms of income, in 2018 the Retail segment contributed up to 81.76% which was obtained from financing 79.40% car products and 2.36% motorcycle products. While the Fleet segment contributed 18.24% obtained from financing 18.20% of car products and 0.04% of motorcycle products.



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From industry perspective, new car sales in 2018 grew 6.9%, above sales in 2017 which only grew 1.4%. This growth indicates a fairly tight competition in financing services for car products. To that end, the Company formulates a large strategy to be able to face the challenges of market competition.

improved services for prospective customers; one of them was through a breakthrough by launching an agency system for external customers named WIRA. For KI / KMK financing, the Company sees great potential especially to answer various commercial customer needs through the launch of products such as dealer financing and factoring.

he shifting to high margin product strategy is carried out by increasing market share and business diversification on high margin products such as multipurpose and Investment Credit / Working Capital Credit (KI / KMK). After being launched in 2017, in 2018 MTF multipurpose financing products made process improvements and

Beside product diversification, the Company seeks to improve the Service Level Agreement (SLA) by using technology in the process to accelerate the SLA; and collaborating with third parties to expand sales channels and improve customer service to increase customer satisfaction.

MTF MAIN STRATEGY TO FACE THE CHALLENGES IN MARKET COMPETITION

<p>SHIFTING TO HIGH MARGIN PRODUCT</p>	<p>IMPROVEMENT OF SERVICE LEVEL AGREEMENT (SLA)</p>	<p>SINERGY WITH BANK MANDIRI GROUP</p>
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The company also embodies synergies within Bank Mandiri Group through Bank Mandiri's referral program for Motor Vehicle Credit (KKB) products and Fleet segment services. One of the important synergies in Bank Mandiri Group is through the collaboration of PT Bank Syariah Mandiri OTO, where the Company acts as a servicing agent to carry out the survey process to customers, assist the credit process and help customers contact dealers. All of these strategies are certainly supported by enablers with the improvement of business processes, changes in business models and adjustments to organizational structures that support the execution of strategies that have been designed.

As explained above, one of the Company's advantages is the strength of financing factors, both the support of PT Bank Mandiri (Persero) Tbk as the shareholder, and the financing sought independently by the Company; as seen below.

In composition, total liabilities and equity show their stability. This indicates the Company's ability to increase yields and also increase profit for the year. Capital management is needed as part of the continuity of the Company's business to be able to provide results to shareholders and benefits to other stakeholders, and

maintain the optimization of the capital structure to reduce the cost of capital.

In the financing aspect, the Company always pays attention to the principle of prudence. Every loan application must go through a careful credit analysis process and various stages of approval. The company handles problem financing by emphasizing the principle of prudence and maintaining compliance of its customers to make payments on time. The composition of receivables classified as current against total receivables as of 31 December 2018 was 94.44%, indicating a maintained position for the financial health of the Company. For arrears of more than 180 days a decrease of 28.18% compared to 2017, which indicates the Company's ability to reduce arrears which can give rise to non-performing receivables.

In the financing aspect, the Company always pays attention to the principle of prudence. Every loan application must go through a careful credit analysis process and various stages of approval. The company handles problem financing by emphasizing the principle of prudence and maintaining compliance of its customers to make payments on time. The composition of receivables classified as current

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The company targets an increase in income in 2019 to reach 11.21% compared to the realization of revenues in 2018, which is mainly derived from consumer financing and finance leases. The current year's profit in 2019 is projected to grow 9.12% compared to the realization of the year's profit in 2018.

against total receivables as of 31 December 2018 was 94.44%, indicating a maintained position for the financial health of the Company. For arrears of more than 180 days a decrease of 28.18% compared to 2017, which indicates the Company's ability to reduce arrears which can give rise to non-performing receivables.

Through the various strategies above, the Company was able to record revenues in 2018 reaching Rp3.12 trillion, an increase of Rp381.83 billion or 13.94% compared to 2017 which amounted to Rp2.74 trillion. This increase in income was mainly derived from consumer financing income and finance leases, which each rose to Rp106.3 billion and Rp207.32 billion from the previous year. The current year's profit increased by 15.15% or Rp53.08 billion, from Rp350.24 billion in 2017 to Rp403.32 billion in 2018. The total assets of the Company in 2018 reached Rp17.48 trillion, an increase of 18.61% or Rp2.74 trillion compared to the number of assets in 2017 which amounted to Rp14.74 trillion. The increase in the consumer financing receivables portfolio along with the increase in the volume of consumer financing led to an increase in the Company's assets.

CONSTRAINTS, CHALLENGES, AND SOLUTIONS

The biggest challenge in the financing industry, particularly financing for motorized vehicles, is the Company's dependence on the level of sales of motorized vehicles, which are generally strongly influenced by the economic situation, interest rates, and the ability and / or willingness of public consumption, especially for motorized products. In addition, the tight competition in the motor vehicle financing sector has also become a challenge. With the growth of the Indonesian economy which is relatively stable, it will certainly be very influential on the sale of motorized vehicles in Indonesia.

Therefore, the Company seeks to implement a shift to high margin product strategy. As explained above, this strategy is pursued through business diversification of high margin products such as multipurpose financing and KI / KMK. The strategy initiated since 2017 proved to be quite successful in encouraging the expansion and development of the Company's business, as reflected in the Company's 2018 revenue compared to 2017 which increased to 13.94%. The Company will continue to strive to do new things to sustain business growth in the future.

BUSINESS PROSPECT 2019

The Association of Indonesian Automotive Industries (GAIKINDO) projects new car sales in 2019 to reach 1.1 million vehicles, not growing compared to 2018. However, based on OJK data, the 2018 finance industry has experienced improvements in Non Performing Financing (NPF) and a decrease in BOPO as an effort to improve quality and efficiency efforts to face the challenges of rising sources of financing due to the increase in the FFR interest rate by the Fed. This improvement resulted in an increase in ROA and ROE for the finance industry. The launch of the OJK Regulation on the latest finance companies that provide more space and flexibility for finance companies such as funding for Facility Funds and changes to down payment provisions, the Company believes this will be a stimulus for the financing industry to increase.

The company targets an increase in income in 2019 to reach 11.21% compared to the realization of revenues in 2018, which is mainly derived from consumer financing and finance leases. The current year's profit in 2019 is projected to grow 9.12% compared to the realization of the year's profit in 2018.

DEVELOPMENTS IN THE IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE

One of the main directives of the Company's shareholders is the implementation of Good Corporate Governance (GCG). As a finance company belonging to the Non-Bank Financial Industry (IKNB) the Company is required to carry out business management by adhering to the applicable laws and regulations. This GCG implementation is mainly based on 5 (five) basic principles, namely transparency, accountability, responsibility, independence, and fairness, as has been released in the General Guidelines for Good Corporate Governance issued by the National Committee on Governance Policy (KNKG).

One of them is OJK Regulation No. 30 / POJK.05 / 2014 concerning Good Corporate Governance for Financing Companies, where the Company strives to implement and

adjust the development of GCG implementation within the Company with these regulations. Risk management within the Company also refers to OJK Regulation No. 1 / POJK.05 / 2015 concerning Application of Risk Management for Non-Bank Financial Services Institutions. In addition, as a subsidiary of PT Bank Mandiri (Persero) Tbk, the Company also conducts risk consolidation with its holding entity in accordance with Bank Indonesia Regulation No. 8/6/PBI/2006 and OJK Regulation No. 17/ POJK.03/2014 concerning Application of Integrated Risk Management for Financial Conglomerates. Through this compliance, the implementation of the Company's risk management is an integrated and consistent approach in reviewing, measuring, monitoring and managing risks for all components of the Company's group. This periodic consolidation development has been communicated by Bank Mandiri to regulators.

The Company's GCG structure has been developed in accordance with applicable laws and regulations. Likewise with the GCG process or mechanism as a game rule that provides clear definition of the tasks, roles and functions of each organ in the structure of GCG. The Company also evaluates and monitors the results of GCG implementation through the assessment of GCG implementation. The Company implements 2 (two) forms of assessment, namely assessments carried out internally and externally.

The Internal assessment in 2018 was carried out by referring to OJK Regulation No. 18 / POJK.03 / 2014 and Circular Letter of OJK No. 15 / SEOJK.03 / 2015, and OJK Regulation No. 30 / POJK.05 / 2014, also Circular Letter of OJK No. 15 / SEOJK.05 / 2016. For assessments based on OJK Regulation No. 18 / POJK.03 / 2014 and Circular Letter of OJK No. 15 / SEOJK.03 / 2015, the Company obtained a score of 1.32 with the title "Very Good". While for assessments based on OJK Regulation No. 30 / POJK.05 / 2014, also Circular Letter of OJK No. 15 / SEOJK.05 / 2016, the Company obtained a score of 99.32 with a title that was also "Very Good".

The external assessments were conducted by the Indonesia Institute for Corporate Governance (IICG) in the Corporate Governance Perception Index (CGPI) event. Methods and

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aspects of assessment consist of 2 (two) stages, namely the stages of analysis and observation. The results of the CGPI assessment showed a score of 79.80 and placed the Company in a "Trusted" group of companies.

The Company's management is committed to continuously increasing the level of implementation of the GCG principles, especially the awareness of all MTF people to consciously create Good Corporate Citizen

CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS

Throughout 2018 there was a change in the membership of the Board of Directors, in accordance with the decision of the 2018 Annual GMS on March 9, 2018. The following is submitted chronologically the composition of the Board of Directors throughout 2018.

CHRONOLOGY OF CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS IN THE YEAR 2018

1 January - 9 March 2018	9 March - 31 December 2018	Note
Ignatius Susatyo Wijoyo (President Director)		Ignatius Susatyo Wijoyo no longer serves on the Board of Directors since the Annual GMS on March 9, 2018
Arya Suprihadi (Director)	Arya Suprihadi (President Director)	Through the Annual GMS on March 9, 2018, Arya Suprihadi was appointed as President Director
Harjanto Tjitohardjojo (Director)	Harjanto Tjitohardjojo (Director)	-
	Armendra (Director)	Armendra has sat on the Board of Directors since the Annual GMS on March 9, 2018

Accordingly, the composition of the Board of Directors as of December 31, 2018 can be seen in the table below.

BOARD OF DIRECTORS AS OF DECEMBER 31, 2018

Name	Position	Term of Office
Arya Suprihadi	President Director	GMS year 2018 – GMS year 2021
Harjanto Tjitohardjojo	Director	GMS year 2018 – GMS year 2021
Armendra	Director	GMS year 2018 – GMS year 2021

Replacement and changes to the management structure of the Company is fully the right of the shareholders.

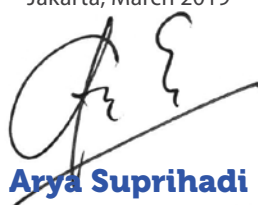
THE FINAL WORD

The Directors would like to convey their gratitude to the Board of Commissioners and their supporting organs for representing the shareholders and for the direction, advice and supervision that has been carried out. To all employees, allow the Board of Directors to express their

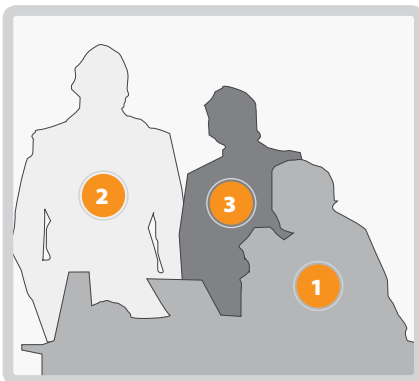
appreciation for giving us your dedication. Likewise to the working partners, the Directors express their gratitude for the support and cooperation that has been created. Hopefully this spirit of togetherness is the foundation for the Company to grow in the future.

On behalf of the Board of Directors

Jakarta, March 2019


Arya Suprihadi
 President Director

BOARD OF COMMISSIONERS



- 1 RICO ADISURJA SETIAWAN**
President Commissioner
- 2 HARRY GALE**
Commissioner
- 3 RAVIK KARSIDI**
Independent Commissioner

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BOARD OF DIRECTORS



1 **ARYA SUPRIHADI**
President Director

2 **HARJANTO
TJITOHARDJOJO**
Director

3 **ARMENDRA**
Director

4 **ALBERTUS
HENDITRIANTO**
Deputy Director

5 **BONIFATIUS PERANA
CITRA KETAREN**
Deputy Director

6 **WILLIAM FRANCIS
INDRA**
Deputy Director

Statement of Members of Board of Commissioners and Board of Directors on the Responsibility for the 2018 Annual Report of PT Mandiri Tunas Finance

We, the undersigned, testify that all information in the Annual Report of PT Mandiri Tunas Finance for 2018 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.

This statement is hereby made in all truthfulness.

Jakarta, March 2019

Board of Commissioners



RICO ADISURJA SETIAWAN
President Commissioner



HARRY GALE
Commissioner



RAVIK KARSIDI
Independent Commissioner

Board of Director



ARYA SUPRIHADI
President Director



ARMENDRA
Director



HARJANTO TJITHARDOJO
Director

A high-angle photograph of a business meeting. Several people in dark suits are gathered around a light-colored wooden table. A silver laptop is open, and a hand is pointing at its screen. In the foreground, a hand holds a tablet displaying a financial chart with various data points. A brown leather notebook is also visible on the table. The overall scene is professional and focused on data analysis.

**TO BE THE MOST PROGRESSIVE AND
RELIABLE MULTIFINANCE IN INDONESIA**



COMPANY PROFILE



GENERAL INFORMATION AND COMPANY IDENTITY

Company Name	PT Mandiri Tunas Finance
Date of Establishment	May 17, 1989 (under the name of PT Tunas Financindo Corporation)
Commercial Operations Pioneer	<ul style="list-style-type: none"> • PT Tunas Financindo Corporation (1989) • PT Tunas Financindo Sarana (2000)
Basic Law of Establishment	Notarial Deed No. 262 dated May 17, 1989 from Notary Misahardi Wilamarta, S.H., Notary in Jakarta, and was approved by the Minister of Justice in Decision Letter No. C2-4868.HT.01.01.TH.89 dated June 1, 1989 and announced in the State Gazette of the Republic of Indonesia No. 57, Supplement No. 1369 on July 18, 1989
Legal Status	Limited Liability Company (PT), Issuer
Business Activities	Financing investment, working capital, multipurpose and other financing business activities based on the approval of the Financial Services Authority (OJK)
Products and Services	Financing motor vehicles to retail and companies includes new cars, motorcycles, commercial vehicles and heavy equipment, and multipurpose financing
Shareholdings	Anak Perusahaan PT Bank Mandiri (Persero) Tbk dan PT Tunas Ridean Tbk
Authorized Capital	PT Bank Mandiri (Persero) Tbk (51%) PT Tunas Ridean Tbk (49%)
Issued Capital	Rp 1,000,000,000,000
Bond Registration Exchange	Rp 250,000,000,000
Securities Code	Indonesia Stock Exchange
Bond Issuance Date	TUFI
Tanggal Pencatatan Obligasi	<ul style="list-style-type: none"> • Mandiri Tunas Finance Continuing Bonds I Phase II Series B Year 2014: May 23, 2014 • Mandiri Tunas Finance Continuing Bonds I Phase III Year 2015: June 9, 2015 • Mandiri Tunas Finance Continuing Bonds II Phase I Year 2015: December 18, 2015 • Mandiri Tunas Finance Continuing Bonds II Phase II Year 2016: June 1, 2016 • Mandiri Tunas Finance Continuing Bonds III Phase I Year 2016: October 7, 2016 • Mandiri Tunas Finance Continuing Bonds III Phase II Year 2017: June 6, 2017
Bond Ratings and Company Ratings	<p>Pefindo</p> <ul style="list-style-type: none"> • Bond Rating: idAA + (Double A +) • Company Rating (National): id AA + (Double A +; Stable Outlook) <p>Fitch Rating</p> <ul style="list-style-type: none"> • Company (National) Rating: AA (idn); Stable Outlook Rating

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Total Employees	3,448 people (2018)	
Business Network	<ul style="list-style-type: none"> • 102 Branch Offices • 20 Satellite Office 	
Mobile Application	<ul style="list-style-type: none"> • MTF Go • MTF Mobile • MTF Lelang 	
Address	Graha Mandiri Lt. 3A Jl. Imam Bonjol No.61 Menteng, Central Jakarta DKI Jakarta 10310, Indonesia	
Phone	+61 21 230 5608	
Facsimile	+61 21 230 5618	
E-mail	corporate.secretary@mtf.co.id	
Website	www.mtf.co.id	
Company Contact	Corporate Secretary Arif Reza Fahlepi Tel.: +62 21 230 5608 Fax.: +62 21 230 5618 Email: corporate.secretary@mtf.co.id	
Customer Service	E-mail	: <i>customer.service@mtf.co.id</i>
	Care Center	: 15000-59
	Jam Operasional	: Senin-Jumat Pk. 08.00-17.00 WIB
Social Media	Facebook Fanpage	: MTFAutoLoan
	Twitter	: @MTF_AutoLoan
	Youtube	: MTF AutoLoan
	Instagram	: @mtf_autoLoan
	Google Plus	: MTF AutoLoan
	Whatsapp	: 08111766935
	Linkedin	: Mandiri Tunas Finance



"At the end of 2018, Mandiri Tunas Finance had 102 branch offices and 20 satellite offices operating in 28 provinces in Indonesia."

BRIEF HISTORY OF THE COMPANY



MTF MILESTONE

PT Mandiri Tunas Finance's track record, also called "Company" or "MTF", began in 1989 through the establishment of PT Tunas Financindo Corporation as stated in the deed of Limited Liability Company PT Tunas Financindo Corporation No. 262 dated May 17, 1989 made before Misahardi Wilamarta, S.H., Notary in Jakarta and has obtained the ratification of the Minister of Law and Human Rights of the Republic of Indonesia (formerly the Minister of Justice of the Republic of Indonesia) in accordance with Decree No. C2-4868.HT.01.01.TH'89 dated June 1, 1989 and has been registered in the register of the Central Jakarta District Court Office under No. 1206/1989 dated June 21, 1989 and announced in the State Gazette of the Republic of Indonesia No. 57, July 18, 1989, Supplement No. 1369.

At the beginning of its establishment, the Company was engaged in the business of providing motorized vehicle financing facilities which were initially reserved for consumers from the Dealer network owned by the Tunas

Ridean Group. As the business portfolio grew, PT Tunas Financindo Corporation changed its name in 2000 to PT Tunas Financindo Sarana. Since its initial establishment until 2009, the Company's share ownership is owned by PT Tunas Ridean Tbk, which is currently the largest independent automotive group with more than 100 branches spread throughout Indonesia.

In 2009, the Company took strategic steps to develop its business to expand market reach and strengthen its capital structure so as to be able to optimize its potential to compete in the Indonesian automotive financing industry. The steps taken are the acquisition of the Company by PT Bank Mandiri (Persero) Tbk as one of the State-Owned Enterprises (BUMN) in the banking sector with a large business network and large customers. PT Bank Mandiri (Persero) Tbk acquired 51.00% of the shares from Tunas Ridean Group and changed the name of the Company to PT Mandiri Tunas Finance followed by a change in the Company's logo. With the acquisition, the percentage of PT Tunas Ridean

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Tbk's shares became 49.00%. With these changes and the presence of 2 (two) large business entities in the automotive industry as well as financial services and services, the Company is required to always grow progressively and sustainably and become a trusted finance company in Indonesia and able to become a market leader in its segment.

With these changes, the Company accelerates business by carrying out the necessary developments. This effort achieved remarkable results with the growth of the original branch offices from 33 to 99 and 20 satellite offices spread across 28 provinces throughout Indonesia at the end of 2018.

This development is inseparable from a consistency of performance that remains focused on the financing industry in the automotive and multipurpose sectors. In the automotive financing segment, the Company presents financing for new cars, motorcycles, commercial vehicles and heavy equipment. In following up on the Financial Services Authority Regulation No. 29 / POJK.05 / 2014 in order to create a resilient, contributive, inclusive and responsible financial industry in maintaining a stable and sustainable financial system The Company presents other types of financing, namely multipurpose financing in the education sector

In addition to utilizing funding sources from banks in the context of business development, the Company also issues and records bonds. The historical issuance of the Company's bonds began from Bond I until 2011 which was then listed on the Surabaya Stock Exchange before finally merging with the Jakarta Stock Exchange to become the Indonesia Stock Exchange. The company records bonds on the Indonesia Stock Exchange to Bonds VI. Then the Company also carried out a Sustainable Public Offering of Continuing Bonds I Phase I Year 2013, Sustainable Public Offering of Continuing Bonds I Phase II Year 2014, Sustainable Public Offering of Continuing Bonds I Phase II Year 2015, Sustainable Public Offering of Continuing Bonds II Phase I Year 2015, and Continuing Bonds II Phase II of 2016, Sustainable Public Offering of

Continuing Bonds III Phase I Year 2016, as well as Mandiri Tunas Finance Continuing Bonds III Phase II Year 2017 in June 6, 2017

With the efforts and hard work that the Company has done so far, it has finally produced proud results. This is reflected in the results of the Company's rating, where in 2003 PT Pemeringkat Efek Indonesia (Pefindo) gave an idBBB + (triple B plus) rating to become idAA (double A) in 2012. Then Pefindo reassigned the idAA (double A) rating on in 2013, 2014, 2015 and at the end of 2016 the Company was able to increase its rating to idAA + (double A Plus). With this good securities rating, The Company expects to reduce interest costs which have an impact on the Company's financial management strategy by becoming more efficient so that it can spur optimal business performance.

By providing an easy, innovative and competitive financing facilities and solutions for consumers in helping to realize the dream of owning a new car, motorcycle, fulfillment of commercial vehicles and heavy equipment. In supporting business activities, financing and leasing as well as education, the Company continues to prioritize services to consumers in terms of providing convenience especially supported by branch offices spread throughout Indonesia, qualified human resources and adequate infrastructure facilities.

AUTOMOTIVE FINANCING COMPANIES ORIENTED TO FULFILLING COMMUNITY CREDIT

Carrying the vision of "To Be The Most Progressive and Reliable Multifinance in Indonesia", the Company strives to understand community needs related to the aspect of financing by not only presenting a variety of financing products but also can provide added value so that existing processes can run effectively and efficiently. In addition, we also pay attention to the affordability aspect by expanding business areas throughout Indonesia. With the demographics of the Indonesian people who still prioritize the commodity sector and Small and

Medium Enterprises (UKM), the Company can meet the needs related to the modernization of vehicles and heavy equipment in supporting commercial activities, leasing and other needs. This is a potential that must be maximized properly by the Company in order to create good synergies for the economic activities of the Indonesian people.

BEST PERFORMANCE

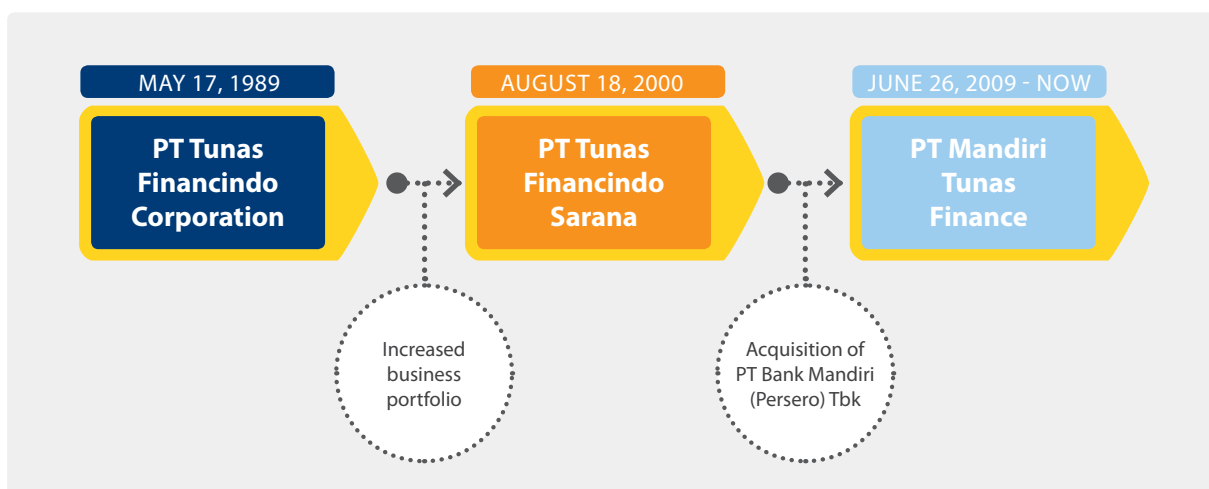
Improving the quality and professionalism of human resources is the key to achieving the best performance targets. Therefore, the Company has taken steps to form the best human resources, by organizing a Management Development Program (MDP) and Management Trainee program, this program is an education and training program to capture the best candidates in the Company and increase resource competency so those candidates become the Company's Future Leaders who have high loyalty and the expected capabilities. In addition, the Company also made improvements and completions to the system and operational procedures, upheld the culture of the Company's Officers, improved credit quality to reduce Non-Performing Loans (NPLs) and made various efforts to minimize fraud.

THE BIGGEST AND MOST RELIABLE PERFORMANCE

The Company continues to continually improve and expand cooperation with all Authorized Distributor (APM) of motor vehicles and a network of dealers and showrooms throughout the Company's marketing offices to increase market share. At present, the Company has cooperated with almost all APMs so that the Company can finance all vehicle brands needed by consumers. This proves the very high level of trust from APM and dealers to the Company. With this cooperation, the Company can provide more choices of types of motorized vehicles to consumers and facilitate market penetration in various areas of the Company's marketing offices.

CHANGE NAME INFORMATION

As described above, the Company was officially established on May 17, 1989 under the name PT Tunas Financindo Corporation. As the business portfolio grew, PT Tunas Financindo Corporation changed its name in 2000 to PT Tunas Financindo Sarana. In 2009, the Tunas Ridean Group as the founder decided to expand market reach and strengthen its capital structure by acquiring the Company by PT Bank Mandiri (Persero) Tbk. PT Bank Mandiri (Persero) Tbk acquired 51.00% of the Company's shares; the remaining 49.00% is still owned by PT Tunas Ridean Tbk.



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BUSINESS FIELDS

BUSINESS ACTIVITIES BASED ON ARTICLES OF ASSOCIATION

In accordance with Article 3 of the latest Articles of Association of the Company were amended by Deed No. 23 dated February 24, 2016 made before Lenny Janis Ishak, S.H., Notary in Jakarta, the purpose and objective of the establishment of the Company is to implement the financial institutions field. To achieve these aims and objectives, the Company can carry out investment financing business activities, working capital financing, multipurpose financing, and other financing business activities based on the approval of the Financial Services Authority.

In carrying out its business, the Company has obtained a license to conduct business activities in the financing field from the Minister of Finance of the Republic of Indonesia based on Decree No.1021 /KMK.13/ 1989

dated September 7, 1989 and then renewed by Decree No. 54/KMK-013/1992 dated January 15, 1992 and No. 19/KMK.017/2001 dated January 19, 2001 and was last amended by No. KEP-352/KM.10/2009 dated September 29, 2009. At present, the Company is engaged in investment business activities, working capital, multipurpose and other business activities based on the approval of the Financial Services Authority.

BUSINESS ACTIVITIES, PRODUCTS AND SERVICES

Based on the Financial Accounting Standards Statement (PSAK) 5 (Revised 2009) regarding "Operating Segments", the Company's business segments are grouped based on the main customer groups and products, namely Fleet and Retail, and other segments as calculations that cannot be allocated to both segments.

MANDIRI TUNAS FINANCE BUSINESS SEGMENT

RETAIL



CAR



MOTORCYCLE

RETAIL FINANCING

Customer Retail Financing outlays to Customers who apply for financing through the MTF Branch office through a Credit Scoring menu. This retail financing is given to the Target Market to finance the purchase of motorized vehicles in new or used conditions. In retail financing the provisions of Administrative and Insurance Costs are charged to the Customer, the amount of the burden depends on the financing period and is set separately in the Product / Financing Package provided. During the financing period, it is insured to the MTF Partner Insurance Company.

FLEET



CAR



MOTORCYCLE

FLEET FINANCING

Customer Fleet Financing outlays to Customers managed by the Corporate Fleet Division, which is the granting of the Funding Grants (BPP) to 1 (one) Debtor or 1 (one) Obligor group both business entities and individuals. Related to business entities, the provision of financing value is equal to or above Rp.5 billion. Fleet financing is divided into 2 (two) books, namely Investment Financing and Working Capital Financing.

- Working capital financing outlays to meet expenditure needs that run out in one cycle of the customer's business activities, by providing a limit of financing to customers that is committed and advised.
- Investment financing is the financing of capital goods and services needed for business activities / investment, rehabilitation, modernization, expansion or relocation of businesses / investments given to the debtor.

OTHERS

MAP OF OPERATIONAL AREA

1 SUMATRA

- Banda Aceh
- Medan
- Rantau Prapat
- Padang
- Bukittinggi
- Pekanbaru
- Duri
- Rokan Hulu
- Muara Bungo
- Batam
- Tanjung Pinang
- Bengkulu
- Palembang 1
- Palembang 2
- Lubuk Linggau
- Jambi
- Lampung
- Tulang Bawang
- Tanggamus
- Bandar Jaya
- Pangkal Pinang
- Batu Raja

3 BALI & WEST NUSA TENGGERA

- Denpasar
- Gianyar
- Mataram
- Ketapang

4 EAST NUSA TENGGERA

- Kupang

5 KALIMANTAN

- Pontianak
- Banjarmasin
- Banjarbaru
- Palangkaraya
- Samarinda
- Balikpapan
- Tarakan
- Bontang
- Sintang
- Sampit

6 SULAWESI

- Makassar 1
- Parepare
- Kendari
- Manado
- Palu
- Gorontalo
- Kotamobagu
- Mamuju
- Makassar 2
- Luwuk

2 JAVA

- Pecenongan
- Kelapa Gading
- Matraman
- Tanjung Duren
- Fatmawati
- Kebon Jeruk
- Duren Tiga
- Lebak Bulus
- Kemayoran
- Pondok Gede
- Cilegon
- Serang
- Serpong (BSD)
- Tangerang I
- Bintaro
- Rangkasbitung
- Bekasi
- Cikarang
- Karawang
- Depok
- Bogor
- Cibubur
- Cibinong
- Sukabumi
- Bandung 1
- Bandung 2
- Bandung 3
- Tasikmalaya
- Cirebon
- Garut
- Subang
- Tegal
- Purwokerto
- Semarang
- Solo
- Kudus
- Magelang
- Pekalongan
- Yogyakarta
- Surabaya 1
- Surabaya 2
- Malang
- Kediri
- Jember
- Madiun
- Tuban
- Mojokerto
- Gresik

7 AMBON

- Ambon

8 JAYAPURA

- Jayapura
- Sorong

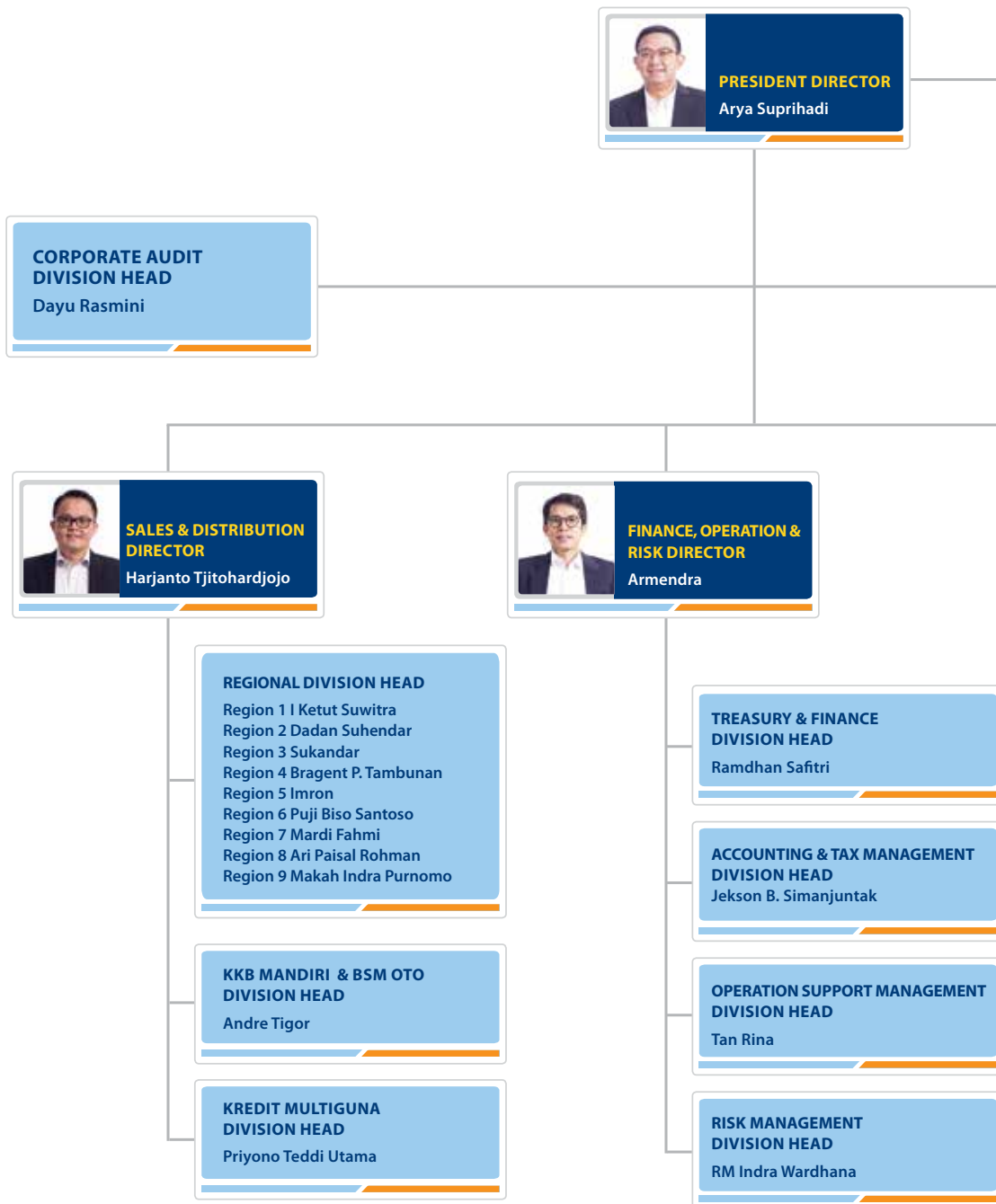


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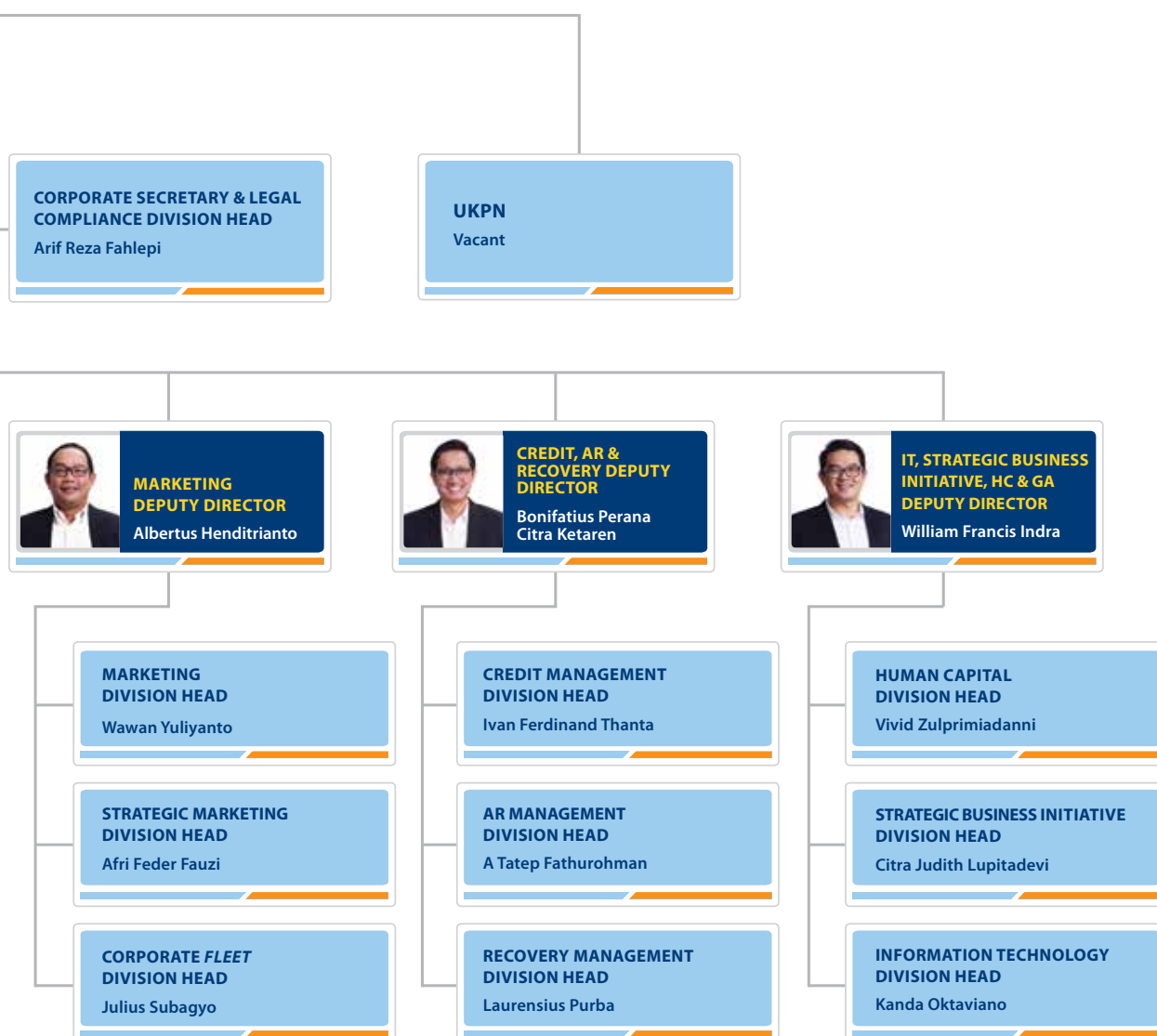


ORGANIZATIONAL STRUCTURE

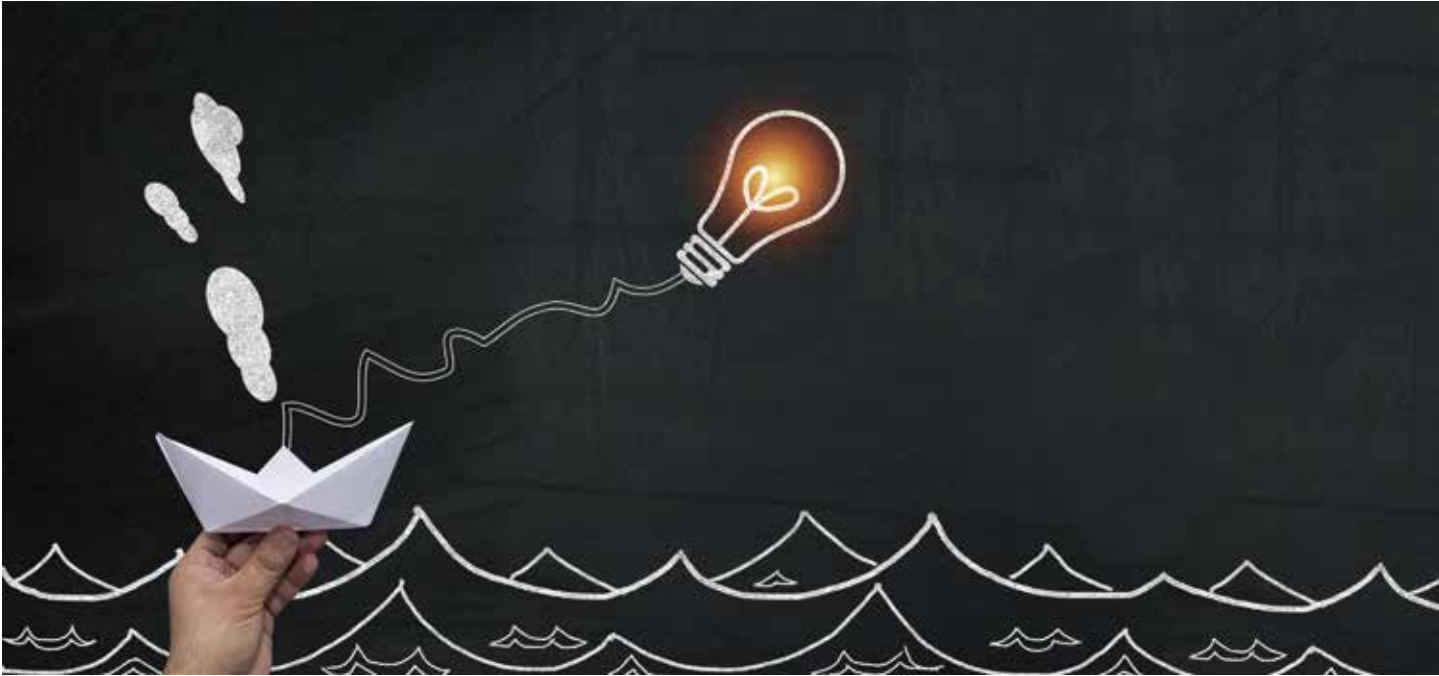
The Company's organizational structure has been ratified through Board of Directors Decree No. 002/SK-DIR/MTF/I/2018 dated January 22, 2018 concerning the Organizational Structure of PT Mandiri Tunas Finance. The Company's organizational structure as of December 31, 2018 is the following.



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VISION, MISSION, VALUE AND CORPORATE CULTURE



Mission

- **Dedicated to fulfilling the community's credit needs for the welfare of the nation.**
- **Provide optimal benefits and benefits for stakeholders.**
- **Building professional and unyielding human resources through the PERWIRA work culture.**
- **Become a fun and proud institution while working to attain the best achievements.**

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Vision

*To Be The Most Progressive and
Reliable Multifinance in Indonesia*

Company Value

The Company's work culture is always upheld by all employees is PERWIRA, which stands for Trust (Kepercayaan), Entrepreneurship (Kewirausahaan) and Joy (Kegembiraan) which are 3 (three) basic values that contain 9 (nine) main behaviors that must be implemented consistently and continuously by each employee.

<p>KEPERCAYAAN (TRUST)</p> <p>Every employee must uphold these values:</p> <ul style="list-style-type: none"> • To be Honest and trustworthy • To be responsible • To be Committed 	<p>KEWIRAUSAHAAN (ENTREPRENEURSHIP)</p> <p>Every employee must have:</p> <ul style="list-style-type: none"> • A sense of belonging • Professionalism • Customer Focus 	<p>KEGEMBIRAAN (JOY)</p> <p>Every employee must work:</p> <ul style="list-style-type: none"> • Enthusiastily, resiliently, and never give up • In Synergy • Happily
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PERWIRA Culture was formulated and confirmed as the Company's working culture on December 11, 2009 in Bandung. The Company always emphasizes to each employee to be consistent in implementing the PERWIRA work culture in daily work activities. PERWIRA's work culture was initially formulated by employees and then accepted by the Company as a work culture that has become a guideline for the thoughts and behavior of each employee.

THE MEANING OF COMPANY LOGO

Mandiri Tunas Finance brand identity consists of symbols, logo letters, colors and taglines. In simple terms each item can be explained as follows:

1

THE WAVE OF LIQUID GOLD

as a symbol of financial wealth in Asia that puts forward the nature of agile, progressive, forward-looking, excellence, flexible and resilient in facing all the challenges that will be faced in the future.

2

YELLOW GOLD (YELLOW TO ORANGE)

A precious metal color that signifies grandeur, glory, prosperity, and wealth. It symbolizes activity, creativity, festivity, friendliness, fun and comfort.



mandiri
tunas finance

4

DARK BLUE LETTERS

Symbolizes comfort, calmness, soothing, noble heritage, stability, respectability and reliability. It symbolizes professionalism, a strong foundation, loyalty, trusted and is honorable

3

LOGO WITH LOWERCASE LETTERS

The use of lowercase letters signifies a hospitality attitude towards all business segments that are entered by Bank Mandiri and shows a great desire to serve all customers modestly (customer focus).

BOARD OF COMMISSIONERS PROFILE

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RICO ADISURJA SETIAWAN

President Commissioner

POSITION PERIOD

April 26, 2017 - AGMS 2020, First Period

PERSONAL DATA

Indonesian Citizen

Born in Jakarta, August 2, 1971 (47 years old)

DOMICILE

Central Jakarta, DKI Jakarta, Indonesia

APPOINTMENT HISTORY

Appointments in the Board of Commissioners of the Company based on the results of the Annual General Meeting of Shareholders dated April 26, 2017 which was institutionalized in the Decree of the Decision of the General Meeting of Shareholders of PT Mandiri Tunas Finance No. 23 dated April 26, 2017 made before Lenny Janis Ishak, S.H., Notary in Jakarta. The deed was notified to the Minister of Law and Human Rights of the Republic of Indonesia with proof of acceptance of the Notice of Amendment to PT Mandiri Tunas Finance No. AHU-AH.01.03-0132306 dated May 2, 2017 and has been registered in the Register of Companies under No. AHU-0056462.AH.01.11. Year 2017 May 2, 2017.

EDUCATION

Bachelor of Science - University of Southern California (1992), Master - School of Business Administration, Woodbury University (1994)

WORK EXPERIENCE

Management Consultant of Prasetio Utomo Arthur Andersen (1995 - 1996), Director of TURI (1996 - 1998), Director of PT Tunas Financindo Corp (1995 - 1999), Director of Provisions (Asia) Trading Singapore (1998 - 2001), Commissioner of PT Tunas Dwipa Matra (1997 - 2010), President Director of PT Tunas Andalan Pratama

(1998 - 2010), Director of PT Tunas Financindo Sarana (2000 - 2005), Commissioner of PT Tunas Financindo Sarana (2005 - 2009), Director of TURI (2001 - 2010), Director of PT Tunas Dwipa Matra (2005 - 2013), President Director of PT Tunas Mobilindo Parama (1997 - present), President Director of PT Tunas Mobilindo Perkasa (2017 - present), President Director of PT Tunas Asset Sarana (2005 - present), President Director of PT Surya Mobil Megahtama (2005 - present), Director of PT Surya Sudeco (2005 - present), President Director of TURI (2010 - present), Commissioner of PT Rahardja Ekalancar (2010 - present), President Commissioner of PT Tunas Dwipa Matra (2013 - present), President Commissioner of PT Asia Surya Perkasa (2015 - present), Commissioner of PT Mandiri Utama Finance (2015 - January 2017).

PROFESSIONAL CERTIFICATION AND COMPETENCY DEVELOPMENT PROGRAM 2018

Participated in the workshop program "Competency Enhancement Through Education o Financial Planning" held by OJK on November 8, 2018, as well as "National Seminar on Opportunities and Challenges in 2019" organized by the Association of Indonesian Financial Companies (APPI) on November 15, 2018.

DOUBLE POSITION

President Director of PT Tunas Mobilindo Parama (1997

– present), President Director of PT Tunas Mobilindo Perkasa (2017 – present), President Director of PT Tunas Asset Sarana (2005 – present), President Director of PT Surya Mobil Megahtama (2005 – present), Director of PT Surya Sudeco (2005 – present), President Director of TURI (2010 – present), Commissioner of PT Rahardja Ekalancar (2010 – present), President Commissioner of PT Tunas Dwipa Matra (2013 - present), President Commissioner of PT Asia Surya Perkasa (2015 – present).

AFFILIATE RELATIONS

Rico Adisurja Setiawan does not have any affiliations with either the other members of the Board of Commissioners, the Board of Directors, or with the major shareholders.

MTF SHARE OWNERSHIP

The company does not have a share ownership program for management. Therefore, no Board of Commissioners owns the Company's shares.



RAVIK KARSIDI

Independent Commissioner

POSITION PERIOD

April 26, 2017 - AGMS 2020, First Period

PERSONAL DATA

Indonesian Citizen

Born in Sragen, Juli 7, 1957 (61 years old)

DOMICILE

Surakarta, Central Java, Indonesia

APPOINTMENT HISTORY

Appointments in the Board of Commissioners of the Company based on the results of the Annual General Meeting of Shareholders dated April 26, 2017 which was institutionalized in the Decree of the Decision of the General Meeting of Shareholders of PT Mandiri Tunas Finance No. 23 dated April 26, 2017 made before Lenny Janis Ishak, S.H., Notary in Jakarta. The deed has been notified to the Minister of Law and Human Rights of the Republic of Indonesia with proof of acceptance of the Notice of Amendment to PT Mandiri Tunas Finance No. AHU-AH.01.03-0132306 dated May 2, 2017 and has been registered in the Register of Companies under No. AHU-0056462.AH.01.11. Year 2017 May 2, 2017.

EDUCATION

Bachelor of Education - Sebelas Maret University Surakarta (1980), Master of Science from the Department of Rural Sociology for Development Studies at the Bogor Agricultural Institute (1994), Doctoral Degree in Development Counseling at the Bogor Agricultural Institute (1999).

WORK EXPERIENCE

Chairman of Indonesian New Student Admission for Public University (SNMPTN & SBMPTN) (2017-present), Chancellor of Sebelas Maret University (UNS) (2011-present), As Assessor of Study Programs and Higher Education Institutions in BANPT (National

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Accreditation Board of Higher Education) (2003-present), UNS Postgraduate Teaching Staff (2001-present), Deputy Team Leader / Social and Training Specialist in Microcredit Project, Bank Indonesia Jakarta - Asian Development Bank (1996-2000), Teaching Staff of the Department of Education FKIP UNS (1981-present).

PROFESSIONAL CERTIFICATION AND COMPETENCY DEVELOPMENT PROGRAM 2018

Received certification from Indonesian Financing Professional Certification (SPPI) through the "Basic Commissioner Financing Certification" program held on April 4, 2018

DOUBLE POSITION

Does not have concurrent positions in other companies and in any other institution.

AFFILIATE RELATIONS

Ravik Karsidi does not have any affiliations with either the other members of the Board of Commissioners, the Board of Directors, or with the major shareholders.

MTF SHARE OWNERSHIP

The company does not have a share ownership program for management. Therefore, no Board of Commissioners owns the Company's shares.



HARRY GALE

Commissioner

POSITION PERIOD

April 26, 2017 - AGMS 2020, First Period

PERSONAL DATA

Indonesian Citizen

Born in Plaju, July 23, 1971 (47 years old)

DOMICILE

East Jakarta, DKI Jakarta, Indonesia

APPOINTMENT HISTORY

Appointments in the Board of Commissioners of the Company based on the results of the Annual General Meeting of Shareholders dated April 26, 2017 which was institutionalized in the Decree of the Decision of the General Meeting of Shareholders of PT Mandiri Tunas Finance No. 23 dated April 26, 2017 made before Lenny Janis Ishak, S.H., Notary in Jakarta. The deed has been notified to the Minister of Law and Human Rights of the Republic of Indonesia

with proof of acceptance of the Notice of Amendment to PT Mandiri Tunas Finance No. AHU-AH.01.03-0132306 dated May 2, 2017 and has been registered in the Register of Companies under No. AHU-0056462.AH.01.11. Year 2017 May 2, 2017.

EDUCATION

Bachelor of Economic Management - Sriwijaya University, Palembang (1996), Master - Management at Gajah Mada University, Yogyakarta (2007).

WORK EXPERIENCE

Senior Vice President of Consumer Loans Group Bank Mandiri (2016 – 2018), Regional CEO of Java 1 Bank Mandiri (2018 – present).

PROFESSIONAL CERTIFICATION AND COMPETENCY DEVELOPMENT PROGRAM 2018

Received certification from Indonesian Financing Professional Certification (SPPI) through the "Basic Commissioner Financing Certification" program held on August 2, 2018, and attended a workshop program "Competency Enhancement Through Education Regarding Financial Planning" held by the OJK on November 8, 2018, and "Seminar National Opportunities and Challenges in 2019" organized by the Association of

Indonesian Financing Companies (APPI) on November 15, 2018.

DOUBLE POSITION

Regional CEO of Java 1 Bank Mandiri (2018 – present).

AFFILIATE RELATIONS

Harry Gale does not have any affiliations with either the other members of the Board of Commissioners, the Board of Directors, or with the major shareholders.

MTF SHARE OWNERSHIP

The company does not have a share ownership program for management. Therefore, no Board of Commissioners owns the Company's shares.

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BOARD OF DIRECTORS PROFILE



ARYA SUPRIHADI

President Director

POSITION PERIOD

March 26, 2018 - AGMS 2021, First Period

PERSONAL DATA

Indonesian Citizen

Born in Surabaya, February 17, 1971 (47 years old)

DOMICILE

West Jakarta, DKI Jakarta, Indonesia

APPOINTMENT HISTORY

Appointment in the Board of Directors of the Company based on the results of the Annual General Meeting of Shareholders dated March 26, 2018 which was institutionalized in the Decree of Decision of the General Meeting of Shareholders of PT Mandiri Tunas Finance No. 42 dated 26 March 2018 made before Lenny Janis Ishak, S.H., Notary in Jakarta. The deed was notified to the Minister of Law and Human Rights of the Republic of Indonesia with proof of acceptance of the Notice of Amendment to PT Mandiri Tunas Finance No. AHU-AH.01.03-0128132 dated March 28 2018 and has been registered in the Register of Companies under No. AHU-0044227.AH.01.11. Year 2018 dated March 28, 2018.

EDUCATION

Bachelor of Civil Engineering - University of Indonesia (1996), Master of Science in Finance and Master of Business Administration from University of Colorado, Denver, USA (1999).

WORK EXPERIENCE

MTF Finance Director (2016-2018), Deputy Director of MTF (2016), held various positions in PT Bank Mandiri (Persero) Tbk, namely as SVP - Group Head Corporate Banking VII (2015 - May 2016), SVP - Kalimantan Region Head (2013 - 2014), VP - Deputy Regional Office of Makassar (2012 -

2013), VP Area Manager Makassar (2011 - 2012), VP Area Manager Jakarta Tanjung Priok (2010 - 2011), VP Area Manager Bandung Braga (2009 - 2010), AVP Department Head of PMS - Jakarta Network Group (2004 - 2009), Senior Manager - Priority Banking (2003 - 2004), Assistant Manager of Priority Banking (2001 - 2002). His career at Bank Mandiri began as a participant in the Officer Development Program (ODP) in 2000.

PROFESSIONAL CERTIFICATION AND COMPETENCY DEVELOPMENT PROGRAM 2018

Attending the National Seminar on "Transparency and Disclosure of the Financial Services Sector in Indonesia: Current Practices vs. International Best Practices" held by the OJK & World Bank on April 28, 2018; "Human Resource Development in the Era of Industrial Revolution 4.0 (Digital)" organized by The Management Institute of Indonesia Banking School on May 7, 2018; "Financing Company in The Eye of Banking" organized by the Association of Indonesian Financing Companies (APPI) on May 8, 2018; as well as the International Seminar "Digitalization as Multifinance's New Era" organized by the Association of Indonesian Financing Companies (APPI) on September 21, 2018.

DOUBLE POSITION

Does not have concurrent positions in other companies and in any other institution.

AFFILIATE RELATIONS

Arya Suprihadi does not have any affiliations with either the other members of the Board of Commissioners, the Board of Directors, or with the major shareholders.

MTF SHARE OWNERSHIP

The company does not have a share ownership program for management. Therefore, no members of the Board of Directors owns the Company's shares.



HARJANTO TJITOHARDJO

Director of Sales & Distribution

POSITION PERIOD

March 26, 2018 - AGMS 2021, Second Period

PERSONAL DATA

Indonesian Citizen

Born in Jakarta, June 12, 1968 (50 years old)

DOMICILE

West Jakarta, DKI Jakarta, Indonesia

APPOINTMENT HISTORY

Appointment in the Board of Directors of the Company based on the results of the Annual General Meeting of Shareholders dated March 26, 2018 which was institutionalized in the Decree of Decision of the General Meeting of Shareholders of PT Mandiri Tunas Finance No. 42 dated 26 March 2018 made before Lenny Janis Ishak, S.H., Notary in Jakarta. The deed was notified to the Minister of Law and Human Rights of the Republic of Indonesia with proof of acceptance of the Notice of Amendment to PT Mandiri Tunas Finance No. AHU-AH.01.03-0128132 dated March 28 2018 and has been registered in the Register of Companies under No. AHU-0044227.AH.01.11. Year 2018 dated March 28, 2018.

EDUCATION

Bachelor of Economic, Management Department, Krida Wacana University, Jakarta (1991)

WORK EXPERIENCE

Joined the Company in 2010 as Director of the Company. Previously served as Vice President of Tunas Toyota (2006 - 2010), Operation Director of Tunas Toyota (2004 - 2006), Operation Manager Tunas Toyota (2000 - 2004), Branch Manager of several Dealer Tunas Toyota (1995-2000) and Sales Manager of Toyota Astra International GSO (1993 - 1994). Started his career as an Auto Management Trainee 2000 (1991 - 1993).

PROFESSIONAL CERTIFICATION AND COMPETENCY DEVELOPMENT PROGRAM 2018

Participated in the National Seminar on "Financing Industry in the Capital Market" organized by the Association of Indonesian Financing Companies (APPI) on July 26, 2018; the National Seminar on "Opportunities and Challenges in 2019" organized by the Association of Indonesian Financing Companies (APPI) on November 15,

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2018, as well as being a Speaker for marketing materials in the "Training of Basic Certification Program" organized by the Association of Indonesian Financing Companies (APPI) on November 5-6, 2018.

DOUBLE POSITION

Does not have concurrent positions in other companies and in any other institution.

AFFILIATE RELATIONS

Harjanto Tjitohardjojo does not have any affiliations with either the other members of the Board of Commissioners, the Board of Directors, or with the major shareholders.

MTF SHARE OWNERSHIP

The company does not have a share ownership program for management. Therefore, no members of the Board of Directors owns the Company's shares.



ARMENDRA

Director of Finance, Operations & Risk

POSITION PERIOD

March 26, 2018 - AGMS 2021, First Period

PERSONAL DATA

Indonesian Citizen

Born in Jakarta, September 7, 1971 (47 years old)

DOMICILE

South Tangerang, Banten, Indonesia

APPOINTMENT HISTORY

Appointment in the Board of Directors of the Company based on the results of the Annual General Meeting of Shareholders dated March 26, 2018 which was institutionalized in the Decree of Decision of the General Meeting of Shareholders of PT Mandiri Tunas Finance No. 42 dated 26 March 2018 made before Lenny Janis Ishak, S.H., Notary in Jakarta. The deed was notified to the Minister of Law and Human Rights of the Republic of Indonesia with proof of acceptance of the Notice of Amendment to PT Mandiri Tunas Finance No. AHU-AH.01.03-0128132 dated March 28 2018 and has been registered in the Register of Companies under No. AHU-

0044227.AH.01.11. Year 2018 dated March 28, 2018.

EDUCATION

Bachelor of Mathematics - University of Indonesia (1995)

WORK EXPERIENCE

Finance Director at PT Asuransi Jiwa Inhealth Indonesia (Mandiri Inhealth) (2015-2018), has held various positions at PT Bank Mandiri (Persero) Tbk, namely as Financial Planning Department Head (2009-2015), Decision Support - Micro Retail Banking Department Head (2006-2009), Team Leader for Development of Measurement Systems and Supporting Units (2000-2006) and Corporate Planning (2000).

PROFESSIONAL CERTIFICATION AND COMPETENCY DEVELOPMENT PROGRAM 2018

Participated in the National Seminar on "Financing Industry in the Capital Market" organized by APPI on July 26, 2018; workshop program "Internal Dispute Resolution Mechanism and Implementation of Financial Service Businesses" organized by BMPPVI on September 5-6, 2018; and workshops "Competency Enhancement Through Education Related to Financial Planning" held by the OJK on November 8, 2018; as well as the International Seminar of Insuring Sustainable Business Strategy (ISBS) held by Insuring Sustainable Business Strategy (ISBS) on November 15, 2018.

DOUBLE POSITION

Does not have concurrent positions in other companies and in any other institution.

AFFILIATE RELATIONS

Armendra does not have any affiliations with either the other members of the Board of Commissioners, the Board of Directors, or with the major shareholders.

MTF SHARE OWNERSHIP

The company does not have a share ownership program for management. Therefore, no members of the Board of Directors owns the Company's shares.



ALBERTUS HENDITRIANTO

Deputy Director of Marketing

POSITION PERIOD

Served since: February 1, 2018

PERSONAL DATA

Indonesian Citizen

Born in Jakarta, February 12, 1969 (49 years old)

DOMICILE

South Jakarta, DKI Jakarta, Indonesia

EDUCATION

Bachelor of Economic – Gadjah Mada University

WORK EXPERIENCE

Previously served as Deputy Director I since May 1, 2016 - January 31, 2018 and Deputy Director since May 1, 2014 - April 30, 2016. He joined the Company in 2009 as Marketing Development and most recently as Head of Marketing & Product Division (2015), before finally being appointed as Deputy Director.

DOUBLE POSITION

Does not have concurrent positions in other companies and in any other institution.

AFFILIATE RELATIONS

Albertus Henditrianto does not have any affiliations with either the other members of the Board of Commissioners, the Board of Directors, or with the major shareholders.

MTF SHARE OWNERSHIP

The company does not have a share ownership program for management. Therefore, no members of the Board of Directors owns the Company's shares.

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BONIFATIUS PERANA CITRA KETAREN

Deputy Director of Credit, AR & Recovery

POSITION PERIOD

Served since: February 1, 2018

PERSONAL DATA

Indonesian Citizen

Born in Jakarta, April 16, 1977 (41 years old)

DOMICILE

Bogor, West Java, Indonesia

EDUCATION

Bachelor of Accounting - Parahyangan University (2001)

WORK EXPERIENCE

Previously served as Deputy Director II since May 1, 2016 - January 31, 2018 and Deputy Director since January 11, 2016 - April 30, 2016. He joined the Company in 2009 as Head of the Operations Department and finally as Head of the Division of Finance & Accounting (2016), before finally being appointed as Deputy Director.

DOUBLE POSITION

Does not have concurrent positions in other companies and in any other institution.

AFFILIATE RELATIONS

Bonifatius Perana Citra Ketaren does not have any affiliations with either the other members of the Board of Commissioners, the Board of Directors, or with the major shareholders.

MTF SHARE OWNERSHIP

The company does not have a share ownership program for management. Therefore, no members of the Board of Directors owns the Company's shares.



WILLIAM FRANCIS INDRA

Deputy Director of IT, Strategic Business Initiative & Human Capital

POSITION PERIOD

Served since: February 1, 2018

PERSONAL DATA

Indonesian Citizen

Born in Karawang, July 14, 1982 (36 years old)

DOMICILE

Bekasi, West Java, Indonesia

EDUCATION

Bachelor (S1) of Mathematics - University of Padjadjaran,
Master of Management - University of Mercu Buana

WORK EXPERIENCE

Previously served as Deputy Director III since May 1, 2016 - January 31, 2018 and Deputy Director since January 11, 2016 - April 30, 2016. He joined the Company in 2010, as Head of the IT Planning & Security Department and finally as Head of the Business Excellence Management Division (2016), before being appointed as Deputy Director

DOUBLE POSITION

Does not have concurrent positions in other companies and in any other institution.

AFFILIATE RELATIONS

William Francis Indra does not have any affiliations with either the other members of the Board of Commissioners, the Board of Directors, or with the major shareholders.

MTF SHARE OWNERSHIP

The company does not have a share ownership program for management. Therefore, no members of the Board of Directors owns the Company's shares.

EMPLOYEE DEMOGRAPHY AND COMPETENCE DEVELOPMENT

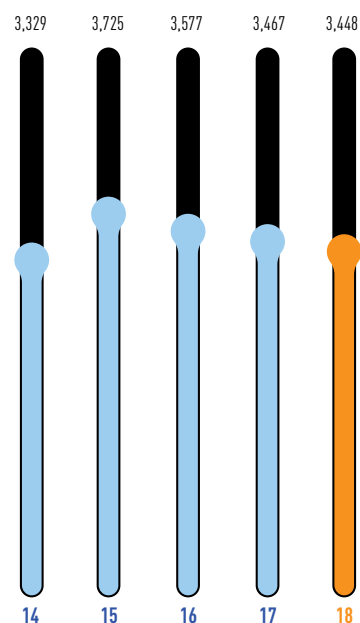
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EMPLOYEE DEMOGRAPHY

As of December 31, 2018, the number of employees of the Company reached 3,448 people, a decrease of 0.55% compared to the number of employees as of December 31, 2017 which amounted to 3,467 people. This decrease was mainly due to the Company's policy by transferring unperformed employees to outsourcing.

The demographic profile of the Company's employees can be seen in the following tables and charts.

MOVEMENT OF NUMBER OF EMPLOYEES IN THE LAST 5 (FIVE) YEARS 2014-2018

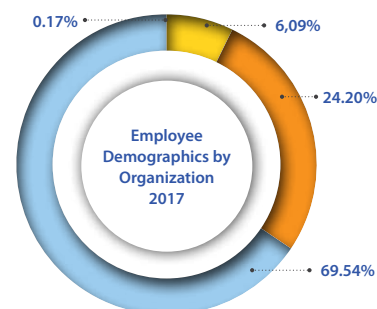
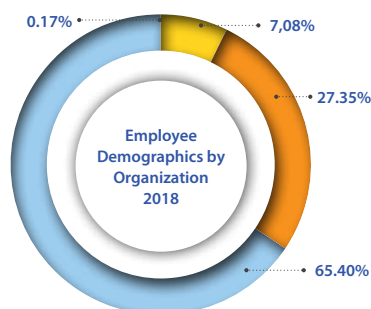


EMPLOYEE DEMOGRAPHICS BY ORGANIZATION/POSITION LEVEL (PEOPLE)

Organization/ Position Level	2018				2017			
	M	F	Total	(%)	M	F	Total	(%)
Board of Commissioners and Directors	6	0	6	0.17%	6	0	6	0.17%
Managers	207	37	244	7.08%	182	29	211	6.09%
Supervisors	714	229	943	27.35%	648	191	839	24.20%
Staff	1,612	643	2,255	65.40%	1,711	700	2,411	69.54%
Total	2,539	909	3,448	100.00%	2,547	920	3,467	100.00%

M = Male / F = Female

■	Board of Commissioners and Directors
■	Manager
■	Supervisor
■	Staff

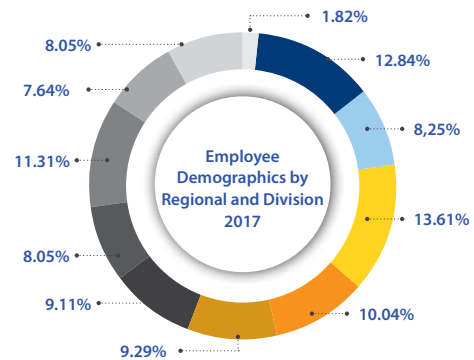
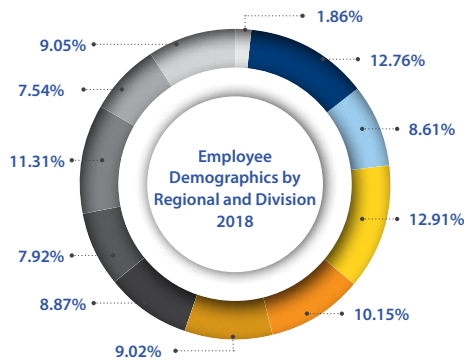
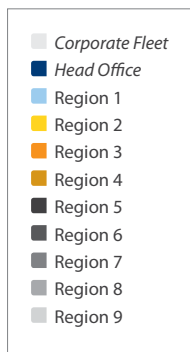




EMPLOYEE DEMOGRAPHICS BY REGIONAL AND DIVISION (PERSON)

Job Location/ Placement	2018				2017			
	M	F	Total	(%)	M	F	Total	(%)
Corporate Fleet	44	20	64	1.86%	41	22	63	1.82%
Head Office	285	155	440	12.76%	304	141	445	12.84%
Region 1	228	69	297	8.61%	215	71	286	8.25%
Region 2	363	82	445	12.91%	379	93	472	13.61%
Region 3	253	97	350	10.15%	237	111	348	10.04%
Region 4	212	99	311	9.02%	237	85	322	9.29%
Region 5	224	82	306	8.87%	230	86	316	9.11%
Region 6	206	67	273	7.92%	212	67	279	8.05%
Region 7	296	94	390	11.31%	293	99	392	11.31%
Region 8	197	63	260	7.54%	198	67	265	7.64%
Region 9	231	81	312	9.05%	201	78	279	8.05%
Total	2,539	909	3,448	100.00%	2,547	920	3,467	100.00%

M = Male / F = Female

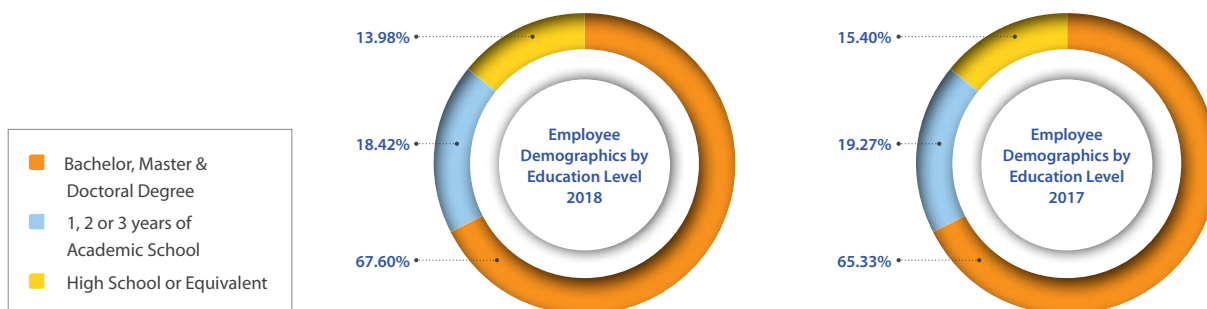


EMPLOYEE DEMOGRAPHICS BY EDUCATION LEVEL (PERSON)

Education Level	2018				2017			
	M	F	Total	(%)	M	F	Total	(%)
Bachelor, Master & Doctoral Degree	1,645	686	2,331	67.60%	1,580	685	2,265	65.33%
1, 2 or 3 years of Academic School	433	202	635	18.42%	458	210	668	19.27%
High School or Equivalent	461	21	482	13.98%	509	25	534	15.40%
Total	2,539	909	3,448	100.00%	2,547	920	3,467	100.00%

M = Male / F = Female

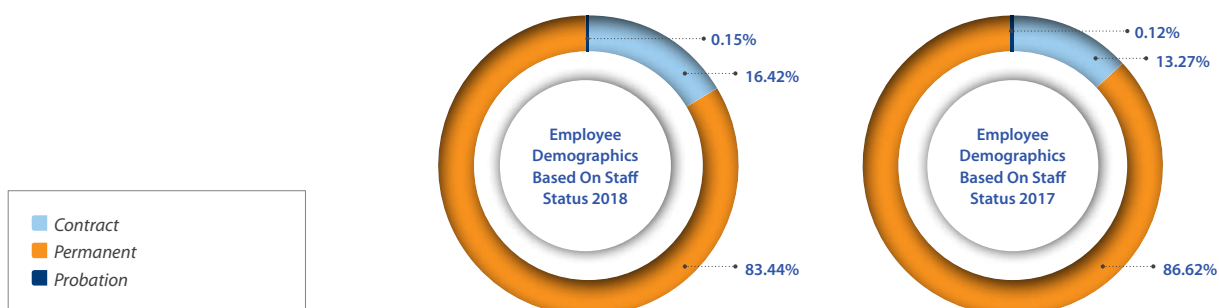
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EMPLOYEE DEMOGRAPHICS BASED ON STAFF STATUS (PERSON)

Employee Status	2018				2017			
	M	F	Total	(%)	M	F	Total	(%)
Contract	427	139	566	16.42%	352	108	460	13.27%
Permanent	2,108	769	2,877	83.44%	2,193	810	3,003	86.62%
Probation	4	1	5	0.15%	2	2	4	0.12%
Total	2,539	909	3,448	100.00%	2,547	920	3,467	100.00%

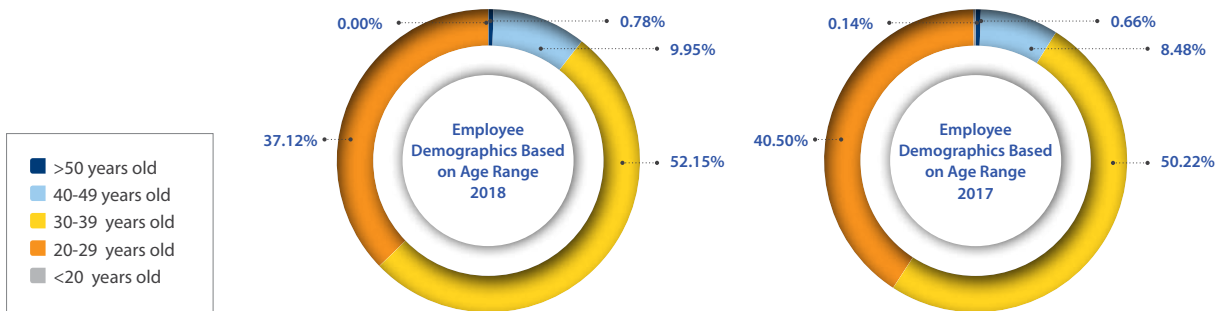
M = Male / F = Female



EMPLOYEE DEMOGRAPHICS BASED ON AGE RANGE (PERSON)

Age Range	2018				2017			
	M	F	Total	(%)	M	F	Total	(%)
> 50 years old	24	3	27	0.78%	20	3	23	0.66%
40-49 years old	290	53	343	9.95%	253	41	294	8.48%
30-39 years old	1,446	352	1,798	52.15%	1,394	347	1,741	50.22%
20-29 years old	779	501	1,280	37.12%	875	529	1,404	40.50%
< 20 years old	0	0	0	0.00%	5	0	5	0.14%
Total	2,539	909	3,448	100.00%	2,547	920	3,467	100.00%

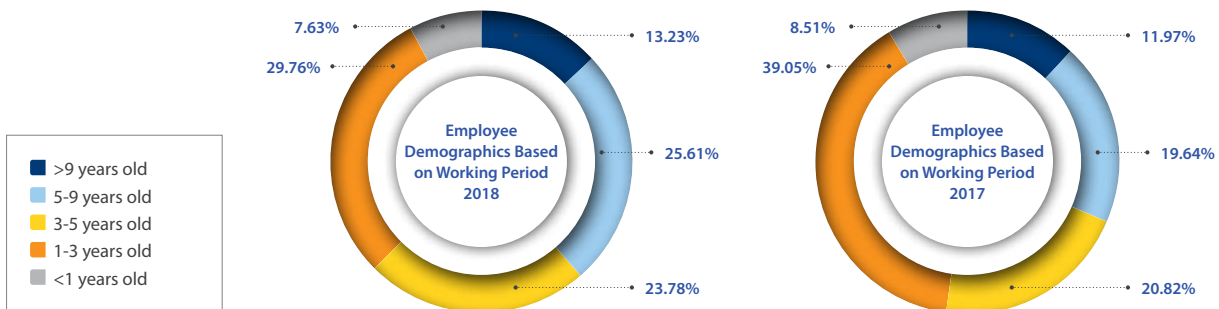
M = Male / F = Female



EMPLOYEE DEMOGRAPHICS BASED ON WORKING PERIOD (PERSON)

Working Period	2018				2017			
	M	F	Jumlah	(%)	M	F	Jumlah	(%)
> 9 years old	327	129	456	13.23%	291	124	415	11.97%
5 - 9 years old	605	278	883	25.61%	460	221	681	19.64%
3 - 5 years old	611	209	820	23.78%	522	200	722	20.82%
1 - 3 years old	786	240	1,026	29.76%	1,039	315	1,354	39.05%
< 1 years old	210	53	263	7.63%	235	60	295	8.51%
Jumlah	2,539	909	3,448	100.00%	2,547	920	3,467	100.00%

M = Male / F = Female

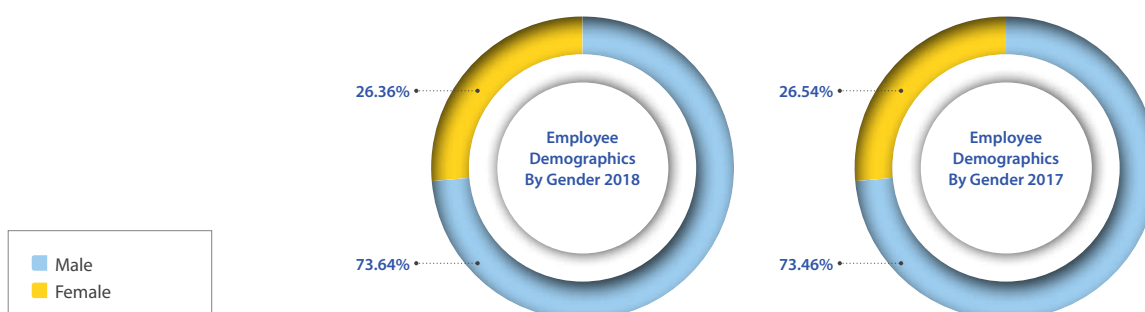


EMPLOYEE DEMOGRAPHICS BY GENDER (PERSON)

Gender	2018		2017	
	Total	(%)	Total	(%)
Male	2,539	73.64%	2,547	73.46%
Female	909	26.36%	920	26.54%
Total	3,448	100.00%	3,467	100.00%

M = Male / F = Female

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Further information about the demographics of the Company's employees can be seen in the discussion of Human Resources in the chapter on Business Support Functions in this annual report.

EMPLOYEE COMPETENCE DEVELOPMENT

The Company is committed to building quality human resources consistently and continuously by involving

employees in both internal and external competency development activities. The Company provides opportunities for all employees without exception to take part in competency development programs, with the aim of increasing the competence and capacity of each employee.

For Competency Development in 2018 the Company incurs costs of Rp 5,752,306,622

COMPETENCY DEVELOPMENT DESCRIBING POSITION LEVEL AND GENDER EQUALITY 2018

Position Level	Types of Education and Training	Participants			Cost (Rp)
		M	F	Total	
Commissioner	Seminars, Training and Workshops	6, (100%)	0, (0%)	6	20,200,000
Director	Seminars, Training and Workshops	14, (100%)	0, (0%)	14	33,350,000
Deputy Director	Seminars, Training and Workshops	9, (100%)	0, (0%)	9	24,600,000
Head of Division / Head of Region	Seminars, Training and Workshops	14, (82%)	3, (18%)	17	521,725,221
Dept. Head/Manager	Seminars, Training and Workshops	125, (80%)	31, (20%)	156	1,910,748,348
Section Head	Seminars, Training and Workshops	725, (80%)	186, (20%)	911	1,000,742,900
Staff/Officer	Seminars, Training and Workshops	926, (73%)	346, (27%)	1.272	379,642,840
Management Trainee	Seminars, Training and Workshops	29, (53%)	26, (47%)	55	682,333,775
Manager Development Program	Seminars, Training and Workshops	4, (50%)	4, (50%)	8	569,361,550
Supervisor Development Program	Seminars, Training and Workshops	85, (81%)	20, (19%)	105	609,601,988
Total		616, (24%)	1,937, (76%)	2,553	5,752,306,622



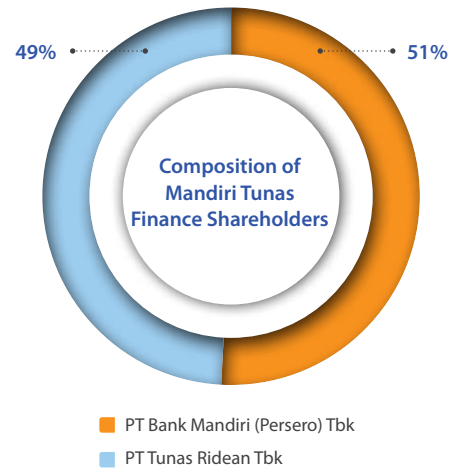
"A full description of the Mandiri Tunas Finance policy, in managing and developing HR competencies, can be seen in the discussion of Human Resources in the Business Support Function chapter in this annual report."

SHAREHOLDERS COMPOSITION

MANDIRI TUNAS FINANCE SHARE OWNERSHIP COMPOSITION

MANDIRI TUNAS FINANCE SHARE OWNERSHIP AS OF DECEMBER 31, 2018

Shareholders	Rp. 100 per share		Percentage of Ownership (%)
	Number of shares (shares)	Issued and Fully Paid Up Capital (Rp)	
PT Bank Mandiri (Persero) Tbk	1,275,000,000	127,500,000,000	51.00
PT Tunas Ridean Tbk	1,275,000,000	122,500,000,000	49.00
Total	2,500,000,000	250,000,000,000	100



MANDIRI TUNAS FINANCE SHARE OWNERSHIP BY THE BOARD OF COMMISSIONERS AND DIRECTORS

No	Name	Position	2018		2017	
			Number of shares (shares)	Percentage of Ownership (%)	Number of shares (shares)	Percentage of Ownership (%)
BOARD OF COMMISSIONERS						
1	Rico Adisurja Setiawan	President Commissioner	Nil	Nil	Nil	Nil
2	Harry Gale	Commissioner	Nil	Nil	Nil	Nil
3	Ravik Karsidi	Independent Commissioner	Nil	Nil	Nil	Nil
BOARD OF DIRECTORS						
1	Arya Suprihadi	President Director	Nil	Nil	Nil	Nil
2	Harjanto Tjitohardjojo	Director	Nil	Nil	Nil	Nil
3	Armendra	Director	Nil	Nil	Nil	Nil

Nil = does not have MTF shares



"At the end of 2018, Mandiri Tunas Finance did not have a share ownership program for the Board of Commissioners, the Board of Directors and its employees."

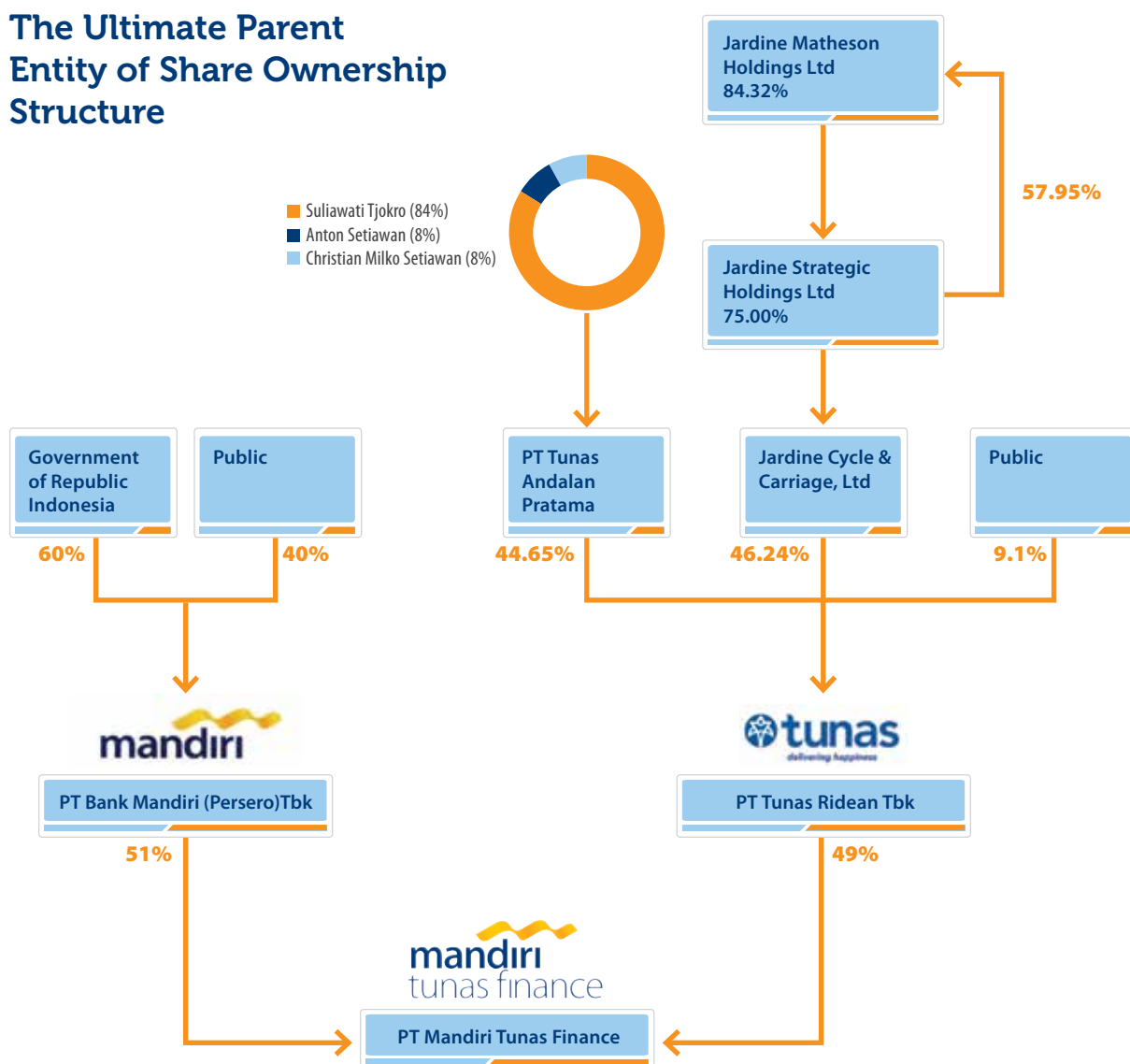
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Information About The Ultimate Parent Entity of The Main Shareholders and/or Controlling Shareholders

The Company's Main/Controlling Shareholder is PT Bank Mandiri (Persero) Tbk which owns 51.00% of the Company's shares. While PT Tunas Ridean Tbk owns

49.00% of the Company's shares. The following is the Ultimate Parent Entity of share ownership structure.

The Ultimate Parent Entity of Share Ownership Structure



"PT Bank Mandiri (Persero) Tbk is the main/controlling shareholder of the Company with a total share ownership of 51.00%."



PT BANK MANDIRI (PERSERO) TBK

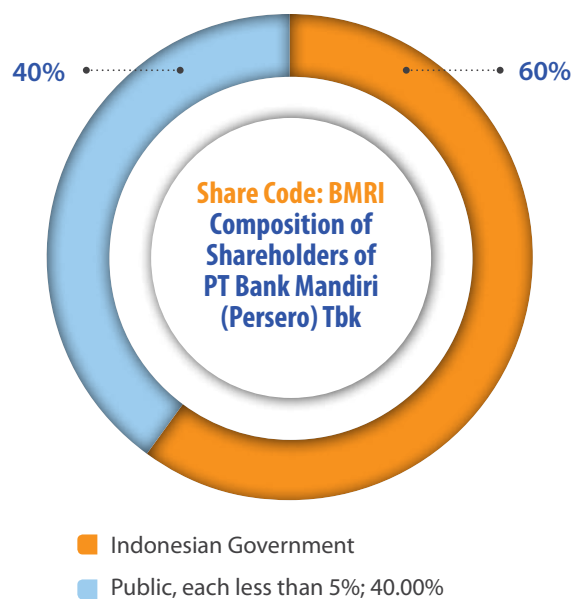
PT Bank Mandiri (Persero) Tbk, hereinafter referred to as "Bank Mandiri" or "Bank", was established on October 2, 1998 in the Republic of Indonesia with Notarial Deed Sutjipto, S.H., No. 10, based on Government Regulation No. 75 of 1998 dated October 1, 1998. Bank Mandiri was established through a merger of PT Bank Bumi Daya (Persero), PT Bank Dagang Negara (Persero), PT Bank Ekspor Impor (Persero), and PT Bank Pembangunan Indonesia (Persero). In 2003, Bank Mandiri conducted an initial public offering on July 14, 2003 with a stock code of "BMRI" of 20% or equivalent to 4 billion shares.

Over time and supported by a well-done experience and capability in providing banking services especially in the corporate credit segment, Bank Mandiri is still one of the largest Indonesian State Owned Enterprises (BUMN) Banks in Indonesia in terms of total assets, loans and deposits.

As a state-owned bank that operates in the middle of the fourth largest population in the world, and in order to realize its long-term aspirations in 2020 namely "Indonesia's best, ASEAN prominent" or become the best performing financial institution in terms of services, products and returns to shareholders, as well as the benefits received widely by the ASEAN scale, Bank Mandiri consistently focuses its business strategy on 3 (three) things, namely strengthening leadership in the wholesale segment by deepening relationships with customers, always striving to become the bank of choice

for customers in the segment retail, and continue to seek integration in all lines of business both those owned by Bank Mandiri and its subsidiaries.

To actualize this, Bank Mandiri continuously improves its position and capabilities in the national banking industry sector by paying attention to rapid technological developments, increasingly dynamic customer needs, and the demographics of the Indonesian people.



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THE COMPOSITION OF THE BOARD OF COMMISSIONERS AND DIRECTORS OF PT BANK MANDIRI (PERSERO) TBK AS OF DECEMBER 31, 2018

No	Name	Position
Board of Commissioners		
1	Hartadi Agus Sarwono	President Commissioners/Independent Commissioner
2	Imam Apriyanto Putro	Deputy President Commissioner
3	Askolani	Commissioner
4	Bangun Sarwito Kusmuljono	Independent Commissioner
5	Goel Siau Hong	Independent Commissioner
6	Ardan Adiperdana	Independent Commissioner
7	Makmur Keliat	Independent Commissioner
8	R. Widyo Pramono	Independent Commissioner
Board of Directors		
1	Kartika Wirjoatmodjo	President Director
2	Sulaiman Arif Arianto	Deputy President Director
3	Royke Tumilaar	Director
4	Hery Gunardi	Director
5	Ahmad Siddik Badruddin	Director
6	Rico Usthavia Frans	Director
7	Darmawan Junaidi	Director
8	Alexandra Askandar	Director
9	Agus Dwi Handaya	Director
10	Panji Irawan	Director
11	Donsuwan Simatupang	Director



PT TUNAS RIDEAN TBK

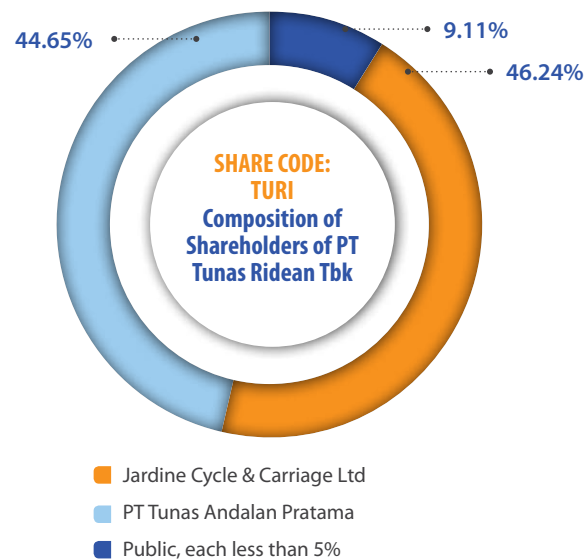
PT Tunas Ridean Tbk, hereinafter referred to as "Tunas Grup", is the founding shareholder of the Company. Tunas Grup is a family company called Tunas Indonesia Motor which operated since 1967. In 1980, Tunas Grup integrated all business units into one holding company PT Tunas Ridean. The company then registered on the Indonesia Stock Exchange in 1995.

In 2012, Tunas Grup expanded its sales outlet network and after-sales service for automotive brands through the acquisition of the official Isuzu dealer PT Rahardja Ekalancar and now called Tunas Isuzu. In November 2014, PT Tunas Dwipa Matra together with third parties established PT Asia Surya Perkasa, which is a main dealer of Honda motorcycle for the Bangka Belitung region.

Currently the Company has become the largest independent automotive group that has 154 outlets spread throughout Indonesia. Tunas Grup operates a network of sales outlets and after-sales services of well-known automotive brands through PT Tunas Ridean Tbk (Tunas Toyota), PT Tunas Mobilindo Perkasa (Tunas Daihatsu and Tunas Peugeot), PT Tunas Mobilindo Parama (Tunas BMW), and PT Tunas Dwipa Matra main dealers Honda motorcycle for the Lampung region. The

company through PT Tunas Aset Sarana (Tunas Used Car) also operates the sales service of used BMW Premium Selection cars.

In addition Tunas Grup operates vehicle rental services and short-term and long-term fleet management through PT Surya Sudeco (Tunas Rent). PT Surya Sudeco founded a manpower service company named PT Mitra Asri Pratama and auction house named PT Mega Armada Sudeco.



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THE COMPOSITION OF THE BOARD OF COMMISSIONERS AND DIRECTORS OF PT TUNAS RIDEAN TBK AS OF DECEMBER 31, 2018

No	Name	Position
Board of Commissioners		
1	Anton Setiawan	President Commissioner
2	Dr. Cosmas Batubara	Deputy President Commissioners/Independent Commissioner
3	Hong Anton Leoman	Commissioner
4	Haslam Preston	Commissioner
5	Sarastri Baskoro	Independent Commissioner
Board of Directors		
1	Rico Adisurja Setiawan	President Director
2	Nugraha Indra Permadi	Director
3	Tenny Febyana Halim	Director
4	Tan Fony Salim	Director
5	Kent Teo	Director

SUBSIDIARY'S ENTITIES, ASSOCIATION AND JOINT VENTURE (JV) ENTITIES, AND SPECIAL PURPOSE VEHICLE (SPV) INFORMATION

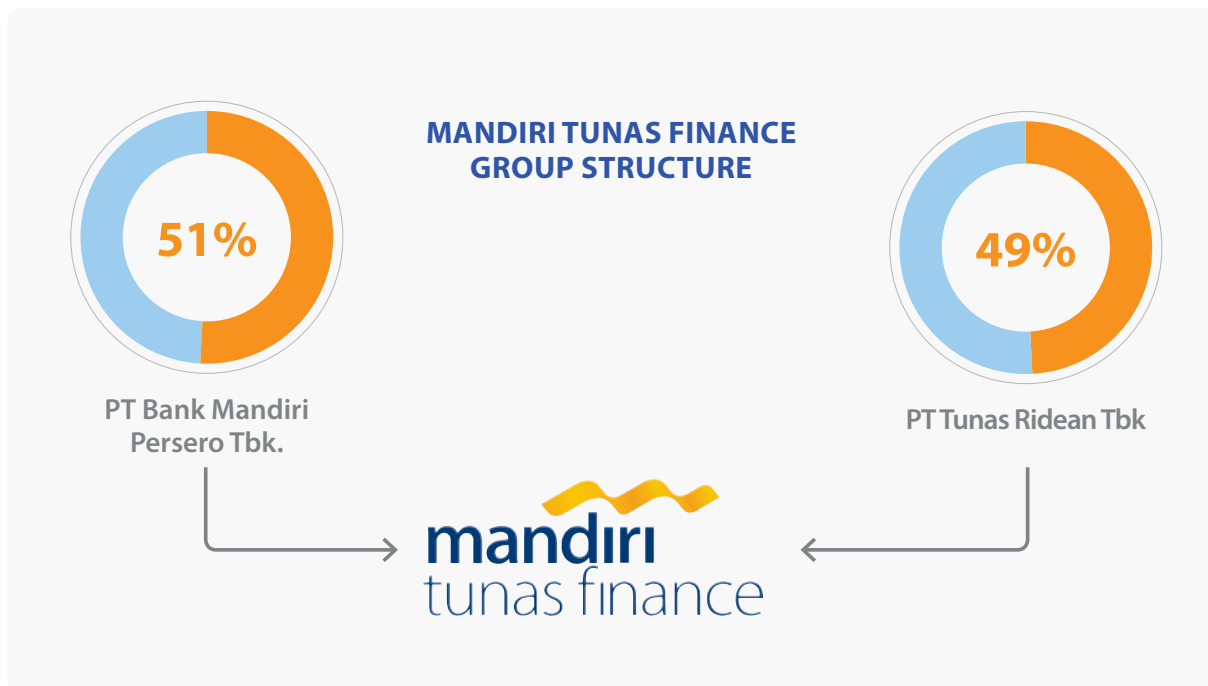


"As of the end of 2018, Mandiri Tunas Finance does not have Subsidiaries, Association Entities, Equity Participations, Joint Ventures (JVs), Special Purpose Vehicles (SPVs), and Operations Cooperation (KSO)."

The Company does not have subsidiaries or associated entities. Thus, there is no information about the names of subsidiaries and/or associations, percentage of share ownership, information about the business fields of

subsidiaries and/or associates, and information on the operating status of subsidiaries and/or associated entities.

MANDIRI TUNAS FINANCE GROUP STRUCTURE



CHRONOLOGICAL ISSUANCE AND SHARING OF SHARES INFORMATION

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As of the end of 2018, the Company does not issue and register its shares on the stock exchange. The company becomes a listed company because it issues bonds.

Therefore, there is no information about the chronology of the issuance and listing of shares.

CHRONOLOGICAL ISSUANCE AND LISTING OF OTHER BONDS AND/OR OTHER EFFECTS

The Company has issued Bonds and Medium Term Notes (MTN) several times, the funds are used entirely for motor vehicle financing activities. Although the Company has full support for funding facilities, especially Joint Financing from PT Bank Mandiri (Persero) Tbk, the Company continues to diversify its funding to support

the Company's business performance.

Issuance of Bonds and MTN aim to maintain good relations with investors and maintain the existence of the Company in the Capital Market.

BONDS

Year	Name of Bond	Series	Rating	Bond value (Rp)	Interest Rate	Frequency of interest payments	Date Publishing	Due Date	Desc..
2003	Tunas Financindo Sarana Bonds I with a Fixed Interest Rate	-	idBBB+	500,000,000,000	14.50 % p.a	Once every 3 (three) months	June 4, 2003	May 29, 2006	Settled
2004	Tunas Financindo Sarana Bonds II with a Fixed Interest Rate	-	idBBB+	350,000,000,000	10.00 % p.a	Once every 3 (three) months	June 15, 2004	July 22, 2005	Settled
2005	Tunas Financindo Sarana Bonds III with a Fixed Interest Rate	A	idA-	150,000,000,000	10.625 % p.a	Once every 3 (three) months	July 1, 2005	July 8, 2006	Settled
		B	idA-	100,000,000,000	12.825 % p.a		July 1, 2005	July 8, 2007	Settled
			idA-	100,000,000,000	13.250 % p.a		July 1, 2005	July 8, 2008	Settled
			350,000,000,000						
2007	Tunas Financindo Sarana Bonds IV with a Fixed Interest Rate	A	idA-	150,000,000,000	10.00 % p.a	Once every 3 (three) months	Feb 14, 2007	Feb 27, 2008	Settled
		B	idA-	100,000,000,000	10.40 % p.a		Feb 14, 2007	Feb 27, 2009	Settled
		C	idA-	350,000,000,000	11.00% p.a		Feb 14, 2007	Feb 27, 2010	Settled
			600,000,000,000						
2008	Tunas Financindo Sarana Bonds V with a Fixed Interest Rate	A	idA-	350,000,000,000	10.00 % p.a	Once every 3 (three) months	Feb 12, 2008	Feb 27, 2009	Settled
		B	idA-	25,000,000,000	10.50 % p.a		Feb 12, 2008	Feb 20, 2010	Settled
		C	idA-	50,000,000,000	11.00 % p.a		Feb 12, 2008	Feb 20, 2011	Settled
		D	idA-	175,000,000,000	11.25 % p.a		Feb 12, 2008	Feb 20, 2012	Settled
			600,000,000,000						

Year	Name of Bond	Series	Rating	Bond value (Rp)	Interest Rate	Frequency of interest payments	Date Publishing	Due Date	Desc.
2011	Tunas Financindo Sarana Bonds VI with a Fixed Interest Rate	A	idA+	48,000,000,000	8.60 % p.a	Once every 3 (three) months	May 10, 2011	May 23, 2012	Settled
		B	idA+	52,000,000,000	9.60 % p.a		May 10, 2011	May 19, 2013	Settled
		C	idA+	350,000,000,000	10.00 % p.a		May 10, 2011	May 19, 2014	Settled
		D	idA+	150,000,000,000	10.70 % p.a		May 10, 2011	May 19, 2015	Settled
				600,000,000,000					
2013	MTF Sustainable Bonds I Phase I	A	idAA	425,000,000,000	7.75 % p.a	Once every 3 (three) months	June 5, 2013	June 5, 2016	Settled
		B	idAA	75,000,000,000	7.80 % p.a		June 5, 2013	June 5, 2017	Settled
				500,000,000,000					
2014	MTF Sustainable Bonds I Phase II	A	idAA	425,000,000,000	10.70 % p.a	Once every 3 (three) months	May 23, 2014	May 23, 2017	Settled
		B	idAA	175,000,000,000	10.85 % p.a		May 23, 2014	May 23, 2018	-
				600,000,000,000					
2015	MTF Sustainable Bonds I Phase III	-	idAA	150,000,000,000	9.75 % p.a	Once every 3 (three) months	June 9, 2015	June 9, 2018	-
	MTF Sustainable Bonds II Phase I	A	idAA	500,000,000,000	10.20 % p.a	Once every 3 (three) months	Dec 18, 2015	Dec 18, 2018	-
				100,000,000,000	10.80 % p.a		Dec 18, 2015	Dec 18, 2020	-
				600,000,000,000					
2016	MTF Sustainable Bonds II Phase II	A	idAA	720,000,000,000	8.95 % p.a	Once every 3 (three) months	June 1, 2016	June 1, 2019	-
		B	idAA	680,000,000,000	9.25 % p.a		June 1, 2016	June 1, 2021	-
				1,400,000,000,000					
	MTF Sustainable Bonds III Phase I	A	idAA+	400,000,000,000	8.20% p.a	Once every 3 (three) months	Oct 7, 2016	Oct 7, 2019	-
		B	idAA+	100,000,000,000	8.55% p.a		Oct 7, 2016	Oct 7, 2021	-
				500,000,000,000					
2017	MTF Sustainable Bonds III Phase II	A	idAA+	610,000,000,000	8.50% p.a	Once every 3 (three) months	June 6, 2017	June 6, 2020	-
		B	idAA+	240,000,000,000	8.85% p.a		June 6, 2017	June 6, 2022	-
TOTAL							Rp4,175,000,000,000		

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The listing chronology of the Company's bonds which is still outstanding and listed on the Indonesia Stock Exchange is as follows:

1. On May 10, 2011, the Company issued a Public Offering of Mandiri Tunas Finance Bonds VI Year 2011 with a fixed interest rate and a principal amount of Rp600,000,000,000 (six hundred billion Rupiah), with a maximum period of 4 (four) years, consisting of:

Series A: With a principal amount of Rp48,000,000,000, a period of 370 days and an interest of 8.60% per year (due on May 23, 2012). Payment of the Bond principal in full has been made at the maturity of Series A Bonds.

Series B: With a principal amount of Rp52,000,000,000, a period of 2 (two) years and an interest of 9.60% per year (due on May 19, 2013). Payment of the Bond principal in full has been made at the maturity of the Series B Bonds.

Series C: With a principal amount of Rp350,000,000,000, a period of 3 (three) years and an interest of 10.00% per year (due on May 19, 2014). Payment of the Bond principal in full has been made at the maturity of Series C Bonds.

Series D: With a principal amount of Rp150,000,000,000, a period of 4 (four) years and an interest of 10.70% per year (due on May 19, 2015). Payment of the Bond principal in full has been made at the maturity of Series D Bonds.

These bonds are guaranteed by fiduciary collateral in the form of performing receivables of at least 80% of the principal amount of the bonds. Bond interest is paid once every 3 (three) months, the first bond interest payment was on August 19, 2011, while the last bond interest payment was made on May 19, 2015.

In the context of the issuance of these Bonds, the Company has obtained a bond rating from PT Pemeringkat Efek Indonesia (PEFINDO) with a rating:

idA + (Single A plus; Stable Outlook) and listed on the Indonesia Stock Exchange on May 20, 2011.

The proceeds of the Bonds have been used 100% to increase working capital in the framework of financing motor vehicles by the Company. The realization report on the use of all funds was submitted to Bapepam and LK through letter No. 084/MTF-CSC/VI /2011 dated July 7, 2011.

The Public Offering of Mandiri Tunas Finance Bonds VI in 2011 was assisted by capital market institutions and supporting professions, namely:

Trustee	: PT Bank Mega Tbk
Public Accountants	: KAP Tanudiredja, Wibisana and Partners (a member firm of Pricewaterhouse Coopers Global Network)
Notary	: Fathiah Helmi, SH
Legal Consultant	: BM & Partners Law Office
Securities Rating	: PT Pemeringkat Efek Indonesia (PEFINDO)

On November 2, 2012, PT Fitch Ratings Indonesia set a Corporate Rating with a rating of AA (idn) (Double AA; Stable Outlook). On November 12, 2012, PT Pemeringkat Efek Indonesia (PEFINDO) upgraded the Corporate Rating along with Bond debt letter VI Series B, Series C and Series D in 2011 which were originally ranked idA+ (Single A plus; Stable Outlook) to be idAA (Double A; Stable Outlook). Then on March 5, 2014, with a PEFINDO letter No. 360/PEF-Dir/III/2014 concerning Certificate of Annual Monitoring of Ratings for Bonds VI Series C and Series D in 2011 PT Mandiri Tunas Finance for March 5, 2014 until March 1, 2015, which decided to re-rank idAA (Double A) ratings.

2. On May 30, 2013, the Company issued a Public Offering of Mandiri Tunas Finance Sustainable Bonds I Stage I with a fixed interest rate and a principal amount of Rp500,000,000,000 (five hundred billion Rupiah), with a maximum period of 4 (four) years, consisting of:

Series A: With a principal amount of Rp425,000,000,000, a period of 36 (thirty six) months and an interest of 7.75% per year (due on June 5, 2016). Payment of the Bond principal in full has been made at the maturity of Series A Bonds.

Series B: With a principal amount of Rp75,000,000,000, a period of 48 (forty eight) months and an interest of 7.80% per year (due on June 5, 2017). Payment of the Bond principal in full has been made at the maturity of the Series B Bonds.

These bonds are guaranteed by fiduciary collateral in the form of performing receivables of at least 60% of the principal amount of the bonds. Bond interest is paid every 3 (three) months where the first bond interest payment was on September 5, 2013, while the last bond interest payment has been made on June 5, 2017.

In the context of the issuance of these Bonds, the Company has obtained the bond rating from PT Pemeringkat Efek Indonesia (PEFINDO) with ratings: idAA (Double A) for the period of March 18, 2013 to March 1, 2014 and listed on the Indonesia Stock Exchange on June 7, 2013. Then on March 5, 2014, with a PEFINDO letter No. 359/PEF-Dir/III/2014 concerning the Rating of Annual Monitoring Certificate of PT Mandiri Tunas Finance Sustainable Bonds I for the period of March 5, 2014 to March 1, 2015 which decided to re-rank idAA (Double A).

The proceeds of the Bonds have been used 100% to increase working capital in the framework of financing motor vehicles by the Company. The realization report of the use of all funds was submitted to the Financial Services Authority through letter No. 091/MTFCSC/VII/2013 dated July 8, 2013.

The Public Offering of Mandiri Tunas Finance Sustainable Bonds I Phase I Year 2013 was assisted by capital market institutions and supporting professionals, namely:

Trustee	: PT Bank Mega Tbk
Public Accountants	: KAP Tanudiredja, Wibisana and Partner (a member firm of Pricewaterhouse Coopers Global Network)
Notary	: Fathiah Helmi, SH
Legal Consultant	: BM & Partners Law Office
Securities Rating	: PT Pemeringkat Efek Indonesia (PEFINDO)

- On May 19, 2014, the Company issued a Public Offering of Mandiri Tunas Finance Sustainable Bonds I Phase II Year 2014 with a fixed interest rate and a principal amount of Rp600,000,000,000 (six hundred billion Rupiah), with a maximum period of 4 (four) years, consisting of:

Series A: With a principal amount of Rp425,000,000,000, a period of 36 (thirty six) months and an interest of 10.70% per year (due on May 23, 2017). Payment of the Bond principal in full has been made at the maturity of Series A Bonds.

Series B: With a principal amount of Rp175,000,000,000, a period of 48 (forty eight) months and an interest of 10.85% per year (due on 23 May, 2018). Payment of the Bond principal in full has been made at the maturity of the Series B Bonds.

These bonds are guaranteed by fiduciary collateral in the form of performing receivables of at least 60% of the principal amount of the bonds. Bond interest is paid once every 3 (three) months in which the first bond interest payment was on August 23, 2014, while the final bond interest payment will be made on May 23, 2018.

In the context of the issuance of these Bonds, the Company has obtained the bond rating from PT Pemeringkat Efek Indonesia (PEFINDO) with a rating: idAA (Double A) for the period of March 5, 2014 to March 1, 2015 and listed on the Indonesia Stock Exchange on May 26, 2014.

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The proceeds of the Bonds have been used 100% to increase working capital in the framework of financing motorized vehicles by the Company. 100% of the proceeds from the Bonds have been used to increase working capital in the framework of financing motor vehicles.

The Public Offering of Mandiri Tunas Finance Sustainable Bonds I Phase II Year 2014 was assisted by capital market institutions and supporting professionals, namely:

Trustee	: PT Bank Mega Tbk
Public Accountants	: KAP Tanudiredja, Wibisana and Partner (a member firm of Pricewaterhouse Coopers Global Network)
Notary	: Fathiah Helmi, SH
Legal Consultant	: BM & Partners Law Office
Securities Rating	: PT Pemeringkat Efek Indonesia (PEFINDO)

4. On May 28, 2015, the Company issued a Public Offering of Mandiri Tunas Finance Sustainable Bonds I Phase III Year 2015 with a principal amount of Rp150,000,000,000, a period of 3 years and an interest of 9.75% per year.

These bonds are guaranteed by fiduciary collateral in the form of performing receivables of at least 60% of the principal amount of the bonds. Bond interest is paid once every 3 (three) months in which the first bond interest payment was on September 9, 2015, while the final bond interest payment will be made on June 9, 2018.

In the context of the issuance of these Bonds, the Company has obtained a bond rating from PT Pemeringkat Efek Indonesia (PEFINDO) with a rating: idAA (Double A) for the period March 6, 2015 to March 1, 2016 and listed on the Indonesia Stock Exchange on June 10, 2015.

The proceeds of the Bonds have been used 100% to increase working capital in the framework of financing motor vehicles by the Company.

The Public Offering of Mandiri Tunas Finance Sustainable Bonds I Phase III Year 2015 is assisted by capital market institutions and supporting professionals, namely:

Trustee	: PT Bank Mega Tbk
Public Accountants	: KAP Tanudiredja, Wibisana and Partner (a member firm of Pricewaterhouse Coopers Global Network)
Notary	: Fathiah Helmi, SH
Legal Consultant	: BM & Partners Law Office
Securities Rating	: PT Pemeringkat Efek Indonesia (PEFINDO)

5. On December 11, 2015, the Company issued a Public Offering of Mandiri Tunas Finance Sustainable Bonds II Phase I Year 2015 with a fixed interest rate, a principal amount of Rp600,000,000,000 and a maximum period of 5 years consisting of:

Series A: With a principal amount of Rp500,000,000,000, a period of 3 years and an interest of 10.20% per year.
Series B: With a principal amount of Rp100,000,000,000, a period of 5 years and an interest of 10.80% per year.

These bonds are guaranteed by fiduciary collateral in the form of performing receivables of at least 60% of the principal amount of the bonds. Bond interest is paid every 3 (three) months in which the first bond interest payment was on March 16, 2015, while the final bond interest payment will be made on September 16, 2020.

In the context of the issuance of this Bond, the Company has obtained the bond rating from PT Pemeringkat Efek Indonesia (PEFINDO) with a rating: idAA (Double A) for the period of September 30 2015 to September 1, 2016 and listed on the Indonesia Stock Exchange on December 14, 2015.

The proceeds of the Bonds have been used 100% to increase working capital in the framework of financing motor vehicles by the Company.

The Public Offering of Mandiri Tunas Finance Sustainable Bonds II Phase I Year 2015 is assisted by capital market institutions and supporting professionals, namely:

Trustee	: PT Bank Mega Tbk
Public Accountants	: KAP Tanudiredja, Wibisana and Partner (a member firm of Pricewaterhouse Coopers Global Network)
Notary	: Fathiah Helmi, SH
Legal Consultant	: BM & Partners Law Office
Securities Rating	: PT Pemeringkat Efek Indonesia (PEFINDO)

6. On June 1, 2016, the Company issued a Public Offering of Mandiri Tunas Finance Sustainable Bonds II Phase II Year 2016 with a fixed interest rate, a principal amount of Rp1,400,000,000,000 (one trillion four Hundred billion Rupiah) and a maximum period of 5 years, consisting of:

Series A: With a principal amount of Rp720,000,000,000, a period of 3 years and an interest of 8.95% per year.

Series B: With a principal amount of Rp680,000,000,000, a period of 5 years and an interest of 9.25% per year.

These bonds are guaranteed by fiduciary collateral in the form of performing receivables of at least 60% of the principal amount of the bonds. Bond interest is paid every 3 (three) months in which the first bond interest payment was on September 1, 2016, while the final bond interest payment will be made on June 1, 2021.

In the context of the issuance of these Bonds, the Company has obtained the bond rating from PT Pemeringkat Efek Indonesia (PEFINDO) with a rating: idAA (Double A) for the period September 30, 2015 to

September 1, 2016 and listed on the Indonesia Stock Exchange on June 2, 2016.

The proceeds of the Bonds have been used 100% to increase working capital in the framework of financing motor vehicles by the Company. The realization report of the use of all funds has been submitted to the OJK and the Indonesia Stock Exchange by letter No. 079/MTF-CLC.CCS/VI/2016 dated June 23, 2016.

The Public Offering of Mandiri Tunas Finance Sustainable Bonds II Phase II Year 2016 is assisted by capital market institutions and supporting professionals, namely:

Trustee	: PT Bank Mega Tbk
Public Accountants	: KAP Tanudiredja, Wibisana and Partner (a member firm of Pricewaterhouse Coopers Global Network)
Notary	: Fathiah Helmi, SH
Legal Consultant	: BM & Partners Law Office
Securities Rating	: PT Pemeringkat Efek Indonesia (PEFINDO)

7. On 7 October 2016, the Company issued a Public Offering of Mandiri Tunas Finance Sustainable III Phase I Year 2016 Year with a fixed interest rate, a principal amount of Rp500,000,000,000 and a maximum period of 5 years, consisting of:

Series A: With a principal amount of Rp400,000,000,000, a period of 3 years and an interest of 8.20% per year.

Series B: With a principal amount of Rp100,000,000,000, a period of 5 years and an interest of 8.55% per year.

These bonds are guaranteed by fiduciary collateral in the form of performing receivables of at least 60% of the principal amount of the bonds. Bond interest is paid once every 3 (three) months in which the first bond interest payment was on January 7, 2017, while the final bond interest payment will be made on

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In the context of the issuance of these Bonds, the Company has obtained the bond rating from PT Pemeringkat Efek Indonesia (PEFINDO) with a rating: idAA + (Double A plus) for the period of July 28 2016 to July 1, 2017 and listed on the Indonesia Stock Exchange on October 10, 2016.

The proceeds of the Bonds have been used 100% to increase working capital in the framework of financing motor vehicles by the Company. The realization report of the use of all funds was submitted to the OJK and the Indonesia Stock Exchange by letter No. 007/MTF-CLC.CCS/I/2017 dated January 9, 2017 and revised Realization Report by letter No. 009/MTFCLC.CCS/I/2017 dated January 12, 2017.

The Public Offering of Mandiri Tunas Finance Sustainable Bonds III Phase I Year 2016 is assisted by capital market institutions and supporting professionals, namely:

Trustee	: PT Bank Mega Tbk
Public Accountants	: KAP Tanudiredja, Wibisana and Partner (a member firm of Pricewaterhouse Coopers Global Network)
Notary	: Fathiah Helmi, SH
Legal Consultant	: BM & Partners Law Office
Securities Rating	: PT Pemeringkat Efek Indonesia (PEFINDO)

INSTITUTIONS AND SUPPORTING PROFESSIONS

LIST OF CAPITAL MARKET INSTITUTIONS AND SUPPORTING PROFESSIONALS

No	Name	Address	Types and Forms of Services	Cost (Rp)	Assignment Period
SUPPORTING INSTITUTION					
1	Custodian	Indonesian Central Securities Depository (KSEI) Address: Gedung Bursa Efek Indonesia Tower I Lt.5 Jalan Jend.Sudirman Kav.52-53 Jakarta 12190	Agent of payment for bonds principal settlement and bonds interest payment	-	2018
2	Wali Amanat	PT. Bank Rakyat Indonesia (Persero), Tbk Divisi Investment Services Bagian Trust & Corporate Services Address: Gedung BRI II Lt.30 Jl. Jend.Sudirman Kav.44-46 Jakarta 10210	Representing on behalf of the Bondholders	75,000,000	2018
3	Rating Agency	PT Pemingkat Efek Indonesia (Pefindo) Address: Panin Tower Senayan City Lt.17 Jalan Asia Afrika Lot.19 Jakarta 10270	Providing an assessment or rating of Bonds issued by the Company	454,545,455	2018
4	Managing Underwriter	PT Mandiri Sekuritas Address: Menara Mandiri Tower I, Lt.25 Jalan Jend. Sudirman Kav.54-55 Jakarta 12190 PT CGS-CIMB Sekuritas Indonesia Address: Gedung Bursa Efek Indonesia, Tower II, Lt.11 Jalan Jend. Sudirman Kav.52-53 Jakarta 12190	Responsible for the implementation of the Public Offering	1,700,000,000	2018
SUPPORTING PROFESSIONALS					
1	Public accounting firm	Kantor Akuntan Publik Purwantono, Sungkoro & Surja (Firma anggota Ernst & Young Global Limited) Address: Gedung Bursa Efek Indonesia Tower 2, Lantai 7 Jl. Jend. Sudirman Kav. 52-53 Jakarta 12190, Indonesia Telepon: (021) 5289 5000 Faksimili: (021) 5289 4111	General audit of the Financial Statements for financial year 2018	570,000,000	2018
2	Law Consultant	Hendro & Kanon, Advocates and Counsellors at Law Address: Graha Binakarsa Lt.4 Jalan HR Rasuna Said Kav. C-18 Jakarta 12940	Conduct a legal check.	450,000,000	2018
3	Notary	Fathiah Helmi, SH Address: Gedung Graha Irama Lt. 6C Jl. HR Rasuna Said Blok X-1, Kav. 1-2 Jakarta Selatan Tlp. : (021) 52907304, (021) 52907305-6 Fax. : (021) 5261136	Make deeds in the context of the Bond Public Offering, which is Trustee Agreement, Underwriting Agreement, Debt Recognition, guarantee deed and amendment deeds.	85,000,000	2018

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LIST OF PUBLIC ACCOUNTING FIRMS AND ACCOUNTANTS FOR THE PAST 6 (SIX) YEAR 2013-2018

Year	Public Accounting Firm	Accountants	Services	Other Services	Opinion	Service Fee
2018	Purwanto, Sungkoro & Surja (EY)	Danil Setiadi Handaja, CPA	General audit of the Financial Statements for financial year 2018	-	Fair in all material aspects	Rp570,000,000
2017	Purwanto, Sungkoro & Surja (EY)	Danil Setiadi Handaja, CPA	General audit of the Financial Statements for financial year 2017	-	Fair in all material aspects	Rp506,000,000
2016	Purwanto, Sungkoro & Surja (EY)	Yasir, CPA	General audit of the Financial Statements for financial year 2016	-	Fair in all material aspects	Rp460,000,000
2015	Purwanto, Sungkoro & Surja (EY)	Danil Setiadi Handaja, CPA	General audit of the Financial Statements for financial year 2015	-	Fair in all material aspects	Rp423,500,000
2014	Purwanto, Suherman & Surja (EY)	Danil Setiadi Handaja, CPA	General audit of the Financial Statements for financial year 2014	-	Fair in all material aspects	-
2013	Purwanto, Suherman, & Surja (EY)	Peter Surja, CPA	General audit of the Financial Statements for financial year 2013	-	Fair in all material aspects	-

OTHER IMPORTANT LISTS

Trade Information and Listing of Shares	Bursa Efek Indonesia Gedung Bursa Efek Indonesia Jl. Jend. Sudirman Kav 52-53 Jakarta 12190, Indonesia	Tel: +62 21 515 0515 Email: callcenter@idx.co.id Situs web: www.idx.co.id
Investor Relations	Corporate Secretary Arif Reza Fahlepi	Tel.: +62 21 230 5608 Fax.: +62 21 230 5618 Email: corporate.secretary@mtf.co.id

AWARDS AND CERTIFICATIONS



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AWARD IN 2018

No	Date	Event	Awards	Given by
AWARD				
1	February 23, 2018	Indonesia CSR Award-II-2018	3rd Place / Platinum / Very Excellent - A	ECONOMIC REVIEW
2	March 2, 2018	Indonesia Corporate Secretary & Corporate Communication Award-III-2018	1st Place / Platinum / Very Excellent - A	ECONOMIC REVIEW
3	March 2, 2018	Indonesia Information Technology Award-I-2018	1st Place / Platinum / Very Excellent - A	ECONOMIC REVIEW
4	March 9, 2018	Mandiri Synergy Award IT Summit 2018 - Building Mutual Partnership in the Digital Ecosystem	1st Place	BANK MANDIRI
5	April 13, 2018	Indonesia Sales Marketing Award - II - 2018	2nd Place / Platinum	ECONOMIC REVIEW
6	April 13, 2018	Indonesia Legal Award - I - 2018	4th Place / Gold	ECONOMIC REVIEW
7	May 9, 2018	Top 5 Indonesia Most Admired Companies 2018 in Financing Category	Financing Company Category	WARTA EKONOMI
8	May 30, 2018	Indonesia Human Capital Award - IV - 2018	2nd Place / Platinum	ECONOMIC REVIEW
9	June 29, 2018	Top 100 Enterprises 2018	Best in Financial Industry - Multifinance Category	WARTA EKONOMI
10	August 10, 2018	Top Multifinance Company 2018	Assets Category > 10 Trillion up to 20 Trillion	BUSINESSNEWS
11	August 10, 2018	Top CEO Multifinance 2018 - Arya Suprihadi	Multifinance Category	BUSINESSNEWS
12	August 10, 2018	Top Company Bidang Implementasi Teknologi Digital 2018	Multifinance Category	BUSINESSNEWS
13	August 24, 2018	Indonesia Corporate PR Award 2018: Top Popular Company in Multifinance Sector.	Multifinance Category	WARTA EKONOMI
14	September 6, 2018	Infobank Multifinance Award 2018	Very Good / Golden Trophy	INFOBANK
15	October 3, 2018	Indonesia Multifinance Award 2018	General Champion - 1 - Indonesia's Best Multifinance	ECONOMIC REVIEW
16	October 26, 2018	Indonesia Multifinance Consumer Choice Award 2018 (5th)	Multifinance Company with Very Good Performance Assets More than Rp 10 Trillion Category	WARTA EKONOMI

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No	Date	Event	Awards	Given by
17	November 2, 2018	Indonesia Good Corporate Governance Award IV 2018	Subsidiary Of SOE's Company - Good's Award, Excellent's Remarks	ECONOMIC REVIEW
18	November 2, 2018	Operation Excellence Award I 2018	Subsidiary Of SOE's Company - Platinum's Award, Very Excellent's Remarks	ECONOMIC REVIEW
19	November 23, 2018	Indonesia's Appreciation for State-Owned Enterprises (BUMN) 2018; BUMN Foreign Exchange Heroes and Disaster Rescue	TOP 4 SOE Subsidiaries in Financial and Insurance Services Sector	WARTA EKONOMI
20	November 29, 2018	TOP 20 FINANCIAL INSTITUTIONS 2018	In Recognition Of Outstanding Achivement In Top 20 Financial Institution 2018	The Finance
21	December 6, 2018	TOP IT 2018	Arya Suprihadi - Top Leader on IT Leadership 2018	IT Works
22	December 6, 2018	TOP IT 2018	Top IT Implementation on Multifinance Sector 2018	IT Works
23	December 19, 2018	Indonesian Financial Figures & the Best State-Owned Enterprises	2018 Best Multifinance - Assets More than Rp 10 Trillion Category	Majalah Investor
24	December 19, 2018	Good Corporate Governance Award 2018 - Indonesia Trusted Companies	Trusted Company Based on Corporate Governance Perception Index (CGPI)	IICG - SWA
Certification				
No	Date	Event	Period	Given by
25	March 5, 2018	Mandiri Tunas Finance Certificate as a Member of the Association of Indonesian Financing Companies	January 1 - December 31, 2018	APPI

LIST OF BRANCH AND REPRESENTATIVE OFFICES ADDRESS, AND INFORMATION RELATED TO SUBSIDIARY

BRANCH OFFICE ADDRESS

No	Province	Branch office	Current Address	Phone	Fax.
1	Aceh	Banda Aceh	Prof. Dr. Muhammad Hasan St., Blang Cut Village, Lueng Bata Sub-District, Banda Aceh, Aceh.	(0651) 635689 -635685	(0651) 635668
2	North Sumatra	Medan	Ringroad No 104 ABC St., Medan Selayang Sub-District, Medan 20132 (next to Sahara Viesta Hotel)	061-8220915/ 061-8220981	-
		Rantau Prapat	Sisingamangaraja St., Ruko Kompleks Mall Suzuya,	0624-7671497	-
3	West Sumatra	Padang	Rantau Prapat, North Sumatra	(0751) 4488970	0751) 4488972
		Bukittinggi	S Parman St. No 236 A, North Padang Sub-District, Padang, West Sumatra	0752-7839214 & 0752-7839132	
4	Riau	Pekanbaru	Ruko A1 , Bukittinggi - Padang St. KM 5, Cingkariang, Padang Luar, Bukittinggi, West Sumatra 26181	(0761) 63442	-
		Duri	Arifin Ahmad St., Komplek Platinum Bisnis Center No 25-26, RT 003/RW 011, Marpoyan Damai Sub-District, Pekanbaru, Riau 28294	(0765) 595155 / 082883038595/ 082883038596 / 082883038597	0765) 92078
		Ujung Batu/ Rokan Hulu	Hang Tuah St. No. 386, DURI , Mandau Sub-District, Bengkalis District, Riau	(0762) 7363485/ (0762) 7363484	(0762) 7363486
5	Jambi	Jambi	Gajah Mada St. No.85, RT 022/RW 006, Jelutung Sub-District, Jelutung District, Jambi	(0741) 7550022 / 23/ 24	0741) 7550025
		Muaro Bungo	Lintas Sudirman St. Rt.14 Rw.05, Pasar Muara Bungo Sub-District, Bungo District, Muaro Bungo, Jambi.	0747) 323782 – 23	(0747) 323779
6	Riau Islands	Batam	Ruko Kara Junction Blok A No. 13 A, Batam (Simpang Kara)	(0778) 464352 / 464354	0778) 464356
		Tanjung Pinang	Ruko Grand Bintang Centre, DI Panjaitan St. KM 9, East Tanjungpinang Sub-District, Tanjungpinang District, Riau Islands.	0771) 7335756	0771) 7335776
7	Bengkulu	Bengkulu	Pangeran Natadirja St. KM. 6,5 No. 29 RT. 02 RW. 01, Jalan Gedang, Sub-District , Gading Cempaka District, Bengkulu	(0736) 347710	(0736) 347575
8	South Sumatra	Palembang 1	R Sukamto St. Kompleks Ruko PTC Mall, Blok G No 8 B-C, 8 Ilir Sub-District, East Ilir II District, Palembang – 30114	0711) 378476 / 363999 / 377234	(0711) 370777
		Palembang 2	Kol. H. Burlian St. KM 6 No.1032 RT.20 RW.03, Sukabangun Sub-District, Sukarami District, Palembang 30151	08111772994/ 08111772976	
		Baturaja	Dr. Mohammad Hatta St. No. 589 E, East Baturaja Sub-District, Ogan Komering Ulu District 32112, South Sumatra	(0735) 322024 / 322026	0735) 323717
		Lubuklinggau	Yos Sudarso St. RT 006, East Lubuk Linggau I Sub-District, Lubuk Linggau, South Sumatra	(0733) 732 9631	(0733) 732 9633

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No	Province	Branch office	Current Address	Phone	Fax.
9	Lampung	Bandar Lampung	Pangeran Antasari St. No.91C, Kedamaian Sub-District, Tanjung Karang, Bandar Lampung, Lampung	(0721) 772486 / 773557 / 773614	(0721) 773556 / 772487
		Metro	AH. Nasution St. No.123B Rt.25 Rw.07, Yosorejo East Metro, Metro Lampung City, Lampung	(0725) 7851001 / 7850488	(0725) 7851603
		Tulang Bawang	Lintas Timur Kampung Dwi Warga Tunggal Jaya St., Banjar Agung Sub-District, Tulang Bawang, Lampung	(0726) 750570	(0726) 750647
		Tanggamus	Jend. A. Yani St. No.46A Pringsewu (in front of BCA) Pringsewu District - Lampung	(0729) 23826 082880006969 / 082880066969	(0729) 22431
		Bandarjaya	Proklamator St. RT 015 RW 006 Lingkungan III, Terbanggi Besar Sub-District, Central Lampung District, Lampung	(0725) 529691	(0725) 529690
10	Kep. Bangka Belitung	Pangkal Pinang	Soekarno Hatta St. No.8A, Pangkal Pinang 33146	(62-717) 436445-424630-4256615	-
11	DKI Jakarta	Pecenongan	Sukardjo Wirjo Pranoto St. No.2/6, Kebon Kelapa Sub-District, Gambir District, Central Jakarta, DKI Jakarta	(021) 3847288	(021) 3808939
		Kemayoran	Rukan Mangga Dua Square Blok C 35, Gunung Sahari Raya St. No. 1 , North Jakarta – 14420	(021) 22620253	(021) 3808939
		Kelapa Gading	Boulevard Barat St. Block C No.63 A, Plaza Kelapa Gading Inkopal, West Kelapa Gading Sub-District, Kelapa Gading District, Jakarta	(021) 45851153, 45859263, 45865547, 45865546	(021) 45851157
		Matraman	Jatinegara Timur St. No. 37 RT 008 RW 04, Jatinegara Sub-District, East Jakarta, DKI Jakarta	(021) 85917920 / 21 / 22 / 23	(021) 8519721
		Tanjung Duren	Prof Dr Latumenten St., Komplek Ruko Seasons City Blok A No. 28, Tambora Sub-District, West Jakarta, DKI Jakarta	(021) 29618062 / 63/ 64	(021) 29618065
		Fatmawati	Rukan Plaza 5, Pondok Indah Blok D No. 5, Marga Guna Raya St., North Gandaria Sub-District, Kebayoran Baru District, South Jakarta	(021) 27933248	
		Kebon Jeruk	Ruko Rich Palace Blok B III, Meruya Ilir St. no. 36-40, Srengseng Sub-District, Kembangan District, West Jakarta	(021) 58910034 / 58910035	(021) 58910034 / 58910035
		Mampang Prapatan	Duren Tiga St. No 29 A-B, RT 005 / RW 001, Pancoran Sub-District, South Jakarta, DKI Jakarta	(021) 79195795 / 79195796	(021) 79190567
		Mangga Dua	WTC Mangga Dua Building 4th Fl., Block AL 001 s/d AL003, Mangga Dua Raya St. No 8, North Jakarta, DKI Jakarta	(021) 29986250 – 52	(021) 29986253
		Lebak Bulus	Ruko Bona Indah Bisnis Center Blok B / I No. 80, Karang Tengah St., Cilandak Sub-District, South Jakarta, DKI Jakarta	(021) 27654001	(021) 27828127
		Duren Tiga 2	Duren Tiga St. No 29 A-B, RT 005 / RW 001, Pancoran Sub-District, South Jakarta, DKI Jakarta	(021) 79195795/ 79195796	
12	West Java	Pondok Gede	Ruko Taman Jatimakmur, Jatimakmur Raya St. Block A No. 16 G – 16 H, Pondok Gede, Bekasi (near Tip Top Supermarket)	(021) 85508709/ 85508576	(021) 84978733

No	Province	Branch office	Current Address	Phone	Fax.
13	Banten	Cilegon	Komplek PCI Ruko Cilegon Raya St. Business Square Block A No. 6 – 7 RT.05 RW.06, Cibeber Sub-District, Cilegon Banten	0254) 374909/ 374910	(0254) 397413
		Serang	Ruko Ranca Utama, Serang – Cilegon Raya St. KM4 RT 03/04, Ranca Tales Village, Drangong Sub-District, Taktakan District, Serang	(0254) 8496151/ 52	(0254) 210945
		Serpong (BSD)	Ruko BSD Junctions Blok A39, Pahlawan Seribu St., North Serpong Sub-District, BSD CITY, South Tangerang	(021) 5382090	(021) 5382091
		Tangerang I	Rukan Tangcity Business Park Block D60, Jendral Sudirman St. No.1, Cikokol, Tangerang, Indonesia 15117	(021) 29676323	(021) 29676324
		Bintaro	Ruko Emerald Evenue 2 EB/ B-09, Bintaro Utama Sektor 9 St., Perigi Lama Sub-District, Pondok Aren District	(021) 29418978	
14	West Java	Bekasi	Ruko Emerald No UA 39, Bulevar Selatan St., Summarecon Bekasi, North Bekasi Sub-District, Bekasi, West Java	(021) 89454997	
		Karawang	Ruko Dharmawangsa 2 Blok A No.33, Grand Taruma, East Teluk Jambe Sub-District, West Karawang	(0267) 8633849	0267) 8457295
		Depok	Rukan Depok Mall, Margonda Raya St. Block B-1 No. 50, Kemirimuka, Beji, Depok, West Java	(021) 7756733/ 7758948/ 7759144	(021) 7756762
		Bogor	Siliwangi St. No. 60 B & B-1, Bogor, West Java	(0251) 8371118 / 8370195	(0251) 8332874
		Cibubur	Ruko Cibubur Time Square, Transyogi Cibubur Alternative St., Block B4 No. 21, Jati Sampurna Sub-District, Bekasi City, West Java	(021) 84300687	(021) 84300667
		Cikarang	Cikarang Central City block E no 15, Cikarang – Cibarusah Raya St., Ciantra, South Cikarang, Bekasi, West Java 17530	(021) 89903056	
15	West Java	Cibinong	Ruko Cibinong City Center Block D 3B, Tegar Beriman St., Cibinong Sub-District, Bogor District, West Java 16916.	(021) 29577430	(021) 29577431
		Bekasi 2	Ruko ROXY Block B No.16 Lippo Cikarang, MH Thamrin St. Block B No. 16, South Cikarang Sub-District, Bekasi District, West Java.	(021) 89903056	(021) 89903180
		Sukabumi	Jendral Sudirman St. No.57F, Rt.001 Rw.005, Gunung Puyuh Sub-District, Sukabumi – 43121	0266) 6223723/ 6223038	(0266) 6249245
		Bandung 1	Kopo Plaza Kav. C10 – 11, Peta Lingkar Selatan St., Bandung, West Java	(022) 6040119 / 6040120	(022) 6074550
		Bandung 2	Karapitan St. No 106 B, Lengkong District, Bandung, West Java	(022) 4219029 / 4219039	(022) 4209829
		Bandung 3	Batu Nunggal Indah Raya St. No. 249, Bandung, West Java	(022) 87306880 /87306851/ 344917	-
		Tasikmalaya	Ruko Plaza Asia Block B 07-08, HZ Mustofa St., Tasikmalaya 46126	(0265) 344905 / 344906	(0265) 344844
		Cirebon	Ruko Kesambi Regency No. 4, Kesambi Raya St., Kesambi Sub-District, Cirebon, West Java	(0231) 210285	(0231) 210280
		Garut	Pramuka St. Kompl Ruko Intan Bisniss Center (IBC), Block I No. 27, Garut City Sub-District, Garut District, West Java	(0262) 544605	(0262) 4890607

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		Subang	Otista St. No. 254, Subang Sub-District, Subang District, West Java	(0260) 415869	(0260) 415879
16	Central Java	Tegal	Ruko Komp. Nirmala Square Block D/2, Yos Sudarso St., Tegal, Central Java	(0283) 324066	(0283) 340113
		Purwokerto	Ruko Eks IAIN, M.T. Haryono St. No 3A- 4A, Pasar Wage, Purwokerto, Central Java	(0281) 642645	(0281) 642646
		Semarang	Indraprasta St. No. 30 A – B, Central Semarang Sub-District, Semarang City	(024) 3589007 / 3589008	(024) 3587168
		Solo	Ruko Adi Sucipto, Adi Sucipto St. 67 C RT 003/RW 011, Laweyan Sub-District, Surakarta City, Solo, Central Java 57143	(0271) 738989 / 723557	(0271) 735038
		Kudus	AKBP R Agil Kusumadya St. NO 32 RT 002 RW 001, Jati Sub-District, Kudus-59347	0291-4252070/ 4252037	(0291) 4250271
		Magelang	Ruko Metro Square Blok C No. 12A – 14, Mayjen Bambang Sugeng St., Mertoyudan Sub-District, Magelang District – Central Java 56172	(0293) 312406 / 3218686	(0293) 310536
		Pekalongan	Dr. Sutomo St. Block B2 No. 10, Komplek Ruko Dupan Square, East Pekalongan Sub-District, Pekalongan City , Central Java	(0285) 4420100	
17	DI Yogyakarta	Yogyakarta	Ruko Sumber Baru Square Kav.W, North Ringroad Jombor Sendangadi Mlati St. Sleman Yogyakarta(In front of UTY Jombor Campus)	(0274) 860 9901 /8609902	(0274) 446 9718
18	East Java	Surabaya 1	Mayjen Sungkono St. 149 – 151, Ruko Rich Palace Blok I 5, Surabaya, Dukuh Pakis Sub-District	(031) 99533640	(031) 8420495
		Surabaya 2	Tenggilis Raya St. No. 23, Ruko Tenggilis Square Kav 5 & 6, RT 005 RW 002, Tenggilis Mejoyo Sub-District, Surabaya.	(031) 8420450	(031) 8420495
		Malang	Tumenggung Suryo St. No. 98, Kav. 1, Blimbing Sub-District, Malang, East Java	(0341) 497927/ 497934	(0341) 486429
		Kediri	Kawi St. No. 21, Mojoroto Sub-District, Kediri, East Java 64112	(0354) 775192	(0354) 780911
		Jember	Ruko Gajah Mada Square A9, Gajah Mada St. No.187, Kaliwates Sub-District, Jember, East Java	(0331) 425959 / 426969	(0331) 483939
		Madiun	Mayjend Sungkono St. No 31 , Madiun 63128	(0351) 473176, 476198,476298/ 08283010067	(0351) 473123
		Tuban	Diponegoro St. No.34 C, Tuban Sub-District, Tuban, East Java	(0356) 326381	(0356) 325289
		Mojokerto	Mojopahit St. No. 456, Prajurit Kulon Sub-District, Mojokerto City, East Java.	(0321) 329688	0321) 329611
		Gresik	Ruko Kartini Megah Kav. A10, RA Kartini St. No. 150-152 RT 003/RW 007, Kebomas Sub-District, Gresik District, East Java	(031) 3985189	(031) 3985188
		Banyuwangi	Ruko Golden City, S Parman St. No. 111, Banyuwangi Sub-District, Banyuwangi District, East Java	(0333)-3382601	
19	Bali	Denpasar	Buluh Indah St. no.53D, North Denpasar, Bali	(0361) 8469896 / 8469897	(0361) 8469897
		Gianyar	Erlangga St. No.15 C, Gianyar Sub-District, Gianyar, Bali	(0361) 944478 / 944480/ 944488	(0361) 941055
20	Nusa Tenggara	Mataram	Selaparang St. No. 47 A-B, East Cakranegara Sub-District, Mataram, West Nusa Tenggara	(0370) 638277	-

No	Province	Branch office	Current Address	Phone	Fax.
21	West Kalimantan	Pontianak	Ahmad Yani St., Komplek Sentra Bisnis Ayani Megamall Blok B No 23, South Pontianak Sub-District, Pontianak City 78121, West Kalimantan	(0561) 78171360/ 66555718	(0561) 6655718
		Banjarmasin	Veteran St. Km. 4,5, Rt. 14 Rw. 02 No. 86, Pengambangan, East Banjar, Banjarmasin 70237	(0511) 3277145/ 3277147	(0511) 4315663
		Banjarbaru	Jend. A.Yani St. KM.35, Ruko Fortuna No.48 RT 005/ RW 001, South Banjarbaru Sub-District, Banjarbaru, South Kalimantan	(0511) 4772067	(0511) 4772063
22	Central Kalimantan	Palangkaraya	G Obos Induk St., Jekan Raya Sub-District, Palangkaraya (Central Kalimantan)	(0536) 3224277	0536) 3224677
23	East Kalimantan	Samarinda	Dr. Sutomo St. No.4b, Rt. 40, Samarinda Ulu Sub-District, Samarinda 75124	(0541) 7273930/ 7772430	-
		Balikpapan	MT. Haryono St. No.12 Rt.33, South Balikpapan Sub-District, Balikpapan-East Kalimantan	0542-7206520	-
		Tarakan	Yos Sudarso St. Rt 14 No 5, Central Tarakan Sub-District	(0551) 2029620 / 2029621 /2029625	0551-2029625
		Bontang	Bhayangkara St. Ruko Btc, in front of Bontang Police Station, North Bontang Sub-District, Bontang, East Kalimantan	(0548) 24488 / 24499	(0548) 24441
24	South Sulawesi	Makassar	Veteran Selatan St. No. 311, Mamajang Sub-District, Makassar, South Sulawesi	(0411) 832789 / 832567	(0411) 832678
		Makassar 2	Ap Pettarani St. Kav 18, Ruko Pettarani Business Centre No E3, Rappocini Sub-District, Makassar City	(0411) 467566/ 4677972	
		Parepare	Sultan Hasanuddin St. No. 16 A, Ujung Sub-District, Pare-Pare,	(0421) 28622 / 28623 / 28652	(0421) 28607
25	Southeast Sulawesi	Kendari	South Sulawesi	(0401) 3135093 / 3135094	(0401) 3135085
26	North Sulawesi	Manado	Kompleks Senapati Land Blok A No. 14, Brigjend M. Yunus St. By Pass Kendari, Kadia Sub-District, Kendari, Southeast Sulawesi	(0431) 8819809	-
27	Central Sulawesi	Palu	Pierre Tendean St. Komp. Ruko Marina Plaza, Block C NO 03, Manado 95000	(0451) 454129/454139	(0451) 454806
		Luwuk	Urip Sumoharjo St. no. 18B, Luwuk Sub-District, Banggai Sub-District, Central Sulawesi 94711	(461) 22157/23128	
28	Gorontalo	Gorontalo	Nani Wartabone St. No 131 , Kota Timur Sub-District, Gorontalo	(0435) 822315	(0435) 822315
29	Central Kalimantan	Sampit	Pangeran Antasari St. Ruko No 7, Ketapang, Ketapang Sampit Sub-District, Central Kalimantan	(0531) 23216/ 23206	-
30	West Kalimantan	Sintang	Lintas Melawi St. Komplek Ruko Golden Square Block A 9 RT 3 RW 01, Sintang Sub-District	(0565) 2022080/ 2022072	-
		Ketapang	Ruko Grand Rivera No. A2, Gatot Subroto St. RT. 002 RW. 001, Paya Kumang Village, Delta Pawan Sub-District, Ketapang District, West Kalimantan 78813	(0354) 3032761	-
31	North Sulawesi	Kotomobagu	Cempaka St. RT:006 RW:003 Lingkungan II, (next to Mogolaing Court, next to SDN 1 Mogolaing) West Kotamobagu Sub-District, North Sulawesi-95716	(0434) 2621540	-
32	West Sulawesi	Mamuju	Jendral Sudirman St. (In front of Tiplayu Hotel) Mamuju, West Sulawesi		

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33	East Nusa Tenggara	Kupang	Timor Raya St. RT011/RW004, West Oesapa, Kelapa Lima, Kupang	081237571752	-
34	South Maluku	Ambon	Kompleks Pertokoan Mutiara Super Block, Mutiara St. – Mardika , Rijali, Sirimau Sub-District, Ambon Maluku 97123	(0911) 3829445	
35	Papua	Jayapura	Raya Abepura Kotaraja St., Vim, South Jayapura Sub-District, Jayapura City , Papua	(0967) 5187813	
		Sorong	Basuki Rachmat St. km. 12, In front of Batalyon 752, Ruko Central (next to Papua Bank), Klawuyuk, East Sorong District, Sorong City 98418		

SATELITE OFFICE ADDRESS

No	Head Branch	Satelite Office	Address
1	Padang	West Pasaman	Nagari Lingkungan Aua, Pasaman Sub-District, West Pasaman District, West Sumatra.
2	Bukittinggi	Solok	Kyai Haji Ahmad Dahlan St. (Pandan Dekat), Pasar Pandan Air Mtai, Tanjung Harapan Sub-District, Solok District, West Sumatra.
3	Pangkal Pinang	Belitung	Merdeka St., Dewa, Tanjung Pandan Sub-District, Belitung District, Bangka Belitung Islands.
4	Baturaja	Lahat	Mayor Ruslan II St., Komplek Pertokoan Citra Niaga Lahat, Pasar Baru, Lahat Sub-District, Lahat District, South Sumatra.
5	Palembang 2	Tugu Mulyo	Lintas Timur St., Kampung III, RT 001, Tugu Mulyo, Lempuing Sub-District, Ogan Komering Ilir District, South Sumatra.
6	Bandung 2	Sumedang	Prabu Geusan Ulun St. No. 137, Sumedang, West Java
7	Cirebon	Indramayu	Karanganyar Village, Kandanghaur Sub-District, Indramayu District, West Java.
8	Purwokerto	Cilacap	A. Yani St. No.100 RT. 03 RW.14, Sidakaya, South Cilacap Sub-District, Cilacap District.
9	Semarang	Salatiga	Salatiga, Sidorejo Sub-District, Salatiga City, Central Java.
10	Mataram	Sumbawa	Diponegoro St. No 10, Bugis, Sumbawa Sub-District, Sumbawa District, West Nusa Tenggara.
11	Gianyar	Singaraja	A. Yani St. No 60, Kaliuntu, Buleleng Sub-District, Buleleng District, Bali.
12	Kediri	Blitar	Ruko Merdeka Trade Center, A. Yani St. No.7, Kepenjelor, Kepanjen Kidul Sub-District, Blitar City, East Java
13	Gresik	Lamongan	Lamongrejo St. No. 120, Sidokumpul, Lamongan Sub-District, Lamongan District, East Java.
14	Malang	Pasuruan	Panglima Sudirman St. No.11, Pasuruan.
15	Makassar	Bone	Bajoe St. Watampone Village , Tanete Riattang Sub-District, DT II Bone District, South Sulawesi.
16	Kendari	Kolaka	Chairil Anwar St., Lomokato, Kolaka Sub-District, Kolaka District
17	Gorontalo	Marisa	South Buntulia Village, Duhiaadaa Sub-District, Pohuwato District, Gorontalo
18	Makassar	Bulukumba	Doktor Sam Ratulangi St., Caile, Ujung Bulu Sub-District, Bulukumba District, South Sulawesi.
19	Parepare	Palopo	Surutanga, East Wara Sub-District, Palopo City
20	Bandar Lampung	Bandar Lampung	Kedaton, Kalianda Sub-District, South Lampung District, Lampung

Until the end of 2018, the Company does not have a subsidiary. As such, information cannot be presented regarding the address of a subsidiary.

COMPANY WEBSITE INFORMATION

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OJK Regulation No. 8/POJK.04/2015 concerning the Website of the Issuer or Public Company encourages the information transparency on their website. The Company has an official website with the address www.mtf.co.id which is divided into 2 (two) platforms, namely the product and service website with the address www.mtf.co.id managed by marketing, and the corporate website with the address www.mtf.co.id/korporat managed by the Corporate Secretary.

The Company's website is also available in 2 (two) languages, which is Indonesian and English. The

Company periodically updates the website to always provide the latest information regarding the Company to stakeholders in order to comply with applicable laws and regulations.

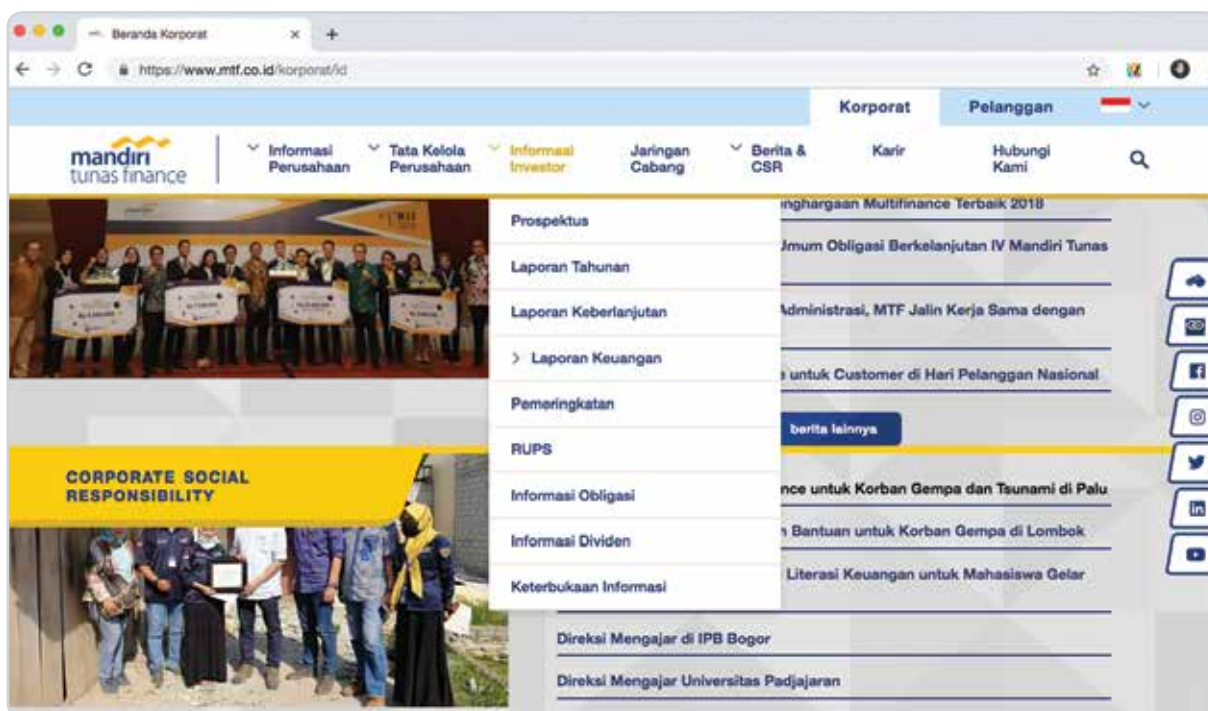
The Company's website is the official digital portal of the corporation that can be accessed openly, with the aim of providing comprehensive information about the Company to a broad audience.

MANDIRI TUNAS FINANCE'S CORPORATE WEBSITE NAVIGATION

www.mtf.co.id/korporat

Menu	Content Coverage
Company Information	<ul style="list-style-type: none"> • History of MTF • Organizational structure of the company • Shareholding Structure • Company Group Structure • Management • Supporting Professionals • Articles of Association • Financing Products • Appreciation
Corporate Governance	<ul style="list-style-type: none"> • Practice of Governance • GCG Charter • Corporate Code of Conduct • Audit Committee Charter • Employee Code of Ethics • Work Guidelines for Committees • Members of the Audit Committee • Nomination and Remuneration Procedure • Risk Management Policy • Policy on the Violation Reporting System Mechanism
Investor Information	<ul style="list-style-type: none"> • Prospectus • Annual Report • Sustainability Report • Financial Statements • Ranking • GMS • Bonds Information • Dividends Information • Disclosure Information
Branch Network	Channels to see the coverage of MTF's business network spread across Indonesia
News & CSR	<ul style="list-style-type: none"> • Corporate Activities News • CSR News • Video Gallery • The Media Coverage • Press Conference
Career	Micro site with the address www.karir.mtf.co.id about information on job vacancies in the Company
Contact Us	Channels to send website-based messages to the Company

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Uraian	Ketersediaan	Keterangan
Individual ultimate parent entity of Company group structure and shareholder information	✓	Found in the Company Information menu> Company Organizational Structure
Code of Ethics	✓	Found in the Corporate Governance menu> Employee Code of Ethics
Information on the General Meeting of Shareholders (GMS) includes at least the material of the agenda discussed in the GMS, summary of minutes of the GMS, and information on important dates, namely the date of the GMS announcement, the GMS invitations, the date of the summary minutes of the GMS is announced	✓	Found in the Investor Information menu> GMS
Annual Financial Statements (for the past 5 years)	✓	Found in the Investor Information menu> Financial Reports> Annual Financial Reports
Profile of the Board of Commissioners and Directors	✓	Found in the Company Information menu> Management
Charter of the Board of Commissioners, Directors, Committees, and Internal Audit Unit	✓	Found in the Corporate Governance menu

✓ = available on the Company's website

X = not yet available on the Company's website

EDUCATION AND/OR TRAINING OF THE BOARD OF COMMISSIONERS, BOARD OF DIRECTORS, COMMITTEES, COMPANY SECRETARY, AND INTERNAL AUDIT UNIT

Name and Title	Types of Education and Training	Education and Training Materials	Place/Date	Organizer
BOARD OF COMMISSIONERS				
Rico Adisurja Setiawan (President Commissioner)	Workshop	Competency Enhancement Workshop Through Education Regarding Financial Planning	Jakarta, November 8, 2018	Financial Services Authority (OJK)
	Seminar	National Seminar on Opportunities and Challenges in 2019	Jakarta, November 15, 2018	Association of Indonesian Financing Companies (APPI)
Harry Gale (Commissioner)	Training	Basic Commissioner Financing Certification	Jakarta, August 2, 2018	Indonesian Financing Professional Certification (SPPI)
	Workshop	Competency Enhancement Workshop Through Education Regarding Financial Planning	Jakarta, November 8, 2018	Financial Services Authority (OJK)
	Seminar	National Seminar on Opportunities and Challenges in 2019	Jakarta, November 15, 2018	Association of Indonesian Financing Companies (APPI)
Ravik Karsidi (Independent Commissioner)	Training	Basic Commissioner Financing Certification	Jakarta, April 4, 2018	Indonesian Financing Professional Certification (SPPI)
BOARD OF DIRECTORS				
Arya Suprihadi (President Director)	Seminar	National Seminar on Transparency and Disclosure of the Financial Services Sector in Indonesia: Current Practices vs. International Best Practices	Jakarta, April 26, 2018	Financial Services Authority (OJK) & World Bank
	Seminar	National Seminar on Human Resource Development in the Era of Industrial Revolution 4.0 (Digital)	Jakarta, May 7, 2018	Indonesian Banking School Management Institute
	Seminar	National Seminar on "Financing Company in The Eye of Banking"	Jakarta, May 8, 2018	Association of Indonesian Financing Companies (APPI)
	Seminar	International Seminar on "Digitalization as Multifinance's New Era"	Singapura, September 21, 2018	Association of Indonesian Financing Companies (APPI)

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Name and Title	Types of Education and Training	Education and Training Materials	Place/Date	Organizer
Harjanto Tjitohardjo (Director)	Seminar	National Seminar on Financing Industry in the Capital Market	Jakarta, July 26, 2018	Association of Indonesian Financing Companies (APPI)
	Workshop	Speaker for Marketing Materials in the Training of Basic Certification Program	Jakarta, November 5-6, 2018	Association of Indonesian Financing Companies (APPI)
	Seminar	National Seminar on Opportunities and Challenges in 2019	Jakarta, November 15, 2018	Association of Indonesian Financing Companies (APPI)
Armendra (Director)	Seminar	National Seminar on Financing Industry in the Capital Market	Jakarta, July 26, 2018	Association of Indonesian Financing Companies (APPI)
	Workshop	Workshop on "Dispute Resolution Internal Mechanism and Implementation in Financial Service Businessmen"	Jakarta, September 5-6, 2018	Indonesian Financing, Mortgage and Venture Mediation Institution (BMPPVI)
	Workshop	Competency Enhancement Workshop Through Education Regarding Financial Planning	Jakarta, November 8, 2018	Financial Services Authority (OJK)
	Seminar	International Seminar on Insuring Sustainable Business Strategy (ISBS)	Semarang, November 15, 2018	Insuring Sustainable Business Strategy (ISBS)
Albertus Henditrianto (Director)	Seminar	National Seminar on "Multifinance Financing Risk Management: How Do Banks See Multifinance Now and in the Future?"	Jakarta, September 6, 2018	Info Bank
	Workshop	Workshop on "Dispute Resolution Internal Mechanism and Implementation in Financial Service Business Actor"	Jakarta, September 5-6, 2018	Indonesian Financing, Mortgage and Venture Mediation Institution (BMPPVI)
	Seminar	National Seminar on Opportunities and Challenges in 2019	Jakarta, November 15, 2018	Association of Indonesian Financing Companies (APPI)

Name and Title	Types of Education and Training	Education and Training Materials	Place/Date	Organizer
Bonifasius Perana Citra Ketaren (Deputy Director)	Seminar	National Seminar on "Multifinance Financing Risk Management: How Do Banks See Multifinance Now and in the Future?"	Jakarta, September 6, 2018	Info Bank
	Workshop	Workshop on "Dispute Resolution Internal Mechanism and Implementation in Financial Service Business Actor"	Jakarta, September 5-6, 2018	Indonesian Financing, Mortgage and Venture Mediation Institution (BMPPVI)
	Workshop	Workshop on "PSAK No.71 (IFRS 9): Classification, Measurement & Impairment in Financing Companies"	Jakarta, October 17-18, 2018	Association of Indonesian Financing Companies (APPI)
William Francis Indra (Deputy Director)	Seminar	National Seminar on Human Resource Development in the Era of Industrial Revolution 4.0 (Digital)	Jakarta, May 7, 2018	Indonesian Banking School Management Institute
	Seminar	National Seminar on "Big Data : Changing The Way Of Non Bank Financial Institutions Business"	Yogyakarta, August 13, 2018	Financial Services Authority (OJK)
	Seminar	National Seminar on Opportunities and Challenges in 2019	Jakarta, November 15, 2018	Association of Indonesian Financing Companies (APPI)

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AUDIT COMMITTEE				
Audit Committee	Certification	Basic Commissioner Financing Certification	Jakarta, April 4, 2018	Indonesian Financing Professional Certification (SPPI)
NOMINATION AND REMUNERATION COMMITTEE				
Nomination and Remuneration Committee	Workshop	Competency Enhancement Workshop through Education Related to Financial Planning	Jakarta, November 8, 2018	Financial Services Authority (OJK)
	Seminar	National Seminar on Opportunities and Challenges in 2019	Jakarta, November 15, 2018	Association of Indonesian Financing Companies (APPI)
	Seminar	3rd Asia Pacific HR Forum	Jakarta, 2018	PT Indonesia Lebih Baik
RISK MONITORING COMMITTEE				
Risk Monitoring Committee	Workshop	Competency Enhancement Workshop through Education related to Financial Planning	Jakarta, November 8, 2018	Financial Services Authority (OJK)
	Seminar	National Seminar on Opportunities and Challenges in 2019	Jakarta, November 15, 2018	Association of Indonesian Financing Companies (APPI)
CORPORATE SECRETARY				
Arif Reza Fahlepi (Corporate Secretary)	Seminar	Understanding Media Policies in Digital Era	2018	PR Indonesia
	Workshop	PR Assessor Certification	2018	Indonesian National Certification Institution
	Seminar	Public Relations 4.0 National Challenges and Indonesian Reputation	December 10-11, 2018	Indonesian Public Relations Association (Perhumas)
AUDIT INTERNAL				
Dayu Rasmini (Internal Audit Head of Division)	Seminar	Analytic & Continuous Audit Data	2018	Bank Mandiri
	Seminar	Communication, Leadership, Networking, Detection and Methodology Techniques to Identify Fraud	2018	Auditing Fraud Development Institute



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PROJECT

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BAKERNAS
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FCBR

MANDIRI TUNAS FINANCE TARGETKAN Rp 1 TRILIUN
MELALUI PENAWARAN UMUM ORGASIS BERKELANJUTAN IV
PRESS RELEASE

PRESS RELEASE

MTF

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Sebagai perusahaan pembiayaan yang terus berkembang, PT Mandiri Tunas Finance (MTF) telah meluncurkan program pelatihan bagi para investor dengan nama 'Mandiri Tunas Finance Coaching Project'. Program ini bertujuan untuk meningkatkan pemahaman dan keterampilan para investor dalam berinvestasi di sektor keuangan, khususnya di bidang pembiayaan. Program ini akan berlangsung selama 12 minggu, dengan pertemuan rutin setiap minggu. Para peserta akan mendapatkan akses ke berbagai sumber daya, termasuk materi pelatihan, studi kasus, dan simulasi. Program ini juga akan melibatkan para ahli dari berbagai lembaga keuangan terkemuka. Pendaftaran untuk program ini akan dibuka dalam waktu dekat. Untuk informasi lebih lanjut, silakan hubungi tim pemasaran kami di nomor telepon yang tertera di bawah ini.

MTF telah meluncurkan program pelatihan bagi para investor dengan nama 'Mandiri Tunas Finance Coaching Project'. Program ini bertujuan untuk meningkatkan pemahaman dan keterampilan para investor dalam berinvestasi di sektor keuangan, khususnya di bidang pembiayaan. Program ini akan berlangsung selama 12 minggu, dengan pertemuan rutin setiap minggu. Para peserta akan mendapatkan akses ke berbagai sumber daya, termasuk materi pelatihan, studi kasus, dan simulasi. Program ini juga akan melibatkan para ahli dari berbagai lembaga keuangan terkemuka. Pendaftaran untuk program ini akan dibuka dalam waktu dekat. Untuk informasi lebih lanjut, silakan hubungi tim pemasaran kami di nomor telepon yang tertera di bawah ini.

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MANAGEMENT DISCUSSION & ANALYSIS



ECONOMY AND INDUSTRY REVIEW

2018 WAS A CHALLENGING YEAR FOR INDONESIA. THE TURMOIL OF THE GLOBAL ECONOMY ALSO AFFECTED THE INDONESIAN ECONOMY.



GLOBAL ECONOMIC CONDITIONS

In 2018, the global economy was experiencing turmoil amid the uneven dynamics of economic growth. With the strengthening of the economic fundamentals of the United States amid slowing the growth in various European countries, Japan and China. This prompted the Fed to raise the FFR interest rate. As of 2018, the Fed had raised interest rates four times with 25bps each or a total of 1% to 2.25% - 2.50%. The increase in the Fed's interest rates resulted in capital outflows from various countries heading to the United States and the strengthening of the US exchange rate against various other currencies. To be able to maintain Indonesia's economic condition, BI also raised its benchmark interest rate. As of 2018, BI had raised the BI 7-day Repo Rate reference rate six times with a total of 1.75% to 6.00%.

On the other hand, world trade also experienced trade tension between the United States and a number of countries. This trade turmoil had resulted uncertain global economy which had impacted in a decline of the world trade volume and commodity prices. This can cause propagation effects on global trade among other countries which will

lead to a continued slowdown in world economic growth.

In 2019 and 2020, the Fed is predicted to increase the FFR rates again twice, accompanied by projections of slowing growth in the United States. The economic slowdown will also continue to be experienced by Europe, Japan, India and China.

NATIONAL ECONOMIC PERSPECTIVE IN 2018

2018 was a challenging year for Indonesia. The turmoil of the global economy also affected the Indonesian economy. Recorded throughout 2018, BI had raised the benchmark BI 7-day Repo Rate by six times with a total increase of 1.75% to 6.00% at the end of 2018 in response to the increase in US FFR interest rates. As a result of the increase in FFR interest rates, the rupiah exchange rate against the US dollar weakened. Based on data from Bank Indonesia, the rupiah exchange rate against the US dollar in 2018 increased from the beginning of the year of Rp13,542/USD and closed to Rp14,481/USD (middle rate) at the end of 2018 with the highest rate on October

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11, 2018 at Rp15,253/USD. As a result of the increase in BI's benchmark interest rate, funding sources also raised lending rates which resulted in an increase in funding sources interest rate as well as the limited funding sources for financing companies.

Amid the economic slowdown in Europe and Japan which has had an impact on the world economic slowdown, trade wars between the US and China have also shaken global trade. As predicted by world economists, China will begin to experience a slowdown in economic growth coupled with conditions of global trade uncertainty which have also exacerbated the slowdown in economic growth that has spread to various countries. The slowing down of China's economic growth as a third driver of the world economy and Indonesia's number one export destination will certainly have a negative impact on Indonesia's economic growth such as the widening trade balance deficit.

On the other hand, Indonesia is still optimistic that it can achieve 2019 GDP growth of 5.3%, better than 2018 which is 5.2% supported by a controlled inflation

rate. This optimism was driven by the completion of infrastructure development as an investment driver and the election year which encouraged the growth of public consumption. The government hopes that Indonesia's political climate in 2019 can have a positive and conducive impact so that the investment climate can be maintained.

INDUSTRY OVERVIEW

Non-Oil and Gas (manufacturing), Agriculture, Forestry and Fisheries, Large Trade, Construction and Mining Industries accounted for 17.49%, 13.53%, 13.01%, 10.36% and 8.11% respectively of Indonesia's GDP with a total of 62.50%. Meanwhile, significant GDP growth was experienced by the Information and Communication, Transportation and Warehousing as well as Construction Industries of 7.80%, 7.59% and 6.27% respectively.

Government infrastructure development projects contributed to the growth of the Construction Industry which is a supporter of Indonesia's GDP growth in 2018. The infrastructure project is also one of the drivers of investment as well as a catalyst for the growth of other industries such as Trade & Transportation and Warehousing.

With the increasing number of connecting roads and supporting facilities that help distribute products, this can be a stimulus for increasing public consumption.

Answering the Industrial Revolution 4.0 era where industries entered the digital economy era by utilizing connectivity and digitalization to improve the efficiency and effectiveness of the manufacturing chain, Indonesia designed the Making Indonesia 4.0 road map as a strategy to realize Indonesia's vision to become the top 10 economies with the largest economy by 2030. The steps to use connectivity and digitalization had begun to be reflected in the large growth in the GDP of the Information and Communication industry. In the Making Indonesia 4.0 road map, there are five industries that are the focus of implementation, namely: food and beverages, textiles, automotive, electronics, and chemistry. The five industries are part of the Non-Oil and Gas Processing industry which is the main contributor of the Indonesian PDP where efforts to grow in the industry will have a significant impact on Indonesia's GDP growth.

The financing industry itself experienced a growth of 9% in 2018 where conventional financing grew 12% while sharia finance fell by -45%. It was alleged that this was due to the tightening of the OJK's regulations regarding advances in sharia financing that were similar to conventional financing, thereby reducing the competitiveness of sharia finance. Based on APPI data, conventional financing of cars and motorcycle which control an average of 73% of the total financing industry only grew 11% and 16% supported by increases in selling prices of vehicles, but on the other hand sharia financing for cars and motorcycle decreased dramatically to more from 50%. Machine/heavy equipment financing using conventional financing and sharia both experienced significant growth. Recorded conventional machinery/heavy equipment financing experienced a growth of 40%, while sharia finance grew 38%. This was due to an increase in demand for financing from customers in the mining and trade industries which grew significantly.

MANDIRI TUNAS FINANCE POSITION IN THE FINANCING INDUSTRY

The current condition of new car ownership penetration reaches 10% of the total population of Indonesia with a demographic bonus where most are in the productive age. On the other hand, 70% of vehicle sales are still carried out through credit financing. These various catalysts are the drivers for the growth of the automotive industry so that the automotive industry in Indonesia is still very attractive because it has a large growth space.

As a finance company focused on financing new cars, the Company has now become the number 3 (three) finance company with total financing reaching Rp26.99 trillion in 2018. 82% of MTF financing is to finance new cars so that it puts the Company as number 1 new car finance company in Indonesia. Besides obtaining the majority of the business from dealer partners, MTF also opens business resources through Mandiri Group in the form of references from Bank Mandiri and servicing cooperation with Bank Syariah Mandiri. To pursue continued growth and become the leading finance company, MTF has prepared various strategies to win market competition with the vision of becoming the best finance company in Indonesia.

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2018 STRATEGIC PLAN

MTF MAIN STRATEGIES FACING CHALLENGES IN MARKET COMPETITION



In recent years, the car sales industry as the core business MTF has experienced a sloping growth. Recorded in 2018, the new car sales grew 6.9% or better than in 2017 which only grew 1.4%. There has been an improvement in growth in passenger car sales from -2.3% in 2017 to 3.8%. Whereas in the commercial car sales segment, growth is still maintained at around 17%. In order to achieve the company's sustainable growth targets, MTF needs to devise strategic steps that can increase company growth above market growth. There are three main strategies of the Company in facing the challenges of market competition, namely shifting to high margin products, increasing SLA, and synergy with Mandiri Group.

In the shifting to high margin product strategy, the Company focuses on increasing market share and business diversification in high margin products such as multipurpose and KI/KMK. In 2018, the Company managed to increase the market share of new car sales by 1% to 15.95% and the opening of 3 new branches. The MTF multipurpose product launched in 2017 is a high margin product as a diversification effort of the Company to be able to increase the Company's profit. 2018 is a learning year for multipurpose to continue to make process improvements and increase services for prospective customers as a foundation for advancing in the coming year. One of the breakthroughs of multipurpose products in 2018 is to launch an agency system for external customers named WIRA.

Seeing the success of commercial consumer financing in 2017 supported by the growth of the commodity industry, in 2018 MTF expanded its financing by conducting KI/KMK financing. Seeing the opportunities and needs of the market as well as to answer the various needs of commercial customers, MTF launched KI/KMK products such as dealer financing and factoring.

In the SLA improvement strategy, several strategic steps were taken by using technology in the process to accelerate SLA, collaborate with third parties to expand sales channels and improve customer service for customer satisfaction. The synergy step with Mandiri Group was carried out by increasing Bank Mandiri's referral program for KKB and fleet products in an effort to expand market penetration and expand BSM OTO's financing operational area where MTF has collaborated with PT Bank Syariah Mandiri. In the collaboration of BSM OTO, MTF acts as a servicing agent to conduct customer survey processes, assist the credit process and help customers contact dealers. All of these strategies are certainly supported by enablers, namely by improving business processes, changing business models and adjusting organizational structures that support the execution of strategies that have been designed.

The various MTF strategic plans for the three main strategies along with the strategic steps taken by the Company to achieve the 2018 business plan strategy targets can be summarized and explained in the table below.

SUMMARY OF THE MTF STRATEGIC PLAN FOR 2018

Main Strategy	No	Strategy Description	Action Plan	Time Line
Increase Products with High Margin	1	Increase New Car Market Share 14% -> 15%	<ul style="list-style-type: none"> • Adding 3 new branches • Conduct partnerships with online marketplace & develop internal online platforms. • Developing mobile apps • Develop a pre-approval system for priority/special customers 	Jan - Dec
	2	Enhance multipurpose lending products	<ul style="list-style-type: none"> • Development of Multipurpose Agency Systems for External Customers • Increase productivity of telemarketing to follow up offers to existing customers • Add more of dedicated sales for multipurpose • Review business multipurpose processes at branches to improve SLA 	Jan - Dec
	3	P2P Lending / Fintech	Collaborating with Fintech specifically in the field of P2P lending	Jan - Dec
	4	KI / KMK Fleet	Selling KI / KMK Corporate Fleet products with a rate of > 13.5% (Sales & Leaseback, New HE & Used HE (GOH), Factoring)	Jan - Dec
Improved Service Level	1	Mobile Platform Development	Develop mobile collection & executor to improve the collection process	Jan - Dec
	2	Development of Project Document Process Outsourcing (BPO)	Moving the inputting process to the 3rd party	Jan - Dec
	3	Partnership with Online Marketplace	Increase collaboration with Online Marketplace such as OLX / MOBIL 123	Jan - Dec
Increased Synergy with Mandiri Group	1	Increased Mandiri Referral KKB	Development of the KKF MTF GO Referral menu with the MTF branch name to facilitate AH selection by independent employees	Jan - Dec
	2	Expansion of BSM OTO Coverage	<ul style="list-style-type: none"> • Synchronization of BSM OTO targets nationally. • Addition of BSM OTO as one of the branch performance parameters • Add dedicated sales for BSM OTO in the branch • Negotiation on BSM OTO processing fees 	Jan - Dec
	3	Fleet (Canvassing BMRI Customer)	<ul style="list-style-type: none"> • Canvassing customers obtained from BMRI data • Anchor Client & Bank @ Work Financing 	Jan - Dec

REVIEW OF OPERATIONS PER BUSINESS SEGMENTS

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ABOUT THE COMPANY'S BUSINESS ACTIVITIES

The company runs its business in the field of investment financing services, working capital financing and multipurpose financing. Currently the Company is focusing its business activities in the field of consumer financing in the form of providing funds for customers who wish to buy with installments both from the parent entity, PT Tunas Ridean Tbk ("TURI"), as well as from outside the TURI business group. The company focuses its efforts on new car financing activities that can provide high returns with a safe level of risk consisting of brands of Toyota, Daihatsu, Honda, Nissan, Mazda, Mitsubishi and Suzuki as well as brands sold from APM.

Financing activities are provided in the form of motorized vehicle ownership loans provided that the monthly repayments are fixed installments. The Company classifies

its financing facilities into 3 (three) types, namely new cars, used cars and motorcycle. Therefore, the Company also applies different requirements for these three types of businesses. In general, the financing period is set at 1 (one) to 7 (seven) years with the most financing period being 4 (four) years. As collateral for the credit, it is in the form of original Motorized Vehicle Ownership Proof (BPKB) which is retained and kept by the Company. The document will be submitted to the customer if all obligations to the Company have been paid.

The development of contract values based on the composition of the types of vehicles financed by the Company as of December 31, 2018 and December 31, 2017 is shown in the table below

DEVELOPMENT OF THE NUMBER OF NEW CONTRACT UNITS BASED ON TYPE OF VEHICLE FINANCING

Type of Financing	New contract		The Increase (Decrease)		
	2018 (Unit)	2017 (Unit)	Difference (Unit)	Percentage (%)	
New Cars	112,642	108,061	4,581	4.24%	↑
Used Cars	8,654	3,705	4,949	133.58%	↑
Motorcycle	604	413	191	46.25%	↑
Others	20,361	1,106	19,255	1.740.96%	↑
Total	142,261	113,285	28,976	25.58%	↑

DEVELOPMENT OF THE AMOUNT OF FINANCING CONTRACT VALUE BASED ON TYPE OF VEHICLE FINANCING

Type of Financing	New contract		The Increase (Decrease)		
	2018 (Unit)	2017 (Unit)	Difference (Unit)	Percentage (%)	
New Cars	25,403,743	21,615,106	3,788,636	17.53%	↑
Used Cars	1,475,121	553,387	921,734	166.56%	↑
Motorcycle	45,420	32,126	13,294	41.38%	↑
Others	67,550	3,639	63,911	1.756.28%	↑
Total	26,991,834	22,204,259	4,787,575	21.56%	↑

The table above shows that new car financing has increased from 2017 and 2018, and has become one of the biggest contributors to the contract value obtained by the Company. The number of new contracts in 2017 and 2018 is as follows.

DEVELOPMENT OF TOTAL CONTRACT VALUE BASED ON TYPE OF VEHICLE FINANCING

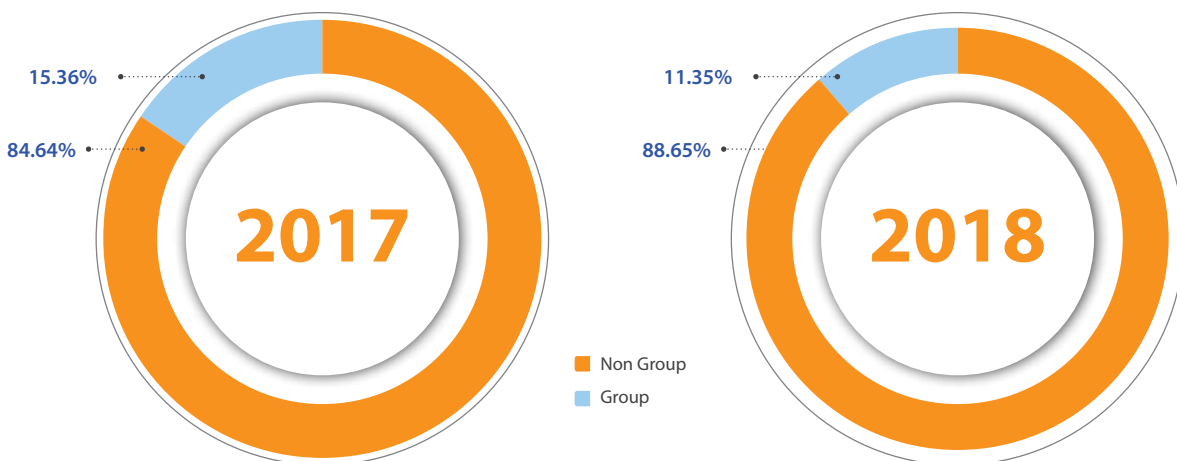
Type of Financing	New Contract 2018 (Unit)	2017 (Unit)	The Increase (Decrease)		
			Difference	Percentage (%)	
Value of Financing (Rp - Million)	26,991,834	22,204,259	4,787,575	21.56%	↑
Number of New Contracts (units)	142,261	113,285	28,976	25.58%	↑

In carrying out its activities, the Company is not limited to sales from vehicle brands that are represented by TURI. However, the Company also establishes relationships with Dealers operating in the Company's work area and for Dealers who sell various brands of vehicles. The development of contract values based on the origin of contracts from TURI or Non Group that were successfully obtained by the Company in 2017 and 2018 is shown in the table below

AMOUNT OF CONTRACT VALUE BASED ON CONTRACT ORIGIN FROM GROUP OR NON GROUP

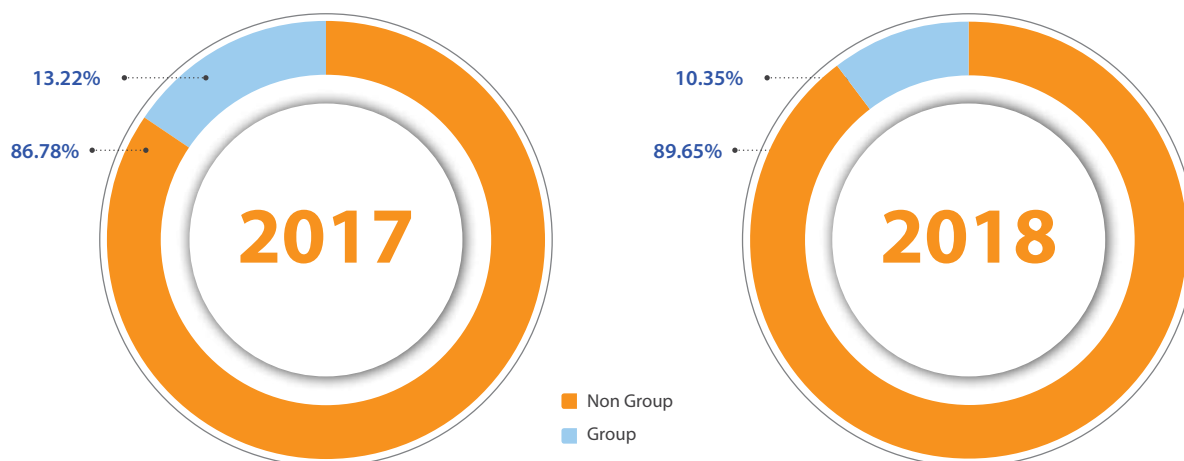
Branch	2018		2017		Increase (Decrease)			
	New Contract (unit)	Value of Financing (Rp-million)	New Contract (unit)	Value of Financing (Rp-million)	New Contract		Value of Financing	
					Difference (unit)	(%)	Difference (unit)	(%)
Group	16,144	2,792,764	17,400	2,935,530	(1,256)	(7.22%)	(142,766)	(4.86%)
Non Group	126,117	24,199,070	95,885	19,268,728	30,232	31.53%	4,930,342	25.59%
Total	142,261	26,991,834	113,285	22,204,259	28,976	25.58%	4,787,575	21.56%

COMPOSITION OF NEW CONTRACT UNITS FROM THE GROUP AND NON GROUP



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FINANCING VALUE COMPOSITION FROM THE GROUP AND NON GROUP



From the graph above, it can be seen that both the composition of the New Contract and the Value of Financing are actually supported by Non-Groups originating from contracts outside the TURI.

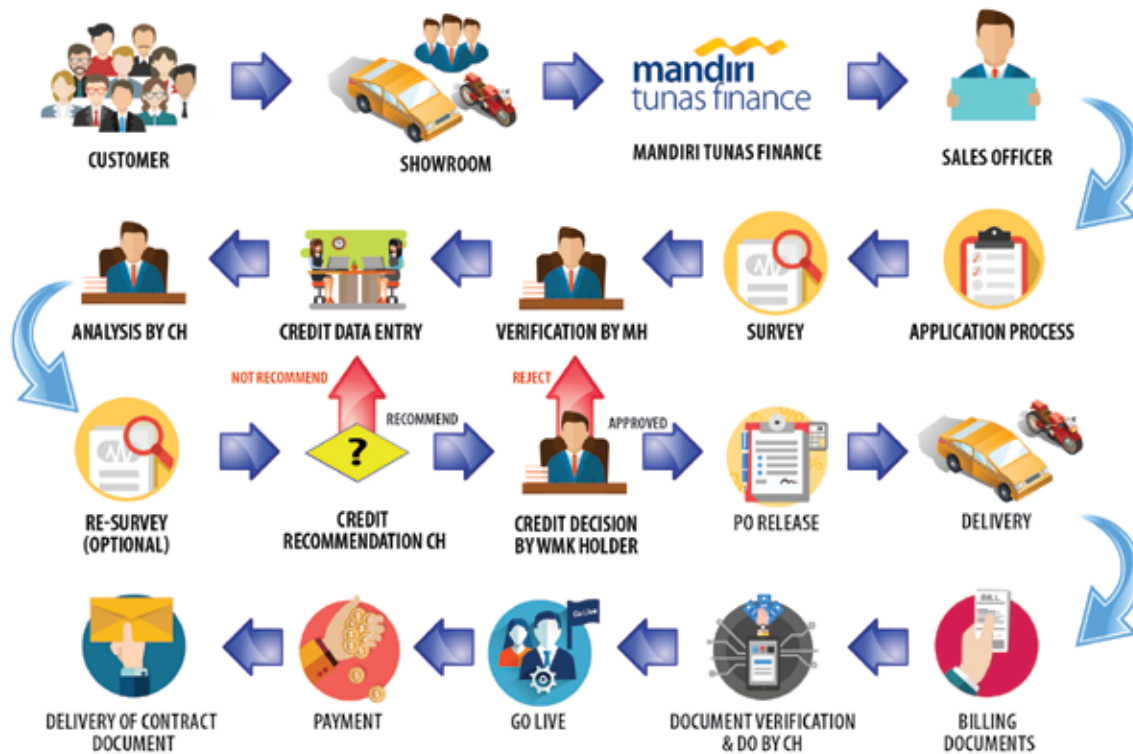
In seeking prospective customers the Company relies on Sales Officer (SO). SO has the duty to obtain credit applications from the Company's partner Dealers and Showrooms as well as analyzing credit, processing credit and helping monitor the smooth payment of credit by these customers. Thus SO is the spearhead of the Company in carrying out its business activities. To maintain the quality of the credit generated, the Company places a minimum of 1 (one) Credit Head in each branch

of the Company who functions as a selector of the proposed credit submitted by SO. The Credit Head officer is an employee of the Company's Head Office placed in the branch so that decision independence credit is well maintained.

Excellent service is provided not limited only by every SO who will process the loan application at the beginning of the transaction, but also by all parts during the credit period and until the completion of credit at the end of the payment period.

The following is presented in the consumer financing process scheme that applies in the scope of the Company.

MTF CONSUMER FINANCING PROCESS SCHEME



Note: MH = Marketing Head; CH = Credit Head; WMK = Authority to Decide Credit

SO contact potential customers who need financing facilities. Beginning when SO offers financial services tailored to the needs of customers both cars and motorcycle. Every SO is the spearhead of the Company's business because it is a party that is directly involved with prospective customers while acting as a salesperson for financing services. Furthermore careful analysis of each credit application includes interviews and visits to prospective customers and verification of each supporting data.

The credit proposal submitted by SO will then be reselected by the Credit Head before being forwarded to branch officials or the Company's Head Office in accordance with the Credit Decision Authority (WMK) held by each official. To assist officers who carry out the credit process, the Company has implemented a Credit Scoring system that is integrated in the system used by

the Company called E-Star. Parameters in making Credit Scoring have been carefully tested with data integrity that can be accounted for so that the Prudent Financing policy is truly carried out consistently by the Company.

In giving credit, the Company pays attention to such restrictions as follows:

1. Deposit payment of a certain percentage of the car price.
2. To finance used cars, a maximum of 12 years old.
3. The credit period is a minimum of 6 (six) months and a maximum of 7 (seven) years.
4. During the credit period, the car must be protected by insurance from the insurance company that has been determined by the Company, which currently consists of five large companies in Indonesia.

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The Company currently charges fees to its customers consisting of:

1. Interest costs in monthly installments in a fixed amount during the credit period.
2. Credit administration fees.
3. Fines, for customers who make arrears for their installment obligations.
4. The cost of fiduciary loading.
5. Accelerated repayment fees and so on.

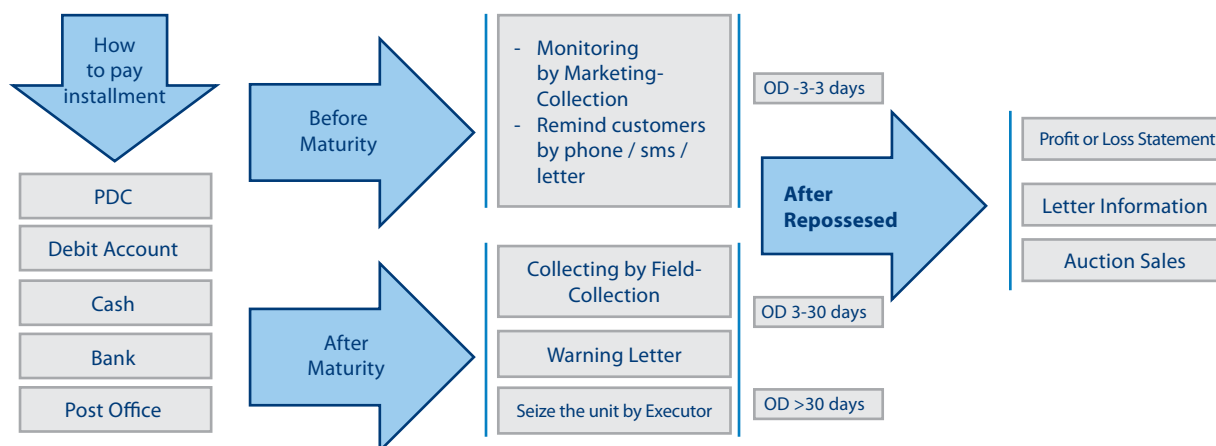
As precautionary principle application, the highest limit of credit approval for each level is not too high for each credit application. The Authority to Decide Credit must be reviewed periodically and determined by the Credit

Committee recommendation which needs to be approved by the Company Commissioner. This is contrary to the prudent financing principle adopted by the Company.

With the existence of the credit policy as described above, the Company is expected to be able to reduce the level of receivables that have a minimum problem in carrying out its business activities. To manage financing business activities and its efforts to always maintain a good level of collectibility, collection activities are one of the keys to the success of the Company.

Therefore, the Company has implemented a strict collection policy with the billing process scheme as follows:

BILLING SCHEME



Any pass credit scoring applications will be re-selected by the Credit Head before being forwarded to the branch officials or the Company's Head Office in accordance with the Credit Decision Authority (WMK) of each official. In giving credit, the Company pays attention to restrictions:

- Qualitative, which is character, industry/business information, management capability and business continuity.
- Quantitative, which is income, financial condition and capital owned.

OPERATING SEGMENTS

In preparing financial statements that form the basis for the preparation of annual reports, the Company applies PSAK 5 (2015 Adaptation) concerning Operating Segments. The Company's operating segments are divided into major customer groups and products, namely Fleet and Retail, as well as other segments as a calculation that cannot be allocated to both segments.

In determining segment results, several asset and liability accounts as well as related revenues and costs are attributed to each segment based on management's internal reporting policy. Performance is measured based on segment profit before income tax, as reported in the internal management report reviewed by the Company's management. Segment profit is used to measure performance where management believes that the information is most relevant in evaluating the results of the segment relative to other entities operating in the industry.

The operational explanation of each segment in the Company's segment reporting is as follows:

- **RETAIL**

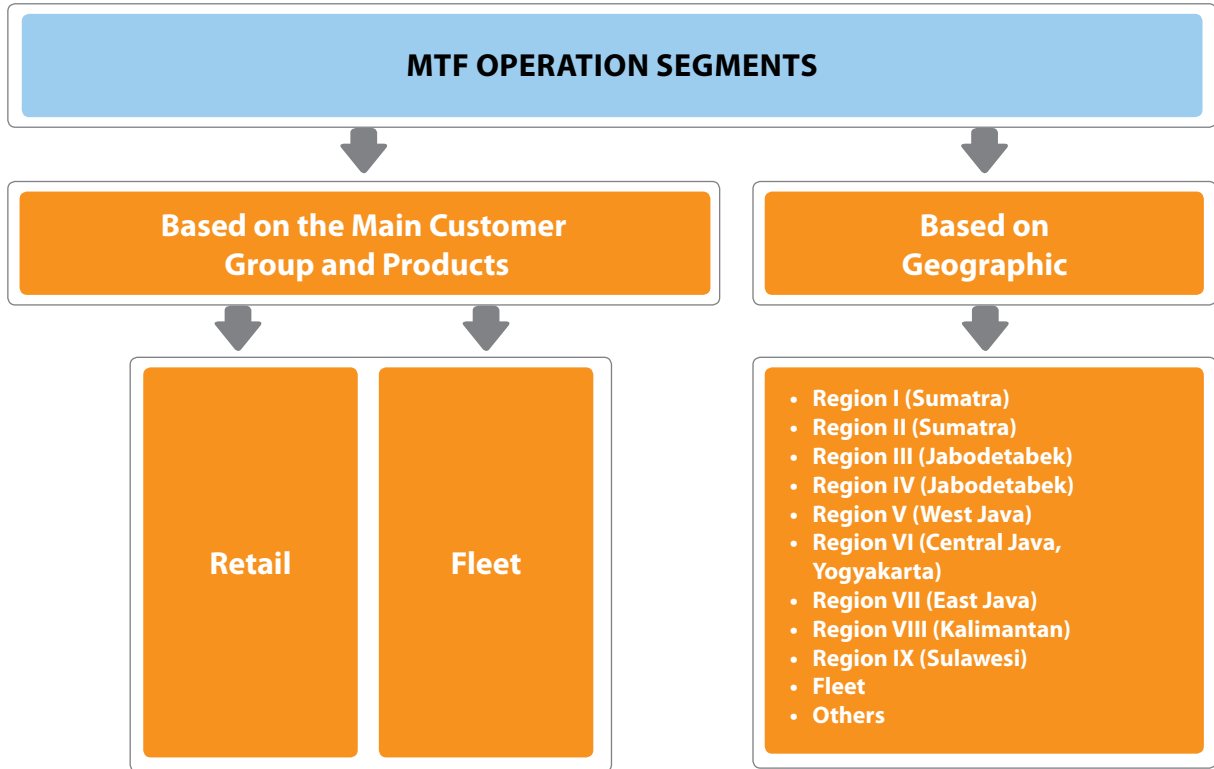
Included in the retail segment reporting are all indicators of the assessment of operating segments that are significantly attributable as part of consumer financing for individual customers.

- **FLEET**

Included in fleet segment reporting are all indicators of the assessment of operating segments that are significantly attributable as part of financing for corporate customers.

In addition, the Company has other reporting segments related to treasury and head office activities such as bank interest income and general and administrative expenses that cannot be allocated to the two segments above. In addition, the Company takes into account operating segments based on geographical information.

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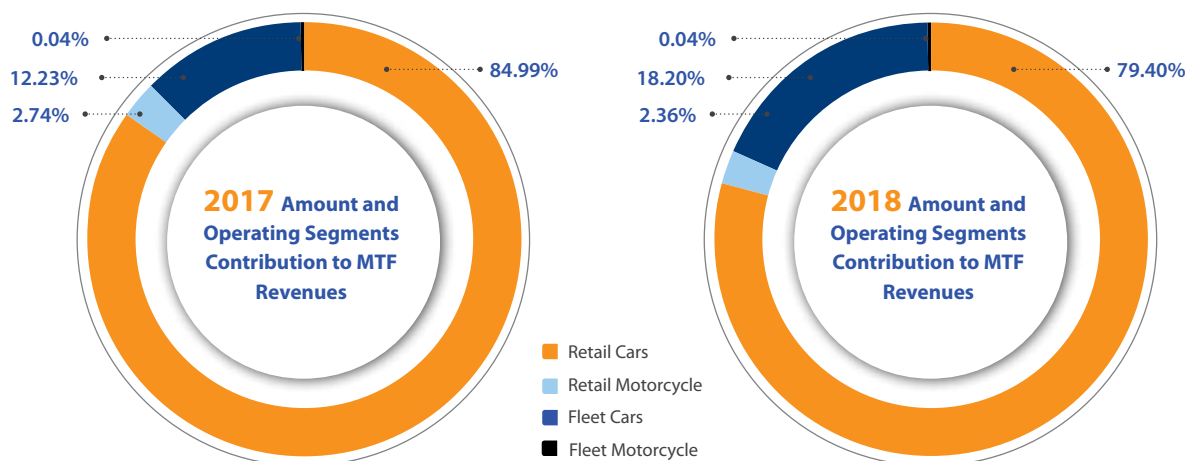
BUSINESS SEGMENTS PERFORMANCE, BASED ON MAIN CUSTOMER GROUP AND PRODUCTS

The Company divides operating segments based on major customer groups and products, including Fleet and Retail, as well as other segments as a calculation that cannot be allocated to both segments. The operation of each segment can be seen in the next explanation.

A glimpse of the profitability and contribution of the operating segments to the Company's financial performance can be seen in the tables below.

AMOUNT AND OPERATING SEGMENTS CONTRIBUTION TO MTF REVENUES

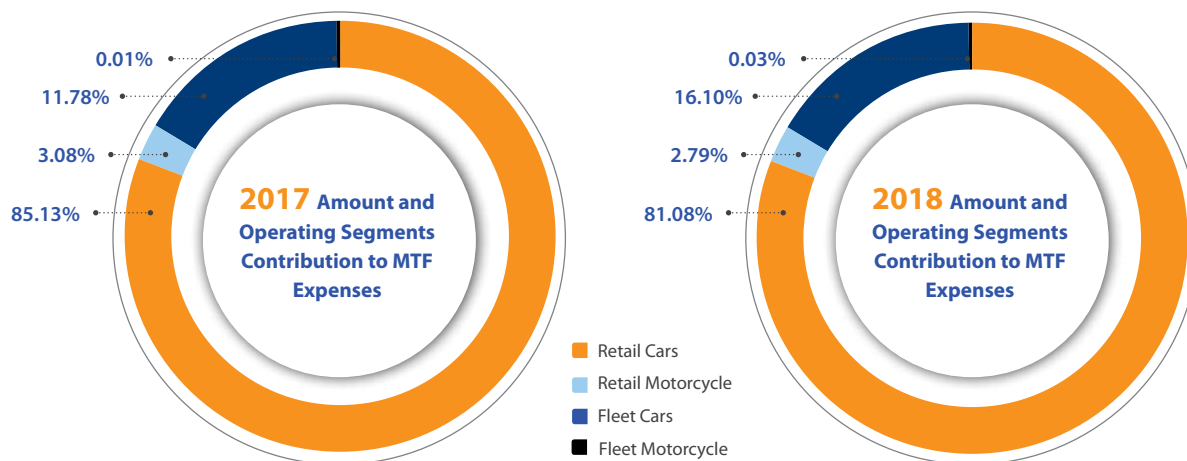
Operating Segments	2018		2017		Increased (Decreased)		
	Total (Rp-million)	Contribution (%)	Total (Rp-million)	Contribution (%)	Difference (Rp-million)	Percentage (%)	
	(1)		(2)		(3=1-2)	(3:2)	
Retail							
Cars	2,477,298	79.40%	2,327,392	84.99%	149,906	6.44%	↑
Motorcycle	73,787	2.36%	74,853	2.74%	(1,066)	(1.42%)	↓
Number of Retail	2,551,085	81.76%	2,402,245	87.73%	148,840	6.20%	↑
Fleet							
Cars	567,845	18.20%	334,951	12.23%	232,894	69.53%	↑
Motorcycle	1,262	0.04%	1,168	0.04%	94	8.05%	↑
Number of Fleet	569,107	18.24%	336,119	12.27%	232,988	69.32%	↑
Total Revenues	3,120,192	100.00%	2,738,364	100.00%	381,828	13.94%	↑



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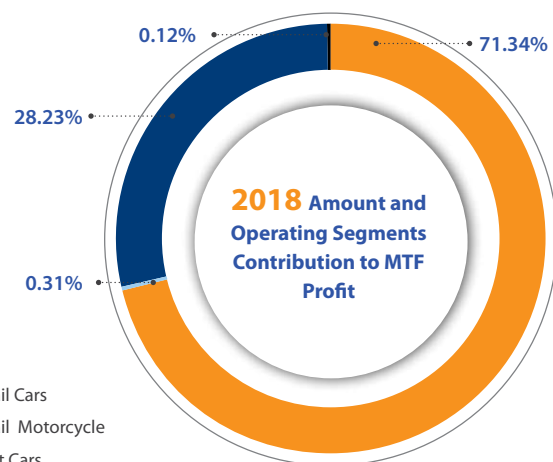
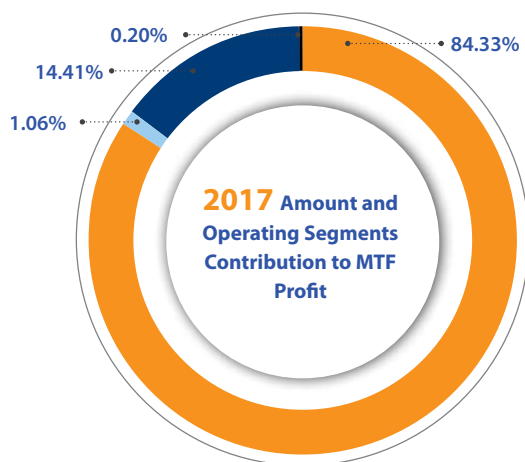
AMOUNT AND OPERATING SEGMENTS CONTRIBUTION TO MTF EXPENSES

Operating Segments	2018		2017		Increased (Decreased)		
	Total (Rp-million)	Contribution (%)	Total (Rp-million)	Contribution (%)	Difference (Rp-million)	Percentage (%)	
	(1)	(%)	(2)	(%)	(3=1-2)	(3:2)	
Retail							
Cars	(2,092,179)	81.08%	(1,932,422)	85.13%	159,757	8.27%	↑
Motorcycle	(72,099)	2.79%	(69,887)	3.08%	2,212	3.17%	↑
Number of Retail	(2,164,278)	83.87%	(2,002,309)	88.21%	161,969	8.09%	↑
Fleet							
Cars	(415,481)	16.10%	(267,446)	11.78%	148,035	55.35%	↑
Motorcycle	(590)	0.03%	(231)	0.01%	359	155.41%	↑
Number of Retail	(416,071)	16.13%	(267,677)	11.79%	148,394	55.44%	↑
Total Expenses	(2,580,349)	100.00%	(2,269,986)	100.00%	310,363	13.67%	↑



AMOUNT AND OPERATING SEGMENTS CONTRIBUTION TO MTF PROFIT

Operating Segments	2018		2017		Increased (Decreased)		
	Total (Rp-million)	Contribution (%)	Total (Rp-million)	Contribution (%)	Difference (Rp-million)	Percentage (%)	
	(1)		(2)		(3=1-2)	(3:2)	
Retail							
Cars	385,119	71.34%	394,970	84.33%	(9,851)	-2.49%	↓
Motorcycle	1,688	0.31%	4,966	1.06%	(3,278)	-66.01%	↓
Number of Retail	386,807	71.65%	399,936	85.39%	(13,129)	-3.28%	↓
Fleet							
Cars	152,364	28.23%	67,505	14.41%	84,859	125.71%	↑
Motorcycle	672	0.12%	937	0.20%	(265)	-28.28%	↓
Number of Retail	153,036	28.35%	68,442	14.61%	84,594	123.60%	↑
Total Profit	539,843	100.00%	468,378	100.00%	71,465	15.26%	↑

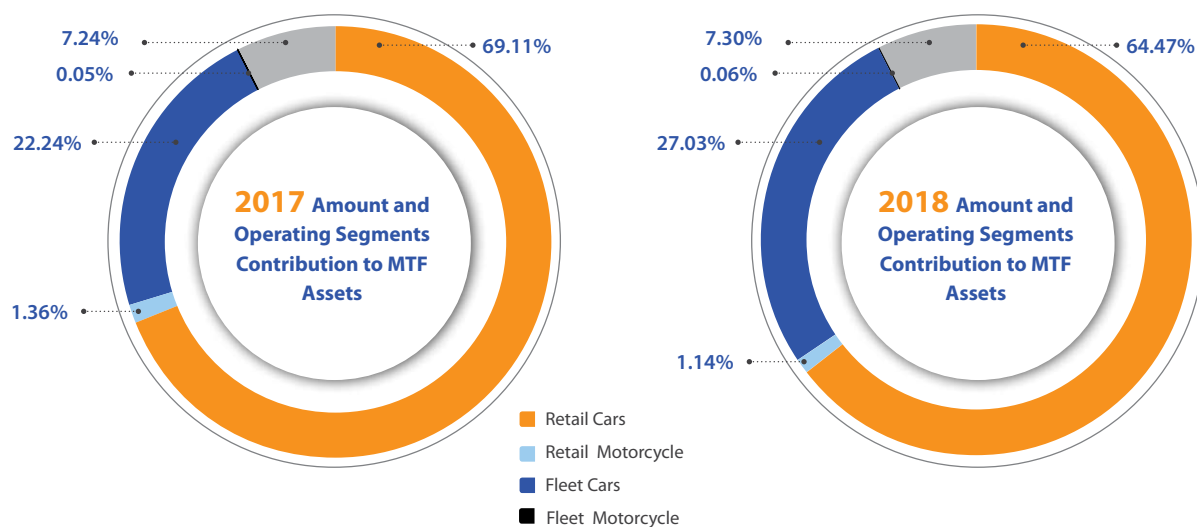


- Retail Cars
- Retail Motorcycle
- Fleet Cars
- Fleet Motorcycle

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AMOUNT AND OPERATING SEGMENTS CONTRIBUTION TO MTF ASSETS

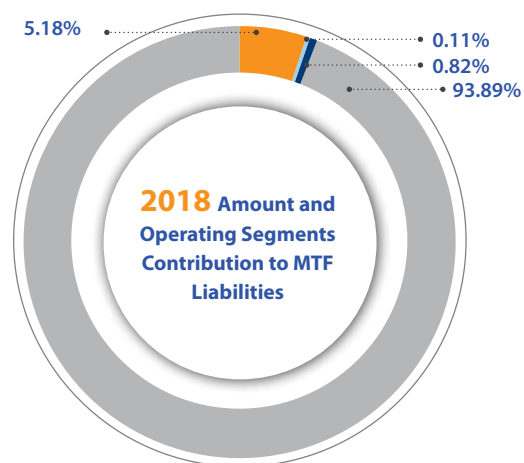
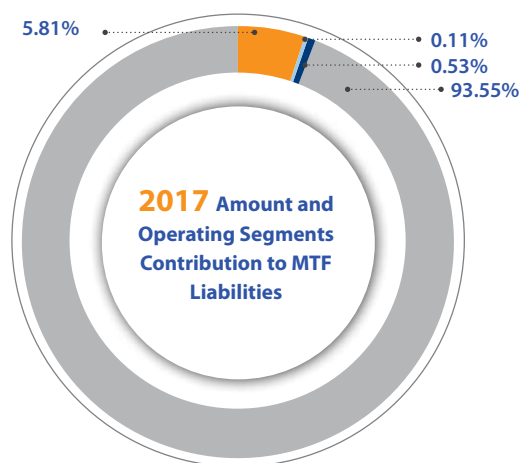
Operating Segments	2018		2017		Increased (Decreased)		
	Total (Rp-million)	Contribution (%)	Total (Rp-million)	Contribution (%)	Difference (Rp-million)	Percentage (%)	
	(1)		(2)		(3=1-2)	(3:2)	
Retail							
Cars	11,270,507	64.47%	10,185,813	69.11%	1,084,693	10.65%	↑
Motorcycle	199,851	1.14%	200,944	1.36%	(1,093)	(0.54%)	↓
Number of Retail	11,470,358	65.61%	10,386,757	70.47%	1,083,600	10.43%	↑
Fleet							
Cars	4,724,849	27.03%	3,277,540	22.24%	1,447,309	44.16%	↑
Motorcycle	9,920	0.06%	8,269	0.05%	1,651	19.97%	↑
Number of Retail	4,734,769	27.08%	3,285,809	22.29%	1,448,960	44.10%	↑
Others	1,276,717	7.30%	1,066,892	7.24%	209,826	19.67%	↑
Total Assets	17,481,844	100.00%	14,739,458	100.00%	2,742,386	18.61%	↑



The Company's assets composition is dominated by the Retail Car segment which reached 64.47% in 2018 and 69.11% in 2017. While the Fleet Cars segment experienced an increase in composition, from 22.24% in 2017 to 27.03% of total Company assets in 2018.

AMOUNT AND OPERATING SEGMENTS CONTRIBUTION TO MTF LIABILITIES

Operating Segments	2018		2017		Increased (Decreased)		
	Total (Rp-million)	Contribution (%)	Total (Rp-million)	Contribution (%)	Difference (Rp-million)	Percentage (%)	
	(1)		(2)		(3=1-2)	(3:2)	
Retail							
Cars	796,432	5.18%	753,452	5.81%	42,980	5.70%	↑
Motorcycle	17,131	0.11%	13,750	0.11%	3,381	24.59%	↑
Number of Retail	813,563	5.29%	767,202	5.92%	46,361	6.04%	↑
Fleet							
Cars	125,682	0.82%	69,030	0.53%	56,652	82.07%	↑
Motorcycle	310	0.00%	210	0.00%	100	47.62%	↑
Number of Retail	125,992	0.82%	69,240	0.53%	56,752	81.96%	↑
Others	14,421,374	93.89%	12,134,674	93.55%	2,286,700	18.84%	↑
Total Liabilities	15,360,929	100.00%	12,971,116	100.00%	2,389,813	18.42%	↑



- Retail Cars
- Retail Motorcycle
- Fleet Cars
- Fleet Motorcycle
- Others

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RETAIL

Customer Retail Financing is a financing to Customers who apply for financing through the MTF Branch office by a Credit Scoring menu. This retail financing is given to the Target Market to finance new or used conditions purchase of motorized vehicles.

depends on the financing period and is set separately in the Product/Financing Package provided. During the financing period, it is insured to the MTF Partner Insurance Company. The retail segment financial performance and profitability can be seen below.

In retail financing the Administrative and Insurance Costs are charged to the Customer, the amount charged

MTF RETAIL SEGMENT FINANCIAL PERFORMANCE AND PROFITABILITY

Account	2018 (Rp-million)			2017 (Rp-million)			Increase (Decreased)						
	Car	Motor-bikes	Total	Car	Motor-bikes	Total	Difference (Rp-million)			Percentage (%)			
							Car	Motor-bikes	Total	Car	Motor-bikes	Total	
	(1)	(2)	(3=1+2)	(4)	(5)	(6=4+5)	(7=1-4)	(8=2-5)	(9=3-6)	(7:4)	(8:5)	(9:6)	
Revenue													
Consumer financing	1,725,709	49,933	1,775,642	1,640,512	50,531	1,691,043	85,197	(598)	84,599	5.19%	-1.18%	5.00%	↑
Finance lease	10,501	170	10,671	8,171	-	8,171	2,330	170	2,500	28.52%	-	30.60%	↑
Interest	9,429	261	9,690	7,732	194	7,926	1,697	67	1,764	21.95%	34.54%	22.26%	↑
Others - net	731,659	23,423	755,082	670,977	24,128	695,105	60,682	(705)	59,977	9.04%	-2.92%	8.63%	↑
Total revenue	2,477,298	73,787	2,551,085	2,327,392	74,853	2,402,245	149,906	(1,066)	148,840	6.44%	-1.42%	6.20%	↑
Expenses													
Financial charges	(893,121)	(25,564)	(918,685)	(795,078)	(23,493)	(818,571)	98,043	2,071	100,114	12.33%	8.82%	12.23%	↑
Salaries and benefits	(460,205)	(24,400)	(484,605)	(387,069)	(25,981)	(413,050)	73,136	(1,581)	71,555	18.89%	-6.09%	17.32%	↑
General and administration	(363,654)	(14,206)	(377,860)	(326,947)	(13,589)	(340,536)	36,707	617	37,324	11.23%	4.54%	10.96%	↑
Provision for impairment losses	(375,199)	(7,929)	(383,128)	(423,328)	(6,824)	(430,152)	(48,129)	1,105	(47,024)	-11.37%	16.19%	-10.93%	↓
Total expenses	(2,092,179)	(72,099)	(2,164,278)	(1,932,422)	(69,887)	(2,002,309)	159,757	2,212	161,969	8.27%	3.17%	8.09%	↑
Income before final tax and income tax expense	385,119	1,688	386,807	394,970	4,966	399,936	(9,851)	(3,278)	(13,129)	-2.49%	-66.01%	-3.28%	↓
Total assets	11,270,507	199,851	11,470,358	10,185,814	200,944	10,386,758	1,084,693	(1,093)	1,083,600	10.65%	-0.54%	10.43%	↑
Total liabilities	796,432	17,131	813,563	753,452	13,750	767,202	42,980	3,381	46,361	5.70%	24.59%	6.04%	↑

KONTRIBUSI SEGMENT *RETAIL* TERHADAP PENDAPATAN MTF

2017	2018
87.73%	81.76%

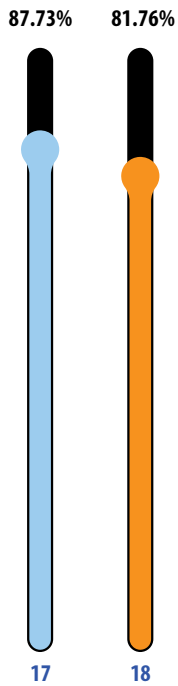
RETAIL SEGMENTS CONTRIBUTION TO MTF PROFIT

2017	2018
85.39%	71.65%

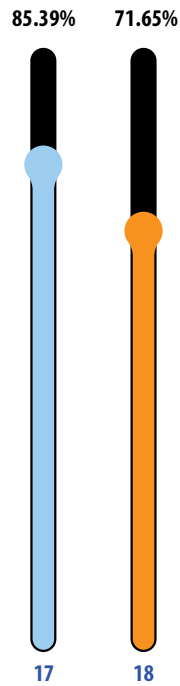
RETAIL SEGMENTS CONTRIBUTION TO MTF ASSETS

2017	2018
70.47%	65.61%

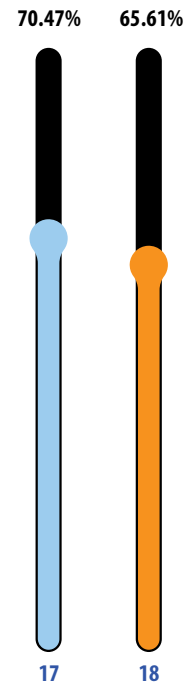
**RETAIL SEGMENTS
CONTRIBUTION TO MTF
REVENUES**



**RETAIL SEGMENTS
CONTRIBUTION TO MTF PROFIT**



**RETAIL SEGMENTS
CONTRIBUTION TO MTF ASSETS**



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FLEET FINANCING

Customer Fleet Financing is a financing to Customers managed by the Corporate Fleet Division, which is the granting of the Funding Grants (BPP) to 1 (one) Debtor or 1 (one) Obligor group both business entities and individuals. Related to business entities, the provision of financing value is equal to or above Rp.5 billion. Fleet financing is divided into 2 (two) books, namely Investment Financing and Working Capital Financing.

Working capital financing is a financing to meet expenditure needs that are exhausted in one cycle of the customer's business activities, by providing a limit of financing to customers that is committed and advised.

Investment financing is a financing of capital goods and services needed for business activities/investment, rehabilitation, modernization, expansion or relocation of businesses/investments given to the debtor.

The fleet segment financial performance and profitability can be seen below.

MTF FLEET SEGMENT FINANCIAL PERFORMANCE AND PROFITABILITY

Account	2018 (Rp-million)			2017 (Rp-million)			Increase (Decreased)							
	Car	Motor-bikes	Total	Car	Motor-bikes	Total	Difference (Rp-million)			Percentage (%)				
							Car	Motor-bikes	Total	Car	Motor-bikes	Total		
	(1)	(2)	(3=1+2)	(4)	(5)	(6=4+5)	(7=1-4)	(8=2-5)	(9=3-6)	(7:4)	(8:5)	(9:6)		
Revenue														
Consumer financing	159,874	1,203	161,077	138,328	1,053	139,381	21,546	150	21,696	15.58%	14.25%	15.57%	↑	
Finance lease	375,631	-	375,631	170,812	-	170,812	204,819	-	204,819	119.91%	-	119.91%	↑	
Factoring	96	-	96	-	-	-	96	-	96	-	-	-		
Bunga	2,422	4	2,426	1,107	3	1,110	1,315	1	1,316	118.79%	33.33%	118.56%	↑	
Others - net	29,822	55	29,877	24,704	112	24,816	5,118	(57)	5,061	20.72%	-50.89%	20.39%	↑	
Total revenue	567,845	1,262	569,107	334,951	1,168	336,119	232,894	94	232,988	69.53%	8.05%	69.32%	↑	
Expenses														
Financial charges	(340,747)	(578)	(341,325)	(216,687)	(184)	(216,871)	124,060	394	124,454	57.25%	214.13%	57.39%	↑	
Salaries and benefits	(34,375)	-	(34,375)	(24,762)	-	(24,762)	9,613	-	9,613	38.82%	-	38.82%	↑	
General and administration	(20,695)	-	(20,695)	(13,527)	-	(13,527)	7,168	-	7,168	52.99%	-	52.99%	↑	
Provision for impairment losses	(19,664)	(12)	(19,676)	(12,470)	(47)	(12,517)	(7,194)	(35)	7,159	57.69%	-74.47%	57.19%	↑	
Total expenses	(415,481)	(590)	(416,071)	(267,446)	(231)	(267,677)	148,035	359	148,394	55.35%	155.41%	55.44%	↑	
Income before final tax and income tax expense	152,364	672	153,036	67,505	937	68,442	84,859	(265)	84,594	125.71%	-28.28%	123.60%	↑	
Total assets	4,724,849	9,920	4,734,769	3,277,540	8,269	3,285,809	1,447,309	1,651	1,448,960	44.16%	19.97%	44.10%	↑	
Total liabilities	125,682	310	125,992	69,030	210	69,240	56,652	100	56,752	82.07%	47.62%	81.96%	↑	

FLEET SEGMENTS CONTRIBUTION TO MTF REVENUES

2017	2018
12.27%	18.24%

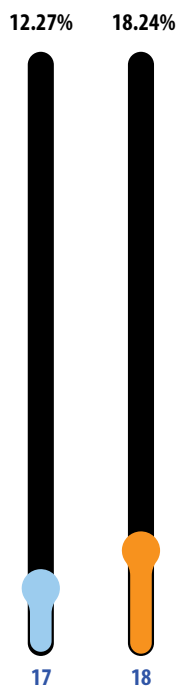
FLEET SEGMENTS CONTRIBUTION TO MTF PROFIT

2017	2018
14.61%	28.35%

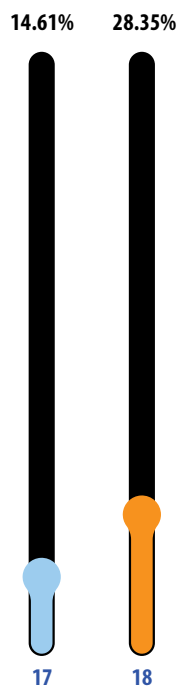
FLEET SEGMENTS CONTRIBUTION TO MTF ASSETS

2017	2018
22.29%	27.09%

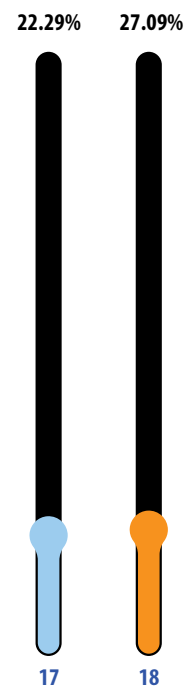
**FLEET SEGMENTS
CONTRIBUTION TO MTF
REVENUES**



**FLEET SEGMENTS
CONTRIBUTION TO MTF PROFIT**



**FLEET SEGMENTS
CONTRIBUTION TO MTF ASSETS**



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OTHERS

Other segment is information on operating segment reporting related to treasury activities and head office such as bank interest income, as well as general and administrative expenses that cannot be allocated to the two segments above. In this segment, only assets and liabilities are included as part of treasury and head office activities.

FINANCIAL PERFORMANCE AND OTHER SEGMENTS PROFITABILITY

Akun	2018 (Rp-million)	2017 (Rp-million)	Increased (Decreased)		
			Difference (Rp-million)	Percentage (%)	
Total assets	1,276,717	1,066,891	209,826	19.67%	↑
Total liabilities	14,421,374	12,134,674	2,286,700	18.84%	↑

BUSINESS SEGMENTS PERFORMANCE BASED ON GEOGRAPHIC INFORMATION

CONTRIBUTION AND AMOUNT OF OPERATING SEGMENTS BASED ON GEOGRAPHICAL TO MTF REVENUES

Operating Segments Based on Geographic	2018		2017		Increased (Decreased)		
	Total (Rp-million)	Contribution (%)	Total (Rp-million)	Contribution (%)	Difference (Rp-million)	Percentage (%)	
	(1)		(2)		(3=1-2)	(3:2)	
Regional I (Sumatra)	168,809	5,41%	156,732	5,72%	12,077	7.71%	↑
Regional II (Sumatra)	343,578	11,01%	317,029	11,58%	26,549	8.37%	↑
Regional III (Jabodetabek)	372,747	11,95%	358,636	13,10%	14,111	3.93%	↑
Regional IV (Jabodetabek)	355,703	11,40%	371,169	13,55%	(15,466)	-4.17%	↓
Regional V (West Java)	219,365	7,03%	219,492	8,02%	(127)	-0.06%	↓
Regional VI (Central Java, Yogyakarta)	239,611	7,68%	222,022	8,11%	17,589	7.92%	↑
Regional VII (East Java)	288,924	9,26%	292,476	10,68%	(3,552)	-1.21%	↓
Regional VIII (Kalimantan)	265,531	8,51%	211,322	7,72%	54,209	25.65%	↑
Regional IX (Sulawesi)	296,817	9,51%	253,367	9,25%	43,450	17.15%	↑
Fleet	569,107	18,24%	336,119	12,27%	232,988	69.32%	↑
Total Revenues	3,120,192	100,00%	2,738,364	100,00%	381,828	13.94%	↑


FINANCIAL REVIEW

INFORMATION PROVIDING STANDARDS AND COMPATIBILITIES TOWARD FINANCIAL ACCOUNTING STANDARDS

The financial performance analysis and discussion in this annual report refers to the Financial Statements for the years ended December 31, 2018 and December 31, 2017 which have been audited by the Public Accounting Firm of the Public Accounting Firm Purwanto Sungkoro & Surya (EY). The presentation and disclosures of the Company's financial statements are prepared in accordance with Financial Accounting Standards ("SAK") in Indonesia, which include Financial Accounting

Standards Statements ("PSAK") and Financial Accounting Standards Interpretations ("ISAK") issued by the Financial Accounting Standards Board, Indonesian Institute of Accountants and the Sharia Accounting Standards Board, Indonesian Accountants Association, and the Financial Services Authority (OJK) Regulation No. 29/POJK.04/2016 concerning the Annual Report of Issuers or Public Companies.

FINANCIAL POSITION



"The total assets of the Company in 2018 reached Rp17.48 trillion, an increase of 18.61% compared to the number of assets in 2017 which amounted to Rp14.74 trillion. The increase in the consumer financing receivables portfolio along with the increase in the volume of consumer financing has led to an increase in the Company's assets."

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REMARKS	2018 (Rp-million)	2017 (Rp-million)	Increased (Decreased)	
			Difference (Rp-million)	Percentage (%)
ASSETS				
Cash and cash equivalents				
Cash on hand	12,863	20,198	(7,335)	(36.32%)
Cash in banks				
Third parties	105,923	8,944	96,979	1084.29%
Related parties	136,154	131,408	4,746	3.61%
	254,940	160,550	94,390	58.79%
Consumer financing receivables				
Third parties	12,927,542	11,444,554	1,482,988	12.96%
Related parties	5,822	7,957	(2,135)	(26.83%)
	12,933,364	11,452,511	1,480,853	12.93%
Less :				
Allowance for impairment losses	(303,884)	(271,205)	(32,679)	12.05%
	12,629,480	11,181,306	1,448,174	12.95%
Finance lease receivables				
Third parties	3,328,389	2,364,629	963,760	40.76%
Less:				
allowance for impairment losses	(9,286)	(7,739)	(1,547)	19.99%
	3,319,103	2,356,890	962,213	40.83%
Factoring receivables				
Third parties	11,416	-	11,416	-
Less:				
allowance for impairment losses	(113)	-	(113)	-
	11,303	-	11,303	-
Other receivables				
Third parties	115,193	104,140	11,053	10.61%
Related parties	620,215	564,131	56,084	9.94%
	735,408	668,271	67,137	10.05%
Less:				
allowance for impairment losses	(6,007)	(2,896)	(3,111)	107.42%
	729,401	665,375	64,026	9.62%
Deferred tax assets	59,921	38,004	21,917	57.67%
Claims for tax refund	43,538	65,538	(22,000)	(33.57%)
Derivative receivables	138,333	23,202	115,131	496.21%
Fixed assets	182,005	165,907	16,098	9.70%

REMARKS	2018 (Rp-million)	2017 (Rp-million)	Increased (Decreased)	
			Difference (Rp-million)	Percentage (%)
Other assets				
Third parties	111,593	81,340	30,253	37.19%
Related parties	2,227	1,346	881	65.45%
Total Assets	17,481,844	14,739,458	2,742,386	18.61%
LIABILITIES				
Trade payables	649,630	606,513	43,117	7.11%
Other payables				
Third parties	199,947	194,491	5,456	2.81%
Related parties	84,738	30,344	54,394	179.26%
Current tax liabilities	1,852	33,916	(32,064)	(94.54%)
Accrued expenses				
Third parties	220,282	135,559	84,723	62.50%
Related parties	1,828	1,227	601	48.98%
Bank loans				
Third parties	9,843,103	6,641,977	3,201,126	48.20%
Related parties	1,379,632	1,602,605	(222,973)	(13.91%)
	11,222,735	8,244,582	2,978,153	36.12%
Unamortized provision cost	(34,611)	(34,152)	459	1.34%
	11,188,124	8,210,430	2,977,694	36.27%
Securities issued				
Third parties	1,835,300	2,443,300	(608,000)	(24.88%)
Related parties	1,014,700	1,231,700	(217,000)	(17.62%)
	2,850,000	3,675,000	(825,000)	(22.45%)
Unamortized issuance cost	(5,284)	(9,749)	(4,465)	(45.80%)
	2,844,716	3,665,251	(820,535)	(22.39%)
Derivative payables	89,788	19,540	70,248	359.51%
Employee benefits obligation	80,024	73,845	6,179	8.37%
Total Liabilities	15,360,929	12,971,116	2,389,813	18.42%
EQUITY				
Share capital				
Paid-up capital	250,000	250,000	-	-
Other Comprehensive Income:				
Remeasurement of employee				
benefits obligation - net	(19,519)	(24,567)	(5,048)	(20.55%)
Cumulative loss on derivative instrument for				
cash flow hedges- net	(33,391)	(12,620)	20,771	164.59%

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REMARKS	2018 (Rp-million)	2017 (Rp-million)	Increased (Decreased)	
			Difference (Rp-million)	Percentage (%)
Retained earnings				
Appropriated	50,000	50,000	-	-
Unappropriated	1,873,825	1,505,529	368,296	24.46%
Total Equity	2,120,915	1,768,342	352,573	19.94%
Total Liabilities & Equity	17,481,844	14,739,458	2,742,386	18.61%

ASSETS

As of December 31, 2018, the total assets of the Company reached Rp17.48 trillion, an increase of 18.61% compared to the total assets of 2017 which amounted to Rp.14.74 trillion. This increase was due to the increase in the financing portfolio of consumer finance receivables leased in line with the increase in the volume of consumer financing.

The Company's business in consumer financing and leasing in accordance with PSAK No.1 (revised 2009 concerning the presentation of financial statements that are effective post January 1, 2011) does not present the classification of assets into the category of current assets and non-current assets.

CASH AND CASH EQUIVALENTS

In 2018, the Company's cash and cash equivalents were recorded at Rp254.94 billion, an increase of Rp94.39 billion or 58.79% compared to the Company's cash balance and cash equivalents in 2017, which amounted to Rp.160.55 billion. The increase was due to the increase in cash placed in banks from Rp140.35 billion in 2017 to Rp242.08 billion in 2018. This increase was due to bank loan in early January 2018.

Cash and Cash Equivalents	2018 (Rp-million)	2017 (Rp-million)	Percentage (%)
Cash on hand	12,863	20,198	(36.32%)
Cash in banks			
Third parties	105,923	8,944	1,084.29%
Related parties	86,154	81,408	5.83%
Time Deposits			
a. Third parties			
b. Related parties	50,000	50,000	-
Total	254,940	160,550	58.79%

CONSUMER FINANCING RECEIVABLES

The Company's consumer financing receivables in 2018 were recorded at Rp12.63 trillion, an increase of Rp1.45 trillion or 12.95% compared to the balance of the Company's consumer financing receivables in 2017 which amounted to Rp11.18 trillion. This increase was caused by an increase in the realization of new financing. The realization of new financing for 2018 is Rp23.25 trillion or an increase of Rp3.27 trillion or 16.37% from the realization of the previous year which amounted to Rp19.98 trillion.

Joint financing receivables in 2018 increased by 13.22%

from the previous year, in line with the increase in joint financing new lending of Rp1.03 trillion or 7.81% from 2017 which amounted to Rp13.13 trillion to Rp14.15 trillion in 2018. Followed by non joint financing receivables which increased by 10.74% from the previous year, an increase in new non-joint financing lending of Rp3.76 trillion or 41.41% from 2017 which amounted to Rp9.08 trillion to Rp12.84 trillion in 2018. This increase shows that the growth of the Company's new lending has increased quite well. The automotive industry did not show growth, but the Company was able to increase its market share.

Unearned Lease Income Description	2018 (Rp-million)	2017 (Rp-million)	Comparison Results	
			Difference (Rp-million)	Percentage (%)
Joint Financing Receivables	30,185,424	26,751,546	3,433,878	12.84%
Direct Financing Receivables	16,384,268	14,794,655	1,589,613	10.74%
Total of Managed Financing Receivables	46,569,692	41,546,201	5,023,491	12.09%
Principals of Joint Financing Receivables	26,077,092	23,032,176	3,044,916	13.22%
Total Principals of Financing Receivables	39,010,456	34,484,687	4,525,769	13.12%
Allowance for doubtful account	303,884	271,205	32,679	12.05%
Net account receivables	12,629,480	11,181,306	1,448,174	12.95%
Non-performing Receivables Under Management	0,83%	0,80%	0,03%	3.75%

FINANCE LEASE RECEIVABLES

Since 2011, the Company has initiated a financial lease transaction. This transaction is managed by the COP and Fleet Division to finance the Company's commercial vehicles and heavy equipment. In 2018, with the support of Bank Mandiri's Commercial and Corporate Banking, the COP and Fleet Division increased the focus on financing four-wheeled vehicles, especially the passenger vehicles of

the Company's employees, and heavy truck vehicles for the infrastructure, distribution and transportation industries. In 2018, the Company experienced an increase in financing lease receivables amounting to Rp0.96 trillion to Rp3.32 trillion, compared to the balance of last year's finance lease receivables which amounted to only Rp2.36 trillion.

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Net Investment in Financing Leases	2018 (Rp-million)	2017 (Rp-million)	Comparison Results	
			Difference (Rp-million)	Percentage (%)
Finance lease receivables – gross	5,160,930	2,756,597	2,404,333	87.22%
Joint finance lease receivables	1,243,484	-	1,243,484	-
Guaranteed residual value	1,631,185	796,442	834,743	104.81%
Unearned leased income under management	(692,570)	(391,968)	300,602	76.69%
Unearned joint leased income	103,513	-	103,513	-
Security Deposits	(1,631,185)	(796,442)	834,743	104.81%
Allowance for Doubtful Account	(9,286)	(7,739)	1,547	19.99%
Total Finance Lease Receivables	3,319,103	2,356,890	962,213	40.83%

FACTORING

Since 2018 the Company has started conducting factoring transactions, this transaction is managed by the COP and Fleet divisions. In 2018 factoring financing amounted to Rp11.32 billion.

assets in 2017 which amounted to Rp165.90 billion. The increase was due to the addition of assets in the form of buildings, office equipment and equipment and rental building renovations in line with the Company's business expansion.

OTHER RECEIVABLES

Other third party receivables are mostly receivables addressed to insurance companies in connection with acceptances of claims, while other related parties receivables are mostly transactions with parent entities, PT Bank Mandiri (Persero) Tbk, in connection with joint financing. The balance of the Company's other receivables in 2018 amounted to Rp729.40 billion, an increase of Rp64.03 billion compared to the balance of the Company's receivables in 2017, which amounted to Rp665.37 billion.

The addition of assets in the form of buildings amounting to Rp2.03 billion. The addition of buildings amounted to Rp1.4 billion as a reclassification of buildings under construction, office equipments Rp40.8 billion, leasehold improvement of Rp3.2 billion and construction in progress of Rp4.8 billion.

The increase was due to the increase in recognition of Joint Financing receivables at the end of December 2018 amounting to Rp555.65 billion compared to 2017 which amounted to Rp502.57 billion or an increase of Rp53.08 billion or 10.56%.

DEFERRED TAX ASSETS

In 2018, the balance of the Company's deferred tax assets was recorded at Rp59.92 billion, an increase of Rp21.92 billion or 57.67% compared to the balance of the Company's deferred tax assets in 2017 which amounted to Rp38 billion. The increase was due to an increase in deferred tax over the addition of fiscal corrections to temporary differences in employee benefits, bonuses, derivative instruments for cash flow hedges.

FIXED ASSETS

The balance of the Company's fixed assets in 2018 was recorded at Rp182 billion, an increase of Rp16.09 billion or 9.70% compared to the balance of the Company's fixed

CLAIMS FOR TAX REFUND

On January 25, 2016 and October 25, 2016, the Company received a tax assessment letter for underpayment (SKPKB) and tax invoice letter (STP) for various types of

taxes for the 2013, 2012 and 2011 tax years, which resulted in a total underpayment of Rp172.49 billion. To this end, the Company paid Rp67.63 billion, of which the Company was in the process of filing an objection amounting to Rp65.54 billion and Rp2.10 billion which was recorded as a tax penalty in the statement of profit or loss and other comprehensive income. For the unpaid amount of Rp104.86 billion, the Company filed an objection to the tax office. In 2017, the Tax Office rejected all objections to the 2013, 2012 and 2011 fiscal years. In the same year, the Company appealed the decision to the Tax Court. Management believes that all estimated income tax claims can be recovered.

On December 18, 2018, the Tax Court read out the decision related to the appeal filed by the Company amounting to Rp170.40 billion consisting of Corporate Income Tax amounting to Rp104.46 billion, VAT of Rp57.73 billion and STP for VAT of Rp7.79 billion, PPh Article 4 (2) amounting to Rp370 million for the 2011, 2012 and 2013 fiscal years. Upon the decision, the Company received a decision letter from the Tax Court on December 27, 2018.

Based on the results of the verdict, the Corporate Income Tax was partially granted in the amount of Rp104.35 billion and was not granted in the amount of Rp112 million. Whereas the VAT granted was Rp57.67 billion and Rp59 million was not granted. The cancellation of STP for fines arising from the VAT amounting to Rp7.78 billion will be submitted to the Directorate General of Taxes. So that from the results of the verdict, the total accrued amounted to Rp174 million. For those decisions that have been received, Management agrees to accept the results of the decisions that have been determined by the Tax Court.

DERIVATIVE FINANCIAL INSTRUMENT (DERIVATIVE RECEIVABLES & PAYABLES)

Derivative instruments are recognized first at fair value at the time the contract is carried out, and are subsequently measured at fair value. Derivatives are recorded as assets

if they have a positive fair value and are liabilities if they have a negative fair value.

The Company uses derivative financial instruments, foreign currency swaps and interest rates as part of management activities to protect the impact of foreign currency risk and interest rates on the Company's loans. The company applies cash flow hedge accounting at the time the transaction meets the hedge accounting treatment criteria.

OTHER ASSETS

The balance of the Company's other assets in 2018 was Rp113.82 billion, an increase of Rp31.13 billion or 37.65% compared to 2017 which amounted to Rp82.69 billion. The increase was due to the increase in deposits in the Company's journey (payment of consumer financing installments through the post office, Alfamart, Indomart and pawnshops) amounting to Rp14.14 billion as the Company's assets under management increased.

LIABILITIES

The Company's liabilities increased by 18.42% from Rp12.97 trillion in 2017 to Rp15.36 trillion in 2018, an increase of Rp2.39 trillion. This increase was due to an increase in bank loans of Rp.8.21 trillion in 2017, increasing to 36.27% or an increase of Rp2.98 trillion.

The Company in its business which is engaged in consumer financing and consumer finance leases runs in accordance with PSAK No. 1 (revised 2009 concerning the presentation of financial statements that are effective retrospectively since January 1, 2011) does not present the classification of payables into the category of short-term payables and long-term payables.

TRADE PAYABLES

In 2018, the Company's trade payables consisting of payables to third parties, both vehicle payables and insurance payables was recorded at Rp649.63 billion, an

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increase of 7.11% or Rp43.11 billion compared to 2017 which amounted to Rp606.51 billion. This increase was caused by an increase in payables to vehicle suppliers along with the increase in financing volume during 2018.

OTHER PAYABLES

Other payables of the Company consist of payables to third parties and payables to related parties. In 2018, the amount of other payables to third parties of the Company amounted to Rp199.95 billion, an increase of Rp5.46 billion or 2.81% compared to the amount of other payables to third parties in 2017 which amounted to Rp194.49 billion.

The increase was due to the recognition of obligations to third parties related to the Company's non-operational transactions. In 2018, the amount of other payables to related parties of the Company amounted to Rp84.74 billion, an increase of Rp54.39 billion or 179.26% compared to the amount of other payables to related parties amounting to Rp30.34 billion in 2017.

CURRENT TAX LIABILITIES

In 2018, the amount of the Company's tax payables amounted to Rp1.85 billion, a decrease of Rp32.06 billion or 94.54% compared to the amount of the Company's tax payables in 2017 which amounted to Rp33.92 billion.

ACCRUED EXPENSES

In 2018, the amount of accrued expenses by the Company amounted to Rp222.11 billion, an increase of Rp85.32 billion or 62.38% compared to 2017 which reached Rp136.79 billion. The increase was due to the increase in accrued costs of salaries and benefits of Rp35.25 billion, in 2018 amounting to Rp100 billion compared to 2017 which amounted to Rp64.76 billion also accompanied by an increase in accrued interest of Rp46.12 billion, in 2018 amounting to Rp100.58 billion compared to 2017 which amounted to Rp54.46 billion.

BANK LOANS

In 2018, the number of the Company's bank loans reached Rp11.22 trillion, an increased of Rp2.98 trillion or 36.12% compared to 2017 which amounted to Rp8.24 trillion. This increase was due to the increase in realization of new financing funded by bank loans in line with the growth of the Company's business.

SECURITIES ISSUED

In 2018, the amount of securities issued by the Company amounted to Rp2.85 trillion, a decrease of Rp825 billion or 22.45% compared to 2017 amounting to Rp3.67 trillion. The company settled Bonds I Phase II amounting to Rp175 billion, Bonds I Phase III amounting to Rp150 billion and Bonds II Phase I amounting to Rp500 billion.

EMPLOYEE BENEFITS OBLIGATION

In 2018, the total employee benefits obligation of the Company amounted to Rp80.02 billion, an increase of Rp6.18 billion or 8.37% compared to 2017 of Rp73.85 billion. The increase was due to the increase in total benefits received by employees and the number of permanent employees of the Company.

EQUITY

The Company's equity increased by 19.94% during 2018 or increased by Rp352.57 billion in 2017 which amounted to Rp1.77 trillion to Rp2.12 trillion. This increase was caused by an increase in the unspecified retained earnings of 24.46% or Rp368.3 billion which in 2017 amounting to Rp1.51 trillion increased to Rp1.87 trillion in 2018.

Equity	2018 (Rp-million)	2017 (Rp-million)	Comparison Results	
			Difference (Rp-million)	Percentage (%)
Share Capital				
Paid up Capital	250,000	250,000	-	-
Other Comprehensive Income:				
Remeasurement of employee benefits obligation - net	(19,519)	(24,567)	(5,048)	(20.55%)
Cumulative loss on derivative instrument for cash flow hedges - net	(33,391)	(12,620)	20,771	164.59%
Retained earnings				
Appropriated	50,000	50,000	-	-
Unappropriated	1,873,825	1,505,529	368,296	24.46%
Total Equity	2,120,915	1,768,342	352,573	19.94%

PROFIT AND LOSS & OTHER COMPREHENSIVE INCOME

"The company record profits in 2018 amounting to Rp403.3 billion. Net income increased by 15.15% from the previous year, profits in 2017 only amounted to Rp350.2 billion. This increase was supported by an increase in revenue of 13.94% from the previous year's revenue portfolio."



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Description	2018 (Rp-million)	2017 (Rp-million)	Comparison Results	
			Difference (Rp-million)	Percentage (%)
Revenue				
Consumer Financing	1,936,719	1,830,424	106,295	5.81%
Finance lease	386,302	178,983	207,319	115.83%
Factoring	96	-	96	-
Interest	12,116	9,036	3,080	34.09%
Others - net	784,959	719,921	65,038	9.03%
Total revenue	3,120,192	2,738,364	381,828	13.94%
Expenses				
Finance charges	(1,260,010)	(1,035,442)	224,568	21.69%
Salaries and benefits	(518,980)	(437,812)	81,168	18.54%
General and administration	(398,555)	(354,063)	44,492	12.57%
Provision for impairment losses:				
Consumer financing	(394,619)	(434,774)	(40,155)	(9.24%)
Finance lease	(3,950)	(5,784)	(1,834)	(31.71%)
Factoring	(113)	-	113	-
Other receivables	(4,122)	(2,111)	2,011	95.26%
Total expenses	(2,580,349)	(2,269,986)	(310,363)	13.67%
Income Before Final Tax and Income Tax Expense	539,843	468,378	71,465	15.26%
Final tax expense	(2,423)	(1,807)	(616)	34.09%
Income Before Income Tax Expense	537,420	466,571	70,849	15.19%
Income Tax Expense	(134,100)	(116,329)	(17,771)	15.28%
Income For The Year	403,320	350,242	53,078	15.15%
Other Comprehensive Income:				
Item that will not be reclassified to profit or loss				
Remeasurement of employee benefits obligation	6,730	(13,162)	19,892	151.13%
Income tax effect	(1,682)	3,290	(4,972)	(151.12%)
	5,048	(9,872)	14,920	151.13%
Item that will be reclassified to profit or loss:				
Effective portion of loss on hedging instruments in a cash flow hedge				
Income tax effect	(27,695)	(16,826)	10,869	64.60%
Related income tax	6,924	4,206	2,718	64.62%
	(20,771)	(12,620)	8,151	64.59%
Other comprehensive income - net of tax	(15,723)	(22,492)	(6,769)	(30.10%)
Total Comprehensive Income For the Year	387,597	327,750	59,847	18.26%
BASIC EARNINGS PER SHARE (Full amount)	161	140	21	15.00%

INCOME

a. Consumer Financing Income

In 2018, consumer financing income reached Rp1.94 trillion, an increase of 5.81% or Rp.106.3 billion compared to 2017, which amounted to Rp1.83 trillion. This increase was due to the realization of new financing which increased in 2018. The realization of new financing for 2018 was Rp23.25 trillion, up Rp3.27 trillion or 16.37% from the realization in 2017 of Rp19.98 trillion.

b. Finance Lease Income

The finance lease income in 2018 amounted to Rp386.3 billion, an increase of 115.83% or Rp207.32 billion

compared 2017, which amounted to Rp178.98 billion.

c. Interest Income

Interest income in 2018 was recorded at Rp12.12 billion, an increase of 34.09% or Rp3.08 billion compared to 2017 which reached Rp9.04 billion.

d. Net Other Income

The Company recorded net other income in 2018 amounting to Rp784.96 billion, an increase of 9.03% or Rp65.04 billion compared to 2017 which amounted to Rp719.92 billion. This increase was due to the increase in fee-based income in line with the increase in new financing of the Company.

INCOME FOR THE YEAR

The Company's income for the year in 2018 amounted to Rp403.3 billion, an increase of 15.15% compared to 2017 which was recorded at Rp350.2 billion. The increase in profit for the year is caused by several factors, including:

- Increased income from consumer financing and finance lease income in 2018, namely Rp.106.30 billion and Rp207.32 billion, respectively, in line with

the Company's business growth.

- Increased revenue from the Company's fee-based in 2018 amounting to Rp65.04 billion, mainly from insurance commission income, penalties, collection income, acceptance acceptance claims along with business growth and product diversification by the Company

Description	2018 (Rp-million)	2017 (Rp-million)	Comparison Results	
			Difference (Rp-million)	Percentage (%)
Revenue	3,120,192	2,738,364	381,828	13.94%
Expense	(2,580,349)	(2,269,986)	(310,363)	13.67%
Income before tax	539,843	468,378	71,465	15.26%
Tax expense	(136,523)	(118,136)	(18,387)	15.56%
Income for the year	403,320	350,242	53,078	15.15%
Total Comprehensive Income	387,597	327,750	59,847	18.26%

EARNINGS PER SHARE

The Company recorded earnings per share from Rp140 per share in 2017 to Rp161 per share in 2018. This increase was due to the increase in the Company's current year

profit by Rp403.3 billion in 2018 compared to 2017 which only amounted to Rp350.2 billion or increased by 15.15% or Rp53.08 billion.

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EXPENSE

The total expenses incurred in 2018 amounted to Rp2.58 trillion, an increase of 13.67% from the previous year of Rp2.27 trillion. This increase was largely influenced by the increase in financial expenses by 21.69%, or Rp224.57 billion from the previous year of Rp1.04 trillion. This is in line with the increase in corporate liabilities from bilateral and syndicated loans that occurred in 2018.

a. Finance Charges

In 2018, the Company's financial charges was recorded at Rp1,260 billion, an increase of 21.69% or Rp224.57 billion compared to 2017 which reached Rp1,035 billion. The increase in expenses was due to an increase in the number of loans of Rp11.22 trillion, an increase of Rp2.98 trillion or 36.12% compared to 2017 which amounted to Rp8.24 trillion. The company also conducted syndicated loans as part of the efforts made by the Company to support the achievement of self-

financed consumer financing targets.

b. Salaries and Benefits Expenses

The 2018 salaries and benefits expenses amounted to Rp518.98 billion, an increase of Rp81.17 billion or 18.54% of salaries and benefits expenses in 2017 which amounted to Rp437.81 billion.

c. General and Administrative Expenses

The Company's general and administrative expenses in 2018 amounted to Rp398.56 billion, an increase of 12.57% or Rp44.49 billion from 2017 which was recorded at Rp354.06 billion. This increase was largely due to an increase in the operational and maintenance infrastructure costs of branch offices during 2018 to support new consumer financing targets. Operational costs include rental, building, maintenance, office utilities, travelling and asset management (billing) of branch offices to support the achievement of the company's targets.

Description	2018 (Rp-million)	2017 (Rp-million)	Comparison Results	
			Difference (Rp-million)	Percentage (%)
Collection fee	152,072	171,328	(19,256)	(11.24%)
Rent	37,663	36,882	781	2.18%
Depreciation	34,574	25,346	9,228	36.41%
Third parties service	18,620	11,255	7,365	65.44%
Travelling	17,829	13,781	4,048	29.37%
Repairs and maintenance	14,221	12,217	2,004	16.40%
Communications	13,955	13,325	630	4.73%
Security	11,955	11,293	662	5.86%
Recruitment and training	9,137	7,707	1,430	18.55%
Professional fees	8,475	3,734	4,741	126.97%
OJK fees	8,134	6,122	2,012	32.87%
Utilities	6,577	6,197	380	6.13%
Stationaries and printings	5,864	5,501	363	6.60%
Corporate entertainment	5,512	4,577	935	20.43%
Others	53,967	24,798	29,169	117.63%
Total General and Administrative Expenses	398,555	354,063	44,492	12.57%

PROVISION FOR IMPAIRMENT EXPENSES

The Company had a provision for impairment losses expenses in 2018 with a value of Rp402.8 billion, a decreased of 9.01% or Rp39.9 billion compared to 2017 which generated Rp442.7 billion. The decreased of receivables written-off consumer financing and finance lease amounted to Rp19.25 billion or 3.59%, while the increase in recovery was Rp80.20 billion or 111.37%.

CASH FLOWS

Description	2018 (Rp-million)	2017 (Rp-million)	Comparison Results	
			Difference (Rp-million)	Percentage (%)
Cash Flows from Operating Activities				
Cash receipts from customers:				
Consumer financing	32,929,846	29,784,343	3,145,503	10.56%
Finance lease	3,146,365	867,371	2,278,994	262.75%
Interest	12,128	9,053	3,075	33.97%
Late payment penalties	58,007	47,844	10,163	21.24%
Recovery from written-off receivables				
Insurance premiums	152,200	72,005	80,195	111.37%
Cash disbursements for:				
Repayments of joint				
financing facilities	(9,408,430)	(9,844,625)	(436,195)	(4.43%)
Payments to car dealers	(27,161,244)	(22,647,364)	4,513,880	19.93%
Payments for income tax	(1,208,033)	(1,040,072)	167,961	16.15%
Payments for salaries and allowances	(185,262)	(113,687)	71,575	62.96%
Payments for general and administrative expenses	(461,115)	(355,254)	105,861	29.80%
Payments to insurance companies	(478,880)	(385,014)	93,866	24.38%
Net cash used in operating activities	(1,085,334)	(1,008,229)	77,105	7.65%
Net cash used in investing activities	(1,943,479)	(2,970,105)	(1,026,626)	(34.57%)
Cash Flows from Investing Activities				
Proceeds from sale of fixed assets	-	38	(38)	-
Acquisition of fixed assets	(50,719)	(49,979)	740	1.48%
Net cash used in investing activities	(50,719)	(49,941)	778	1.56%
Cash Flows from Financing Activities				
Proceeds from bank loans	16,824,698	13,034,928	3,789,770	29.07%
Proceeds from securities issued	-	850,000	(850,000)	-
Repayment of bank loans	(13,874,241)	(10,424,457)	3,449,784	33.09%
Repayment of securities issued	(825,000)	(500,000)	325,000	65.00%
Payment of securities issuance costs	(1,845)	(4,232)	(2,387)	(56.40%)
Payment of cash dividends	(35,024)	(33,537)	1,487	4.43%
Net cash provided by financing activities	2,088,588	2,922,702	(834,114)	(28.54%)
Net increase (decrease) in cash and cash equivalents	94,390	(97,344)	191,734	196.97%
Cash and cash equivalents at beginning of year	160,550	257,894	(97,344)	(37.75%)
Cash and cash equivalents at end of year	254,940	160,550	94,390	58.79%

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CASH FLOWS FROM OPERATING ACTIVITIES

Net cash used for operating activities in 2018 amounted to Rp1.94 trillion, an increase of 34.57% from 2017 which amounted to Rp2.97 trillion. The increase in net cash used in operating activities was due to an increase in revenue from consumer financing by Rp3.15 trillion, an increase in receipt of finance leases of Rp2.28 trillion, which was compensated by an increase in payments to vehicle dealers of Rp4.51 trillion.

CASH FLOWS FROM INVESTING ACTIVITIES

In 2018, the use of net cash for investing activities was recorded at Rp50.72 billion, an increased of 1.56% compared to 2017 which amounted to Rp49.94 billion. This net cash is used for investing activities primarily for the acquisition of fixed assets in connection with the addition of infrastructure, furniture, office equipment, land and buildings.

CASH FLOWS FROM FINANCING ACTIVITIES

In 2018, net cash obtained from financing activities amounted to Rp2.09 trillion, a decreased of 28.54% from 2017 which amounted to Rp2.92 trillion. This decrease was due to an increase in bank loan receipts of Rp3.8 trillion, compensated by an increase in bank loan payments of Rp3.45 trillion in 2018 compared to 2017 and an increase in payment of bonds payable of 325 billion in 2018 compared to 2017.

FINANCIAL RATIOS

LIQUIDITY RATIO

Liquidity in a finance company is a description and ability of the Company in managing cash flow turnover in the short term, which consists of cash inflows and cash outflows. Liquidity risk is a risk where the Company does not have sufficient financial resources to be able to fulfill

its obligations that are due. However, considering the Company has obtained strong financial support from the Parent Entity through a joint financing scheme, this risk can be managed properly.

Description (Rp-million)	less than 1 month	1 month to 6 months	Over 6 months to 1 year	Over 1 year	Has no contract due	Carrying Value
Assets						
Cash and cash equivalents	242,077	-	-	-	12,863	254,940
Consumer financing receivables	378,440	1,957,380	1,966,593	8,630,951	-	12,933,364
Finance lease receivables	127,648	636,053	737,637	1,827,051	-	3,328,389
Factoring receivables	-	11,416	-	-	-	11,416
Other receivables	735,408	-	-	-	-	735,408
Derivative receivables	-	-	-	138,333	-	138,333
Other assets	65,874	-	-	-	-	65,874
Total Assets	1,549,447	2,604,849	2,704,230	10,596,335	12,863	17,467,724
LIABILITIES						
Trade payables	649,630	-	-	-	-	649,630
Other payables	223,804	-	-	-	-	223,804
Accrued interest expenses	-	100,582	-	-	-	100,582
Bank loans	1,577,799	2,223,184	2,355,172	5,031,969	-	11,188,124
Derivative payables	-	-	-	89,788	-	89,788
Securities issued	-	719,470	399,285	1,725,961	-	2,844,716
Total Liabilities	2,451,233	3,043,236	2,754,457	6,847,718	-	15,096,644
Total Maturity Gap	(901,786)	(438,387)	(50,227)	3,748,617	12,863	2,371,080

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The table below shows the contractual maturity of financial liabilities based on the undiscounted cash flows as of December 31, 2018.

Description (Rp-million)	less than 1 month	1 month to 6 months	Over 6 months to 1 year	Over 1 year	Has no contract due	Carrying Value
LIABILITAS						
Trade payables	649,630	-	-	-	-	649,630
Other payables	223,804	-	-	-	-	223,804
Accrued interest expenses	-	100,582	-	-	-	100,582
Bank loans	2,143,440	2,297,153	2,505,930	5,078,171	-	12,024,694
Derivative payables	-	-	-	89,788	-	89,788
Securities issued	-	845,760	493,356	1,927,236	-	3,266,352
Total Liabilities	3,016,874	3,243,495	2,999,286	7,095,195	-	16,354,850

QUALITY CREDIT RATIO FROM FINANCIAL ASSETS

As of December 31, 2018, credit risk exposures to financial assets are divided into:

Description (Rp-million)	Neither past due nor impaired		Past due but not impaired	Impaired	Allowance For Impairment Losses	Total
	High grade	Standard grade				
Cash and cash equivalents	242,077	-	-	-	-	242,077
Consumer financing receivables	5,138,800	6,766,515	871,965	156,084	(303,884)	12,629,480
Consumer financing lease receivables	1,876,988	1,259,383	167,720	24,298	(9,286)	3,319,103
Factoring receivables	11,416	-	-	-	(113)	11,303
Other receivables	735,408	-	-	-	(6,007)	729,401
Derivative receivables	138,333	-	-	-	-	138,333
Other assets	65,874	-	-	-	-	65,874
Total Assets	8,208,896	8,025,898	1,039,685	180,382	(319,290)	17,135,571

The explanation of loan under quality "neither past due nor impaired" were as follows:

- High grade, which never have past due in the past.
- Standard grade, which have past due in the past but until now there has not been overdue in payment of principal and interest. Consumer financing and finance lease receivables which installments are overdue for more than 90 days are classified as impaired financial

assets. As collateral to the consumer financing receivables, the Company receives the Certificates of Ownership ("BPKB") of the motor vehicles financed by the Company.

The following table summarizes the aging analysis of consumer financing receivables and finance lease receivables which are past due but not impaired.

Description (Rp-million)	1-30 days	31-60 days	61-90 days	Total
Consumer financing receivables:				
Individual	567,109	183,692	121,164	871,965
Finance lease receivables:				
Corporate	54,071	11,237	102,412	167,720
Total Assets	621,180	194,929	223,536	1,039,685

PROFITABILITIES RATIO

The average return on assets is used to determine the Company's ability to earn profits from all assets invested. As of December 31, 2018 and 2017, the average return on assets is 3.33% and 3.67%. Total assets in 2018 amounted to 17.85% in 2017 to 18.58% in 2018.

PRODUCTIVE ASSETS

The Company's productive assets consist of Consumer Financing Accounts Receivable under Management, Non-performing Loans, Liquidity and Solvability, and other financial information. The detail of the acquisition of productive assets is as follows:

- Composition of accounts receivable which is classified as smooth against total receivables as of December 31, 2018 was 94.44%, relatively stable compared to the previous year which amounted to 94.84%. The Company continues to maintain the quality of its receivables and conducts rigorous selection of existing financing. The Company consistently handles problems in financing by emphasizing prudent and maintaining customer compliance to make appropriate payments by reminding, collecting, and mitigating risks.

- Comparison of the amount of capital with own capital as of December 31, 2018 and 2017 at 6.62x and 6.72x. Comparison of the amounts as of December 31, 2018 and 2017 is 0.88x and 0.88x, respectively. This ratio is relatively stable for 2018 and 2017.

COST EFFICIENCY RATIO

In 2018, Cost Efficiency Ratio (CER) was recorded at 49.33% or increased compared to 2017 which was recorded at 46.50%.

FINANCING EXPENSE COMPOSITION

The Company's financial expenses as of December 31, 2018 amounted to Rp1.26 trillion, up 21.69% or an increase of Rp.224.57 billion compared to the Company's financial expenses in 2017 which reached Rp1.04 trillion. This shows an increase from the self financing sector, therefore the Company continues to make efficiency in managing financial expenses.

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COST EFFICIENCY RATIO

Description	2018	2017	Difference	Percentage (%)
Cost Efficiency Ratio	49.33%	46.50%	2.83%	6.09%
Overhead Cost Ratio compared to income	29.41%	28.92%	0.49%	1.69%

FINANCING EXPENSE COMPOSITION (RP-MILLION)

Description	2018	2017	Difference	Percentage (%)
Bank Loan	913,714	696,108	217,606	31.26%
Securities	315,882	326,103	(10,221)	(3.13%)
Bank administration and provision	4,673	3,789	884	23.33%
Forex loss	17,853	3,124	14,729	471.48%
Amortization of securities	6,310	3,249	3,061	94.21%
Others	1,578	3,069	(1,491)	(48.58%)
Total Assets	1,260,010	1,035,442	224,568	21.69%

FINANCIAL RATIO 2017-2018

Description	2018	2017	Difference	Percentage (%)
PROFITABILITIES				
Return on assets	2.50%	2.68%	(0.18%)	(6.72%)
Return on assets*	3.35%	3.58%	(0.23%)	(6.42%)
Return on average assets *	3.33%	3.67%	(0.34%)	(9.26%)
Return on equity	20.74%	21.60%	(0.86%)	(3.98%)
Return on average equity	20.73%	22.10%	(1.37%)	(6.20%)
Total Assets	17.85%	18.58%	(0.73%)	(3.93%)
PRODUCTIVE ASSETS				
Net Service Assets**	43,490.232	36,849.316	6,640.916	18.02%
Joint Financing Receivables**	27,217.063	23,032.176	4,184.887	18.17%
Managed Non-Performing Receivables	0.83%	0.80%	(0.03%)	3.75%
LIQUIDITY				
Total Liabilities to Total Assets (times)	0.88	0.88	-	-
Total Liabilities to Total Equity (times)	7.24	7.34	(0.10%)	(1.36%)
Gearing Ratio*** (times)	6.62	6.72	(0.10%)	(1.49%)
GROWTH				
Growth of Revenues	13.94%	11.80%	2.14%	18.14%
Growth of Profits for the Year	15.15%	4.43%	10.72%	241.99%
Growth of Assets	18.61%	29.25%	(10.64%)	(36.38%)
Growth of Liabilities	18.42%	30.63%	(12.21%)	(39.86%)
Growth of Equity	19.94%	19.96%	(0.02%)	(0.10%)
OTHER RATIOS				
Income Before Income Tax Expense to Revenues	17.30%	17.10%	0.20%	1.17%
Income for the Year – Net of Tax to Revenues	12.93%	12.79%	0.14%	1.09%
Cost Efficiency Ratio	49.33%	46.50%	2.83%	6.09%

SOLVENCY AS WELL AS FINANCING FACILITIES AND RECEIVABLES COLLECTIBILITY LEVELS

SOLVENCY & LIQUIDITY

Company Liquidity is the ability of the Company to meet short-term liabilities using its current assets. Liquidity is measured by using a current ratio (current ratio), which is the ratio between the current assets by current liabilities. Current assets consist of assets with maturity date of less than one year. In 2018, the Company's liquidity stood at 0.83 times. In detail, the liquidity calculation is:

$$\frac{\text{Current Assets}}{\text{Current Liabilities}} = \frac{6.858.526}{8.248.926} = 0.83X$$

While in 2017 the Company's liquidity stood at 1.02 times. Solvency Company is our ability to meet short-term and long-term as reflected in the ratio between the total liabilities contain interest expense with its own capital and also the ratio between total liabilities contain interest expense to total assets. Comparison between total liabilities contains interest expense with its own capital on December 31, 2018 and 2017 amounted to 6.62 times and 6.72 times. The decline in the ratio in 2018 compared to 2017 due to the Company's ability to manage its assets and obtaining funding sources efisien to fund expansion in consumer finance conducted by the Company in 2018.

DEVELOPMENTS LIQUIDITY AND SOLVENCY

Description	2018	2017	Changes	Percentage (%)
Current Ratio	0.83	1.02	(0.19)	(18.63%)
Ratio of liabilities to equity	7.24	7.34	(0.10)	(1.36%)

FINANCING FACILITIES AND ACCOUNTS RECEIVABLE LEVEL

In carrying out its business, the Company always pays attention to the principle of prudence. Every loan application must go through a careful credit analysis process and various stages of approval. Conservative portfolio management is carried out by implementing a progressive allowance for all receivables that have been categorized as doubtful. At present the Company applies allowance for doubtful accounts based on a review of the balance status at the end of the period.

The Company consistently takes care of financing problems with more emphasis on prudence and maintaining consumer compliance to make timely payments by reminding, collecting and repossessing vehicles. The company also has a credit rescue division called an Account Receivable Management Division led by an Account Receivable Division Head who oversees several Account Receivable Department Heads and each Account Receivable Department Head will oversee several Remedial Head and Collection Head people.

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CONSUMER FINANCING RECEIVABLES ARREARS BASED ON INSTALLMENT ARREARS

	2018		2017		Increased (Decreased)		
	Total (Rp-million)	Composition (%)	Total (Rp-million)	Composition (%)	Difference (Rp-million)	Percentage (%)	
	(1)		(2)		(3=1-2)	(3:2)	
Total Receivables	46,569,692	100.00%	41,546,201	100.00%	5,023,491	12.09%	↑
Current	43,978,864	94.44%	39,403,525	94.84%	4,575,339	11.61%	↑
1 - 90 days overdue	2,191,715	4.71%	1,799,950	4.33%	391,765	21.77%	↑
91 - 120 days overdue	180,103	0.39%	139,881	0.34%	40,222	28.75%	↑
121 - 180 days overdue	200,498	0.43%	177,069	0.43%	23,429	13.23%	↑
>180 days overdue (non performing receivables)	18,512	0.03%	25,776	0.06%	(7,264)	(28.18%)	↓

The composition of receivables which is classified as current to total receivables per December 31, 2018 amounted 94.44%, which is relatively stable for the financial health of the Company. There was a decrease for overdue of more than 180 days which is 28.18% compared to 2017, which indicates the Company's ability to reduce overdue which could cause non performing receivables.

CONSUMER FINANCING RECEIVABLES ARREARS - NET

	2018	2017	Increased (Decreased)		
	Total (Rp-million)	Total (Rp-million)	Difference (Rp-million)	Percentage (%)	
	(1)	(2)	(3=1-2)	(3:2)	
Total Receivables	16,384,268	14,794,655	1,589,613	10.74%	↑
Revenue Unearned consumer financing	(3,450,904)	(3,342,144)	(108,760)	3.25%	↑
Consumer financing receivables net	12,933,364	11,452,511	1,480,853	12.93%	↑

The Company's total consumer financing as of December 31, 2018 amounted to Rp12.93 trillion. Based on the table above, the increasing trend occurred in net consumer financing receivables which showed expansion and increased competitiveness among similar finance companies.

CAPITAL STRUCTURE AND MANAGEMENT POLICY ON CAPITAL STRUCTURE

COMPANY CAPITAL STRUCTURE

Capital structure is a combination of equity and liabilities. The optimal combination of capital structure will maximize the value of the company. The optimal capital structure condition is achieved with a minimum Weighted Average Cost of Capital-WACC.

CAPITAL STRUCTURE AND AMENDMENTS

Description	2018		2017		Increase (Decrease)		
	Total (Rp-million)	Contribution (%)	Total (Rp-million)	Contribution (%)	Difference (Rp-million)	Percentage (%)	
	(1)		(2)		(3=1-2)	(3:2)	
Current Assets	6,858,526	39.23%	5,474,423	37.14%	1,384,103	25.28%	↑
Non Current Assets	10,623,318	60.77%	9,265,035	62.86%	1,358,283	14.66%	↑
Total Assets	17,481,844	100.00%	14,739,458	100.00%	2,742,386	18.61%	↑
Current Liabilities	8,248,926	47.19%	5,361,499	36.37%	2,887,427	53.85%	↑
Non Current Liabilities	7,112,003	40.68%	7,609,617	51.63%	(497,614)	(6.54%)	↓
Total Liabilities	15,360,929	87.87%	12,971,116	88.00%	2,389,813	18.42%	↑
Total Equity	2,120,915	12.13%	1,768,342	12.00%	352,573	19.94%	↑
Total Liabilities and Equity	17,481,844	100.00%	14,739,458	100.00%	2,742,386	18.61%	↑

The composition of financing between the loan and the Company's capital can be seen in the tables and graphs below.

Description	2018		2017		Increase (Decrease)		
	Total (Rp-million)	Contribution (%)	Total (Rp-million)	Contribution (%)	Difference (Rp-million)	Percentage (%)	
	(1)		(2)		(3=1-2)	(3:2)	
Bank Loans	11,188,124	64.00%	8,210,430	55.70%	2,977,694	36.27%	↑
Securities Issued	2,844,716	16.27%	3,665,251	24.87%	(820,535)	(22.39%)	↓
Other Liabilities	1,328,089	7.60%	1,095,435	7.43%	232,654	21.24%	↑
Equity	2,120,915	12.13%	1,768,342	12.00%	352,573	19.94%	↑
Total	17,481,844	100.00%	14,739,458	100.00%	2,742,386	18.61%	↑

The funding composition of the Company in 2018 comprises of 87.87% from loans and securities, the remaining amounting to 12.13% from Equity and Own Capital. This composition is relatively the same as in 2017, the composition of loans originating from banks increased

compared to the previous year, and while securities issued decreased by 22.39% compared to the previous year. This is because the Company has settled sustainable securities I phase I, sustainable securities I phase III, and sustainable securities II phase I. Other obligations increased by

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21.24% in 2018 compared to the previous year. This is due to an increase in vehicle suppliers. Equity balances in 2018 amounted to Rp2.12 trillion, increased by 19.94% compared to 2017 which amounted to Rp1.77 trillion.

However, in composition, total liabilities and equity are relatively stable, amounting to 12%. This shows that if the loan composition and equity are relatively the same, the Company can increase the return on plan by 20.73% and also the increase in current year's profit by 15.15%. The aim of the Company in managing its capital is to maintain the continuity of the Company's business to be able to provide results to shareholders and benefits to other stakeholders, and maintain the optimization of the capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company adjusted the amount of dividends paid to shareholders, the return on capital returns to shareholders, or issued new shares to reduce the number of loans. The Company implemented consistency with other industry players, namely monitoring capital based on the gearing ratio. This ratio was calculated from the net loan value (including bonds) divided by the amount of capital. The amount of capital was taken from the equity listed in the statement of financial position. The gearing ratio that must be maintained according to the regulation is maximum of 10x times, while the Company's gearing ratio in 2018 was 7.2 times so that it is still obeying the applicable regulations.

MANAGEMENT POLICY ON THE COMPANY'S CAPITAL STRUCTURE

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares to reduce debt.

Consistent with other players in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt (including bonds payable and medium-term notes) divided by total capital. Total capital is calculated as equity shown in the statements of financial position.

In managing capital, the Company analyzed on a monthly basis to ensure that the Company continues to follow POJK No. 29/POJK.05/2014 dated November 19, 2014 concerning the Implementation of the Business of a Financing Company which includes the following provisions:

- The minimum paid-up capital of the Company is Rp100,000,000,000
- Company equity at a minimum of 50.00% of paid-up capital.
- The amount of loans the Company has compared to its own capital and subordinated debt minus the gearing ratio is set at a maximum of 10 times, both for foreign and domestic loans.

Capital Structure	2018	2017
Debt		
Borrowing - net	11,188,124	8,210,430
Bonds Payable	2,844,716	3,665,251
Total Debt	14,032,840	11,875,681
Total Capital	2,120,915	1,768,342
Gearing ratio	6.62	6.72

The Company always maintains the maximum amount of gearing ratio at lower level than the applicable regulation by performing an analysis to determine financing alternative whether through the bank loans, bonds issuance or joint financing fund optimization. The Company also calculates the cost of fund of each financing alternative selected by the Company to ensure it could generate a maximum income for the Company. Based on OJK Regulation No. 29/POJK.05/2014 on the "Implementation of Business of Financing Companies", as of December 31, 2018 the Company has fulfilled the minimum amount of equity and the Legal Lending Limit. The company has calculated several ratios, among others:

Capital ratio (unaudited)	20.36%
Equity to fully paid capital ratio	848.37%
Non-Performing Finance - net	0.83%
Non-Performing Finance - gross	1.11%
Financing to asset ratio	91.29%
Gearing ratio	6.62
Total Equity	2,120,915
Total Liabilities dan Equity	17,481,844

MATERIAL COMMITMENTS ON CAPITAL GOODS

In 2018, the Company has a bonding material used to purchase the Company's assets in the form of rights to land, buildings and infrastructure, office equipment, furniture and vehicles primarily related to the purposes of the branch. The funding sources obtained from the

Company's results are entirely in Rupiah currency. In 2018, the purchase of fixed assets amounted Rp 50.72 billion, incline 1.48% or Rp 740 million compared to 2017 amounting to Rp49.98 billion.

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REALIZATION OF CAPITAL GOODS INVESTMENTS

INVESTMENT IN CAPITAL GOODS

Investment in Capital Goods	Purpose	Value (Rp-million)
Buildings	Supporting Company's business growth	2,034
Office Equipment	Supporting Company's business growth	40,756
Leasehold Improvement	Supporting Company's business growth	3,120
Construction in progress	Supporting Company's business growth	4,809
Total		50,719

REALIZATION OF CAPITAL GOODS INVESTMENTS

	2018 (Rp-million)	2017 (Rp-million)	Increased (Decreased)		
			Difference (Rp-million)	Percentage (%)	
Realization of Capital Goods Investments	50,719	49,979	740	1.48%	↑

MATERIAL INFORMATION ON INVESTMENT, EXPANSION, DIVESTMENT, BUSINESS COMBINATION, ACQUISITION, AND/OR PAYABLES/CAPITAL RESTRUCTURING

The Company does not have a corporate action in the form of investment, expansion, divestiture, merger/consolidation, acquisition and restructuring of debt or capital that occurred in 2018.

COMPARISON BETWEEN BUDGET TARGETS WITH REALIZATION, AND BUSINESS PROJECTION

PROFIT OR LOSS

(in millions of Rupiah)	Realization 2018	Target 2018	Realization to Target 2018 (%)		Projection 2019	Projection 2019 to Realization 2018 (%)		Projection 2019 to Target 2018 (%)	
	(1)	(2)	(1:2)		(3)	(3:1)		(3:2)	
Consumer financing	1,936,719	1,873,718	103.36%	↑	2,191,922	113.18%	↑	116.98%	↑
Financial lease	386,302	359,187	107.55%	↑	420,186	108.77%	↑	116.98%	↑
Factoring	96	130	73.85%	↑	152	158.33%	↑	116.92%	↑
Interest	12,116	9,416	128.68%	↑	12,164	100.40%	↑	129.19%	↑
Others - net	784,959	799,422	98.19%	↑	845,404	107.70%	↑	105.75%	↑
Total Revenue	3,120,192	3,041,873	102.57%	↑	3,469,828	111.21%	↑	114.07%	↑
Financial charges	(1,260,010)	(1,155,962)	109.00%	↑	(1,384,364)	109.87%	↑	119.76%	↑
Salaries and benefits	(518,980)	(495,052)	104.83%	↑	(590,231)	113.73%	↑	119.23%	↑
General and administration	(398,555)	(412,732)	96.57%	↑	(453,268)	113.73%	↑	109.82%	↑
Provision for impairment losses:									
Consumer financing	(394,619)	(484,807)	81.40%	↑	(446,179)	113.07%	↑	92.03%	↑
Financial lease	(3,950)	(4,727)	83.56%	↑	(4,350)	110.13%	↑	92.03%	↑
Factoring	(113)	(174)	64.94%	↑	(160)	141.59%	↑	91.95%	↑
Other receivables	(4,122)	(4,881)	84.45%	↑	(4,492)	108.98%	↑	92.03%	↑
Total Expenses	(2,580,349)	(2,558,335)	100.86%	↑	(2,883,044)	111.73%	↑	112.69%	↑
Income Before Final Tax and Income Tax Expense	539,843	483,538	111.64%	↑	586,784	108.70%	↑	121.35%	↑
Final tax expense & Income tax expense	(136,523)	(123,484)	110.56%	↑	(146,696)	107.45%	↑	118.80%	↑
Income for The Year	403,320	360,054	112.02%	↑	440,088	109.12%	↑	122.23%	↑

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FINANCIAL POSITION, CAPITAL STRUCTURE AND DIVIDENDS

(in millions of Rupiah)	Realization 2018	Target 2018	Realization to Target 2018 (%)		Projection 2019	Projection 2019 to Realization 2018 (%)		Projection 2019 to Target 2018 (%)	
	(1)	(2)	(1:2)		(3)	(3:1)		(3:2)	
Cash & bank	254,940	304,537	83.71%	↑	298,724	117.17%	↑	98.09%	↑
Consumer financing receivables - net	12,629,480	12,248,421	103.11%	↑	12,959,126	102.61%	↑	105.80%	↑
Finance lease receivables - net	3,319,103	3,246,255	102.24%	↑	3,434,616	103.48%	↑	105.80%	↑
Factoring receivables - net	11,303	106,564	10.61%	↑	112,748	997.50%	↑	105.80%	↑
Other receivables - net	729,401	634,434	114.97%	↑	671,246	92.03%	↑	105.80%	↑
Deferred tax assets	59,921	44,202	135.56%	↑	46,766	78.05%	↑	105.80%	↑
Claims for tax refund	43,538	51,758	84.12%	↑	54,761	125.78%	↑	105.80%	↑
Derivative receivables	138,333	182,322	75.87%	↑	192,901	139.45%	↑	105.80%	↑
Fixed assets	182,005	190,364	95.61%	↑	194,595	106.92%	↑	102.22%	↑
Other assets	113,820	204,604	55.63%	↑	216,476	190.19%	↑	105.80%	↑
Total Assets	17,481,844	17,213,461	101.56%	↑	18,181,959	104.00%	↑	105.63%	↑
Trade payables	649,630	588,867	110.32%	↑	613,384	94.42%	↑	104.16%	↑
Other payables	284,685	268,914	105.86%	↑	340,826	119.72%	↑	126.74%	↑
Current tax liabilities	1,852	9,482	19.53%	↑	12,017	648.87%	↑	126.74%	↑
Accrued expenses	222,110	132,628	167.47%	↑	182,495	82.16%	↑	137.60%	↑
Bank loans - net	11,188,124	8,419,119	132.89%	↑	10,670,517	95.37%	↑	126.74%	↑
Securities issued - net	2,844,716	4,593,361	61.93%	↑	3,637,511	127.87%	↑	79.19%	↑
Derivative payables	89,788	50,099	179.22%	↑	63,496	70.72%	↑	126.74%	↑
Employee benefits obligation	80,024	67,919	117.82%	↑	86,082	107.57%	↑	126.74%	↑
Total liabilities	15,360,929	14,130,389	108.71%	↑	15,606,328	101.60%	↑	110.45%	↑
Share capital	250,000	250,000	100.00%	↑	250,000	100.00%	↑	100.00%	↑
Other comprehensive income:									
Remeasurement of employee benefits obligation - net	(19,519)	(30,128)	64.79%	↑	(25,169)	128.95%	↑	83.54%	↑
Cumulative loss on derivative instrument for cash flow hedges - net	(33,391)	(52,725)	63.33%	↑	(44,046)	131.91%	↑	83.54%	↑
Retained earnings - Appropriated	50,000	50,000	100.00%	↑	50,000	100.00%	↑	100.00%	↑
Retained earnings - Unappropriated	1,873,825	2,865,925	65.38%	↑	2,344,846	125.14%	↑	81.82%	↑
Total Equity	2,120,915	3,083,072	68.79%	↑	2,575,631	121.44%	↑	83.54%	↑
Total Liabilities and Equity	17,481,844	17,213,461	101.56%	↑	18,181,959	104.00%	↑	105.63%	↑

INFORMATION AND MATERIAL FACTS SUBSEQUENT REPORTING DATE

Following events after the end of reporting period:

1. Securities Issued

Mandiri Tunas Finance Sustainable Bonds IV Phase I Year 2019

On January 8, 2019, the Company has issued Mandiri Tunas Finance Sustainable Bonds IV Phase I Year 2019 ("Sustainable Bonds IV Phase I") effectively on December 27, 2018, with a nominal value of Rp1,000,000 consisting of 2 (two) series:

REALIZATION OF CAPITAL GOODS INVESTMENTS

Bonds	Nominal Value	Fixed Interest Rate Per Annum	Due Date	Bond Principal Installment
Series A	800,000	9.40%	January 8, 2022	Bullet payment on due date
Series B	200,000	9.75%	January 8, 2024	Bullet payment on due date

These bonds are secured by the Company's consumer financing receivables for a minimum amount of 60% of the nominal value of Continuing Bonds IV Phase I. If the amount of consumer financing receivables is less than the requirement, the Company has to place sufficient cash into an escrow account established by PT Bank Rakyat Indonesia (Persero) Tbk as trustee for Continuing Bonds IV Phase I.

2. Cooperation Agreement

On 11 January 2019, the Company entered into a referral cooperation agreement with PT Bank Mandiri Taspen for motor vehicle financing or multipurpose financing. The Company acts as a provider of funds and breaker for financing application, while PT Bank Mandiri Taspen acts as a marketing agent. This agreement is valid until 10 January 2020 and may be extended.

IMPACT OF FOREIGN EXCHANGE RATE

Transactions denominated in a foreign currency are translated into Rupiah at the exchange rate prevailing at the date of the transaction. At the date of statement of financial position, monetary assets and liabilities in foreign currencies are translated at the exchange rates prevailing at that date. Exchange gains and losses arising on transactions in foreign currency and on the translation

of foreign currency monetary assets and liabilities are recognized in the statement of profit or loss and other comprehensive income. As of December 31, 2018, the exchange rate used by the Bank Indonesia middle rate is Rp14,481 (full amount), December 31, 2017: Rp13,548 (full amount) for 1 United States Dollar ("US Dollar") and Rp131.12 (full amount) for 1 Japanese Yen (JPY ¥).

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BUSINESS PROSPECT

In facing the challenges of the finance industry in the coming year where economic uncertainties and slowing global economic growth occur, the Company is optimistic that with good Indonesian economic fundamentals and large market opportunities as well as a long-term corporate strategy plan, it will be able to support the Company to become a sustainable financing company.

The Association of Indonesian Automotive Industries (GAIKINDO) projects sales of new cars in 2019 to reach 1.1 million vehicles, which means it will be equal to the new car sales in 2018. Based on OJK data, compared to

2017, the financing industry in 2018 has improved Non Performing Financing (NPF) and the decline in BOPO as an effort to improve quality and efficiency efforts to face the challenges of rising sources of financing due to the increase in the FFR rate by the Fed. This improvement resulted in an increase in the ROA and ROE of the financing industry. The issuance of the latest financing company POJK provides more space and flexibility for finance companies, such as funding for fund facilities and changes to down payment provisions. The Company believes this will be a stimulus for the financing industry to grow.

MARKETING ASPECT

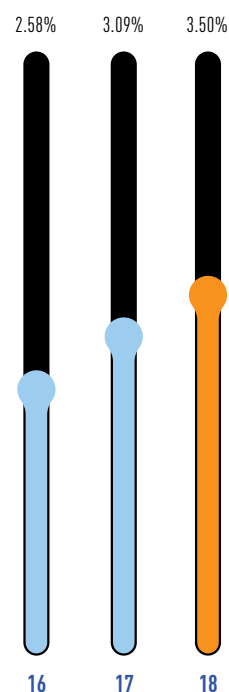
MARKET SHARE

The Company's market share based on the total assets of the finance industry is illustrated in the tables and graphs below.

	2018 (Rp-million)	2017 (Rp-million)
Total assets finance companies	504,763,000	477,166,000
Total assets Company	17,481,844	14,739,458
Market share based on assets	3.5%	3.09%

In running its business, the Company has several competitors including PT Astra Sedaya Finance, Oto Multi Artha and Summit Oto Finance, PT Adira Finance, PT Federal International Finance (FIF), BCA Finance and PT CIMB Niaga Auto Finance. Competition among competitors is usually in

MTF MARKET SHARE ON FINANCING INDUSTRY ASSETS



terms of interest rates, down payment (DP), and rewards. The Company listed as one of the third best financing companies in 2014 based on data obtained from APPI.

The growth of the motorized vehicle financing industry experienced a drastic surge over the past 5 (five) years. It grew along with the growth in sales of motorized vehicles, especially four wheeled vehicles. This surge in the automotive market was beyond the expectations of many parties and makes the automotive industry one of the most prospective industries in Indonesia. This situation was accompanied by an increase in sales of motorized vehicles through credit schemes, which made the motorized vehicle financing industry attractive to finance and banking industry players given the still large market share in the financing business sector.

Many similar financing companies and banks have entered the automotive financing industry in the past few years. Those have led to an increasing fierce level of competition in this sector. With the increasing level of competition,

finance companies are required to be more creative in lending to their customers, by providing the best service to their customers including convenience in obtaining motor vehicle loans, ease of paying installments, speed in surveys and also providing attractive credit packages and compete, both in terms of financing rates, tenor and down payment.

In facing high business competition, the Company has prepared a strategy that consistently provides the best service for consumers and also dealers/showrooms, including consistently developing a network of branch offices and outlets. The Company provides attractive and profitable offers for consumers by providing competitive and attractive credit packages in terms of rates, tenor and down payments tailored to the needs of consumers in various regions in Indonesia.

According to Gaikindo data as of June 30, 2018, the Company has a financial contribution to the overall sales (both credit and cash) as follows:

Car Brands	National Police Registration			Credit Police Registration			M/S Credit To MTF					
	Passenger	Commercial	Total	Passenger	Commercial	Total	Passenger		Commercial		Total	
							Unit	%	Unit	%	Unit	%
Daihatsu	51,917	28,321	80,238	36,342	19,825	56,167	5,248	14.44%	6,070	30.62%	11,318	20.15%
Toyota	169,183	5,448	174,631	118,428	3,814	122,242	9,212	7.78%	441	11.56%	9,653	7.90%
Mitsubishi	15,218	41,323	56,541	10,652	28,926	39,579	1,437	13.49%	8,071	27.90%	9,508	24.02%
Suzuki	31,422	28,459	59,881	21,996	19,921	41,917	3,807	17.31%	7,259	36.44%	11,066	26.40%
Isuzu	2,945	6,682	9,627	2,061	4,678	6,739	60	2.91%	499	10.67%	559	8.30%
Honda	76,865	-	76,865	53,806	-	53,806	3,514	6.53%	-	0.00%	3,514	6.53%
Nissan	29,787	-	29,787	20,851	-	20,851	411	1.97%	-	0.00%	411	1.97%
Peugeot	-	-	-	-	-	-	-	0.00%	-	0.00%	-	0.00%
BMW	969	-	969	678	-	678	211	31.11%	-	0.00%	211	31.11%
UD Truck	-	6,908	6,908	-	4,836	4,836	-	0.00%	10	0.21%	10	0.21%
Others	22,484	1,154	23,638	15,739	808	16,547	2,019	12.83%	1,494	184.97%	3,513	21.23%
Total	400,789	118,296	519,085	280,553	82,807	363,360	25,919	9.24%	23,844	28.79%	49,763	13.70%

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MARKETING STRATEGY

The marketing area of the Company's financing business covers the islands of Sumatra, Java, Kalimantan, Sulawesi, Bali, West Nusa Tenggara and East Nusa Tenggara. To deal with business competition in the future and to maintain the market share that has been owned in the field of consumer financing, the Company applies the following marketing steps:

1. Focusing on car financing, especially new cars, through attractive and competitive financing programs. In addition, it also optimizes financing the luxury car segment as well as financing large motorcycle such as the Harley Davidson and Ducati brand.
2. Working on the new financing segment, namely multipurpose education funding in collaboration with various educational institutions. The company also plans to enter the segment of Home Ownership Loan (KPR), infrastructure and maritime financing after conducting a deeper business assessment.
3. Running a Car Ownership Credit (KPM) program specifically for Bank Mandiri customers.
4. Providing superior services in the sense of fast, flexible and easy financing services by sticking to the financing concept carefully ("Prudent Financing").
5. Increase the direct financing portion to consumers both retail and fleet through various marketing activities such as direct mail, telemarketing, advertising, direct visits to potential customers, etc. to further increase the Company's profit.
6. Expand the retail and corporate markets through branch network utilization and the opening of satellite offices in Bank Mandiri branches, most of which are located in level 2 regions, as well as establishing strategic alliances with the Bank Mandiri work units and business groups.
7. Improving promotional activities, especially below the line activities such as being active in exhibitions, sponsorships, showroom gatherings, and so on.
8. Providing financing programs that are made specifically or customized to Dealers and Showrooms such as competitive interest rates accompanied by attractive prizes for both customers and Dealer/Showroom.
9. Maintaining and utilizing a database of potential customers to seize opportunities to get repeat order.
10. Doing cross selling from Bank Mandiri & TURI Group products and customer databases.
11. Reviewing and repositioning existing business networks, and expanding business networks by opening new branches for careful business considerations.
12. Diversify portfolios including vehicle types, vehicle brands, customer areas/regions.
13. Maintain and enhance cooperation with Dealers/sub-dealers/showrooms that are official agents of various APM in Indonesia.
14. Increase business contribution of TURI Group Dealers.

OTHER FINANCIAL REVIEWS

DIVIDEND POLICY AND ITS DISTRIBUTION

BASIC POLICY FOR DIVIDEND DISTRIBUTION

The Shareholder Agreement No. 5 on February 6, 2009 about LIMITED LIABILITY Law No. 40 Year 2007, Article 70 and 71. Every financial year, the Company is required to set aside a certain amount of net income for reserves and the allowance is made until the reserves reach at least 20% of the total issued and paid-up capital. The use of net income including the determination of the amount of allowance for reserves is decided by the GMS and in the event that the GMS does not specify another, all net income after deducting the allowance for reserves is distributed to shareholders as dividends.

THE ARTICLES OF ASSOCIATION

Article 18 paragraph 1: Net Profit of the Company in one financial year as stated in the balance sheet and calculation of profit and loss that has been ratified by the Annual GMS and is a positive retained earnings balance, divided according to the method of use determined by the GMS.

THE SHAREHOLDERS AGREEMENT NO. 5

DATED FEBRUARY 6, 2009

Article 14 paragraph 1: Dividend distribution can be done if there is a positive profit balance and as long as the financial condition of the TFS has calculated the reserve value in accordance with shareholder policy and has reached the annual profit target, the dividend amount ranges from 35% - 40% of the total TFS net profit unless specified in the GMS.

DIVIDEND DISTRIBUTION IN 2018 AND CHRONOLOGY OF DIVIDEND

DIVIDEND DISTRIBUTION IN 2018

Cash dividend distributed	Rp 35,024 million
Dividend per share	Rp 14.01,-
Dividend distribution ratio	10%
Date of announcement	March 9, 2018
Payment date	March 29, 2018

Distribution chronology and dividend payment in 2014 for the 2013 dividend year until the distribution chronology and dividend payment in 2018 for the 2017 dividend year can be seen in the table below.

DISTRIBUTION CHRONOLOGY AND DIVIDEND PAYMENT IN 2014 -2018

Financial Year	Dividend Year	Date of Announcement	Payment Date	Cash Dividend Distributed (in million of Rupiah)	Dividend Per Share (Rp)	Dividend Distribution Ratio
2018	2017	March 9, 2018	March 29, 2018	35,024	14	10%
2017	2016	April 10, 2017	April 27, 2017	33,537	13	10%
2016	2015	February 24, 2016	April 20, 2016	30,680	12	10%
2015	2014	April 13, 2015	May 26, 2015	23,399	9.36	10%
2014	2013	April 10, 2014	May 21, 2014	21,157	8.46	12%

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CONTRIBUTION TO COUNTRY

As a business entity that carries out its operations and business activities in Indonesia which is then registered as a Taxpayer, the Company is committed to fulfilling all aspects of compliance with applicable laws and regulations. One of them is the aspect of compliance with taxation.

The Company contributes to the country's economy through taxes, namely the Corporate Income Tax (PPh),

Value Added Tax (VAT), and Property Tax (PBB). The Company has fulfilled its tax obligations in accordance with prevailing laws and tax regulations. As of the end of 2018, the Company has no tax arrears.

The Company's contribution to the Country of fulfilling the tax obligations paid by the Company are as follows:

Office	Tax Regulation	2018 (Rp)	2017 (Rp)	Comparison Result	
				Change (Rp)	Percentage (%)
Head	Corporate Income Tax	138,499,879,536	118,485,218,722	20,014,660,814	16.89%
	VAT	87,006,585,551	71,858,865,461	15,147,720,090	21.08%
Branch	Withholding Income Tax	86,990,611,439	74,148,672,865	12,841,938,574	17.32%
	Property Tax	113,191,017	111,506,980	1,684,037	1.51%
	Total	312,610,267,543	264,604,264,028	48,006,003,515	18.14%

EMPLOYEE STOCK OPTION PROGRAM (ESOP) AND/OR MANAGEMENT STOCK OPTION PROGRAM (MSOP)

As of the end of 2018, the Company did not have an Employee Stock Ownership Program (ESOP) and/or Management Stock Option Program (MSOP). The company never conducted an Initial Public Offering as

a corporate action that allows share ownership by the public and management and/or employees. Therefore, there is no information regarding ESOP/MSOP conducted by the Company.

REALIZATION OF USE OF PUBLIC OFFERING FUNDS

The Company has issued 9 (nine) Bonds, most recently in 2017 by issuing MTF Sustainable Bonds III Phase II Series A and B. The proceeds from the issuance of bonds are used to: Settlement of Bond Principal Payables and Working capital

DETAILED REPORT ON THE REALIZATION OF THE USE OF PUBLIC FUNDING FROM THE PUBLIC OFFERING OF MANDIRI TUNAS FINANCE SUSTAINABLE BONDS IV AS OF JANUARY 2019

Types of Use of Funds	Detail	Plan for Use of Funds	Realization of Use of Funds from Public Offering	Remaining Funds from Public Offering
Settlement of Bond Principal Payables	Mandiri Tunas Finance Sustainable Bond Principal Payables II Phase I Year 2015 Series A	500,000,000,000	500,000,000,000	0
Working Capital	Financing Working Capital of Motor vehicle	496,681,530,409	496,681,530,409	0
Total		994,681,530,409	994,681,530,409	0

The Company has reported the use of funds from the issuance of Bonds to OJK and IDX through letter No. 002/MTF-CLC.CCS/I/2019 dated January 15, 2019.MTF-CLC.CCS/I/2019 tanggal 15 Januari 2019

INFORMATION ON MATERIAL TRANSACTIONS CONTAINING CONFLICT OF INTEREST AND/OR TRANSACTION WITH AFFILIATE/ RELATED PARTIES

POLICIES ABOUT RELATED PARTIES

The Company has transactions with related parties. The definition of a party is considered to be related to the Company if:

- a. A person or close family member has a relationship with the Company if that person:
 - (i) has control or joint control over the Company;
 - (ii) has a significant influence on the Company; or
 - (iii) is a key management personnel of the Company or a parent entity of the Company.
- b. An entity is related to the Company if it fulfills one of the following:
 - (i) the entity and the Company are members of the same business group (meaning that the parent, subsidiary and subsequent subsidiaries are related to other entities).
 - (ii) one entity is an associate or joint venture of another entity (or an associate or joint venture which is a member of a business group, for which the other entity is a member).
 - (iii) the two entities are joint ventures of the same third party.
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.

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- (v) The entity is a post-employment benefit program for employee benefits from the Company or an entity related to the Company. If the Company is the entity that organizes the program, the sponsoring entity is also related to the Company.
- (vi) an entity that is controlled or controlled jointly by the person identified in letter (a).
- (vii) the person identified in letter (a) (i) has a significant influence on the entity or is the key of management personnel of the entity (or the parent entity).

All transactions with related parties have been disclosed in the notes to the financial statements.

TRANSACTION NAME, NATURE OF AFFILIATION RELATIONSHIP, AND REASONS FOR TRANSACTION

The following is conveyed the names of the parties to the transaction, the nature of the affiliation relationship, and the reasons for the transactions in the Company's transactions in 2018.

TRANSACTION NAME, NATURE OF AFFILIATION RELATIONSHIP, AND REASONS FOR TRANSACTION

Related Parties	Nature of relationship with the related parties	Nature of the Transaction
PT Bank Mandiri (Persero) Tbk	Controlling shareholder	Fund placement, financing cooperation (JF disbursement), financing cooperation (JF installments), bank loans, accrued interest, current account services
PT Tunas Ridean Tbk	Minority shareholder	Operational Transactions
PT Bumi Daya Plaza	Majority owned by PT Bank Mandiri (Persero) Tbk	Bondholders, prepaid building leases, rental expenses
PT Bank Mandiri Taspen	Majority owned by PT Bank Mandiri (Persero) Tbk	Placement of demand deposits, demand deposits and deposit interest
PT AXA Mandiri Financial Service	Majority owned by PT Bank Mandiri (Persero) Tbk	Bond placement
PT Mandiri AXA General Insurance	Majority owned by PT Bank Mandiri (Persero) Tbk	Acceptance of claim
Dana Pensiun Bank Mandiri	PT Bank Mandiri (Persero) Tbk as founder	Bondholders
PT Bank Rakyat Indonesia (Persero) Tbk	State-owned company	Bondholders, placement of demand deposits, current account services
PT Taspen (Persero)	State-owned company	Bondholders
PT Asuransi Jasa Indonesia (Persero)	State-owned company	Acceptance receivables claims, acceptance claims, bondholders
PT Perikanan Nusantara (Persero)	State-owned company	Financing receivables, financing income
Perum Jamkrindo	State-owned company	Accounts receivable insurance claims, acceptances claims
PT Berdikari (Persero)	State-owned company	-
PT Balai Pustaka (Persero)	State-owned company	Financing receivables, financing income
PT Wahana Optima Permai	Controlled by Bank Mandiri's Pension Fund	Rental expenses
Group Key Management Personel	Key management personnel of Bank Mandiri Group	Financing receivables, financing income
Group Key Management Personel	Board of Commissioners and Directors of the Company	Employee benefits, financing receivables, income

REASONS FOR THE TRANSACTION

All transactions conducted by the Company, including related party transactions, are carried out with the aim of business development.

EXPLANATION OF FAIRNESS OF TRANSACTIONS

In normal course of business, the Company enters into certain transactions with parties which are related to the management and/or owned by the same ultimate shareholder. Transactions with related parties were conducted under terms and conditions similar to those

granted to third parties. The Company obtained similar interest rate for bank loan facilities from related parties and third parties. The Company also used similar interest rate between related parties and third parties for the consumer finance receivables.

BALANCE AND REALIZATION OF RELATED PARTY TRANSACTIONS IN 2018

The following are the balances and realization of related party transactions as of December 31, 2018.

Transaction of Parties Related to Assets	2018 (Rp-million)	2017 (Rp-million)	Percentage	
			2018 (%)	2017 (%)
Cash and cash equivalents – cash in banks	86,154	81,408	0.49%	0.55%
Time deposits	50,000	50,000	0.29%	0.34%
Consumer financing receivables	5,822	7,957	0.03%	0.05%
Other receivables	620,215	564,131	3.55%	3.83%
Prepaid rent	2,227	1,346	0.01%	0.01%
Total assets associated with related parties	764,418	704,842	4.37%	4.78%
Total Assets	17,481,844	14,739,458		

Transaction of Parties Related to Liabilities	2018 (Rp-million)	2017 (Rp-million)	Percentage	
			2018 (%)	2017 (%)
Other payables	84,738	30,344	0.55%	0.23%
Accrued expenses	1,828	1,227	0.01%	0.01%
Bank loans	1,379,632	1,602,605	8.98%	12.36%
Securities issued	1,014,700	1,231,700	6.61%	9.50%
Total liabilities associated with related parties	2,480,898	2,865,876	16.15%	22.09%
Total Liabilities	15,360,929	12,971,116		

Transaction of Parties Related to Revenue	2018 (Rp-million)	2017 (Rp-million)	Percentage	
			2018 (%)	2017 (%)
Consumer financing	786	1,009	0.03%	0.04%
Interest	9,099	6,755	0.29%	0.25%
Others	120,643	115,253	3.87%	4.20%
Total revenue associated with related parties	130,528	123,017	4.18%	4.49%
Total Revenue	3,120,192	2,738,364		

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Transaction of Parties Related to Expenses	2018 (Rp-million)	2017 (Rp-million)	Percentage	
			2018 (%)	2017 (%)
General and administrative – building rental	13,388	9,998	0.52%	0.44%
Salaries and benefits – Board of Commissioners and Directors compensations	23,107	20,603	0.90%	0.91%
Financial charges	137,694	145,320	5.34%	6.40%
Total expenses associated with related parties	174,189	175,921	6.75%	7.75%
Total Expenses	2,580,349	2,269,986		

COMPANY POLICY REGARDING THE REVIEW MECHANISM OF TRANSACTIONS

Fairness of transactions and compliance with regulations on related party transactions have gone through a review and audit process by internal and external auditors. The company carries out transactions with related parties in accordance with PSAK No. 7 concerning Related Party Disclosures.

COMPLIANCE WITH REGULATIONS AND RELATED PROVISIONS

Compliance with relevant regulations and provisions, namely Financial Accounting Standards (SAK) in Indonesia was done through efforts to disclose PSAK 7 regarding "Related Party Disclosures" in the Company's 2018 financial statements audited by Purwantono, Suherman & Surja (EY) Public Accounting Firm. All transactions conducted with related parties, whether or not carried out with conditions and conditions with third parties, are disclosed in the financial statements.

FINANCIAL INFORMATION THAT CONTAINS THE EXTRAORDINARY AND RARE EVENTS

The Company did not find any financial information that contains extraordinary and rare events that occur for the year as of December 31, 2018.

AMENDMENTS TO LAW REGULATIONS THAT AFFECT SIGNIFICANTLY TO THE COMPANY

Amendment to Regulations / Legislation	Description	The impact on the Company
Financial Services Authority Regulation Number 7/POJK.04/ 2018 concerning Report Submission Through Issuers or Public Companies Electronic Reporting System	To improve the effectiveness and efficiency of reporting and disclosure of information by issuers or public companies to the Financial Services Authority, it is necessary to improve the provisions of legislation in the capital market sector regarding the submission of reports and information disclosure through electronic reporting systems of issuers or public companies.	With this Financial Services Authority Regulation, the Company is more efficient in terms of carrying out mandatory reporting in the Financial Services Authority.
Financial Services Authority Regulation Number 13/POJK.02/ 2018 Concerning Digital Financial Innovation in the Financial Services Sector	In this digitalization era, Financial Services need to create a Digital Financial Innovation (IKD) to support financial services that are faster, cheaper, easier and wider in order to reach every region. Financial Services are required to be able to create financial digital innovations that are responsible, safe, prioritize consumer protection, and have well-managed risks to benefit the interests of society.	With the issuance of the Financial Services Authority Regulations providing opportunities for the Company to develop and innovate in financial products digitally, the Company is still in the stage of delving related to digital financial innovation.
Financial Services Authority Regulation Number 18/POJK.07/ 2018 concerning Consumer Complaint Services in the Financial Services Sector	With the development of industries in the financial services sector, the Financial Services Authority needs to regulate activities that are able to protect the interests of consumers. One of the ways in which the Financial Services Authority will be carried out is to provide financial services business actors with consumer complaints services, the intended consumer complaints service is expected to be able to accommodate consumer complaints including the potential material losses for products owned by financial service sector companies. With these considerations, OJK needs to regulate the provisions of the Consumer Complaint Service in the Financial Services Sector.	With this Financial Services Authority Regulation, the Company in terms of consumer complaints services complies with the Financial Services Authority Regulation Number 18/POJK.07/2018. Currently the Company develops a service system for consumers to make it easier for them.
Financial Services Authority Circular Number 17/SEOJK.07/ 2018 concerning Guidelines for Implementing Consumer Complaint Services in the Financial Services Sector.	In connection with the mandate of the Financial Services Authority Regulation Number 18/POJK.07/ 2018 concerning Consumer Complaint Service in the Financial Services Sector (Nation Gazette of the Republic of Indonesia Number 151 and Additional Nation Gazette of the Republic of Indonesia Number 6246), this SEOJK regulates the implementation of Complaint Service Consumers in the Financial Services Sector.	
Financial Services Authority Regulation Number 34/POJK.03/ 2018 concerning Revaluation of the Controlling Parties of Financial Service Institutions.	Financial service institutions have a very important role in encouraging national economic growth through the management and utilization of community funds, therefore ownership and management of financial service institutions need to be done well by parties that meet the requirements of fit and proper. With the Financial Services Authority Regulation, it further regulates the revaluation process for the controlling parties of financial service institutions.	With the regulation of the financial services authority, the Main Party of the Company is more careful in carrying out all actions on the Company's control so that the Company's Main Party is not subject to revaluation.

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Amendment to Regulations / Legislation	Description	The impact on the Company
Financial Services Authority Regulation Number 35 / POJK.05 / 2018 Concerning the Implementation of Financing Company Businesses	To increase the role of finance companies in the national economy, improve prudential arrangements, and improve consumer protection, it is necessary to make improvements to the provisions regarding the conduct of business finance companies.	With this financial service authority regulation, the Company had to make several changes, especially in product development, because with POJK there are several new business opportunities for the Company's business development. In addition, there are also process adjustments such as financing agreements, credit quality determination, etc.

CHANGES IN ACCOUNTING POLICIES AND ITS IMPACT ON COMPANIES

During the 2018 financial year the Company had no changes in disclosure of accounting policies. Financial accounting standards and interpretation of financial standards that had been approved by the Financial Accounting Standards Board which are considered relevant to the company's financial reporting but had not been effective for the 2018 financial statements:

- 2018 Improvement to PSAK 46 – Income Taxes, effective 1 January 2019 with early application is permitted.
This improvement affirms the consequences of income tax on dividends (as defined in PSAK 71: Financial Instruments) arises when an entity recognizes liabilities to pay dividends. The consequences of the income tax are more directly related to past transactions or events that generate profits that can be distributed rather than distribution to the owner. Therefore, the entity recognizes the consequences of the income tax in profit or loss, other comprehensive income or equity in accordance with the entity's initial recognition of the past transaction or event.
- PSAK 71: Financial Instruments, adopted from IFRS 9, effective 1 January 2020 with earlier application is permitted.
This PSAK provides for classification and measurement of financial instruments based on the characteristics of contractual cash flows and business model of the entity; expected credit loss impairment model that resulting information more timely, relevant and understandable to users of financial statements; accounting for hedging that reflect the entity's risk management better by introduce a more general requirements based on management's judgment.
- PSAK 72: Revenue from Contracts with Customers, adopted from IFRS 15, effective 1 January 2020 with earlier application is permitted.
This PSAK is a single standard that a joint project between the International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB), provides revenue recognition from contracts with customers, and the entity is expected to have analyzing before recognizing the revenue.

BUSINESS CONTINUITY INFORMATION

NATURAL DISASTERS AS ONE OF THE INFLUENTIAL FACTORS IN BUSINESS CONTINUITY IN 2018

Indonesia faced a number of natural disasters during 2018. Some of the major natural disasters were the earthquake in Lombok and the tsunami in Palu & Donggala. The three regions are included in the Company's business operational area. The natural disasters of the earthquake and tsunami also affected the Company's business. For some time, business operations in the region were disrupted so that it was not able to serve the community and customers. On the other hand, motorized vehicles of the Company's customers also become victims of these natural disasters. The loss of the vehicle as a credit asset can have an impact on the financial health of the company. The management directly intervened to see and assess how much the disaster affected.

Based on management's assessment of the impact of the earthquake and tsunami, management took tactical steps to record and map the Company's customers who were victims of natural disasters. For customers who

experienced the impact of the disaster, management provided several policies, namely delays in installment payments, debt restructuring, discounts on administrative fees as well as the elimination of penalties. Based on management calculations, the total Lombok earthquake and the Palu and Donggala tsunami exposure were Rp273 billion and Rp491 billion with potential losses of Rp14.5 billion and Rp94.5 billion respectively.

COMPANY'S LEVEL OF SOUNDNESS

In accordance with the regulations contained in KMK No. 84/PMK.012/2006 in Chapter VII, Article 25 paragraph 3 and OJK Regulation No. 29/POJK.05/2015 concerning the Implementation of Financing Company Businesses, explained that the level of soundness of financing is measured by a gearing ratio as high as 10 times. The level of comparison between liabilities containing interest elements compared to the Company's equity in the periods ended December 31, 2018 and December 31, 2017 and 2016 is 6.62 times, 6.72 times and 6.05 times.

BUSINESS ROAD MAP: LONG-TERM PLAN

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In facing the challenges of fierce competition in the financing industry, the Company had prepared a Company Long Term Plan (RJPP) to support the company's sustainable growth and can provide the best contribution to stakeholders. In the long-term plan, the Company targets a minimum growth of above 12%. To be able to achieve these targets when the growth of new car sales has affected the decline in new car financing as the core business MTF, the Company had prepared various strategies which is product diversification with expansion of the financing segment.

The Company strengthened business diversification along with the direction of state and community

development, namely productive financing products for investment and working capital, both for the corporate segment and for individual segments. The Company also continues to strive to improve business processes using digital technology to improve SLA and quality as well as various efficiency efforts towards costs to be able to drive the Company's profit growth. In addition, the Company has also prepared a series of strategies to improve customer service to be able to provide the best service and enhance the Company's branding in the eyes of the public. Various other innovations have been prepared by the Company to continue to provide the best service for the community and optimal contribution to stakeholders.



A person wearing a blue suit jacket is seated at a light-colored wooden table. The background is a blurred office environment with large windows and other people. An orange banner is overlaid on the right side of the image, containing the text 'BUSINESS SUPPORT FUNCTIONS' in white, bold, uppercase letters.

BUSINESS SUPPORT FUNCTIONS

GROWING WITH THE EMPLOYEES: HUMAN RESOURCES MANAGEMENT

The success of PT Mandiri Tunas Finance as one of the leading multi-finance companies in Indonesia is inseparable from the role of Human Resources (HR), the Mandiri Tunas Finance Officers who are the most important assets the Company has. HR is a strategic partner for the Company to be able to achieve success in every line of business carried out, as well as business targets that have been announced by shareholders and stakeholders.

For the Company, HR is a valuable asset whose existence always gets special attention both in the form of competency development and welfare level. HR management has the responsibility to form reliable and competent employees to be able to carry out their duties properly. With this capability, the Company can progress well and be able to face various challenges in an all-competitive era.

HR MANAGEMENT POLICY

The Company has a human resource development strategy as outlined in the Human Capital Roadmap in the form of the Organization Readiness system and strategy policy, People Readiness and Conductive Working. Organization readiness ensures the readiness of the organization to accommodate the Company's Business. People readiness ensures HR readiness through recruitment, HR development, performance management, leadership readiness and regeneration programs. As well as conducive working that is an effort to create a comfortable and fun work environment to support the creation of optimal contributions.

The Human Capital strategy targets are expected to make PT Mandiri Tunas Finance's HR to be able to

face market and consumer challenges, an increasingly transformative and very fast moving business, the dominance of information technology that changes lifestyles and formulates and to be able to make adequate solutions to survive on an ongoing basis.

To make all HR understand and be aware of the conditions of Volatility, Uncertainty, Complexity and Ambiguity (VUCA), change of management is needed by creating an increase in urgency so that the message delivered can be felt by all PT Mandiri Tunas Finance Officers. The global condition of the world economy must also be addressed realistically, so that leadership plays a very important role.

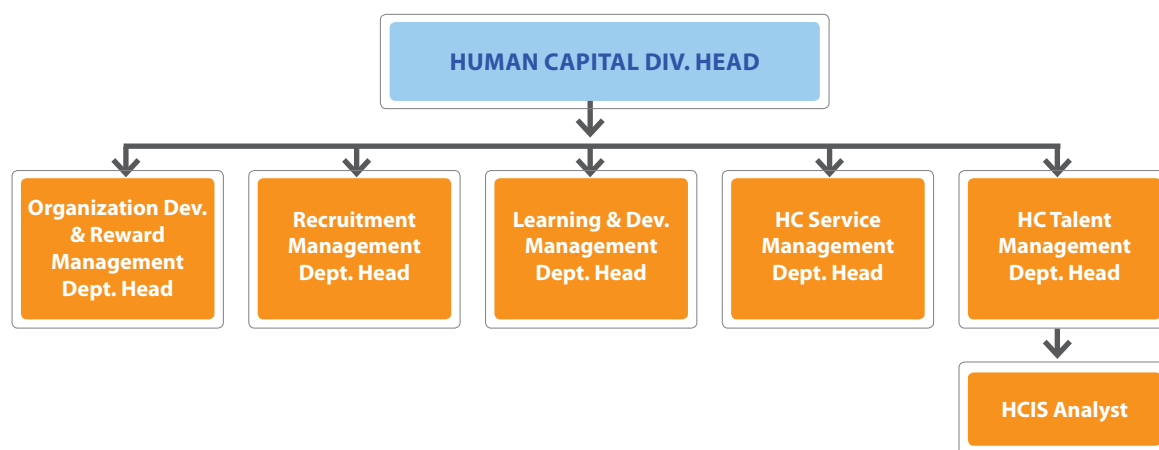
To answer this challenge, Human Capital focuses on improving man power productivity, recruitment and selection programs that support the regeneration process in the Company. Provide more attention to talented employees and always provide opportunities for them to improve their competence and capabilities. Managing performance, payroll and employee compensation, fostering industrial work relations and creating an integrated Human Capital Information System system that is able to see the track record of the cadres' performance in a complete and accurate manner.

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ESTABLISHMENT OF THE COMPANY'S HR MANAGEMENT DIVISION

The Company's HR policy basis refers to the policies of the parent entity, namely Mandiri Human Capital Management conducted by the HR Division. The basis of the policy is the Company's instrument in determining HR development strategies for both the long and short term.

MANDIRI TUNAS FINANCE HR MANAGEMENT STRUCTURE



The Company's HR Division is led by a Division Head. Based on the Power of Attorney of Directors No. 159A/SKuaa-MTF/VI/2018, the Board of Directors appointed Vivid Zulprimiadhanni to serve as Head of the Human Capital Division.



VIVID ZULPRIMIADANNI

Head of Human Capital Division

SERVING SINCE

Serving Since February 1, 2017

PERSONAL DATA

Indonesian Citizen

Born in Bt Tabit, December 2, 1972 (46 years old)

DOMICILE

Bogor, West Java, Indonesia

EDUCATION

Master of Management Prasetya Mulya Business School (2014)

JOINED MTF February 1, 2017

WORK EXPERIENCE

Human Capital Division Head PT Komatsu Astra Finance (2015-2017), Senior Manager Organization Development PT Astra Credit Companies (2013-2015), Senior Manager Talent and Performance Management PT Astra Credit Companies (2008-2013) dan Manager Recruitment and People Development PT Astra Credit Companies (2003-2008).

PROFESSIONAL CERTIFICATION

3rd Asia Pasific HR Forum – PT Indonesia Lebih Baik (2018), The 9th Indonesia HR Summit – Multi Taruna Sejati (2017), Astra General Management Program – National University of Singapore Business School (2016), HC Conference Bali – Astra (2015), MBTI - Myers Briggs Personality Test Certified – CPP Asia Pasific (2015), HC Conference Kuala Lumpur - Jardine (2014)

VISION AND MISSION OF HR DEVELOPMENT

MTF has vision and mission in the management and development of HR. The vision and mission are used to make the HR development more aimed and structured.



Vision of Mandiri Tunas Finance's HR Development and Management

"Create productive environment for people to perform through internalization of company culture to ensure availability of "steady flow" of man power and leaders".



Mandiri Tunas Finance's HR Development and Management Mission

"to provide the following quality services of employee MTF through Recruitment of qualified individuals. Retention of valuable employees, training, development and promote individual success and increase overall value to the organization through services excellence and Integrated Human Capital Information System".

HR DEVELOPMENT

The Company is committed to continuously developing employees' potential through various education and training in 2017. This was conducted to support the need for quality HR to increase the business development and growth that are more dynamic and challenging. The education and training are expected to extend employees' knowledge and skill in increasing the productivity, risk management, corporate culture, and professionalism.

Innovation encourages to ensure continuous organizational development. PT Mandiri Tunas Finance

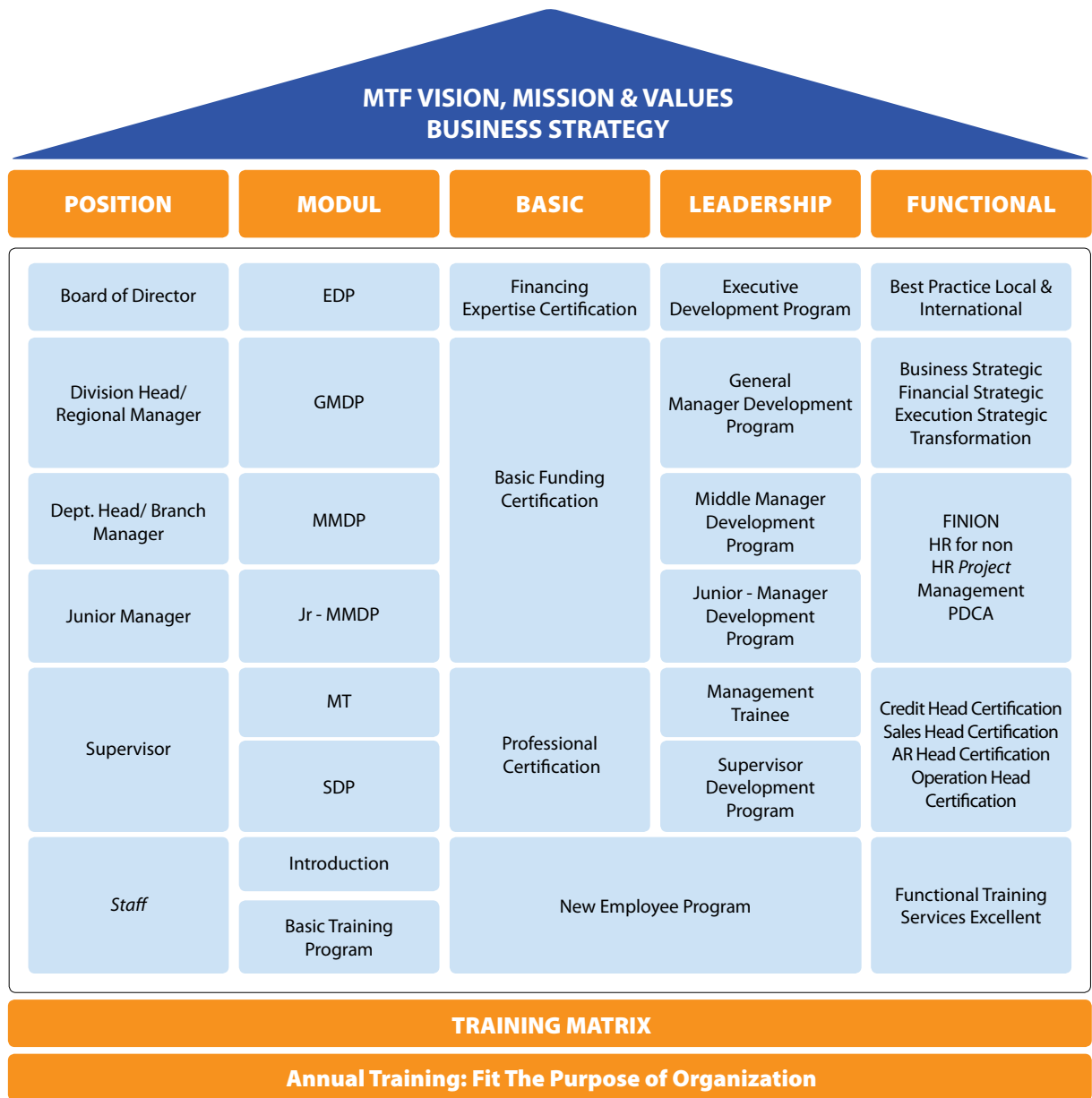
continues to apply learning and innovation at every stage of the business that constantly strives to drive ideas of innovation and improvement on an ongoing basis, through the establishment and management of organizational tools in the form of community in each branch and Head Office by creating award-winning event with the titled of Innovation Award.

The theme of the Innovation Award in 2018 was "How to Use Our Data", which intended to increase employee awareness so that in making alternative solutions refer to the root of the problem which is equipped with accurate

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data. In 2018, this innovation Award was divided into two categories, which were self-reliance and collaboration categories. Berdikari was an innovation with the suggestion system level that was done individually, while collaboration was an innovation that focuses on business processes involving two or more interrelated work units.

In 2018, the Company focused its HR development program to create new successors who will be able to occupy potential and strategic positions in the Company, therefore the Company prepared education program to cultivate employees' potential to become future leaders.





1. Management Trainee (MT) Education Program

A human resources development program that is developed specifically for fresh graduates in order to produce future leaders who are able to support the achievement of the Company's vision. MT participants come from internal and external company which is a graduate student (bachelor's and master's degree) from leading universities. As of 2018, there were 7 batches of Management Trainee program. The duration of this Education program is 12 months divided into 3 phases, namely the Inclass Training process, Various On the Job Training (OJT) and Specific On The Job Training.

2. Program Pendidikan Supervisor Development Program (SDP) Education Program

A career development program for staff and officer level internal employees to become Supervisor/Assistant Manager level. The duration of the SDP Education program is 6 months, where the journey is also divided into 3 phases, namely Inclass Training, Various OJT and also Specific OJT. Throughout 2018, the SDP Education Program was implemented in 6 batches.

3. Junior - Manager Development Program (Jr-MDP) Education Program

A program designed to prepare future leaders of the company through a fast-track career development level manager. MDP participants come from internal

employees of the company who has the achievement and the potential and come from all units within both Head Office and Branch Office. As of 2018 the Company held 8 Batch of Jr-MDP Education Programs. In 2018, the Company organized Jr - MDP Batch 8 which was divided into 3 phases, namely In Class Training in February 2018, Various OJT in April 2018 and OJT Specific which began in May 2018.

4. Middle Manager Development Program (MMDP) Education Program

A program that is designed for development of middle manager to obtain provision that includes leadership, business sense, customer centric, sense of competitiveness, innovative & creative, risk management, and technology savvy. Throughout 2018, the Company held 4 MMDP Batches. MMDP Batch 1 was held in January and February 2018. MMDP Batch 2 was held in March and April 2018. MMDP Batch 3 was held in July and August 2018 and MMDP Batch 4 was held in October and November 2018.

5. General Manager Development Program (GMDP) Education Program

General Manager Development Program (GMDP) is a development program for Division Head to obtain comprehensive provision that includes function (business strategy, financial strategy, execution and transformation strategy, and visionary leadership).

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Throughout 2018, the Company has organized 2 Batch GMDP Education Programs. In 2018, the Company held GMDP Batch 2 which was held in October and November 2018.

RECRUITMENT

The recruitment mechanism became a concern to the Company, especially to be able to capture human resources who had good development potential in the future. The application of competency standards in conducting the recruitment process to obtain potential and quality human resources was needed in meeting the needs of the Company as well as to face increasingly stringent and competitive business challenges.

The company's need subsequently turned into Manpower Planning (MPP). Stipulated MPP is aligned with the Company's business purpose and strategy, based on the Company annual Business Plan pursuant to decision from the Management.

Various strategy to seek best and potential candidate was implemented. Source of employment fulfilment is originating from:

1. Company's internal source that conduct selection of company's existing employee to fill vacant position in a work unit pursuant to the need of organization and open for employee from other work unit in the Company.
2. Company's external source that seek candidate employee from the external of the company with various program and media of publication. Media used by the Company to seek candidate among others through Company's website, MTF web career, Job Portal, Reference from internal employees, participation in Job Fair or campus hiring and walk in interview.

The Company had prepared branding program to obtain a comprehensive external candidate to reach all college students levels. The Branding Program consist of:

1. MTF Friendship or Friends Scholarship aimed to help first year college students to be provided with MTF Scholarship.
2. MTF Ambassador which aimed at second and third year college students to actively participate as ambassador on each events organized by the Company.
3. MTF Speed Up Career which aimed at last year college students to develop self competence by participating at MTF internship program.
4. Business Case Competition, which is an idea and innovation competition for the Company aimed at last year college students.
5. Career Coaching, which is a workshop and seminar program related to self competency development that aims to help students develop their abilities and get to know the professional world of work.

Besides that, the Company actively searched for source of program candidate for Management Trainee (MT) education through jobfair organized by third party or reputable university. In such opportunity, the Company also conducted branding and career coaching to the University graduates so that they have better knowledge regarding MTF. Human Capital also used Campus Hiring media to directly obtained candidate from related university graduate.

The Company realized that the current fresh graduate are millennial generation. This generation is identified as savvy technology, internet users, so that the Company strive to keep abreast of current developments by publishing through various media such as job portals, campus websites, social media, Instagram, line official, youtube as well as linkedin. With the variety of media used, in 2018 the Company was able to increase the number of applicants to 233% documented on job portal of karir.mtf.co.id.

Mechanism of selecting employee candidate of the Company is carried out through professional institutions or the company by selection phases namely, administration test, interview, psychotest/assessment, as well as health

examination which then approved by related officials pursuant to applicable provisions or requirements. In the recruitment process, the Company prioritized principles of transparency, fairness, and equality based on the need and competency owned by employee candidate.

The Company conduct accurate and quick process of selection in accordance with stipulated service level agreement (SLA). Accurate here meaning that the Company seek a qualified HR based on the competency expected by the company. Therefore, the Company always strives to innovate related to the employee recruitment selection process at Mandiri Tunas Finance. In 2018, Human Capital collaborated with vendors to procure psychotest

applications online using the website address asesmen.mtf.co.id.

Throughout 2018, the Company recruited 390 new employees for various position levels. In addition, the Company had also recruited 37 Management Trainee (MT) participants who are members of MT Batch 6 and Batch 7.

In each new employee recruitment the Company emphasized on competency through certain qualification and expertise based on the stipulated need and plan. This was meant so that the Company shall be able to produce qualified HR as well as able to implement its responsibility well and flexible for future developments.

Description	2018 (people)	2017 (people)	Increased (Decreased)		
			Total (people)	Percentage (%)	
Total Employee at Start of Year	3,467	3,569	102	2.86%	↑
New Employee	390	386	4	1.04%	↑
Employee of which its Work Relation Ended	9	10	1	10.00%	↑
Resignation	407	480	73	15.21%	↑
Entering Pension Year	4	1	3	300.00%	↑
Total Employee at The End of 2018	3,448	3,467	19	0.55%	↑

EMPLOYEE TURNOVER

Throughout 2018, there had been a good condition of employee turnover, which this turnover occurs due to the evaluation of the performance of each employee in the Company.

EMPLOYEE TURNOVER RATE (2017-2018)

Month	Total Employee In	Total Employee Out	Total Employee	Ratio TO
December 2016	38	49	3,577	
January 2017	33	41	3,569	1.37%
February 2017	54	43	3,580	1.15%
March 2017	66	42	3,604	1.19%
April 2017	25	46	3,583	1.17%
May 2017	27	40	3,570	1.29%
June 2017	57	32	3,574	1.12%

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Month	Total Employee In	Total Employee Out	Total Employee	Ratio TO
July 2017	12	21	3,566	0.90%
August 2017	15	51	3,530	0.59%
September 2017	26	46	3,514	1.45%
October 2017	18	64	3,468	1.33%
November 2017	30	27	3,471	1.84%
December 2017	23	27	3,467	0.78%
January 2018	29	29	3,467	0.78%
February 2018	56	19	3,504	0.83%
March 2018	31	29	3,506	0.54%
April 2018	26	52	3,480	0.83%
May 2018	24	39	3,465	1.50%
June 2018	25	29	3,461	1.13%
July 2018	42	36	3,467	0.84%
August 2018	37	45	3,459	1.04%
September 2018	27	38	3,448	1.31%
October 2018	27	28	3,447	1.10%
November 2018	45	33	3,457	0.81%
December 2018	21	30	3,448	0.96%

MANAGEMENT AND PERFORMANCE APPRAISAL

In terms of improving Human Resources, the Company strives to evaluate and align the organization pursuant to the need and business development dynamics. The Management and Performance Assessment is a tool for target achievement evaluation and a purpose which must be achieved by all Employees or work unit arranged based on vision, mission and long term plan of the Company. Performance Appraisal of each Employee is carried out objectively, tiered, periodic and transparent.

To determine employee performance, the Company stipulates Key Performance Indicator (KPI) that is planned and stipulated starting from division/team level until individual level. Afterward, the Company determine monitoring process on each individual or

group performance achievement through coaching, counselling, and controlling. Subsequent, the Company perform evaluation on the performance of all employee both individual, team on the Company's level periodically. Through the implementation, the development, selection and nomination of employee is performed based on competency and performance assessment.

FULFILLMENT OF EMPLOYEE RIGHTS

The Company implemented a policy on fulfilling employee rights in the form of remuneration which is an important aspect in the Company's efforts to ensure and improve the welfare of each of its employees. The most important welfare measure is remuneration which is also the focus of Human Capital. Every year, PT Mandiri Tunas Finance

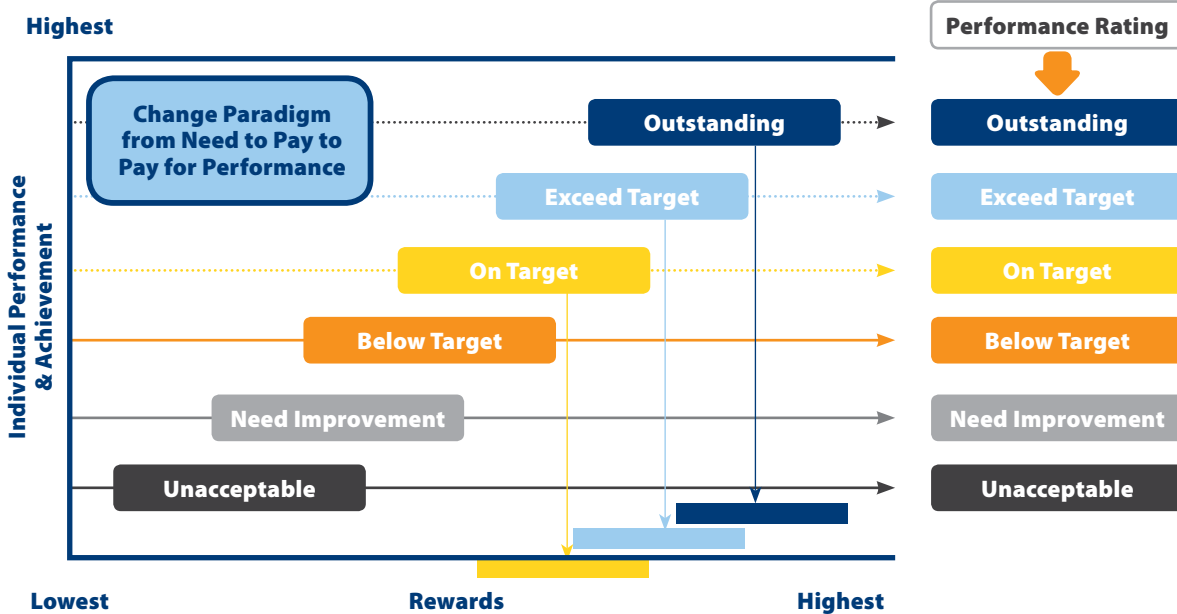
conducts employee wage surveys and benchmark studies of market competitiveness to ensure all employees receive attractive and competitive remuneration based on the Minimum Wage provisions of the Government. PT Mandiri Tunas Finance uses 3P principles, namely Pay For Position, Pay For People and Pay For Performance.

1. Pay for Position, where employees are valued

according to their positions based on the remuneration structure.

2. Pay for People, where employees are valued according to their competencies based on their position in the Human Asset Value (HAV) box.

3. Pay for Performance, where employees are valued according to their performance based on the results of the Year-End Performance Assessment.



REWARD AND PUNISHMENT

In order to motivate and stimulate the performance of all employees, the Company performs the reward and punishment system periodically, fair and transparent for its employee. Giving of reward is form of appreciation to the employee on their achievement and dedication during work. The reward given are different starting from incentive up to reward trip planned annually. The Company always give reward to the employee that adjusted to the Company's financial condition based on level of inflation, financing industry market, and assessment result of

performance indicator on respective units. The Company also give punishment to the employee that violates the Company regulations, Standard Operation Procedure (SOP), and Employee Code of Conduct.

The Company also give reprimand letter and discipline training for employee that violates regulations and/or SOP. Heavy sanctions in form of employment terminations shall be given to employee with heavy violations or recurring mild violations.

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SANCTION GIVEN

Type of Sanctions	Sanctioned Employee (people)					
	2018	2017	2016	2015	2014	2013
Reprimand Letter I	31	16	5	35	26	16
Warning Letter	105	178	125	60	57	19
Warning Letter II	55	46	59	21	17	40
Warning Letter III	20	34	35	8	12	42
Employment Termination	9	10	5	5	1	8
Total	220	284	229	129	113	125

HUMAN RESOURCE INFORMATION SYSTEM

The Company developed system and infrastructure to facilitate the need of communication and information of employee through Human Resources Information System (HRIS) to provide access on information which is important to be implemented in the field of human resources. In 2017, the Company was able to provide information facilities for employees on line through the HCIS system. So in 2018, the Company has integrated the employee information system thoroughly, both from system personnel, online on board, individual training and development records, coaching & counseling platforms, and employee self services. By focusing on service excellence and fast and easy, the Human Capital Information System, the Company also simplifies the process and eliminates some less relevant processes so that it becomes more effective and efficient.

ROTATION AND MUTATION EMPLOYEES

In order to give the duties and responsibilities of the employees concerned at the level of higher office do a rotation and mutation. Rotation and movement for the promotion set in accordance with the Articles of Association of the Company/Decree of the Board/Management Policy No. 003/SK-Dir/MTF/I/2014 on Policy of Mutation, Promotion and Demotion of Employees.

In 2018, the level of rotation and mutation of employees recorded at 4%, the number is due to the company need in its effort to attain target achievement as well as employee development program.

TABLE OF EMPLOYEE MUTATION IN 2018

Months	Employee Mutation	Number of Employee	Mutation Percentage
January	209	3467	6%
February	37	3504	1%
March	82	3506	2%
April	364	3480	10%
May	76	3465	2%
June	44	3461	1%
July	390	3467	11%
August	67	3459	2%
September	39	3448	1%

Months	Employee Mutation	Number of Employee	Mutation Percentage
October	349	3,447	10%
November	42	3,457	1%
December	24	3,448	1%

SOCIAL SECURITY

Employee welfare is one of the rights which must be complied with by the Company, one of which must be fulfilled through remuneration to improve employees' welfare. The Company applied a proportional and transparent remuneration system pursuant to the career path or position with regard to the prevailing employment laws and regulations. The Company strives to continuously improve employee's well-being through various aspects, among others:

- Provision and improved remuneration and benefit, social security participation BPJS Health, membership

in BPJS Employment, health facilities and insurance

- Employee development programs such as the program to improve education; support the needs of employees to carry out religious worship and belief in accordance with the provision of facilities and infrastructure and the budget implementation of religious activities;
- Support the need for employees to carry out sports activities with the provision of facilities and infrastructure and the budget implementation of sporting activities;
- Assistance for Employees who experience grief.

Months	Number of participants	Premium
January	71	170,784,692
February	322	325,598,382
March	107	109,668,430
April	75	93,042,679
May	34	32,445,617
June	67	46,945,333
July	17	8,750,750
August	112	60,240,067
September	36	14,358,244
October	72	19,708,466
November	51	8,809,483
December	93	81,887,400

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Premi	Number of Participants		Total Premium		Increased/ Decreased (%)
	2017	2018	2017	2018	
Main	7,849	7,712	12,301,420,800	13,094,157,700	6.4%
GCU	92	127	305,894,100	356,237,800	16.5%
Total	7,941	7,839	12,607,314,900	13,418,866,200	-

ESTABLISHMENT OF A CONDUCTIVE WORK ENVIRONMENT

The Company provides an opportunity for all employees to develop themselves through various activities outside the responsibility for performance. Activities such as sports, religious activities, and other hobby activities are expected to provide a place for each employee to get to know each other more personally. With all of the activities, the Company strives to establish a conducive

work environment, which will lead to employee loyalty and productivity.

ROADMAP FOR HR DEVELOPMENT IN 2018

The plan and development of human resources is a sustainable process. The Company has compiled the 2018-2020 HR development plan as shown below.

ROAD MAP FOR MANDIRI TUNAS FINANCE HR DEVELOPMENT 2018-2020

2018	→	2019	→	2020
Organization Readiness <ul style="list-style-type: none"> Improve Effectiveness & Efficiency Organization Tools Leverage Productivity Measurement Tools Create Employee Value Proposition Internalization of the spirit of PERWIRA 		Organization Readiness <ul style="list-style-type: none"> Organization Effectiveness Dashboard System Remodeling Bussiness Process fot Productivity Measutement Tools Implement EVP for MTF Employee Perwira Values into DNA for employee engagement increment 		Organization Readiness <ul style="list-style-type: none"> Leverage agile and resilient organization to sustain bussiness growth Create Value Added HC to Business Partner Engance Organization Effectiveness through productivity utilization Internalization "Perwira Culture"
People Readiness <ul style="list-style-type: none"> Build MTF Branding with "Duta" MTF in education Institution Recruitment System Online Optimize development program for key position Talent management system (talent pool, RTC) Leadership readiness » Leader as coach Develop Knowledge Management system based on Process / Technology, Products, People Profiles 		People Readiness <ul style="list-style-type: none"> Strengthen MTF Branding and Attract the Best Talent Talent Employee Engagement System HUman Capital Integration and Digital System Leadership readiness » Leader as Legacy Apply KM into IDP / IDP Programs (Talent Pool & Leadership Program) 		People Readiness <ul style="list-style-type: none"> Optimize contribution of value creation people Leader as Accelerator
Conductive Working <ul style="list-style-type: none"> Internalization IR Mgt System Integrated Vakue Based Remuneration with HC System Personalized Self Services Optimization Personal Data Base System 		Conductive Working <ul style="list-style-type: none"> Enhance IR Mgt System Integrated Personal Data Base System with HC System and Finance 		Conductive Working <ul style="list-style-type: none"> Industrial relation risk mitigation Leverage MTF as the Best place to keep fun environment, innovative and productive capitalize Mandirian Synergy

FETCHING CHANGE: DEVELOPMENT AND OPTIMIZATION OF INFORMATION TECHNOLOGY

Multifinance business development in Indonesia in general, and business development specifically, obligates the Company to organize and fixed itself to prepare required technology to support business development and expansion, as well as providing best services for the customer through IT-based services.

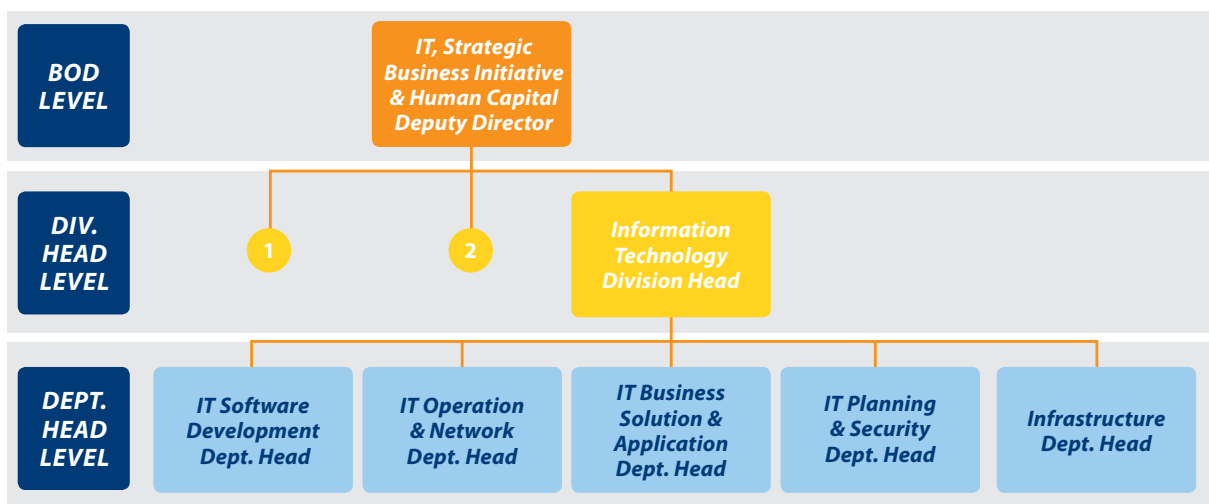
In the globalization era, the reliability of information technology is one of the important elements that support business processes and excellence service. Technology is the key that allows the Company to provide products and services to consumers, measure and track business performance, as well as take appropriate management decisions for its survival. Information Technology Management in the Company is carried out by the Information Technology (IT) Division, so that policies related to IT are more directed and run in accordance with the company's vision and mission

ESTABLISHMENT OF THE COMPANY'S IT MANAGEMENT DIVISION

The MTF Information Technology Department acts as a business enabler in providing services to users to carry out their operational activities, as well as supporting the Company's business development. This division also continues to develop facilities that can facilitate customers to connect with MTF. As a supporter of the Company's business in providing its services, the MTF IT department is divided into several departments, namely:

- Software Development Department
- Operation and Network Department
- Business Solution and Application Department
- Planning and Security Department
- Infrastructure Department

MANDIRI TUNAS FINANCE'S IT MANAGEMENT STRUCTURE



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The Company's IT Division is headed by a Division Head. Based on Decree No. 1234/SK-HCP.SVC/HC/VII/2016, the Board of Directors appoints Kanda Octaviano to serve as Head of the IT Division.



KANDA OCTAVIANO

Information Technology Division Head

SERVING SINCE August 1, 2016

PERSONAL DATA

Indonesian Citizen

Born in Jakarta, October 13, 1981 (37 years old)

DOMICILE

East Jakarta, DKI Jakarta, Indonesia

EDUCATION

Bachelor Degree of Accounting STIE Indonesia

HISTORY OF APPOINTED

SK- No. :1234/SK-HCP.SVC/HC/VII/2016

WORK EXPERIENCE

Acting Head of IT Division (2016-2017), IT Software Development Department (2016), IT Software Development Dept Head (2013-2016), IT Software Development Department (2010-2012), IT Supervisor (2007-2009), SOP & Control SPV (2005-2007)

JOINED MTF August 1, 2002

VISION AND MISSION OF THE COMPANY'S IT DEVELOPMENT



Vision

"To Drive and Embrace Digital Transformation in PT Mandiri Tunas Finance"



Mission

- Oriented to meeting the needs of the Company's technology in providing services to customers.
- Develop and utilize technology to provide added value to stakeholders and support PT Mandiri Tunas Finance in achieving its strategic targets.
- Developing technology as a tools for the Company to maintain the work culture of PERWIRA.
- Become a technology pillar in maintaining a proud institution in working and achieving achievements.

DEVELOPMENT OF INTEGRATED INFORMATION TECHNOLOGY



DEVELOPMENT OF INFORMATION TECHNOLOGY MANAGEMENT IN 2018

Throughout 2018, the Company carried out several Information Technology management programs as follows:

1. IT Master Plan
As a derivative of the Company's Business Plan, the IT Master Plan is expected to be in line with the Company's work plan in 3 years (2019 - 2021) and become the foundation of IT in making policies so that IT implementation can be more effective and efficient
2. Penetration Testing
The IT Division has conducted a security assessment on the current information system to identify security gaps and optimize the performance of existing systems by involving the services of competent external parties.
3. Upgrade The Database Server on The Core System MTF

To improve High Availability Database server Core System MTF that adapts current technological developments.

4. Rejuvenation of Server Core
This rejuvenation is intended to prepare a system core that can accommodate and manage the Company's growing data.
5. Adding Virtualization Server
To meet the needs of business unit projects that require a server as supporting infrastructure.

COSTS OF INFORMATION TECHNOLOGY DEVELOPMENT

Provision for budget of Opex and Capex IT based on the operational need and need to procure IT infrastructure based on recommendation and through review process of Company's management.

Description	2018 (Rp)	2017 (Rp)	Increase (Decrease)	
			Total (Rp)	Percentage (%)
Opex (Internet RVPN)	1,276,710,000.00	2,127,240,000.00	850,530,000.00	39.98 % ↑
Opex (Repair and Maintenance - Computer Equipment)	3,333,154,627.08	3,913,601,631.75	580,447,004.67	14.83 % ↑
Capex	24,740,669,420.00	22,773,520,000.00	1,967,149,420.00	8.64 % ↑

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BASIS OF IT MANAGEMENT

In the future, it is expected that MTF IT management can reach maturity level of Financing industry average in the scale of maturity level based on COBITS. Hence, to achieve the condition, IT in general must implement improvement steps among others:

- Adding and improving function/duties.
- Development of policy and procedures.
- Performance measurement development.
- Procurement of relevant supporting application system.
- Implement IT governance evaluation.

INFORMATION TECHNOLOGY DEVELOPMENT ROADMAP

2019 <i>Enhance Digital Coverage</i>	2020 <i>Optimize Digital Potential</i>	2021 <i>Maintain Continuous Digital Growth</i>
<ul style="list-style-type: none"> • Developing the scope of digital business process that have not been included in terms of technology such as Corporate Fleet, Utilization of business intelligence and others • Improve customer experience with the complaint management system for recording customer complaints • Enhanced security and IT infrastructure tools to support the confidentiality, integrity and availability of company information • Improve IT control and governance 	<ul style="list-style-type: none"> • Optimizing the potential of the Sharia business, as well as developing infrastructure and supporting policies. • Big data implementation to provide added value to the sales and marketing process in analyzing sales trends, customer behavior, etc. • Revitalization and redundancy of infrastructure devices to support operational activities and business continuity of the company. • Create an IT policy framework for data protection • Establish IT service management policies 	<ul style="list-style-type: none"> • Optimizing the paperless principle by reducing paper use or manual documentation through digitizing business process/workflow • Improved collection process by collaborating with external parties that provide land and information facilities. • Information security aspects to improve optimization and recovery from disaster and information security disruption in the company's IT environment • Implementation of controls for data protection based on the framework from the previous year.





GOOD CORPORATE GOVERNANCE

BASIC UNDERSTANDING OF GOOD CORPORATE GOVERNANCE

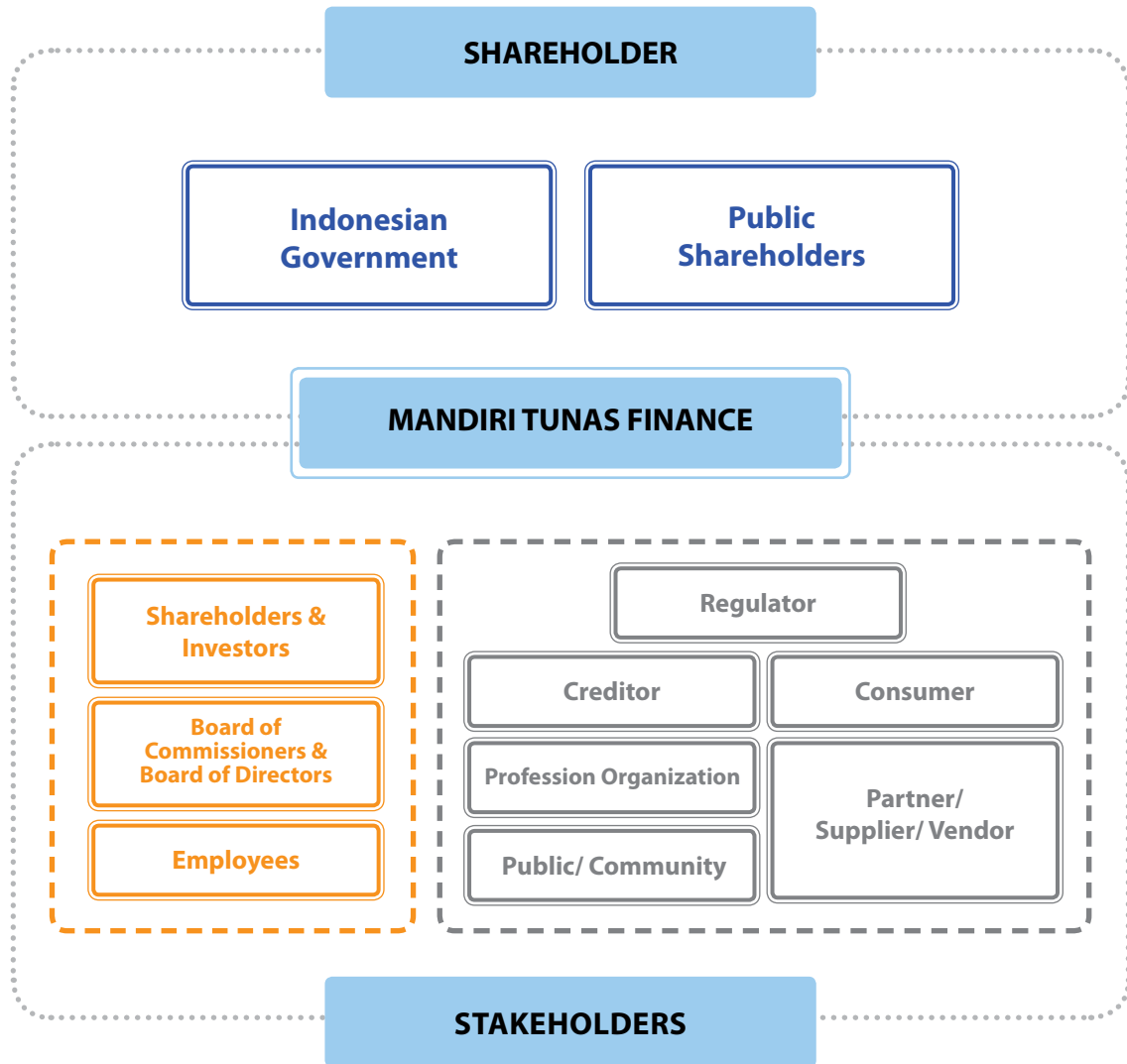
Good Corporate Governance (GCG) is a series of systems that regulate and control business entities that are expected to be able to create added value for all stakeholders; including to shareholders.

There are 2 (two) points of emphasis, namely the importance of the right of shareholders to obtain information correctly and in a timely manner even to minority shareholders, and, the obligation of business entities to make disclosures accurately, timely, transparently for all information on business entity performance ownership, and stakeholders. The GCG presence is expected to provide the foundation for the management of accountable business entities.

In line with the development of the business world, GCG principles have also developed to include a system of supervision and control that supports work ethics and responsible decision making. It also supports integrity in financial reporting, proper risk management, as well as stakeholder relationships based on ethics. The Company scope includes an assessment of the implementation of GCG to ensure the principles of GCG are comprehensively realized.

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GCG and Sustainable Growth: Mandiri Tunas Finance Relations with Shareholders and Stakeholders



DEVELOPMENT DURING THE IMPLEMENTATION OF THE "GOOD CORPORATE GOVERNANCE" IN MANDIRI TUNAS FINANCE

BASIC OF GOOD CORPORATE GOVERNANCE IMPLEMENTATION

As an issuer that conducts bond trading on the Indonesia Stock Exchange (BEI), the Company is fully committed to implementing GCG principles as a foundation in creating sustainable added value for the benefit of investors, shareholders, the wider community, and various other good stakeholders in the short and long term. The Company emphasizes best practices in the implementation of GCG in the industry along with its latest developments, and sets the Good Corporate Governance Quality Standards within the Company, including: General Guidelines for GCG Indonesia issued by the National Committee on Governance (KNKG) and Indonesian Corporate Governance Road Map issued by the Financial Services Authority (OJK).

OBJECTIVES OF GCG IMPLEMENTATION

As a subsidiary of a State-Owned Enterprise (BUMN) of PT Bank Mandiri (Persero) Tbk, the Company is committed to implementing GCG principles consistently by referring to the implementation of GCG to BUMN standards. In addition, the purpose of implementing the GCG

principles in the Company refers to OJK Regulation No. 30/POJK.05/2014 on Good Corporate Governance for Financing Companies, namely:

- a. optimize the value of the Company for stakeholders, especially debtors, creditors, an /or other stakeholders.
- b. improve the management of the Company in a professional, effective and efficient manner.
- c. improve compliance of the Company's Organ and its subordinates so that in making decisions and carrying out actions based on high ethics, compliance with laws and regulations, and awareness of corporate social responsibility towards Stakeholders and environmental sustainability.
- d. creating a healthier, more reliable, trustworthy and competitive Company.
- e. increasing the Company's contribution to the national economy.

With the status of the Company which is not a public company, the implementation of Good Corporate Governance is also applied based on the Financial Services Authority Circular Number 15/SEOJK.05/2016

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on the Report on the Implementation of Good Corporate Governance for Financing Companies.

BASIC PRINCIPLES OF GCG AND THEIR APPLICATION

The Company views that the implementation of GCG is a strong pillar to advance growth. Therefore, the Company strives to always apply GCG to all stakeholders by complying with applicable laws and regulations. Quality improvement from the implementation of GCG best practices is continuously carried out, updating various policies, standards, guidelines, procedures that are adjusted to changes in applicable laws and regulations, the state of the business environment, as well as the business development and performance of the Company.

In applying GCG principles, the Company refers to 5 (five) basic principles, namely: transparency, accountability, responsibility, independence, and fairness, as released in the General Guidelines for Good Corporate Governance issued by the National Governance Policy Committee (KNKG) and those stated in OJK Regulation No. 30/POJK.05/2014 on Good Corporate Governance for Financing Companies.



Explanation of the basic principles above and their application in general in the scope of the Company are as follows:

Basic Principle	Explanation in accordance with OJK Regulations No. 30/POJK.05/2014	Implementation in the scope of Mandiri Tunas Finance
<i>Transparency</i>	Transparency in the decision-making process and transparency in the disclosure and provision of relevant information about the company, which is easily accessible to stakeholders in accordance with the laws and regulations in the field of financing as well as standards, principles, and the practice of conducting sound financing business.	The Company considers the principle of transparency as openness in revealing relevant material information in accurate and timely manners. The Company does not only disclose such material information to the shareholders, but also to all of the stakeholders of the Company. Accordingly, the shareholders and stakeholders are expected to obtain early information regarding the Company's business development. The application of this principle is created by the Company by: <ul style="list-style-type: none"> • Preparation and issuance of Annual Reports available on the Company's website page. • Preparation and explanation of the Company's work program. • Periodic financial reports covering quarterly and annual financial reports. • Availability of transparency reports on information disclosure related to the Company's business activities. • All information and data related to the company that has been provided on the Company's website for shareholders and all stakeholders.

Basic Principle	Explanation in accordance with OJK Regulations No. 30/POJK.05/2014	Implementation in the scope of Mandiri Tunas Finance
Accountability	Clarity of functions and implementation of corporate organ accountability so that the company's performance can run transparently, fairly, effectively, and efficiently.	The principle of accountability is implemented by the Company through clarifying function, structure, system and respective responsibility of each organ of the Company, so that the Company management can be carried out effectively. By implementing the principle of accountability, the functions, rights, duties, authorities and responsibilities of the shareholders, the Board of Commissioners and the Board of Directors and other sectors of the Company has been affirmed.
Responsibility	Conformity of company management with laws and regulations in the field of financing and ethical values as well as standards, principles, and practices of conducting sound financing business.	<p>Company defines the principle of responsibility as a compliance with both operational procedures and the laws and regulations that apply in every business activity carried out. The responsibility principle is also accompanied by a commitment to carry out business activities in accordance with ethical standards. In addition, supervisory role performed by the Board of Commissioners is further improved on the management of the Company by the Board of Directors to run effectively, with the achievement targets for the Board of Directors. This principle is applied by the Company through:</p> <ul style="list-style-type: none"> • Compliance with the provisions of the Company's articles of association and applicable laws and regulations. • Implementation of tax obligations properly and on time. • Implementation of CSR programs and activities. • Implementation of obligations for information disclosure in accordance with regulations.
Independency	The state of the company is managed independently and professionally and is free from conflicts of interest and the influence or pressure of any party that is not in accordance with the laws and regulations in the field of financing and ethical values as well as standards, principles and practices of conducting a sound financing business.	<p>The Company defines this principle as the implementation of duties, responsibilities and authorities of each organ of the Company without any interference from other organs of the Company or other parties which is not in accordance with the legislation in force. The independency principle is actualized by mutual respect to role and function of each organ of the company and to managerial decisions of the Company through the Board of Directors decision. The principle of independency is required, especially in the process of decision-making or management policy that shall be carried out objectively and by putting the Company's interests as a top priority. The application of this principle is applied by the Company, among others by:</p> <ul style="list-style-type: none"> • Respect each other's rights, obligations, duties, authorities, and responsibilities among the Company's organs. • Shareholders and the Board of Commissioners did not intervene in the management of the Company. • The Board of Commissioners, Directors and all employees always avoid conflicts of interest in decision making. • The Company's activities which have a conflict of interest must obtain prior approval from independent shareholders or their representatives who are authorized at the GMS as regulated, and comply with regulations regarding conflicts of interest.

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Basic Principle	Explanation in accordance with OJK Regulations No. 30/POJK.05/2014	Implementation in the scope of Mandiri Tunas Finance
Fairness	Equality, balance and justice in fulfilling the rights of stakeholders arising from agreements, legislation and ethical values as well as standards, principles and practices of conducting sound financing business.	<p>The Company defines the principle of fairness or equity as equal treatment to all interested parties in accordance with the prevailing laws and regulations. In its application, among others, the Company always maintains good relationship with the employees and avoids discriminatory practices and respects the employee rights, including avoiding discrimination of employees regarding ethnic, religious, racial or gender backgrounds. This principle is applied by the Company, among others, by policies:</p> <ul style="list-style-type: none"> • Shareholders have the right to attend and vote in the GMS in accordance with applicable regulations. • The Company reports information related to partners to stakeholders in a fair and transparent manner. • The Company presents good and safe working conditions for all employees in accordance with the Company's capabilities and applicable laws and regulations, as well as periodic performance appraisals and equal promotion opportunities for all employees.

LEGAL BASIS

The GCG implementation in the Company refers to several applicable regulations, regulations and laws, namely:

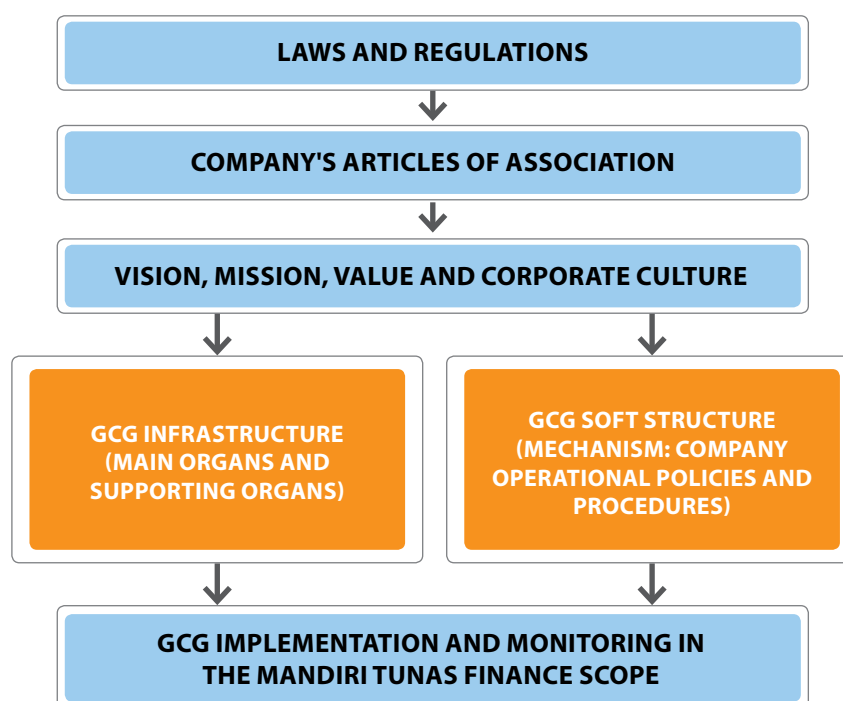
- Indonesian Laws
 - Law No. 40 year 2007 on Limited Liability Companies.
 - Law No. 8 year 1995 on Capital Market.
 - Law No. 28 year 1999 on National Administrators who are Clean and Free of Corruption, Collusion and Nepotism
 - Law No. 5 year 1999 on Prohibition of Monopolistic Practices and Unfair Business Competition.
 - Law No. 13 year 2003 on Manpower.
 - Law No. 20 year 2001 on Amendments to the Law of the Republic of Indonesia No. 31 year 1999 on Eradication of Corruption Crime.
 - Law No. 15 year 2002 on the Crime of Money Laundering as amended by the Law of the Republic of Indonesia No. 25 year 2003.
 - Law No. 11 year 2008 on Information and Electronic Transactions
 - Law No. 14 year 2008 on Information Disclosure
- Ministerial Regulation
 - Regulation of the Minister of State Owned Enterprises No. PER-01/MBU/2011 and amendment No. PER-09/MBU/2012 on the Implementation of Good Corporate Governance in State-Owned Enterprises
 - Regulation of the Minister of State Owned Enterprises No. PER-2/MBU/06/2016 Jo. PER-04/MBU/2014 on Guidelines for Determining the Income of Directors, Board of Commissioners, and State-Owned Enterprises Supervisory Board
- Regulation of the Capital Market and Financial Institution Supervisory Agency (Bapepam-LK) which has been converted into the Financial Services Authority (OJK), as well as the Indonesia Stock Exchange (BEI) Regulations
 - Bapepam-LK Regulation No. IX.J.1, Attachment of Chairperson of Bapepam and Financial Institutions No. Kep-179/BI/2008 dated May 14, 2008, on the Principles of the Articles of Association of the Company Conducting Public Offering of Equity

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- and Public Change Securities
 - OJK Regulation No. 30/POJK.05/2014 on Good Corporate Governance for Financing Companies
 - OJK Regulation No. 33/POJK.04/2014 on the Board of Directors and Board of Commissioners of Issuers or Public Companies
 - OJK Regulation No. 34/POJK.04/2014 on the Nomination and Remuneration Committee of Issuers or Public Companies
 - OJK Regulation No. 35/POJK.04/2014 on the Corporate Secretary of Issuer or Public Company
 - OJK Regulation No. 1/POJK.05/2015 on Application of Risk Management for Non-Bank Financial Services Institutions
 - OJK Regulation No. 8/POJK.04/2015 on the Website of the Issuer or Public Company
 - OJK Regulation No. 30/POJK.04/2015 on Realization Report on the Use of Funds from Public Offering
 - OJK Regulation No. 31/POJK.04/2015 on Disclosure of Material Information or Facts by Issuers or Public Companies
 - OJK Regulation No. 55/POJK.04/2015 on Establishment and Work Guidelines of the Audit Committee
 - OJK Regulation No. 56/POJK.04/2015 on Establishment and Guidelines for Preparation of the Internal Audit Unit Charter
 - OJK Regulation No. 29/POJK.04/2016 on the Annual Report of Issuers or Public Companies
 - OJK Regulation No. 13/POJK.03/2017 on the Use of Public Accountant Services and Public Accounting Firms in Financial Service Activities
 - OJK Circular Letter No. 15/SEOJK.05/2016 on Report on the Implementation of Good Corporate Governance for Financing Companies
 - OJK Circular Letter No. 30/SEOJK.04/2016 on the Form and Content of the Annual Report of Issuers or Public Companies
 - Appendix of Board of Directors of Indonesia Stock Exchange (BEI) Decree No. Kep-305/BEJ/07-2004 dated July 19, 2004 on Regulation No. I-A Registration of Shares and Equity-Type Securities Other than Shares issued by the Listed Company
 - 2006 General Guidelines for Good Corporate Governance Indonesia issued by the Governance Policy National Committee dated October 17, 2006 ("General Guidelines for GCG Indonesia KNKG").
 - The latest Articles of Association of the Company, which have been ratified through Deed No. 53 dated March 29, 2018 made before Lenny Janis Ishak, S.H., Notary in Jakarta.
 - ISO 26000 on Social Responsibility Guidelines
 - OECD 2004 Principles of Corporate Governance and the Asian Corporate Governance Scorecard (ACGS).

GOOD CORPORATE GOVERNANCE STRUCTURE AND MECHANISM

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MANDIRI TUNAS FINANCE GCG INFRASTRUCTURE AND SOFT STRUCTURE



GCG STRUCTURE

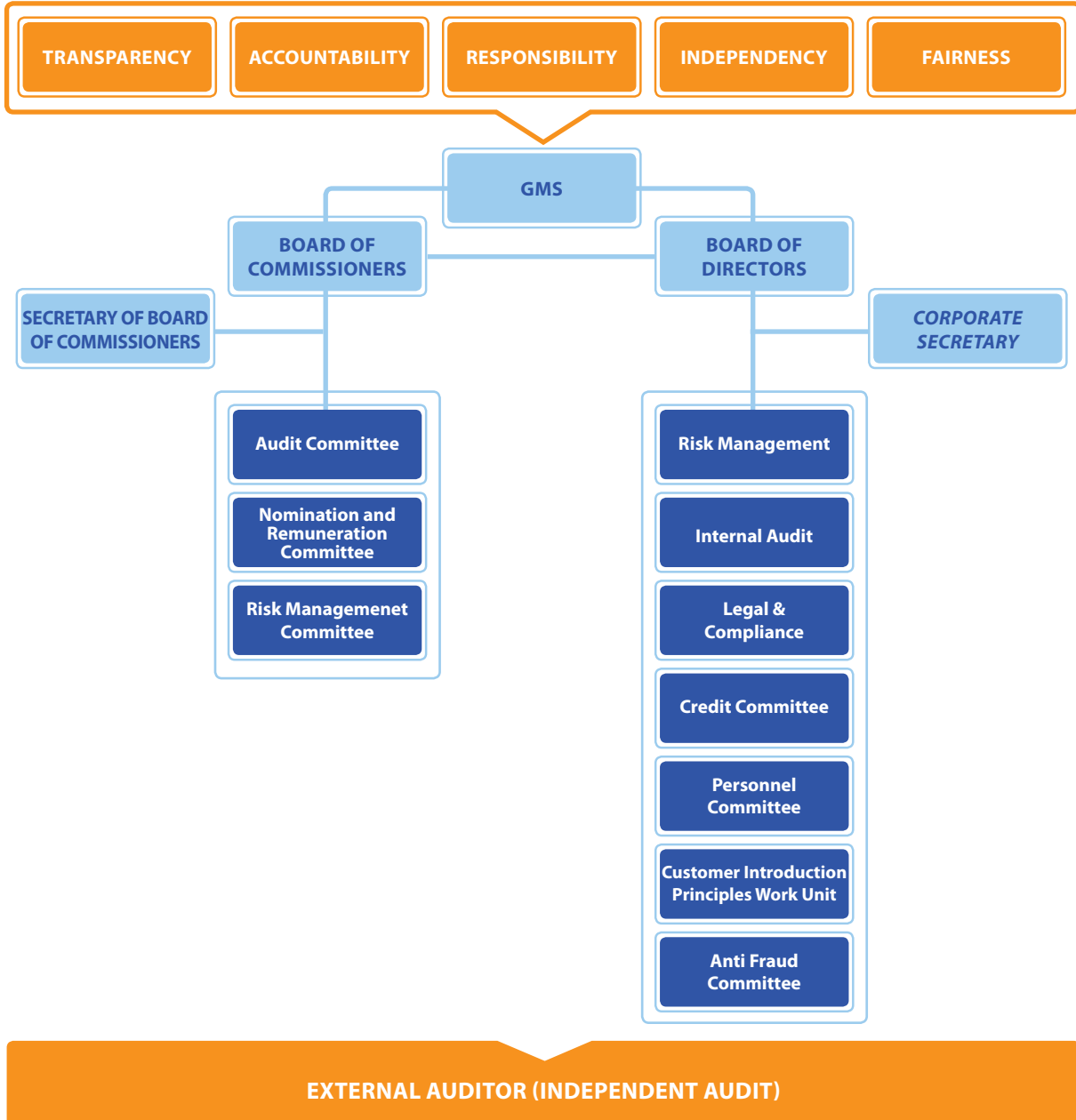
Based on Law No. 40 of 2007 on Limited Liability Companies, the organizational structure of a Limited Liability Company covers the interests of shareholders as outlined through the General Meeting of Shareholders (GMS); Directors with their duties to manage; and the Board of Commissioners whose function is to supervise. The management system of a Limited Company adheres to a 2 (two) tier system, namely the Board of Commissioners and the Board of Directors with clear authority and responsibility according to their respective functions as mandated in regulations and legislation as well as the Articles of Association.

The Company has these three main organs, either the GMS, the Board of Commissioners and Directors. The Board of Commissioners and Directors have a responsibility to maintain the Company's business continuity in the long term. Therefore, the Board of Commissioners and Directors

must have a common perception of the Company's vision, mission and values and culture.

The GCG Infrastructure of the Company also includes several important aspects which play a role in supporting the strengthening of control and management of the Company, consisting of supporting organs which include the Corporate Secretary, Internal Audit, Risk Management, and several committees and other work units under the Board of Directors; as well as the Secretary of the Board of Commissioners, the Audit Committee, the Nomination & Remuneration Committee and the Risk Oversight Committee under the Board of Commissioners. In addition, there is an independent audit process of financial statements and other reports carried out by external accountants in strengthening controls, especially related to the Company's performance reports. This structure is in accordance with the regulatory provisions in Indonesia.

MANDIRI TUNAS FINANCE'S CORPORATE GOVERNANCE STRUCTURE



GCG MECHANISM

The mechanism or software of GCG is the regulation, standard procedures and clear relationships between the parties that make decisions and those who exercise control over the decisions. The GCG mechanism consists of various regulations and policies that regulate the scope of GCG organ responsibility, and work relations

between GCG organs; including with internal and external stakeholders.

The Company has a GCG mechanism covering the approved Articles of Association, Governance Guidelines or Good Corporate Governance. The company continues

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to refine its GCG (soft-structure GCG) policies so that they are in line with the business process requirements and the GCG implementation provisions for the Company. Beside the GCG guideline, the Company has compiled a Code of Conduct, Board Manual, Gratuity Control Guidelines, Whistle Blowing System Guidelines, Audit

Committee Charter, Internal Audit Charter and various policies and procedures to support the implementation of good governance. All of these policies and procedures aim to encourage the Company to be able to check and balance every business activity based on applicable GCG principles.

Policies and Procedures	Determination
Articles of Association	Deed of Decision of PT Mandiri Tunas Finance General Meeting of Shareholders No. 53 dated March 29, 2018 by Notary Lenny Janis Ishak, SH, Notary of Administrative City of South Jakarta
Guidelines for Good Corporate Governance	Stipulated by Decree No. 03, effective from April 1, 2016 and approved by the Board of Directors
Board Manual (Board of Commissioners and Directors Handbook)	Stipulated on August 27, 2015 signed by the Board of Commissioners
Code of Conduct/CoC	Stipulated on March 11, 2013
Audit Committee Charter	Stipulated on September 25, 2013, signed by all members of the Audit Committee and the Board of Commissioners
Charter of the Nomination & Remuneration Committee	Stipulated on August 4, 2015, signed by Board of Commissioners
Charter of the Risk Oversight Committee	Stipulated on November 26, 2016, signed by all members of the Risk Oversight Committee and the Board of Commissioners
Internal Audit Charter	It has been approved by the Board of Directors and approved by the Board of Commissioners with the latest revision on December 1, 2015
Corporate Secretary Charter	Decree No. 03/PGN/06/2016 which was issued on December 23, 2016 and has undergone revisions on December 14, 2018, has been approved by the Board of Directors
Internal Control System Guidelines	Decree No. 03/PGN/01/2016 effective on December 28, 2016, has been approved by the Board of Directors
Risk Management Guidelines	Decree No. 03/PGN/07/2016 issued on December 27, 2016 and approved by the Board of Directors
Guidelines for Procurement of Goods and Services	Decree No.02/PGA/01/2017 effectively June 1, 2017 and has been approved by the Board of Directors
Guidelines for Gratification Control	Decree No. 03/PGN/10/2018 effectively September 17, 2018 and has been approved by the Board of Directors
Guidelines for Whistle Blowing System	Directors Decree No. 063/MTF-DIR/ VII/2011 dated July 20, 2011

SOCIALIZATION AND INTERNALIZATION OF GOOD CORPORATE GOVERNANCE

As a form of the Company's commitment to always implementing business activities and the implementation of the Company's operations in accordance with the principles of Good Corporate Governance, the Company always provides provisions for every new employee and employee to socialize the implementation of Good Corporate Governance. During 2018, the Company has socialized 4 times Good Corporate Governance, namely:

Date	Training Name	Participants	Number of Participants
February 20, 2018	Induction Training	New Employee	20
March 29, 2018	Manager Development Program Batch 8	MDP Batch 8	8
June 20, 2018	Management Trainee Batch 6	MT Batch 6	21
September 18, 2018	Induction Training	New Employee	25

AWARDS FOR APPLYING GOOD CORPORATE GOVERNANCE

During 2018, the Indonesian Institute for Corporate Governance (IICG) was assessed in the Corporate Governance Perception Index with the theme "Transforming Business Models in the Framework of Good Corporate Governance" through the theme of transforming business models, CGPI still continues to do assessment method and assessment aspects which consist of two stages, namely the stages of analysis and observation.

Stages analysis is carried out through questionnaire filling method (self assessment) and assessment of company documents, followed by observation stages through executive exposure and discussions with the Company's

Organ. CGPI Rating Aspects include governance structures, government processes, and government outcomes. CGPI's assessment used as a reference the implementation of mandatory GCG and best practices as well as approaches to stakeholder perspectives where relationships with all stakeholders are important in maintaining the long-term sustainability of the company's business.

The results of the CGPI assessment with the theme "Business Model Transformation in the Good Corporate Governance Framework" in the Company showed a score of 79.80. The results of the ranking are based on these scores, the Company is in the "Trusted" group of companies.

COMPANY CGPI RESULTS

No	Assessment Aspects & Indicators	Score (Total 100)	Final Score
1	Governance Structure Aspects	25.75	21.02
2	Governance Process Aspects	43.00	33.86
3	Governance Result Aspects	31.25	24.92
Total Score CGPI & Rating			79.80 (trusted)

The CGPI results show credible achievements so that it can illustrate that the Company's Organs and all members of the Company have committed and made serious and consistent efforts to implement GCG and manage the transformation of the company's business model based on GCG principles so that it moves towards conditions that create value for stakeholders.

ASSESSMENT: EVALUATION, MONITORING, AND INCREASING THE IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE

The company conducts evaluations to see the effectiveness of the GCG implementation program. The evaluation become the basis for the Company to make improvements to all GCG implementation policies within the Company.

15/SEOJK.03/2015 on Implementation of Integrated Governance for Financial Conglomerates, and POJK No. 30/POJK.05/2014 on Good Corporate Governance for Financing Companies and Financial Services Authority Circular Letter Number 15/SEOJK.05/2016 on Good Corporate Governance Implementation Report for Financing Companies. For governance assessment criteria for each provision, namely:

ASSESSMENT BASIS AND METHOD

GCG assessment in the Company refers to POJK No. 18/POJK.03/2014 dated November 18, 2014 and SEOJK No.

POJK 30 year 2014 and SEOJK 15 year 2016		POJK 18 year 2014 and SEOJK 15 year 2015	
No.	Contents of Discussion	No	Contents of Discussion
A.	Implementation of duties and responsibilities of Board of Directors, Board of Commissioners and DPS.	1.	Board of Directors
B.	Completeness and implementation of the duties of the audit committee or functions that assist the Board of Commissioners in monitoring and ensuring the effectiveness of the internal control system	2.	Board of Commissioners
C.	Implementation of the compliance function, internal auditors, and external auditors	3.	Sharia Supervisory Board
D.	Application of risk management and internal control systems	4.	Integrated Governance Committee
E.	Application of remuneration policies and other facilities	5.	Compliance Unit
F.	Transparency of the Company's financial and non-financial conditions.	6.	Internal Audit Unit
G.	Long-term plans as well as annual work plans and budgets	7.	Application of Risk Management
H.	Disclosure of share ownerships by members of the Board of Directors and Board of Commissioners that reach 50% (fifty percent) or more	8.	Integrated Governance Guidelines
I.	Financial relationships and family relations of the Board of Directors	9.	Conflict of Interest
J.	Financial relationships and family relations of the Board of Commissioners	10.	Remuneration Policy
K.	Disclosure of other important matters to OJK		

The assessment of the implementation of Good Corporate Governance is carried out by the Company, which carried out independently so that the results of the assessment reflect the actual conditions.

2017 GCG IMPLEMENTATION ASSESSMENT: RESULTS, RECOMMENDATIONS AND FOLLOW-UP IN 2018

Evaluation of the implementation of the GCG for the 2017 financial year is carried out using the valuation method referring to POJK No. 18/POJK.03/2014 dated November 18, 2014 and SEOJK No. 15/SEOJK.03/2015, and carried out by the Company's internal parties independently. The results of the assessment show the acquisition of a score of 1.26 with the title "Very Good".

Type of Assessment	self assessment
Assessor	Internal Company
Application Period	January 1, 2017 to December 31, 2017
Year	2017 financial year

Details of the assessment result of the Company's GCG implementation for the 2017 financial year are as follows:

RESULTS OF THE 2017 GCG ASSESSMENT

No.	Parameter	Indicator	Score	
1	Board of Directors			
		Governance Structure	1	1
			2	1
	3		1	
	Governance Process	1	1	
		2	2	
		3	2	
		4	1	
	Governance Result	1	1	
		2	2	
	Average Value			1.33
	2	Board of Commissioners		
			Governance Structure	1
2				2
3		3		
Governance Process		1	1	
		2	1	
Governance Result		3	1	
		4	1	
		1	1	
		2	1	
		3	1	
		Average Value		

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No.	Parameter	Indicator	Score
3	Integrated Governance Committee		
	Governance Structure	1	1
		2	1
	Governance Process	1	1
		2	1
	Governance Result	1	1
		2	1
		3	1
	Average Value		1.29
	4	Compliance Unit	
Governance Structure		1	1
		2	1
Governance Process		1	1
Governance Result		1	1
Average Value			1.25
5	Internal Audit Work Unit		
	Governance Structure	1	1
		2	1
	Governance Process	1	1
	Governance Result	1	1
		2	1
		3	2
	Average Value		1.50
6	Risk Management Implementation		
	Governance Structure	1	2
		2	1
	Governance Process	1	1
	Governance Result	1	2
		2	2
	Average Value		1.40
7	Governance Guidelines		
	Governance Process	1	1
	Proses Tata Kelola	1	1
	Governance Result	1	1
	Average Value		1.67

No.	Parameter	Indicator	Score
8	Conflict of Interest		
	Integrated Governance Structure	1	1
	Integrated Governance Process	1	1
	Integrated Governance Result	1	1
	Average Value		1.33
9	Remuneration Policy		
	Integrated Governance Structure	1	1
	Integrated Governance Process	1	1
	Integrated Governance Result	1	1
	Average Value		1.67
TOTAL SCORE			1.26

The score of 1.26 indicates "Very Good". The Company's commitment in perfecting GCG implementation is among others carried out by following up on any findings in the GCG assessment that become recommendations.

GCG IMPLEMENTATION ASSESSMENT FOR FINANCING YEAR 2018

The Company has conducted GCG assessment by referring to POJK No. 18/POJK.03/2014 dated November 18, 2014 and SEOJK No. 15/SEOJK.03/2015, and POJK No. 30/POJK.05/2014, also Circular of the Financial Services Authority Number 15/SEOJK.05/2016, conducted in 2018.

For the assessment based on POJK 18 year 2014 and SEOJK 15 year 2015, the score was 1.32 with the title "Very Good". Meanwhile, for the assessment based on POJK 30 year 2014 and SEOJK 15 year 2016, the score was 99.32 with a title that was also "Very Good".

Type of Assessment	self assessment
Assessor	Internal Company
Application Period	January 1, 2018 to December 31, 2018
Year	2018 financial year

Details of the results of the assessment of the Company's GCG implementation for the 2018 financial year are as follows:

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RESULTS OF 2018 GCG ASSESSMENT

POJK 30 year 2014 and SEOJK 15 year 2016			POJK 18 year 2014 and SEOJK 15 year 2015		
No.	Contents of Discussion	Score	No.	Contents of Discussion	Score
A.	Implementation of duties and responsibilities of Board of Directors, Board of Commissioners and DPS.	30.00	1.	Board of Directors	1.22
B.	Completeness and implementation of the duties of the audit committee or functions that assist the Board of Commissioners in monitoring and ensuring the effectiveness of the internal control system	5.00	2.	Board of Commissioners	1.20
C.	Implementation of the compliance function, internal auditors, and external auditors	7.50	2.	Sharia Supervisory Board	N/A
D.	Application of risk management and internal control systems	10.00	4.	Integrated Governance Committee	1.14
E.	Application of remuneration policies and other facilities	2.32	5.	Compliance Unit	1.25
F.	Transparency of the Company's financial and non-financial conditions.	15.00	6.	Internal Audit Unit	1.50
G.	Long-term plans as well as annual work plans and budgets	7.50	7.	Application of Risk Management	1.60
H.	Disclosure of share ownerships by members of the Board of Directors and Board of Commissioners that reach 50% (fifty percent) or more	5.00	8.	Integrated Governance Guidelines	1.33
I.	Financial relationships and family relations of the Board of Directors	2.50	9.	Conflict of Interest	1.33
J.	Financial relationships and family relations of the Board of Commissioners	2.50	10.	Remuneration Policy	1.33
K.	Disclosure of other important matters to OJK	12.00			
Total Score		99.32	Final Score		1.32
Predicate		Very Good	Predicate		Very Good

GOOD CORPORATE GOVERNANCE ORGAN STRUCTURE

INTER-ORGAN RELATIONSHIP AND GOOD CORPORATE GOVERNANCE MECHANISM

Generally, the GCG structure within the Company refers to Law No. 40 year 2007 on Limited Liability Companies, which consists of 3 (three) main organs, namely the General Meeting of Shareholders (GMS), the Board of Directors, and the Board of Commissioners. As previously explained, the management system of a Limited Liability Company adheres to a 2 (two) tier system, namely the Board of Commissioners and the Board of Directors with clear authority and responsibility according to their respective functions as mandated in regulations and legislation and Articles of Association . While the GMS is a forum for shareholders to decide on strategic matters.

In carrying out its duties, the Board of Commissioners is assisted by 3 (three) committee organs, namely the

Secretary of the Board of Commissioners, the Audit Committee, the Nomination & Remuneration Committee, and the Risk Oversight Committee, supported by the Secretary of the Board of Commissioners. Whereas the Board of Directors has supporting organs for the Corporate Secretary and Internal Audit and other work units for handling cross-unit work.

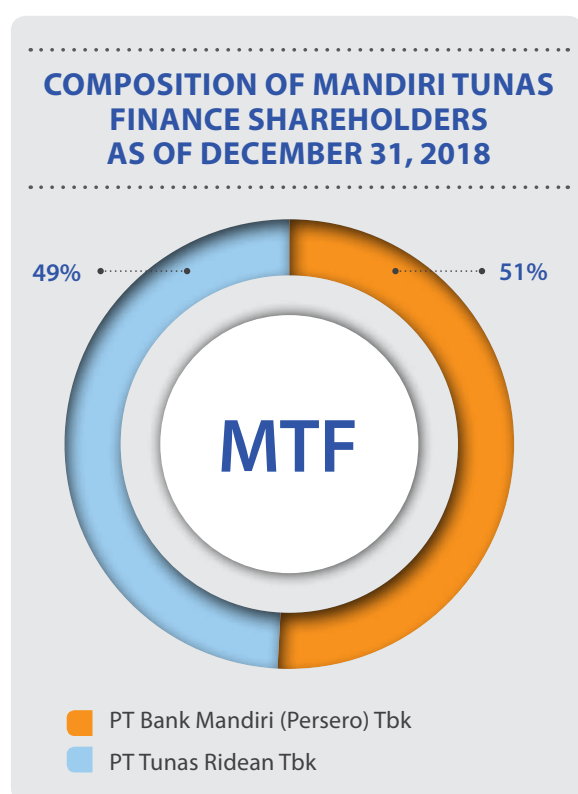
The Company's GCG mechanism is set forth in the GCG Guidelines as well as the Board Manual signed jointly by the Board of Commissioners and the Board of Directors in regulate the implementation of work relations of all Governance Organs in the Company, by referring to the provisions of the Company's Articles of Association and / or applicable laws and regulations .

GENERAL MEETING OF SHAREHOLDERS (GMS)

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SHAREHOLDERS

Shareholders as the capital owners have the rights and responsibilities in accordance with the laws and regulations and the Articles of Association of the Company. The Company's Shareholders consist of the Main Shareholders / Controllers and other Shareholders (founders).



The Company's Main / Controlling Shareholder is PT Bank Mandiri (Persero) Tbk which owns 51.00% of the Company's shares.

The Company continues to fulfill and take into account the rights of Shareholders in fairness without differentiating the Majority or Minority Shareholders. The fairness on the fulfillment of the rights to all shareholders can be seen from the dissemination of information pre – meeting, during the meeting, and post – meeting of GMS as stipulated in the prevailing regulations. Before GMS is conducted, the Company will announce the GMS within the time period

of 21 days at the latest since the determination of the GMS convention date. Moreover, the Company assures that it can maintain and uphold the rights of Shareholders, including:

1. Suggesting, approving the appointment and dismissal of the Board of Commissioners and Board of Directors.
2. Approving the amendment of the Articles of Association, including the change of the capital.
3. Approving the merger, consolidation, acquisition and splitting of the Company, request submission for the Company to be declared bankrupt and dissolution of the Company.
4. Requesting report and explanation regarding certain matters to the Board of Directors and Board of Commissioners of the Company by taking into account the prevailing regulations in the Capital Market in Indonesia.
5. Every one share provides 1 right of vote.
6. Attending and providing opinion in the GMS.
7. Receiving dividend and residual assets of the liquidity proceeds.
8. Implementing other rights based on applicable laws and regulations.

GENERAL MEETING OF SHAREHOLDERS

General Meeting of Shareholders (GMS) is a Company Organ that has authority not given to the Board of Directors or the Board of Commissioners within the limits specified in the Law and/or Articles of Association. The GMS as a Company organ is a forum for shareholders to make important decisions relating to the capital invested in the Company, taking into account the provisions of the Articles of Association and applicable laws and regulations.

The GMS and/or shareholders cannot intervene with duties, functions and authorities of the Board of

Commissioners and the Board of Directors, without disregarding GMS' rights to perform its authority in accordance with the Articles of Association and the laws and regulations; including to replace or dismiss members of the Board of Commissioners and or the Board of Directors.

In addition, the Company also ensures that it can maintain and enforce the rights of Shareholders including:

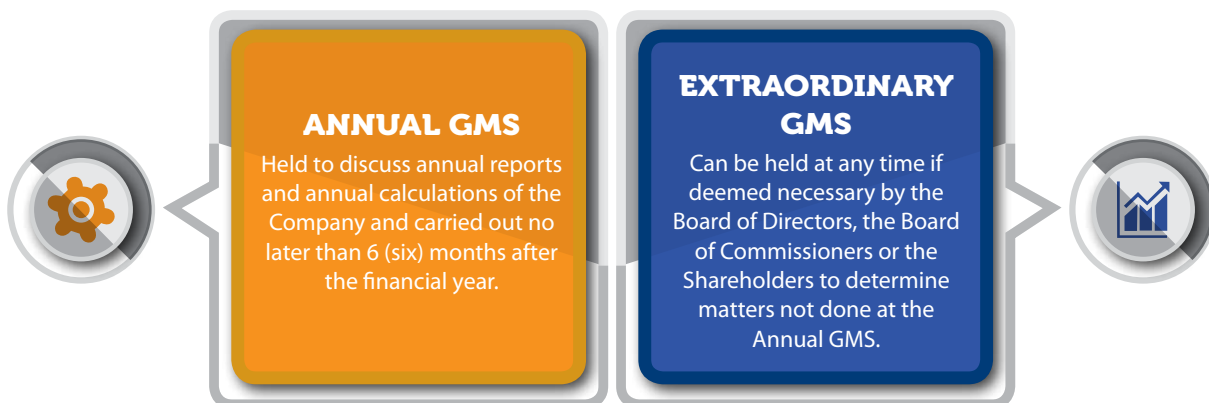
1. Suggesting, approving the appointment and dismissal of the Board of Commissioners and Board of Directors.
2. Approving the amendment of the Articles of Association, including the change of the capital.
3. Approving the merger, consolidation, acquisition and splitting of the Company, request submission for the Company to be declared bankrupt and dissolution of the Company.
4. Requesting report and explanation regarding

certain matters to the Board of Directors and Board of Commissioners of the Company by taking into account the prevailing regulations in the Capital Market in Indonesia.

5. Every one share provides 1 right of vote.
6. Attending and providing opinion in the GMS.
7. Receiving dividend and residual assets of the liquidity proceeds.
8. Implementing other rights pursuant to the regulations of limited liability companies.

The implementation of the Company's GMS refers to Law No. 40 year 2007 on Limited Liability Companies and the Company's Articles of Association. Both the Annual General Meeting of Shareholders and the EGMS have the highest authority in the Corporate Governance structure as well as being the main forum for shareholders to exercise their rights and authority over the Company's Management.

TYPES OF GMS IMPLEMENTATION



THE COMPANY'S GMS IMPLEMENTATION MECHANISM

In the convention of GMS, the Company refers to the Regulation of Financial Services Authority (POJK) NO.32/POJK.04/2014 and other relevant regulations.

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"In 2018 Mandiri Tunas Finance only held an Annual GMS and did not hold an Extraordinary GMS"

ORGANIZING GMS IN 2018

Throughout 2018, the Company conducted 1 (one) GMS, which is the Annual GMS held on Friday, March 9, 2018 at Plaza Mandiri, Jakarta. In the implementation of the Annual GMS, in each agenda of the Meeting has been given an opportunity to the Shareholders and the power of Shareholders to ask questions about the material discussed. Meeting decisions are based on deliberation to reach consensus. If a decision based on consensus agreement is not reached, then the decision

is taken by voting by submitting the ballot card. The Company has appointed an independent party namely Lenny Janis Ishak, SH, Notary in Jakarta, in calculating and/or validating the vote. All members of the Board of Commissioners and Directors are present at the meeting.

The agenda of the 2018 Annual GMS and its implementation are as follows:

AGENDA OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

Agenda of the Annual General Meeting of Shareholders March 9, 2018	Approved	Not Approved	Abstain	Note
1ST AGENDA Approval of the Company's Annual Report and ratification of the Financial Statements as well as the Board of Commissioners Supervisory Task Report for the Financial Year ending on December 31, 2017.	100%	-	-	Decisions through consensus agreement
2ND AGENDA Proposed Use of the Company's Net Profit for the Book Year ending on December 31, 2017.	100%	-	-	Decisions through consensus agreement
3RD AGENDA Appointing the Public Accountant Office to audit the Company's Financial Statements that expire on December 31, 2018	100%	-	-	Decisions through consensus agreement
4TH AGENDA Proposal Determination of salaries for members of the Board of Directors, honorarium for members of the Board of Commissioners and stipulation of other benefits including tantieme for all	100%	-	-	Decisions through consensus agreement

Agenda of the Annual General Meeting of Shareholders March 9, 2018	Approved	Not Approved	Abstain	Note
5TH AGENDA Approval to transfer and/or pledge more than 50% of the Company's assets as collateral for debt on behalf of the Company in order to obtain new funding from banking sources and/or issuance of securities.	100%	-	-	Decisions through consensus agreement
6TH AGENDA Accountability Report on the Use of Funds from the Public Offering of Mandiri Tunas Finance Sustainable Bonds III Phase II Year 2017.	100%	-	-	Decisions through consensus agreement
7TH AGENDA Proposed changes to the Company's Articles of Association.	100%	-	-	Decisions through consensus agreement
8TH AGENDA Approval of changes to the composition of the Company's Directors.	100%	-	-	Decisions through consensus agreement

The results of the 2018 Annual GMS decision and its follow-up by management are as follows:

THE ANNUAL GMS RESOLUTION ON MARCH 9, 2018

The Annual GMS Resolution on March 9, 2018	Implemented/ Not Implemented	Management Follow Up on Decisions of the 2018 Annual GMS as of December 31, 2018
1st Agenda Approved and accepted the Company's Annual Report for the financial year ended December 31, 2017, and ratified the Company's Annual Financial Report for the financial year ended December 31, 2017 which was audited by the Public Accounting Firm Purwantono, Sungkoro & Surja (a member firm of Ernst & Young Global Limited) with a fair opinion in all material matters, thereby providing full repayment and release of responsibility (volledig acquit et de charge) to the Board of Commissioners of the Company for supervisory actions, and to the Board of Directors of the management and implementation of authority, which has been done in the financial year ending on December 31, 2017, insofar as such action is not a criminal offense and this action is reflected in the Annual Report and Annual Financial Report of the Company for the financial year ending on December 31, 2017.	✓	It has been documented in the Minutes of Meeting No. 10 on March 9, 2018.
2nd Agenda Approved and stipulated the Company's Net Profit for 2017 amounting to Rp350,241,513,915.64 as follows: <ul style="list-style-type: none"> • Distributing cash dividends in the amount of 10% of the total net profit or in the amount of Rp35,024,151,391.56 which will be distributed proportionally to the Company's Shareholders, namely PT Bank Mandiri (Persero) Tbk and PT Tunas Ridean Tbk. • The remainder of the Company's 2017 Net Profit of 90% of the total net profit or amounting to Rp315,217,362,524.08 will be recorded as retained earnings which will be used to strengthen the Company's capital. 	✓	It has been documented in the Minutes of Meeting No. 10 on March 9, 2018.

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The Annual GMS Resolution on March 9, 2018	Implemented/ Not Implemented	Management Follow Up on Decisions of the 2018 Annual GMS as of December 31, 2018
<p>3rd Agenda</p> <ul style="list-style-type: none"> • Approve and establish Purwantono, Sungkoro & Surja (a member firm of Ernst & Young Global Limited) Public Accountant Office to audit the Company's Financial Statements for the financial year ending on December 31, 2018. • Giving authority to the Board of Commissioners of the Company to determine the honorarium of the Public Accountant Office and other requirements for the Office of Public Accountants and Auditors, and to establish a Substitute Public Accountant Office in terms of Public Accounting Firm Purwantono, Sungkoro & Surja (a member firm of Ernst & Young Global Limited), due to any reason cannot complete the audit of the Company's Financial Report for the financial year ending on December 31, 2018. 	✓	It has been documented in the Minutes of Meeting No. 10 on March 9, 2018.
<p>4th Agenda</p> <p>Giving authority and power of attorney to the Board of Commissioners by first obtaining approval from the majority of the Company Shareholders to determine:</p> <ul style="list-style-type: none"> • Salaries of members of the Board of Directors and the Board of Commissioners' honorarium and the provision of benefits and / or other benefits for the financial year ended December 31, 2018. • Tantiem for the performance of members of the Board of Directors and the Board of Commissioners for the financial year ending December 31, 2018. 	✓	It has been documented in the Minutes of Meeting No. 10 on March 9, 2018.
<p>5th Agenda</p> <p>Approved to grant power and authority to the Company's Board of Directors, with the approval of the Company's Board of Commissioners, since the meeting was closed, to transfer and/or make more than 50% of the Company's net assets as debt guarantees on behalf of the Company to obtain new funding from banking sources and issuance of bonds or securities, in 1 (one) or more transactions, whether or not related to each other, in the amount of Rp8,000,000,000,000 in 2019. Which for each transfer and/or guarantee of the Company's net assets in multiples of Rp1,000,000,000,000 the Board of Directors is required to make a written report to the Board of Commissioners regarding the implementation.</p>	✓	It has been documented in the Minutes of Meeting No. 10 on March 9, 2018.
<p>6th Agenda</p> <p>Receiving the accountability report for the realization of the use of proceeds from the Public Offering of Mandiri Tunas Finance Sustainable Bonds III Phase II Year 2017 amounting to Rp850,000,000,000.</p>	✓	It has been documented in the Minutes of Meeting No. 10 on March 9, 2018.

The Annual GMS Resolution on March 9, 2018	Implemented/ Not Implemented	Management Follow Up on Decisions of the 2018 Annual GMS as of December 31, 2018
<p>7th Agenda</p> <ul style="list-style-type: none"> Approved changes to Article 17 paragraph 1 of the Company's Articles of Association. Giving authority and power to the Board of Directors of the Company with the right to transfer this power to others, to do all and every action needed in connection with the decision to amend the Articles of Association of the Company, including but not limited to declaring the results of this Meeting's decision in the Deed made before Notary, and henceforth notify the authorities, and do all and every action required in connection with the decision in accordance with the applicable laws and regulations. 	✓	It has been documented in the Minutes of Meeting No. 10 on March 9, 2018.
<p>8th Agenda</p> <p>Approved the changes in the composition of the Company's Directors as follows:</p> <ul style="list-style-type: none"> Accept the resignation of Mr. Ignatius Susatyo Wijoyo from his position as President Director Re-appoint Mr. Harjanto Tjitohardjojo as Director of the Company Appoint Mr. Arya Suprihadi as President Director of the Company Appoint Mr. Armendra as Director of the Company <p>Furthermore, starting from the closing date of the GMS for the Financial Year 2017, the composition of the Company's Directors is as follows:</p> <ul style="list-style-type: none"> President Director: Arya Suprihadi Director: Harjanto Tjitohardjojo Director: Armendra <p>The term of office of the members of the Board of Directors of the Company will end at the close of the third Annual GMS since the appointment, but by not reducing the right of the GMS to terminate at any time in accordance with the Articles of Association of the Company.</p>	✓	It has been documented in the Minutes of Meeting No. 10 on March 9, 2018.

RESULTS OF THE 2017 GMS AND ITS MANAGEMENT FOLLOW-UP

In 2017, the Company conducted 1 (one) GMS, namely the Annual GMS held on Thursday, April 10, 2017 at Plaza Mandiri, Jakarta. The entire process of organizing the GMS, since the notification, the implementation of the GMS, until the results of the minutes of the GMS are in accordance with applicable regulations.

The results of the AGM decisions throughout 2017 and their follow-up by the Company's Management until the end of 2018 are as follows:

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THE RESULTS OF THE AGM DECISIONS THROUGHOUT 2017 AND THEIR FOLLOW-UP BY THE COMPANY'S MANAGEMENT

The Annual GMS Resolution on April 10, 2017	Implemented/ Not Implemented	Management Follow Up on Decisions of the 2017 Annual GMS as of December 31, 2018
1st Agenda Approval of Company Annual Report and validation of Financial Statements as well as Supervisory Report of Board of Commissioners for Financial Year ended on December 31, 2016.	✓	
2nd Agenda Approval of the use of Company Net Profit for Financial Year ended on December 31, 2016.	✓	
3rd Agenda Approval to appoint Public Accountant Office to audit Company Financial Statements ended on December 31, 2016.	✓	
4th Agenda Approval to stipulate salary for member of Directors, honorarium for member of Board of Commissioners and other allowances including tantiem for members of Board of Directors and Board of Commissioners of the Company.	✓	It has been documented in the Minutes of Meeting No. 10 on April 10, 2017.
5th Agenda Approval to transfer and/or secure more than 50% of Company assets to obtain new financing originating from banking sources and/or issuance of securities.	✓	
6th Agenda Accountability report of Realization of Use of Proceeds from Public Offering of Mandiri Tunas Finance Sustainable Bonds II Stage II year 2016.	✓	
7th Agenda Accountability report of Relization of Use of Proceeds from Public Offering of Mandiri Tunas Finance Sustainable Bonds III Stage I year 2016.	✓	
8th Agenda Approval of formation changes in the Company management.		

✓ = implemented | ✗ = not implemented

In 2017 the Company only conducted an Annual GMS and did not conduct an Extraordinary GMS.

BOARD OF COMMISSIONERS



The Board of Commissioners as the Company's organ has the duty and collective responsibility to supervise and provide advice to the Board of Directors independently related to the implementation of the duties and responsibilities of the Board of Directors in managing the Company and ensuring that the Company has implemented GCG.

CRITERIA AND PROCEDURE FOR APPOINTMENT AND DISMISSAL OF THE BOARD OF COMMISSIONERS

The criteria of the Company's Board of Commissioners are:

- a. Have good character, morality and integrity;
 - b. Able to do legal actions;
 - c. Within 5 (five) years before the appointment and during his tenure:
1. Never declared bankrupt;
 2. Never been a member of the Board of Directors and/or members of the Board of Commissioners who were found guilty of causing a company to go bankrupt;
 3. Never been convicted of a criminal offense that

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- is detrimental to the country's finances and/or related to the financial sector; and
4. Never been a member of the Board of Directors and/or members of the Board of Commissioners during his tenure:
- Has not held an annual GMS;
 - Accountability as a member of the Board of Directors and/or members of the Board of Commissioners has never been accepted by the GMS or has never given responsibility as a member of the Board of Directors and/or members of the Board of Commissioners to the GMS; and
 - Has never caused a company that obtained a permit, approval or registration from the Financial Services Authority not to fulfill the obligation to submit an annual report and / or financial report to the Financial Services Authority.
 - Having a commitment to comply with laws and regulations; and
 - Have knowledge and/or expertise in the fields needed by Issuers or Public Companies.

BOARD OF COMMISSIONERS' TERM OF OFFICE

In accordance with the Articles of Association of the Company, the members of the Board of Commissioners are appointed and dismissed by the General Meeting of Shareholders for a period of time determined to be 3 (three) years.

BOARD OF COMMISSIONERS COMPOSITION AND STRUCTURE IN 2018

The members of the Board of Commissioners of the Company as of December 31, 2018 are 3 (three) people, of which 1 (one) of them is the President Commissioner, 1 (one) member of the Commissioner, and 1 (one) other member is an Independent Commissioner. Thus the composition of the membership of the Company's Board of Commissioners has fulfilled the provisions of OJK Regulation No. 33/POJK.04/2014 on Directors and Board of Commissioners of Issuers or Public Companies that regulate that:

- It consists of at least 2 (two) members of the Board of Commissioners.

- In the event that the Board of Commissioners consists of more than 2 (two) members of the Board of Commissioners, the number of Independent Commissioners must be at least 30% of the total members of the Board of Commissioners.
- 1 (one) of the members of the Board of Commissioners is appointed as the President Commissioner.

In 2018, there is no change in the composition of the Board of Commissioners membership. As such, the composition and structure of the Board of Commissioners as of December 31, 2017 and December 31, 2018 are the same.

BOARD OF COMMISSIONERS COMPOSITION AS OF DECEMBER 31, 2018

Name	Position	Basis Law of Appointment	Basic Fit and Proper Test	Term of Office	Periode Jabatan
Rico Adisurja Setiawan	President Commissioner	Deed of GMS Decision No. 23 date April 26, 2017 made before Lenny Janis Ishak, S.H., Notary in Jakarta	OJK Decree No. KEP-471/NB.11/2017 year August 21, 2017	GMS 2017 - GMS 2020	1st

Name	Position	Basis Law of Appointment	Basic Fit and Proper Test	Term of Office	Periode Jabatan
Harry Gale	Commissioner	Deed of GMS Decision No. 23 date April 26, 2017 made before Lenny Janis Ishak, S.H., Notary in Jakarta	OJK Decree No. KEP-484/NB.11/2017 year August 25, 2017	GMS 2017 - GMS 2020	1st
Ravik Karsidi	Independent Commissioner	Deed of GMS Decision No. 23 date April 26, 2017 made before Lenny Janis Ishak, S.H., Notary in Jakarta	OJK Decree No. KEP-483/NB.11/2017 year August 25, 2017	GMS 2017 - GMS 2020	1st (previously never served as the Company's Board of Commissioners)

The profile of all members of the Board of Commissioners can be seen in the Chapter of Company Profile in this Annual Report.

FIT AND PROPER TEST OF THE BOARD OF COMMISSIONERS

In accordance with the regulations imposed by the Financial Services Authority (OJK) for the financing industry, parties that manage financial institutions are required to follow the fit and proper tests conducted by the OJK as a prerequisite for the formal management positions. The entire Board of Commissioners of the Company has carried out fit and proper tests by OJK.

The appointment of the Board of Commissioners of the Company is in accordance with OJK Regulation No. 33/POJK.04/2014 on Company Directors and Commissioners or Public Companies and OJK Regulation No. 4/POJK.05/2013 on Capability and Compliance Assessment for Main Parties in Insurance Companies, Pension Funds, Financing Company and Guarantee Company.

INDEPENDENCE

To minimize conflict of interest, the Board of Commissioners is not permitted to have blood relations with each another up to the three degree either vertically or horizontally. Moreover, the Company has the policy stipulated in the Articles of Association of the Company regarding concurrent positions which is adopted from the regulations of OJK. All members of the Board of Commissioners of Mandiri Tunas Finance

act independently and free from intervention of any party.

The members of the Company's Board of Commissioners have also fulfilled the provisions regarding multiple positions as stipulated in Article 9 juncto Article 18 paragraph (4) OJK Regulation No. 30/POJK.05/2014 on Good Corporate Governance for Financing Companies.

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BOARD MANUAL: BOARD OF COMMISSIONERS WORK GUIDELINES

In implementing its duties, responsibilities and authorities, the Board of Commissioners refers to the Board of Commissioners Charter established by the Company. The Board Manual contains instructions on the operation for the Board of Commissioners in order to conduct its activities in a structure, systematic, and understandable manner to achieve the Company's vision and mission. As such, a high standard of work which is in line with GCG principles is expected to be achieved. The Company evaluates the Board Manual periodically to cater to the dynamics of related business activities for the sustainability of the company.

The Company has a Board Manual or Working Guidelines for the Board of Commissioners which was ratified on August 27, 2015, which contains instructions on the working procedures of the Board of Commissioners and explains the stages of activities in a structured, systematic, easily understood and can be implemented consistently, becoming a reference for the Board of Commissioners in carrying out their respective duties to achieve the Company's Vision and Mission.

The Board of Commissioners' Charter and Work Rules in the Company's Manual Board include:

- Policy Reference
- Scope
- Legal basis
- Principles of Board of Commissioners Work Relationships with Directors
- Composition, Term of Office and Multiple Positions
- Duties, Responsibilities and Obligations of the Board of Commissioners
- Rights and Authorities of the Board of Commissioners
- Board of Commissioners' Culture and Ethics
- Confidentiality of Information and Conflict of Interest
- Board of Commissioners Meeting
- Reporting and Accountability
- Supporting Committee for the Implementation of Duties of the Board of Commissioners
- Secretary of the Board of Commissioners

DUTIES, RESPONSIBILITIES, OBLIGATIONS AND AUTHORITIES OF THE BOARD OF COMMISSIONERS

Duties and Responsibilities of the Board of Commissioners:

- 1) Supervise and be responsible for the policies and running of the Company's management in accordance with the vision and mission that have been established based on compliance with applicable laws and regulations in Indonesia, including but not limited to regulations related to the implementation of Good Corporate Governance, Law on Limited Liability Companies and Financial Services Authority Regulations.
- 2) Give advice to the Board of Directors on the management of the Company.
- 3) Ensure that the Board of Directors has followed up on audit findings and recommendations from the Internal Audit Division, external auditors, OJK supervision results and/or the results of supervision by other authorities.
- 4) Notify the Financial Services Authority (OJK) no later than 10 (ten) calendar days since it was found a violation of the laws and regulations in the field of financing, including estimates of circumstances that could endanger the sustainability of the Company's business.
- 5) Research and review the annual report prepared by the Board of Directors and sign the annual report;
- 6) Provide opinions and suggestions on the Annual Work Plan and Budget proposed by the Board of Directors and ratify the Annual Work Plan and Budget in accordance with the provisions of the Articles of Association;
- 7) Lead the General Meeting of Shareholders (GMS).
- 8) Report immediately to the GMS if there are symptoms of a decline in the Company's performance.

Obligations of the Board of Commissioners:

- 1) Comply with statutory provisions, Articles of Association and GMS decisions and act professionally;
- 2) Conducting studies, ratifying, and supervising the implementation of the Company's annual work plan and budget that has been prepared by the Board of Directors in accordance with applicable regulations and the Articles of Association of the Company;
- 3) Providing advice to the Board of Directors in carrying out the management of the Company and is not intended for the interests of certain parties / groups;
- 4) Reviewing the annual report prepared by the Board of Directors and signing the annual report;
- 5) Prepare reports on the activities of the Board of Commissioners which are part of the report on the implementation of Good Corporate Governance and report on its supervisory activities to the GMS.
- 6) Report to the Company regarding its share ownership and/or family to the Company concerned and other Companies, including any amendments thereto.
- 7) Provide recommendations to the GMS on the appointment of the Public Accountant Office that will conduct an audit of the Company's financial statements;
- 8) Carry out follow-up on the results of supervision and provide recommendations to the GMS in the event of a deviation from the applicable rules and regulations and Articles of Association;
- 9) Establish an Audit Committee and form other committees to support the implementation of the duties of the Board of Commissioners;
- 10) In the event that the Company exhibits significant symptoms of setbacks, immediately convenes a GMS to report to the Shareholders, accompanied by suggestions regarding corrective steps to be taken;
- 11) Monitor the effectiveness of the implementation of Good Corporate Governance.

Authority of the Board of Commissioners

- 1) The Board of Commissioners is authorized to provide written approval for the Board of Directors' decision for the following actions:
 - a) Borrowing or lending money on behalf of the

Company (not including taking Company money at the Bank);

- b) Establish a new business or participate in other companies, both domestically and abroad.
- 2) Obtain sufficient access to Company information in this matter to see books, securities and check the Company's assets.
- 3) Request an explanation from the Directors and/or other officials regarding all issues/policies on the management of the Company.
- 4) Request the Directors and / or other work unit officials under the Board of Directors with the knowledge of the Board of Directors to attend the Board of Commissioners meeting.
- 5) Appoint the Secretary of the Board of Commissioners, if deemed necessary and dismiss it.
- 6) Temporarily dismissing members of the Board of Directors in accordance with the provisions of the Company's Articles of Association.
- 7) Establish a committee other than the audit committee, taking into account the needs of the Company.
- 8) If deemed necessary in carrying out their duties, the Board of Commissioners may use the assistance of experts for a limited period of time with the burden of the Company;
- 9) Carry out management actions of the Company under certain conditions for a certain period of time in accordance with the provisions of the Company's Articles of Association
- 10) Carry out other supervisory authorities insofar as they do not conflict with statutory regulations, the Company's Articles of Association and / or GMS decisions.

DUTIES AND RESPONSIBILITIES DIVISIONS OF THE BOARD OF COMMISSIONERS

The Board of Commissioners is an organ of the Company that has the duty to conduct general or special supervision collectively in accordance with the Articles of Association and to provide advice to the Board of Directors. The position of each member of the Board of

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Commissioners, including the President Commissioner is equal. The duty of the President Commissioner as primer inter pares is to coordinate the activities of the Board of Commissioners. The Board of Commissioners is appointed and dismissed by the GMS. The responsibility of the Board of Commissioners towards the GMS is the actualization of the supervision accountability on the governance of the company in implementing the principles of GCG.

ORIENTATION PROGRAM FOR NEW COMMISSIONERS

The Introduction Program must be undertaken by the newly appointed Commissioner. The person in charge of the Introduction Program is the Corporate Secretary. The material of the Introduction Program covers:

- Articles of Association of Mandiri Tunas Finance
- Regulations and Laws related to the business activities of Mandiri Tunas Finance.
- Annual Report of Mandiri Tunas Finance
- Long Term Plan
- Annual Work Plan and Budget
- Work Program of Board of Commissioners
- Key Performance Indicator of Board of Commissioners

There is no appointment of new Commissioners in 2018. Thus the Company does not implement the Company's introduction program to the Board of Commissioners.

COMPETENCY ENHANCEMENT OF THE BOARD OF COMMISSIONERS

The Company always facilitates the implementation of human resource development programs from the top level to the bottom as a form of the Company's commitment in creating superior and competitive HR. The policies regarding the capability improvement program for the Board of Commissioners are as follows:

- Capability improvement programs are carried out in order to improve the work effectiveness of the Board of Commissioners.
- Plans for implementing a capability improvement program must be included in the Board of Commissioners' Work Plan and Budget.
- Every member of the Board of Commissioners who participates in the capability improvement program is required to present to other Members of the Board of Commissioners in order to share information and knowledge.
- The member of the Board of Commissioners concerned is responsible for making a report on the implementation of the capability improvement program. The report is submitted to the Board of Commissioners.

Regarding the competency improvement activities that the Board of Commissioners participated in throughout 2018 can be seen in the Company Profile chapter in this annual report.

IMPLEMENTATION OF BOARD OF COMMISSIONERS DUTIES IN 2018

The decisions, recommendations and implementation of the duties of the Board of Commissioners in 2018 are as follows:

	The decisions, recommendations and implementation of the duties of the Board of Commissioners in 2018 are as follows:
Quarter I-2018 (Q1-2018)	New financing in Q1-2018 reached Rp6.6 trillion, an increase compared to Q1-2017, which amounted to Rp4.6 trillion accompanied by improved quality;
	Cost of Credit and Operational Expenses need special attention to be able to achieve optimal profit;
	Synergize with Mandiri Group through KKB and Fleet financing to improve quality lending;
	Lowering the Cost of Fund in order to achieve the optimal target of Net Interest Margin;
	Reviewing and coordinating with Bank Mandiri in order to keep the Debt to Equity Ratio under control with a maximum number of 7 (seven) times.
	Shifting to high margin products for achieving lending while maintaining quality

	The decisions, recommendations and implementation of the duties of the Board of Commissioners in 2018 are as follows:
Quarter II-2018 (Q2-2018)	<p>The Company has started on track in achieving new Financing where in Q2-2018 it reached Rp13.41 trillion, an increase compared to Q2-2017, which amounted to Rp9.75 trillion.</p> <p>The growth of new financing must still be accompanied by good quality so as to minimize the AR Loss that will occur.</p> <p>Synergize with Mandiri Group through KKB and Fleet financing to improve quality lending.</p> <p>Lowering the Cost of Fund in order to achieve the optimal target Net Interest Margin.</p> <p>Reviewing and coordinating with Bank Mandiri in order to keep the Debt to Equity Ratio under control with a maximum number of 7 (seven) times.</p> <p>Shifting to high margin products for achieving lending while maintaining quality.</p> <p>Perform administrative improvements in order to improve operational excellence.</p>
Quarter IV-2018 (Q4-2018)	<p>The Company has started on track in achieving new Financing where in Q3-2018 it reached Rp20.06 trillion, an increase of 28.9% compared to Q3-2017 which was Rp 15.57 Trillion.</p>
Quarter IV-2018 (Q4-2018)	<p>Asked to maintain the quality of the shift in the composition of lending by DP, especially in the increase in the composition of DP <20%, it is hoped that this shift will occur in good brands.</p> <p>Ask to identify related conditions and market share in Palu.</p> <p>Review and consider earthquake insurance participation for customers located in earthquake-prone areas.</p> <p>Maintain the achievement of BSM OTO and multipurpose. For multipurpose, it is necessary to do process re-engineering, database optimization, telemarketing, and its programs.</p>

COMMITTEE ASSESSMENT UNDER THE BOARD OF COMMISSIONERS

The Board of Commissioners in carrying out its duties and functions along with its responsibilities assisted by the Committee under the supervision of the Board of Commissioners includes the Audit Committee, Nomination and Remuneration Committee, and Risk Oversight Committee. Throughout 2018, the Board of Commissioners considered that these committees had carried out their duties and responsibilities well and effectively. The Company also established a Risk Oversight

Committee with the aim of periodically monitoring and recommending improvements to risk management implemented and developed by the Company. Then, make an annual activity plan for the Risk Oversight Committee approved by the Commissioner. The establishment of a Risk Oversight Committee is also intended to conduct periodic assessments and provide recommendations on business risks.

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INDEPENDENT COMMISSIONERS



"The Company's Independent Commissioners has 33.33% as many members as Board of Commissioners, which complies with the relevant regulations."

The Independent Commissioner is required as one of the independent supervision instruments and does not have any affiliation or any interest in the Company. The Independent Commissioner is a member of the Board of Commissioners who does not have financial, management, share ownership and/or family relations with members of the Board of Commissioners, members of the Board of Directors and/or controlling shareholders or with

the Company that may hinder or inhibit his position in acting GCG principles independently. The Independent Commissioner is responsible for supervising and also representing the interests of minority shareholders.

Appointment of Independent Commissioners is regulated in OJK Regulation No. 33/POJK.04/2014 on Directors and Commissioners of Issuers or Public Companies

THE COMPOSITION AND MEMBERSHIP OF AN INDEPENDENT COMMISSIONER IN THE COMPOSITION OF THE COMPANY'S BOARD OF COMMISSIONERS

In accordance with OJK Regulation No. 33/POJK.04/2014, the composition of the Board of Commissioners must be at least 30% of the total number of members of the Board of Commissioners. At the end of 2018, the Company has 1 (one) Independent Commissioner.

MANDIRI TUNAS FINANCE INDEPENDENT COMMISSIONER AS OF DECEMBER 31, 2018

Independent Commissioner	Position Period and First Time Appointed	Term of Office
Ravik Karsidi	1st period, previously he had never served as the Company's Board of Commissioners	GMS 2017 - GMS 2020

INDEPENDENCE OF INDEPENDENT COMMISSIONERS

The existence of Independent Commissioners in the Company always guarantees that the oversight mechanism is effective and in accordance with the laws and regulations. The criteria for determining the Company's Independent Commissioners are in accordance with POJK No. 33 / POJK.04.2014 namely:

- Not a person who works or has the authority and responsibility to plan, lead, control, or supervise the activities of the Company within the last 6 (six) months, except for reappointment as an Independent Commissioner of the Company in the following period.
 - Does not have direct or indirect shares of the Company.
 - Has no Affiliation with the Commissioners, Directors and Major Shareholders of the Company.
 - Do not have business relations with the Company either directly or indirectly.
- As such, the Company's Independent Commissioner has met the criteria in accordance with the applicable laws and regulations.

MANDIRI TUNAS FINANCE INDEPENDENCE COMMISSIONERS PER DECEMBER 31, 2018

Independent Commissioner	Independence Criteria			
	As a person who works or has the authority and responsibility to plan, lead, control, or supervise the activities of the Company in the last 6 (six) months, except for reappointment as an Independent Commissioner of the Company in	Owens shares of the Company both directly and indirectly	Having an affiliate relationship with the Commissioners, Directors and Major Shareholders of the Company	Having business relations with the Company both directly and indirectly
Ravik Karsidi	X	X	X	X

INDEPENDENT COMMISSIONER'S STATEMENT OF INDEPENDENCE

The Independent Commissioner has signed an Independence Statement as an Independent Commissioner stating that:

1. Not affiliated with members of the Board of Directors, members of the Board of Commissioners, members of the Sharia Supervisory Board or the same LJKNB shareholders; and
2. Never been a member of the Board of Directors, a

member of the Board of Commissioners, a member of the Sharia Supervisory Board or occupying 1 (one) level below the Board of Directors in the same LJKNB or other company that has an affiliation with the LJKNB in accordance with the statutory provisions applicable.

This statement is made and signed by an Independent Commissioner on May 8, 2017.

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BOARD OF DIRECTORS

The Board of Directors is a corporate organ that is in charge on and collectively responsible for managing the Company for the interests and objectives of the Company in accordance with the provisions of the Articles of Association and implementing GCG at all levels or levels of the organization.

CRITERIA AND REQUIREMENTS AS WELL AS APPOINTMENT AND DISMISSAL OF DIRECTORS

All members of the Board of Directors have met the applicable formal and material requirements. Formal requirements are general in nature, in accordance with applicable laws and regulations, while material requirements are specific, which are tailored to the needs and nature of the Company's business.

The criteria of the Company's Directors are:

- a. Have good character, morality and integrity;
- b. Able to do legal actions;
- c. Within 5 (five) years before the appointment and during his tenure:
 1. Never declared bankrupt;
 2. Never been a member of the Board of Directors and/or members of the Board of Commissioners who were found guilty of causing a company to go bankrupt;
 3. Never been convicted of a criminal offense that is detrimental to the country's finances and/or related to the financial sector; and
 4. Never been a member of the Board of Directors and/or members of the Board of Commissioners during his tenure:
 - Has not held an annual GMS;
 - Accountability as a member of the Board of Directors and/or members of the Board of Commissioners has never been accepted by the GMS or has never given responsibility as

a member of the Board of Directors and/or members of the Board of Commissioners to the GMS; and

- Has never caused a company that obtained a permit, approval or registration from the Financial Services Authority not to fulfill the obligation to submit an annual report and / or financial report to the Financial Services Authority.
- d. Having a commitment to comply with laws and regulations; and
 - e. Have knowledge and/or expertise in the fields needed by Issuers or Public Companies.

BOARD OF DIRECTORS' TERM OF OFFICE

In accordance with the Articles of Association of the Company, the members of the Board of Directors are appointed and dismissed by the General Meeting of Shareholders for a period of time determined to be 3 (three) years.

BOARD OF DIRECTORS COMPOSITION AND STRUCTURE IN 2018

The composition of the Board of Directors is adjusted to the needs of the Company with the provisions of at least 2 (two) members of the Board of Directors, where one of them is appointed as the President Director with due observance to the prevailing laws and regulations.

The composition of the Board of Directors of the Company in 2018 consists of 3 (three) Directors, consisting of 1 (one) President Director and 2 (two) Directors. Throughout 2018 there has been a change in the Board of Directors' membership, in accordance with

the decision of the 2018 Annual GMS on March 9, 2018. Following is the chronology of the Board of Directors throughout 2018 and the composition of the Board of Directors as of December 31, 2018.

THE CHRONOLOGY OF THE BOARD OF DIRECTORS IN 2018

January 1 – March 9, 2018	March 9 – December 31, 2018	Note
Ignatius Susatyo Wijoyo (President Director)		Ignatius Susatyo Wijoyo has no longer served in the Board of Directors since the Annual GMS on March 9, 2018
Arya Suprihadi (Director)	Arya Suprihadi (President Director)	Through the Annual GMS on March 9, 2018, Arya Suprihadi was appointed as Managing Director
Harjanto Tjitohardjojo (Director)	Harjanto Tjitohardjojo (Director)	-
	Armendra (Director)	Armendra sits on the Board of Directors since the Annual GMS on March 9, 2018

BOARD OF DIRECTORS AS OF DECEMBER 31, 2018

Nama	Position	Basis Law of Appointment	Basic Fit and Proper Test	Term of Office	Periode Jabatan
Arya Suprihadi	President Director	Deed of GMS Decision No. 42 date March 26, 2017 made before Lenny Janis Ishak, S.H., Notary in Jakarta	OJK Decree No. KEP-489/NB.11/2018 year April 27, 2018	GMS 2018 - GMS 2021	1 st
Harjanto Tjitohardjojo	Director	Deed of GMS Decision No. 42 date March 26, 2017 made before Lenny Janis Ishak, S.H., Notary in Jakarta	OJK Decree No. KEP-273/BL/2010 year July 5	GMS 2018 - GMS 2021	3 rd
Armendra	Director	Deed of GMS Decision No. 42 date March 26, 2017 made before Lenny Janis Ishak, S.H., Notary in Jakarta	OJK Decree No. KEP-490/NB.11/2018 year April 27, 2018	GMS 2018 - GMS 2021	1 st

The profile of all Directors can be seen in the Company Profile chapter in this Annual Report.

THE BOARD OF DIRECTORS FIT AND PROPER TEST

In accordance with the regulations imposed by the Financial Services Authority (OJK) for the financial industry, parties that manage financial institutions are required to follow the fit and proper tests conducted by the OJK as a prerequisite for the entry into force of formal management positions. All of the Company's Directors have carried out fit and proper tests by OJK.

The appointment of the Board of Directors of the Company is in accordance with OJK Regulation Number 33/POJK.04/2014 on Company Directors and Commissioners or Public Companies and OJK Regulation Number 4/POJK.05/2013 on Capability and Compliance Assessment for Main Parties in Insurance Companies, Pension Funds, Financing Company and Guarantee Company.

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INDEPENDENCE OF THE BOARD OF DIRECTORS

In order for the Board of Directors to act as well as possible in the interests of the Company as a whole, the independence of the Board of Directors is an important factor that must be maintained. To maintain independence, the following provisions are stipulated:

1. In addition to the Company's organs, any other party is prohibited from conducting or interfering in the management of the Company.
2. Directors are prohibited from carrying out activities that can interfere with their independence in managing the Company.
3. Members of the Board of Directors are prohibited from having family ties to the second degree with fellow members of the Board of Directors and/or members of the Board of Commissioners.
4. Members of the Board of Directors are prohibited from becoming administrators of political parties and/or candidates/legislative members.

Members of the Company's Board of Directors have also fulfilled the provisions regarding multiple positions as stipulated in Article 9 juncto Article 18 paragraph (4) OJK Regulation Number 30 / POJK.05 / 2014 on Good Corporate Governance for Financing Companies.

BOARD MANUAL: BOARD OF DIRECTORS WORK GUIDELINES

All procedures and the Board of Directors work guidelines have been set in the Board Manual. This guideline binds every member of the Board of Commissioners and Board of Directors and includes, among other things, the responsibilities, obligations, authority, rights, ethics of the Board of Directors, as well as meeting arrangements and procedures for working relations between the Board of Commissioners and Directors.

This Work Guideline contains instructions on how the Board of Directors works in order to carry out their activities in a structured, systematic and easily understood way to

achieve the Company's vision and mission so that high work standards are achieved in line with the principles of GCG. The Board Manual is prepared based on the principles of corporate law, the provisions of the Articles of Association, the applicable rules and regulations, the directives of Shareholders and best practices of Good Corporate Governance. The Company also evaluates the Work Guidelines that are owned to adjust the dynamics for the continuity of the Company.

The Company has a Board Manual or Board of Directors Work Guidelines which was ratified on August 27, 2015, which contains instructions on the working procedures of the Board of Directors and explains the stages of activities in a structured, systematic, easy to understand and can be implemented consistently, which becomes a reference for the Board of Directors in implementing their respective duties to achieve the Company's Vision and Mission.

DUTIES, RESPONSIBILITIES, AUTHORITIES AND OBLIGATIONS OF THE BOARD OF DIRECTORS

The Board of Directors conducts all management actions for the interest of the Company which are in line with the purposes and goals of the Company as stipulated in the laws, regulations, Articles of Association of the Company and resolution of GMS. Based on the Board Manual, the main duties of the Board of Directors in general and based on its positions are as follows:

1. Main duties of the Board of Directors:
 - a. Conducting all management actions of the Company for the interest of the Company and in line with the purposes and goals of the Company.
 - b. Representing the Company inside and outside of the court regarding all matters and events with limitations as stipulated in the regulations, Articles of Association and/ or the resolution of GMS.
 - c. Controlling, maintaining, and managing the assets of the Company.
2. Collegial Duties of the Board of Directors:

- a. Determining vision, mission, and strategy of the Company
- b. Determining the prevailing Corporate policy.
- c. Determining the suggestion and change in the Long Term Plan of the Company (RJPP) and Work and Budget Plan (RKAP) in accordance with prevailing regulations
- d. Determining the target and evaluation of the performance of the Company including the dividend policy through the organization mechanism of the Company in according to prevailing regulations.
- e. Striving to achieve the performance target which is utilized as the basis of assessment of soundness level in accordance with the performance agreement stipulated in the "GMS Approval of RKAP"
- f. Determining the approval of non-routine investment project that exceeds the authority of the Board of Directors and overseeing the implementation.
- g. Determining the organizational structure and determining the officials of the Company to certain levels as stipulated through the provisions of the Board of Directors

In conducting its work, the Board of Directors also has the responsibilities to:

1. Fulfill the clear, complete and balanced Performance Assessment that has been selected, both in terms of the financial and non-financial aspects, in order to determine the achievement of the Company's vision and mission is in accordance with the prevailing regulations.
2. Actualize the implementation of RJPP and RKAP, including the achievement of financial and non-financial targets.
3. Conduct risk management.
4. Develop and utilize information technology.
5. Follow-up the findings of Audit Committee, Internal Audit and External Auditors, and subsequently report the findings to the Board of Commissioners.
6. Report relevant information to the Board of Commissioners, including the succession/transfer/promotion plan for key managers (senior), HR

development program, responsibility of risk management, and performance of the utilization of information technology system.

7. Convene the General Meeting of Shareholders (GMS) and make the minutes of the GMS.
8. Ensure that the stakeholders interest is in line with ethical values and prevailing regulations.

In addition to its duties and responsibilities, the Board of Directors also has rights and authorities to determine the policies in the management of the Company, including the policy in workforce. The policies related to the workforce are conducted based on the internal regulation of the Company and prevailing regulations in the field of workforce. The Board of Directors also has the power to set the delegation of authority/ power of the Board of Directors to represent the Company inside and outside of the court.

Obligations of Board of Directors:

1. Preparing the Long Term Plan of the Company (RJPP) which is the strategic plan that contains the target and purpose of the Company for the period of 5 (five) years, jointly signing the plan with the Board of Commissioners and submitting it to the GMS to obtain approval.
2. Preparing the Work and Budget Plan of the Company (RKAP) and submitting it to the Board of Commissioners and GMS to obtain approval.
3. Preparing and implementing the accounting system which is in line with the finance accounting standard, including bookkeeping and administration based on the reliable internal control.
4. Providing responsibility and information regarding the condition and operation of the Company in other reports if requested by the GMS.
5. Determining the clear duties, responsibilities, and authorities of the management on every level.
6. Preparing and submitting the Annual Report which is jointly signed by the Board of Commissioners to the GMS to obtain approval.
7. Stating its own shareownership and/or family in other companies in the Annual Report.

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SCOPE OF DISTRIBUTION OF DUTIES AND RESPONSIBILITIES OF THE DIRECTORS

The division of duties of the Board of Directors refers to the Directors Decree No. 021/SK-DIR/MTF/X/ 2011 on the Distribution of Tasks and Authorities and Regulations of the Board of Directors, namely as follows:

ARYA SUPRIHADI (PRESIDENT DIRECTOR)

1. Coordinating the implementation of the management of the Company as stipulated in the Articles of Association and resolution of GMS of the Company by taking into account the prevailing regulations.
2. Directing the process of necessary change and improvement to rise above the challenges of business competition by encouraging the business unit to make more dynamic and competitive products.
3. Coordinating the implementation of duties related to the Business Unit and Supporting Unit to run smoothly, effectively and efficiently.
4. Directing and supervising the divisions under it, namely the Corporate Secretary Division, the Risk Division & Account Receivable Management and the Internal Audit Division.
5. Improving the image of the Company by building good relationship with all stakeholders
6. Coordinating the implementation of the corporate social responsibility and encouraging the implementation of the good corporate governance principles in the Company
7. Coordinating the implementation of duties of other members of Board of Directors.

HARJANTO TJITOHARDJOJO (DIRECTOR OF SALES & DISTRIBUTION)

1. Lead, direct and coordinate all business units in developing as well as marketing products and alliances so that they are more marketable and profitable.
2. Directing and supervising the divisions under it, namely the Marketing & Product Development Division, the COP & Fleet Business Division, and coordinating all work functions in Regional 1, Regional 2, Regional 3 and Regional 4.
3. Lead and direct policies and strategies related to business and marketing activities for the long term, medium term and short term.
4. Assist the President Director in directing the change processes needed to meet the challenges of business competition by encouraging business units to make products more dynamic and competitive.

ARMENDRA (DIRECTOR OF FINANCE, OPERATIONS & RISK)

1. Leading and directing the financial strategy, financial goal and target in the ong term, medium term, and short term of the Company comprehensively.
2. Leading and directing the bookkeeping and reporting activities in order to have a financial system with accurate supervision, wisdom, and procedure to be able to produce timely, comprehensive, consistent, reliable and measured financial information.
3. Directing and supervise the divisions under it, namely the Finance & Accounting Division, Credit Division, Operation Division, Information Technology & General Affairs Division, and Human Resources Development Division..
4. Assisting the President Director in directing the process of necessary change and improvement to rise above the challenges of business competition by encouraging the business unit to make more dynamic and competitive products.

ORIENTATION PROGRAM FOR THE BOARD OF DIRECTORS

The introduction program to the new Board of Directors is intended to provide an understanding of the conditions that exist within the Company so that these officials get a comprehensive understanding of the condition of the Company both organizationally and operationally as stipulated in the Board Manual. The company introduction program to the newly appointed Directors is carried out by the Corporate Secretary.

Materials introduced to the new Directors include at least the following information:

1. The situation of the Indonesian financial industry, especially non-banking.
2. Profile of the Company.
3. Operations and financial performance of the Company.
4. Organizational and Good Corporate Governance.

In 2018, the Company Introduction Program to the new Board of Directors was held on March 9, 2018 together with the GMS held by the Company.

DIRECTORS' COMPETENCY DEVELOPMENT AND TRAINING PROGRAM

The company also designed a program to provide new insights for the Board of Directors to increase the Company's capacity in a competitive business environment, as well as provide opportunities to build networks in order to empower existing resources within the organization so as to make the Company a high-performance organization.

Increasing capacity and capability is important so that the Board of Directors can always keep up with the latest developments in the industry where the Company operates and is always ready to anticipate the Company's sustainability and progress. The policies on capability improvement programs for Directors are as follows:

1. Capability improvement programs are carried out in order to improve the effectiveness of the Directors' work.
2. The program plan must be included in the Board of Directors Budget Work Plan.
3. Directors who take part in the program must present to other Directors in order to share information and knowledge.
4. The relevant Directors make a report on the implementation of the Capability improvement program and submit it to other Directors.

Regarding the competency enhancement activities that the Board of Directors participated in throughout 2018 can be seen in the Company Profile chapter in this annual report.

BRIEF REPORT ON THE IMPLEMENTATION OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS IN 2018

During 2018, the Board of Directors issued various decisions in the fields of operations, finance, and several business support through the policy tools owned by the Directors. The decisions, recommendations and implementation of the duties of the Board of Directors in 2018 are as follows:

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	The decisions, recommendations and implementation of the duties of the Board of Directors in 2018
Quarter I-2018 (Q1-2018)	<p>Shifting to High Margin Product</p> <ol style="list-style-type: none"> 1. Increase New Car Market Share 14% -> 15% 2. Multipurpose 3. P2P Lending / Fintech 4. Remarketing Financing 5. KI / KMK <hr/> <p>Improve Service Level</p> <ol style="list-style-type: none"> 1. Mobile Platform Development 2. Development of Project Sprint (Centralized Input Process) 3. Partnership with Online Marketplace 4. Centralized Service (DKI Jakarta) <hr/> <p>Mandiri Group Synergy</p> <ol style="list-style-type: none"> 1. Increased Mandiri Referral KKB 2. Expansion of BSM OTO Coverage 3. Fleet (Canvassing BMRI Customer)
Quarter II-2018 (Q2-2018)	<p>Continuing Q1, with additions of: Mandiri Group Synergy</p> <ol style="list-style-type: none"> 1. Mobile Platform Development 2. Development of Project Sprint (Centralized Input Process) 3. Partnership with Online Marketplace 4. Centralized Service (DKI Jakarta)
Quarter III-2018 (Q3-2018)	<p>Business Excellence</p> <ol style="list-style-type: none"> 1. #1 in New Car financing. 2. Penetrate multipurpose financing in good segment. 3. Create new business line 4. Financing through P2P platform. 5. Expand the external online channels. 6. Cross selling program with Mandiri Group. 7. Conduct New Servicing Channel. <hr/> <p>Operational Excellence</p> <ol style="list-style-type: none"> 1. Optimization in mobile platform. 2. Enhancement Data Processing 3. Build the digital scoring system. 4. Build the collection scoring system. 5. Develop online auction. 6. Explore data mining for sales & customer retention. 7. Cost Efficiency awareness <hr/> <p>Service Excellence</p> <ol style="list-style-type: none"> 1. Integrated Business Channel. 2. Build the customer experience. 3. Re-engineering multipurpose and fleet business process.
Quarter IV-2018 (Q4-2018)	Continuing Q13 program

PERFORMANCE EVALUATION COMMITTEE UNDER BOARD OF DIRECTORS

In addition to the Corporate Secretary and Internal Audit in carrying out their duties and functions and responsibilities, the board of Directors are also assisted by several work units that provide support in terms of managing the Company's business in accordance with the principles of GCG. The work units are the Credit Committee, the Personnel Committee, and the Anti Fraud Committee. Throughout 2018, the Board of Directors considered that these committees had carried out their duties and responsibilities well and effectively in providing inputs, which became one of the references for the Directors in taking strategic policies.

TRANSPARENCY OF INFORMATION ON THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

ASSESSMENT OF GCG APPLICATION FOR THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS ASPECTS

As the main organ in the Company, the Board of Commissioners and Directors have a central role in the growth of the Company. The assessment of these two organs is a necessity, especially because the Company is a subsidiary of the state-owned PT Bank Mandiri (Persero) Tbk, which is directed to apply the principles of GCG to BUMN standards as well as an assessment of these applications.

Type of Assessment	self assessment
Assessor	Internal Company
Application Period	January 1, 2017 to December 31, 2017
Year	2017 financial year

RESULTS OF GCG IMPLEMENTATION ASSESSMENT FOR THE 2017 BOARD OF COMMISSIONERS AND DIRECTORS' ASPECTS

No.	Parameter	Indicator	Score	
1	Board of Directors			
	Governance Structure	1	1	
		2	1	
		3	1	
	Governance Process	1	1	
		2	2	
		3	2	
		4	1	
	Governance Result	1	1	
		2	2	
	Average Score		1.33	
	2	Board of Commissioners		
		Governance Structure	1	1
2			2	
3			3	
Governance Process		1	1	
		2	1	
		3	1	
		4	1	
Governance Result		1	1	
		2	1	
		3	1	
Average Score		1.30		

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REMUNERATION OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

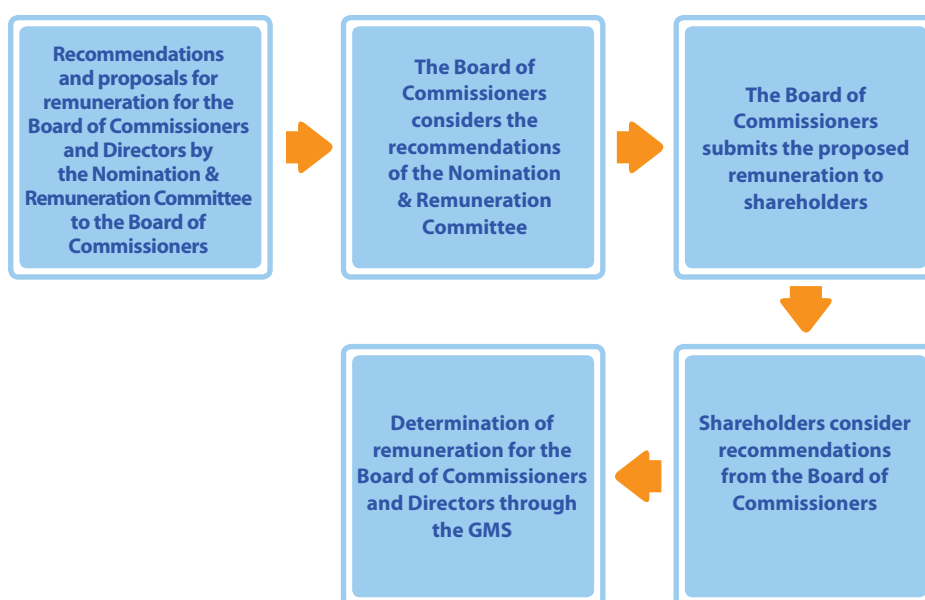
PROPOSAL PROCEDURE AND DETERMINATION OF REMUNERATION OF THE BOARD OF COMMISSIONERS AND DIRECTORS

The procedure for determining the remuneration of the Board of Commissioners and Directors of the Company is carried out by shareholders through the GMS by taking into account the results of studies conducted by the Company.

Remuneration for members of the Board of Commissioners and Board of Directors is based on a formula determined

by shareholders through the GMS and has been reviewed by the Board of Commissioners and the Nomination & Remuneration Committee through deepening conducted by shareholders. The decision to determine the remuneration of the Board of Commissioners and Directors is determined through a GMS.

PROPOSAL PROCEDURE SCHEME AND DETERMINATION OF REMUNERATION OF THE BOARD OF COMMISSIONERS AND DIRECTORS



BOARD OF COMMISSIONERS AND DIRECTORS REMUNERATION STRUCTURE

The income components of the Board of Commissioners and Directors consist of Salary/Honorarium, Benefits and Facilities, and Performance Tantiem/Incentives as work bonuses. The following structure of the remuneration and its components for the Board of Commissioners and Directors can be submitted:

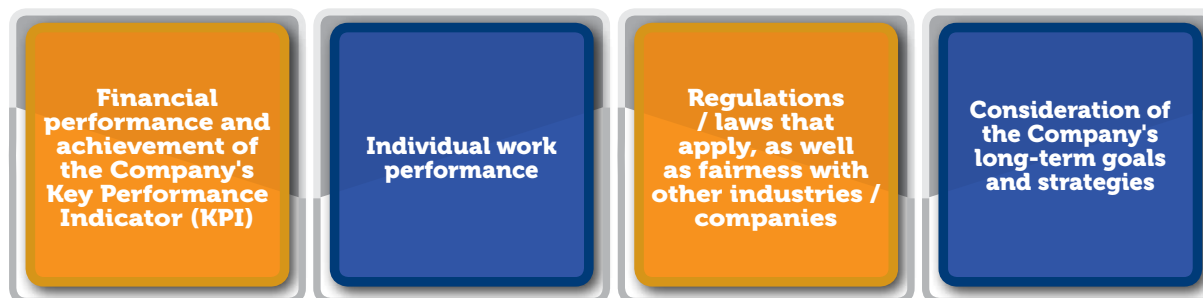
Board of Commissioners Remuneration Structure	Board of Directors Remuneration Structure
<p>Board of Commissioners' honorarium * Fixed income in the form of money received every month because of his position as a member of the Company's Board of Commissioners, with the following conditions:</p> <ul style="list-style-type: none"> • Calculation of the President Commissioner's salary is 45% of the salary of the President Director • Calculation of Commissioners' salaries is 90% of the salary of the President Commissioner 	<p>Board of Directors salary * Fixed income in the form of money received every month because of his position as a member of the Company's Board of Directors, with the following conditions:</p> <ul style="list-style-type: none"> • The salary of the President Director is determined using internal shareholder guidelines. • Salaries of other members of the Board of Directors are determined by the composition of Position Factors of 90% of the Salary of the President Director. • The GMS can assign different Position Factors to the provisions referred to if it is deemed more able to reflect fairness and fairness in carrying out the responsibilities of each member of the Board of Directors and the ability of the Company.
<p>Board of Commissioners Benefits</p> <ul style="list-style-type: none"> • Income in the form of money or that can be assessed with money received at a certain time by members of the Board of Commissioners other than Honorarium. 	<p>Board of Directors' Allowances Income in the form of money or that can be valued with money received at certain times by members of the Board of Directors other than salaries.</p>
<p>Board of Commissioners facilities Income in the form of facilities and/or benefits and/or guarantees used /utilized by members of the Board of Commissioners in the context of implementing duties, authorities, obligations and responsibilities based on laws and regulations, which can be in the form of:</p> <ul style="list-style-type: none"> • Health Facilities / Insurance • Legal Aid Facility 	<p>Board of Directors facilities Income in the form of facilities and/or benefits and/or guarantees used /utilized by members of the Board of Directors in the context of implementing duties, authorities, obligations and responsibilities based on laws and regulations, which can be in the form of:</p> <ul style="list-style-type: none"> • Health Facilities / Insurance • Legal Aid Facility
<p>Tantiem / Performance Incentives of the Board of Commissioners</p> <ul style="list-style-type: none"> • Tantiem is Income which is an award given to members of the Board of Commissioners if they earn profits and do not experience accumulated losses. • Performance incentives are income which is an award given to members of the Board of Commissioners. 	<p>Tantiem of the Board of Directors Tantiem is given in addition to Long Term Incentive / LTI)</p> <ul style="list-style-type: none"> • Tantiem is Income which is an award given to members of the Board of Directors if they earn profits and do not experience accumulated losses. • Performance incentives are income which is an award given to members of the Board of Directors if there is an increase in performance even though it still suffers losses or accumulated losses.
Completion of Full Position	Completion of Full Position
Beyond the above components, the Company does not provide remuneration in other forms, including stock options (the Company does not have a share ownership program for management)	

BASIC POLICY RELATED TO INDICATORS AND DETERMINATION OF REMUNERATION FOR THE BOARD OF COMMISSIONERS AND DIRECTORS IN 2018

The remuneration of the Board of Directors and the Board of Commissioners refers to the decisions of the shareholders as stipulated in the GMS by taking into account the results of studies conducted by the Company.

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STUDY ASPECT DETERMINATION OF THE BOARD OF COMMISSIONERS AND DIRECTORS REMUNERATION



The results of the study are the material proposed by the Board of Commissioners to be submitted to the Shareholders. Based on Article 96 paragraph (1) Law No. 40 year 2007 on Limited Liability Companies which regulates the amount of salaries and allowances of the board of Directors determined by the GMS decision. Based on Article 96 paragraph (2) the authority can be delegated to the Board of Commissioners.

The Board of Commissioners determines the basis for determining remuneration for Directors based on the balance scorecard method using predetermined parameters. The performance assessment of the Board of Directors during 2018 was carried out based on the balance scorecard method using the following

parameters:

1. Achievement of performance in accordance with the Company's Work Plan and Budget (RKAP), which includes achieving the targets for financial figures such as financing volume, profitability, joint financing, cost efficiency ratio, cost of credit and problematic financing receivables.
2. Improvement and development of financing business processes, including credit processes, operational processes, marketing processes and collection processes.
3. Expanding business networks and increasing alliance cooperation.
4. Strategic with the Group and the development of cooperation with dealers and showrooms.
5. Development of human resources and enhancement of corporate branding.

TRANSPARENCY OF THE BOARD OF COMMISSIONERS AND DIRECTORS' REMUNERATION IN 2018

Information on the nominal amount of remuneration for the Board of Commissioners and Directors is as follows:

CALCULATION OF REMUNERATION FOR THE BOARD OF COMMISSIONERS AND DIRECTORS IN 2018 (CALCULATION FOR 1 FULL YEAR)

Remuneration Component	Position	
	Board of Commissioners (3 positions)	Board of Directors (3 positions)
Salary / Honorarium	Rp 1,909,800,000	Rp 5,223,548,387
Benefits	Rp 1,525,912,400	Rp 6,194,273,088
Health Insurance	Rp 17,537,522	Rp 81,857,676
Social Security	-	Rp 937,383,266
Bonus/Tantiem	Rp 1,552,659,472	Rp 5,017,600,000
Feast day allowance	Rp 175,120,000	Rp 471,960,000

TOTAL REMUNERATION OF THE BOARD OF COMMISSIONERS AND DIRECTORS IN 2018

Description	Amount
Total Remuneration of the Board of Commissioners	Rp 5,181,029,394
Total Remuneration of the Board of Directors	Rp 17,926,622,417
Total Remuneration of the Board of Commissioners and Directors in 2018	Rp 23,107,651,811

INFORMATION ABOUT SALARY RATIOS

The salary compared to the salary ratio is the reward received by members of the Board of Directors, Board of Commissioners and employees in the last month of the reporting year.

The ratio of the highest and lowest salaries, in the following comparison scale:

- 1) the ratio of the highest and lowest employee salaries;
- 2) the ratio of the highest and lowest salaries of members of the Board of Directors;
- 3) the ratio of the highest and lowest salaries of members of the Board of Commissioners; and
- 4) the ratio of the highest Directors and highest employees salaries.

Information on the ratio of salaries of the Board of Commissioners, Directors and employees of the Company are as follows:

Comparisson	2018
the ratio of the highest and lowest salaries of members of the Board of Directors	1 : 1.11
the ratio of the highest and lowest salaries of members of the Board of Commissioners	1 : 2.11
the ratio of the highest Directors and highest employees salaries	1 : 1.40
the ratio of the highest and lowest employee salaries	1 : 72.01

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MEETING OF BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

BOARD OF COMMISSIONERS MEETING

The Board of Commissioners held meetings both internal meetings of the Board of Commissioners and meetings with the Directors and committees. Decisions of the Board of Commissioners Meeting are taken based on deliberation to reach consensus. In the event that a consensus agreement is not reached, the decision is taken based on the most votes. The Board of Commissioners' meetings consist of internal meetings and meetings by

inviting the Directors to discuss various aspects of the Company's operational and financial management.

In 2018, the Board of Commissioners held 8 (eight) Internal Meetings of the Board of Commissioners. Following is the agenda and minutes of meetings, attendance and recapitulation of the attendance of the Board of Commissioners in these meetings.

MINUTES OF THE BOARD OF COMMISSIONERS INTERNAL MEETING AND THE PRESENCE OF THE BOARD OF COMMISSIONERS

Meeting Date	Place	Meeting agenda
March 28, 2018	Jakarta	Follow up on the results of the Company's product review
April 25, 2018	Jakarta	Discuss the Corporate Plan
May 28, 2018	Jakarta	Provide direction to the Board of Directors regarding the performance of the branch
July 31, 2018	Jakarta	Discuss the Company's performance
August 28, 2018	Jakarta	Provide direction to the Board of Directors regarding Financial Performance
September 26, 2018	Jakarta	Follow up on directives from the Risk Oversight Committee
October 29, 2018	Jakarta	Discuss the 2019 RKAP
December 14, 2018	Jakarta	Discuss evaluation of audit results for fiscal year 2018

The recapitulation of the attendance of members of the Board of Commissioners at the Board of Commissioners Internal Meeting can be seen below,

ATTENDANCE RECAPITULATION OF THE BOARD OF COMMISSIONERS AT THE BOARD OF COMMISSIONERS INTERNAL MEETING

Board of Commissioners	Number of Required Meetings	Number of Attendance	% Attendance
Rico Adisurja Setiawan (President Commissioner)	8	8	100.00%
Harry Gale (Commissioner)	8	6	75.00%
Ravik Karsidi (Independent Commissioner)	8	8	100.00%
Average			91.67%

BOARD OF DIRECTORS MEETING

The Board of Directors held meetings both internal meetings of the Board of Directors and meetings with the Board of Directors and together with the Board of Commissioners, which are scheduled regularly every year to follow up on various discussions related to the plan and evaluation of business performance. Directors' meetings can also be held outside those scheduled and stipulated if there are extraordinary and urgent matters.

The meeting decision-making mechanism implemented by the Board of Directors refers to the Work Guidelines. Decisions of Directors' meetings are taken based on

deliberation to reach consensus. In the event that a consensus agreement is not reached, the decision is taken based on the most votes. The Board of Directors meeting consists of internal meetings and meetings by inviting the Directors to discuss various aspects of the Company's operational and financial management.

Throughout 2018, the Board of Directors held 43 (fourty three) meetings. Following are the agenda, minutes of meeting, attendance and recapitulation of the attendance of the Directors in these meetings.

MINUTES AND ATTENDANCE OF BOARD OF DIRECTORS' MEETINGS

Meeting Date	Place	Meeting agenda
January 8, 2018	Jakarta	1. Classification of regional strategy 2. Classification of Jakarta area branches
January 15, 2018	Jakarta	1. Update the audit plan and audit results 2. Discussion of branch class evaluations
January 29, 2018	Jakarta	1. Discussion of the audit results of each branch 2. Discussion of the Asset & Liability Committee
February 5, 2018	Jakarta	1. Discussion of the provisions of Project Management 2. Update Project Peer to Peer Lending
February 19, 2018	Jakarta	1. Discussion of the Board Forum Q4 2017 Material 2. Discussion of 2017 Audit Year Results
Februari 26, 2018	Jakarta	1. Update the DPO progress project 2. Discussion of the DF Prepayment program
March 5, 2018	Jakarta	1. Customer implementation and dealer research 2. Preparation of the Annual GMS
March 19, 2018	Jakarta	1. Update Cooperative progress 2. Discussion of the Asset & Liability Committee
March 26, 2018	Jakarta	1. Update the Organizational Structure of the Company 2. Discussion of the results of the February audit
March 27, 2018	Jakarta	1. Financial Performance
April 2, 2018	Jakarta	1. Discussion of online merchant financing 2. Discussion of 2019 calendar
April 16, 2018	Jakarta	1. Discussion of the Crash Reward Program Hospital in Car 2. Update on Online Merchant financing
April 23, 2018	Jakarta	1. Discussion of the Asset & Liability Committee 2. Discussion of Audit Results in March

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Meeting Date	Place	Meeting agenda
April 30, 2018	Jakarta	1. Revise the 2018 RKAP 2. Discussion on Board Forum Material Q1
May 11, 2018	Jakarta	1. Discussion of the decline in the commercial car rate 2. Discussion of digital ecosystems
May 14, 2018	Jakarta	1. Discussion of the project service center 2. Discussion of the results of the project review
May 21, 2018	Jakarta	1. Discussion of follow-up results of the April audit 2. Discussion of the Asset & Liability Committee
May 28, 2018	Jakarta	1. Discussion of I Care & Psychometric projects 2. Update Dealer Financing Prepayment
June 4, 2018	Jakarta	1. Update fiduciary repairs 2. Update the regional unit control project
June 11, 2018	Jakarta	1. Discussion of the results of customer & dealer research 2. Discussion of employee gathering & leadership forum
June 26, 2018	Jakarta	1. Discussion of human capital integrated system 2. Discussion of Audit results in May
July 9, 2018	Jakarta	1. Update I Care 2. Preparation of the 2018 leadership forum
July 16, 2018	Jakarta	1. Discussion of progress of the 2018 forum leadership 2. Reviewing performance of EPD Semester 1-2018
July 23, 2018	Jakarta	1. Discussion of Regional Performance 2
July 30, 2018	Jakarta	1. Discussion of KMK products and programs 2. Approval of GIIAS RAB
August 6, 2018	Jakarta	1. Update on cooperative projects 2. Discussion on the termination of the centralized service building
August 13, 2018	Jakarta	1. Discussion of project management 2. Discussion of Audit Results in July
August 20, 2018	Jakarta	1. Discussion of Employee Gathering 2. Discussion of Quick Win related to fines
August 27, 2018	Jakarta	1. Discussion of sales expense project 2. Discussion of the thematic program "National Customer Day"
September 3, 2018	Jakarta	1. Report presentation exhibition effectivity study : GIIAS 2018 2. Discussion of the customer's day
September 10, 2018	Jakarta	1. Discussion of incentive schemes
September 24, 2018	Jakarta	1. Discussion of the Asset & Liability Committee 2. Discussion of the results of the August audit
October 1, 2018	Jakarta	1. Product discussion and thematic program in October 2. Discussion of the Company's Customers
October 8, 2018	Jakarta	1. Update sprint progress
October 22, 2018	Jakarta	1. Reviewing the performance of BSM Oto 2. Discussion of Bank Mandiri audit results

Meeting Date	Place	Meeting agenda
October 29, 2018	Jakarta	1. Discussion of the Asset & Liability Committee 2. Discussion of Audit results in September
November 5, 2018	Jakarta	1. Discussion of the Company's Organizational Structure 2. Discussion of Corporate Plan
November 12, 2018	Jakarta	1. Make planning for implementing ISO
November 19, 2018	Jakarta	1. Discussion of the Asset & Liability Committee 2. Discussion of year-end projections
November 26, 2018	Jakarta	1. Discussion of the results of the October audit 2. Discussion of Audit Rating
December 3, 2018	Jakarta	1. Update MTF Lounge 2. Discussion of the single implementation of the 2019 target
December 17, 2018	Jakarta	1. Discussion of dealer grading 2. Discussion of the results of repeat order research
December 20, 2018	Jakarta	1. Reviewing the 2019 Company budget 2. Update the results of the Standard Service assessment for the 2018 period

The recapitulation of the attendance of the Directors at the Directors' Meeting can be seen below:

RECAPITULATION OF THE PRESENCE OF DIRECTORS AT THE BOARD OF DIRECTORS MEETING

Board of Directors	Number of Required Meetings	Number of Attendance	% Attendance
Arya Suprihadi (President Director)	43	40	93.02%
Harjanto Tjitohardjojo (Director)	43	37	86.05%
Armendra (Director)*	36	33	91.67%
Bonifatius Perana Citra Ketaren (Deputy Director)	43	39	90.70%
Albertus Henditrianto (Deputy Director)	43	37	86.05%
William Francis Indra (Deputy Director)	43	40	93.02%
Average			90.04%

*) Armendra is the new Board of Directors of the Company, and begins to attend the meeting on March 19, 2018.

JOINT MEETING OF THE BOARD OF COMMISSIONERS AND DIRECTORS

To unite the views and decide on an important issue concerning the continuity of the business and operations of the Company, the Board of Commissioners and Directors schedule regular meetings at the Board of Commissioners-Directors Joint Meeting forum. The organizers of this periodic meeting are conducted by the Board of Commissioners to discuss various agendas

regarding work plans, operations, business opportunities, and strategic issues that require the approval of the Board of Commissioners. This meeting is a form of coordination in order to discuss the Directors' periodic reports and provide responses, notes and advice as outlined in the minutes of the meeting. Meeting decisions are made based on the principle of deliberation to reach consensus or be

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taken based on the majority of votes and binding to the implementation of the follow-up. In the voting process, if a member of the Board of Commissioners has a conflict of interest, he may not vote and the statement regarding this matter shall be recorded in the minutes of the meeting.

In 2018, a joint meeting between the Board of Commissioners and Directors was held 8 (eight) times. Following are the agenda and minutes of meetings, attendance, and recapitulation of the attendance of the Board of Commissioners and Directors in these meetings.

MINUTES OF JOINT MEETINGS OF THE BOARD OF COMMISSIONERS AND DIRECTORS AS WELL AS THE ATTENDANCE OF THE BOARD OF COMMISSIONERS AND DIRECTORS AT THE JOINT MEETING

Meeting Date	Place	Meeting agenda
March 28, 2018	Jakarta	Follow up on the results of the Company's product review
April 25, 2018	Jakarta	Performance 99 Company Branch
May 28, 2018	Jakarta	Following up on the findings of the Company's Internal Audit Results
July 31, 2018	Jakarta	The Company's Mid-Year Financial Report
August 28, 2018	Jakarta	Reviewing Market Conditions and Market Share
September 26, 2018	Jakarta	The impact of the earthquake and tsunami natural disasters in Lombok and surrounding areas on the Company's branch offices
October 29, 2018	Jakarta	Quarter 3 Financial Report
December 14, 2018	Jakarta	The impact of the earthquake and tsunami natural disasters in Palu and the mitigation of financing risks for the earthquake area

The recapitulation of the attendance of members of the Board of Commissioners and Directors at the Joint Meeting can be seen below:

ATTENDANCE RECAPITULATION OF THE BOARD OF COMMISSIONERS AND DIRECTORS AT THE JOINT MEETING

Board of Commissioners and Board of Directors	Number of Required Meetings	Number of Attendance	% Attendance
BOARD OF COMMISSIONERS			
Rico Adisurja Setiawan (President Commissioner)	8	8	100.00%
Harry Gale (Commissioner)	8	6	75.00%
Ravik Karsidi (Independent Commissioner)	8	8	100.00%
BOARD OF DIRECTORS			
Arya Suprihadi (President Director)	8	8	100.00%
Harjanto Tjitohardjojo (Director)	8	8	100.00%
Armendra (Director)*	8	7	87.50%
Bonifatius Perana Citra Ketaren (Deputy Director)	8	6	75.00%
Albertus Henditrianto (Deputy Director)	8	6	75.00%
William Francis Indra (Deputy Director)	8	7	87.50%
Average			88.89%

*) Armendra is the new Board of Directors of the Company, and begins to attend the meeting on March 19, 2018.

DISCLOSURE OF AFFILIATE RELATIONSHIPS BETWEEN THE BOARD OF DIRECTORS, BOARD OF COMMISSIONERS, AND MAIN SHAREHOLDERS AND/OR CONTROLLERS

INFORMATION ABOUT MAJOR/CONTROLLING SHAREHOLDERS

Shareholders are legal entities that legally own the Company's shares. The Company's Shareholders consist of the Main Shareholders/Controllers and other Shareholders

(founders). The Company's Main/Controlling Shareholder is PT Bank Mandiri (Persero) Tbk which owns 51.00% of the Company's shares.

DISCLOSURE OF AFFILIATION BETWEEN THE BOARD OF DIRECTORS, BOARD OF COMMISSIONERS, AND MAJOR/CONTROLLING SHAREHOLDER

The Main/Controlling Shareholders, the Board of Commissioners and the Board of Directors respect each other for the implementation of their respective duties, responsibilities and authorities in accordance with the laws and statutes. The Board of Commissioners and Directors of the Company have work guidelines and procedures that include, among others, the responsibilities, obligations, authorities and rights of each.

In accordance with the Articles of Association of the Company, between members of the Board of Commissioners and between members of the Board of Commissioners and members of the Board of Directors there is no family relationship up to the third degree, either in a straight line or sideways or seminal relationship. The family relationship of members of the Board of Commissioners and fellow members of the Board of Commissioners and/or members of the Board of Directors and Major/Controlling Shareholders can be seen in the table below.

THE FAMILY RELATIONSHIP OF MEMBERS OF THE BOARD OF COMMISSIONERS AND FELLOW MEMBERS OF THE BOARD OF COMMISSIONERS AND/OR MEMBERS OF THE BOARD OF DIRECTORS AND MAJOR/CONTROLLING SHAREHOLDERS

Description	Affiliation		
	Board of Commissioners	Board of Directors	PT Bank Mandiri (Persero) Tbk (Major/Controlling Shareholder)
BOARD OF COMMISSIONERS			
Rico Adisurja Setiawan (President Commissioner)	X	X	X
Harry Gale (Commissioner)	X	X	✓
Ravik Karsidi (Independent Commissioner)	X	X	X
BOARD OF DIRECTORS			
Arya Suprihadi (President Director)	X	X	X
Harjanto Tjitohardjojo (Director)	X	X	X
Armendra (Director)	X	X	X

✓ = there is an affiliation | X = there is no affiliation

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Commissioner Harry Gale has an affiliate relationship through multiple positions as the Group Head of Consumer Loans Group of PT Bank Mandiri (Persero) Tbk (2016 - 2018), and RCEO Java 1 Bank Mandiri (2018 - present). This dual position is part of the managerial

representation of the Bank Mandiri business group. Commissioner Harry Gale has passed the fit and proper test conducted by the OJK through OJK Decree No. KEP-484 / NB.11 / 2017 August 25, 2017.

DISCLOSURE OF DOUBLE POSITION OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

Members of the Board of Commissioners of the Company have complied with the provisions of Article 24 of OJK Regulation No. 33/POJK.04/2014 on Directors and Board of Commissioners of Issuers or Public Companies that regulate:

- Members of the Board of Commissioners can hold concurrent positions as members of the Board of Directors at most in 2 (two) Issuers or other Public Companies, and members of the Board of Commissioners are at most 2 (two) Issuers or other Public Companies.
- In the event that members of the Board of Commissioners do not hold concurrent positions as members of the Board of Directors, the members of the Board of Commissioners concerned may hold concurrent positions as members of the Board of Commissioners of at most 4 (four) other Issuers or Public Companies.
- Members of the Board of Commissioners can concurrently serve as committee members at the most 5 (five) committees in the Issuer or Public Company where the person is also a member of the Board of Directors or a member of the Board of Commissioners.

The members of the Company's Board of Directors do not hold concurrent positions except the provisions of

OJK Regulation No. 33/POJK.04/2014 on Directors and Commissioners of Issuers or Public Companies, namely that members of the Board of Directors can concurrently hold positions as:

- Members of the Board of Directors in at most of 1 (one) Issuer or other Public Company.
- Members of the Board of Commissioners in at most of 3 (three) other Issuers or Public Companies.
- Members of the committee in at most of 5 (five) committees in the Issuer or Public Company where the relevant member also serves as a member of the Board of Directors or a member of the Board of Commissioners.

Multiple positions as intended can only be done as long as they do not conflict with other laws and regulations. In the event that there are other laws and regulations that regulate the provisions regarding multiple positions that are different from the provisions in this OJK Regulation, more stringent regulating provisions apply.

The following are the multiple positions of transparency held by the Board of Commissioners and Directors of the Company as of December 31, 2018.

Description	Management of Other Companies		
	As a Member of the Board of Commissioners	As a Member of the Board of Directors	Other Positions
THE BOARD OF COMMISSIONERS			
Rico Adisurja Setiawan (President Commissioner)	✓	✓	X
Harry Gale (Commissioner)	X	X	✓
Ravik Karsidi (Independent Commissioner)	X	X	X
THE BOARD OF DIRECTORS			
Arya Suprihadi (President Director)	X	X	X
Harjanto Tjitohardjojo (Director)	X	X	X
Armendra (Director)	X	X	X

✓ = yes | X = no

THE EXPLANATION REGARDING MANAGEMENT IN OTHER COMPANIES IS AS FOLLOWS:

Nama dan Jabatan	Jabatan pada Perusahaan Lain
Rico Adisurja Setiawan (President Commissioner)	<ul style="list-style-type: none"> • President Commissioner of PT Tunas Dwipa Matra (2013 - present), • President Commissioner of PT Asia Surya Perkasa (2015 - present) • Commissioner of Rahardja Ekalancar (2010 - present) • President Commissioner of PT Tunas Mobilindo Parama (1997 - present) • President Commissioner of PT Tunas Asset Sarana (2005 - present) • President Commissioner of PT Surya Mobil Megahtama (2005 - present) • President Commissioner of TURI (2010 - present), • President Commissioner of PT Tunas Mobilindo Perkasa (2017 - present) • Director of PT Surya Sudeco (2005- present)
Harry Gale (Commissioner)	<ul style="list-style-type: none"> • Senior Vice President of Consumer Loans Group Bank Mandiri (2016 - 2018) • RCEO Java 1 Bank Mandiri (2018 - present)

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DISCLOSURE OF SHARE OWNERSHIP OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

Share ownership of members of the Board of Commissioners and Directors of the Company and other companies is always disclosed regularly through a list of shareholdings of members of the Board of Commissioners and Directors. All members of the Board of Commissioners and the Board of Directors must submit the disclosure of securities purchase and sale transactions to OJK no later

than 10 days after the transaction occurs. The following is conveyed the transparency of the Company's share ownership by the Board of Commissioners and Directors, and share ownership of other companies above 5% by the Board of Commissioners and Directors of the Company which can cause potential conflicts of interest in decision making.

SHAREHOLDERS OF THE BOARD OF COMMISSIONERS AND DIRECTORS

Description	Shareholding	
	Mandiri Tunas Finance	Other Companies > 5%
BOARD OF COMMISSIONERS		
Rico Adisurja Setiawan (President Commissioner)	Nil	-
Harry Gale (Commissioner)	Nil	-
Ravik Karsidi (Independent Commissioner)	Nil	-
BOARD OF DIRECTORS		
Arya Suprihadi (President Director)	Nil	-
Harjanto Tjitohardjojo (Director)	Nil	-
Armendra (Director)	Nil	-

The company does not have a program or share ownership policy either by management or employees. Thus, there is no Company share owned by management or employees.

BOARD OF COMMISSIONERS SUPPORTING ORGAN

AUDIT COMMITTEE

The Board of Commissioners has established the Audit Committee to support the implementation of Good Corporate Governance in Mandiri Tunas Finance. The duty of the Audit Committee is to assist the Board of Commissioners in supervising the implementation of function of the Board of Directors in managing the Company to be in accordance with the good corporate governance principle. The duties are providing opinion and support to the Board of Commissioners in fulfilling its responsibility in supervising the system and process of Financial Statement reporting, audit process on the Financial Statement of the Company, evaluation on the implementation of the internal control of the Company, evaluation on the performance of the Internal Auditor of the Company, supervision on the technical and operational performance and compliance on the other provisions and regulations.

All members of the Audit Committee are appointed and dismissed by the Board of Commissioners and reported to shareholders. The Audit Committee was formed by referring to OJK Regulation No. 55/POJK.04/2015 on Establishment and Work Implementation of the Audit Committee.

In general, the Audit Committee is established with the objective to safeguard the business activities of the Company, in implementing its oversight function, particularly in improving the quality of financial statement, the effectiveness of internal control on the corporate government and compliance to the prevailing laws and regulations. The Audit Committee was formed with the aim of assisting the Board of Commissioners in carrying out the company's supervisory role, especially in terms of:

- Improving the quality of financial statement.
- Ensuring the effectiveness of the internal control system to avoid any violation in the corporate governance.
- Supervising the qualification and independence of the external and internal audit to improve the performance and effectiveness of the function of internal audit and external audit.
- Identifying matters that require the concern of the Board of Commissioners, including the compliance towards the prevailing laws and regulations.

QUALIFICATIONS TO BECOME A MEMBER OF THE AUDIT COMMITTEE

Members of the Audit Committee must understand the business activities of the Company and possess high integrity, ability, knowledge, experience related to the field of occupation and able to communicate properly. The members of Audit Committee must also understand the financial statement, audit process, risk management and adequate knowledge regarding capital market regulations and other related regulations.

The criteria for being a member of the Company's Audit Committee are as follows:

- a. Possess high integrity, ability, knowledge and adequate experience related to the education background as well as able to communicate properly.
- b. One of the members of Audit Committee must have an education background in accounting or financing at the minimum.
- c. Possess adequate knowledge to read and understand financial statement.
- d. Possess adequate knowledge regarding the regulations of capital market and other related regulations.
- e. Not an insider of Public Accountant Firm, Legal Consultant Firm or other party that provides audit services, non-audit services, dan or other consultation services to the Company in the last 6 (six) months

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- before appointed by the Board of Commissioners.
- f. Not a person who has authority and responsibility to plan, lead, or control the activity of the Company in the last 6 (six) months before appointed by the Board of Commissioners with the exception of the Independent Commissioners.
- g. Has no direct or indirect share ownership of the Company.
- h. Does not possess:
- Family relations as a result of marriage and two degree familial relatives, either horizontally or vertically with the Board of Commissioners, Board of Directors or Majority Shareholders of the Company, and / or
 - Direct or indirect business relation related to the business activity of the Company.

TERM OF OFFICE

Members of Audit Committee are appointed and dismissed by the Board of Commissioners. The change of the Audit Committee is conducted in stages and / or not simultaneous. Term of office of the Audit Committee members must not exceed the term of office of the Board of Commissioners as stipulated in the articles of association and able to be reappointed only for the next 1 (one) period. Audit Committee Chairman has the right to suggest the replacement candidate, honorarium, and benefits of the Audit Committee member if the term of office of one of the members of the Audit Committee

ends. The replacement is conducted in stages / not simultaneously, resigns, or terminated.

The tenure of members of the Audit Committee may not be longer than the term of office of the Board of Commissioners as stipulated in the articles of association and can be re-elected only for the next 1 (one) period.

STRUCTURE AND COMPOSITION OF AUDIT COMMITTEE MEMBERS IN 2018

The membership of the Audit Committee consists of at least 1 (one) independent commissioner and 2 (two) members. The Chairman of the Audit Committee is a member of the audit committee who is the Independent Commissioner of the Company. Audit Committee members are experts who are not employees of the Company and do not have financial affiliation with the Company.

The structure and composition of the Audit Committee in 2018 cannot be changed. In accordance with OJK Regulation Number POJK 55 / POJK.04 / 2015 on Establishment and Work Guidelines of the Audit Committee. The Company has formed an Audit Committee which is set forth in the Decree of the Board of Commissioners No. KEP.KOM / 002/2017 dated April 10, 2017, after being submitted to the Audit Committee members as of December 31, 2018.

AUDIT COMMITTEE COMPOSITION AS OF DECEMBER 31, 2018

Name	Position	Appointment Basics	Term of Office	Position Period
Ravik Karsidi	Chairman of the Audit Committee / Independent Commissioner	Decree of the Board of Commissioners No. KEP.KOM / 002/2017 on Appointment of Audit Committee	Following the term of office as an Independent Commissioner	
Irene Yudhistira Junarso	Member	Decree of the Board of Commissioners No. KEP.KOM / 002/2017 on Appointment of Audit Committee	April 10, 2017 – April 10, 2020	1st
Allen Situngkir	Member	Decree of the Board of Commissioners No. KEP.KOM / 002/2017 on Appointment of Audit Committee	April 10, 2017 – April 10, 2020	1st

PROFILE OF AUDIT COMMITTEE MEMBERS



RAVIK KARSIDI

Chairman of the Audit Committee /
Independent Commissioner

Profile of the Chairman of the Audit Committee of Ravik Karsidi can be seen in the profile section of the Board of Commissioners in the Company Profile chapter in this Annual Report



IRENE YUDHISTIRA JUNARSO

Audit Committee Member

POSITION PERIOD

April 10, 2017 - April 10, 2020, First Period1

PERSONAL DATA

Indonesian Citizen
52 years old
Born in Jakarta, 1966

DOMICILE

DKI JAKARTA

EDUCATION

Bachelor of Economic - Tarumanagara University

WORK EXPERIENCE

She began her career at the Prasetyo Utomo Accounting Office (currently Ernst & Young) as a Senior Auditor (1987 - 1990). After that, her career grew brighter by holding

various important positions at PT Bank Bali Group - Holding Company (1990 - 2002). She also served as President Director and Shareholder at PT Grahaniaga Anugerah (2002 - 2008 & 2013 - 2016), Associate Director - Commercial Sales Director at PT Jones Lang Lasalle Indonesia (Procon) (2008-2013), GM Property Management Mangga Dua Square at PT Mandiri Dipta Cipta (2004 - 2005), Finance & Administration Director at PT Asuransi Sarjaya - General Insurance (1999 - 2002), President Director at PT Bali Tunas Finance (1998 - 1999), Director, Building Management at PT Yacolt Graha (1996 - 1998). Currently she is recorded as a Director of Investment & Business Development at PT Nai Indonesia.

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ALLEN SITUNGKIR

Audit Committee Member

POSITION PERIOD

April 10, 2017 - April 10, 2020, First Period

PERSONAL DATA

Indonesian Citizen
62 years old
Born in Samosir, 1959

DOMICILE

Jakarta Indonesia

EDUCATION

Baccalaureate – Accounting Academi of YKPN Yogyakarta (1983)

WORK EXPERIENCE

Head of the Bekasi Branch at PT Cakrawala Mitra Bersama (cash management) (2015), held several important positions until the latest as Assistant Vice President at Bank Mandiri (1998 - 2015), also several positions Head of Section in the Indonesian Import Export Bank, Bandar Lampung (1994 - 1998). Starting his career at the Indonesian Import Export Bank, Jakarta Head Office as a Senior Clerk - Assistant Auditor (1984 - 1993).



AUDIT COMMITTEE INDEPENDENCE

All members of the Audit Committee are professionals and have no relation with the Committee in order to maintain their independence in implementing their duties and responsibilities. The Audit Committee established by the Company has fulfilled the independence criteria, expertise, experience, and integrity. Audit Committee is also not related with the Board of Directors, Board of

Commissioners, and shareholders. Audit Committee is from outside of the company that has no personal interest that may have negative impact and conflict of interest with the Company. The Audit Committee must comply to the prevailing laws and regulations of the Company. The transparency of the independence of the Audit Committee can be seen in the following table:

TRANSPARENCY OF THE INDEPENDENCE OF THE AUDIT COMMITTEE

Independence Aspect	Ravik Karsidi	Irene Yudhistira Junarso	Allen Situngkir
Possess Financial Relations with the Board of Commissioners and Board of Directors	X	X	X
Possess Management Relations within the Company or Affiliated Companies	X	X	X
Possess Share Ownership Relations in the Company	X	X	X
Possess Family Relations with the members of Board of Commissioners and Board of Directors and fellow members of the Committee	X	X	X

Independence Aspect	Ravik Karsidi	Irene Yudhistira Junarso	Allen Situngkir
Possess Financial Relations with the Board of Commissioners and Board of Directors	X	X	X
Serving as Political Party Administrator, Regional Government Administrator	X	X	X

✓ = yes | X = no

CONFLICT OF INTEREST AND CODE OF CONDUCT

The Audit Committee is committed to the principles of Good Corporate Governance, namely transparency, accountability, independence and fairness to avoid any potential conflict of interest. Moreover, in implementing its duties, the Audit Committee adheres to the Code of Conduct related to both the expertise of each member of the Audit Committee and the Code of Conduct of the Audit Committee.

- To avoid any potential conflict, the Audit Committee upholds the principles of Good Corporate Governance which include transparency, accountability, responsibility, independence and fairness.
- In performing its duties, the Company's Audit Committee is guided by the profession code of conduct, both related to the expertise of each member of the Audit Committee, as well as the profession code of conduct of the Audit Committee.

WORK GUIDELINES: AUDIT COMMITTEE CHARTER

In order to safeguard the business activities of PT Mandiri Tunas Finance, as well as to provide the foundation and guideline for the Audit Committee to assist the Board of Commissioners in implementing its oversight function, particularly in improving the quality of financial statement, effectiveness of internal control on the corporate governance, and compliance to the prevailing laws and regulations, the Audit Committee Charter of PT Mandiri Tunas Finance is established. Audit Committee Charter is prepared pursuant to the OJK Regulation No. 55 / POJK.04 / 2015 on Establishment

and Work Guidelines of the Audit Committee.

The Audit Committee Charter stipulated by the Board of Commissioners in Jakarta on September 25, 2013, is a written document that regulates primarily the position, membership, authority, duties and responsibilities of the Audit Committee. The Charter also sets limits and regulates the working relationship between the Audit Committee and the Board of Commissioners, Directors, Internal Auditors and External Auditors.

DUTIES, RESPONSIBILITIES AND AUTHORITIES OF THE AUDIT COMMITTEE

The duties and responsibilities of the Audit Committee as stipulated in the Audit Committee Charter that has been approved by the Board of Commissioners to act as a guideline and work order of the Audit Committee members in carrying out their duties and responsibilities professionally and independently, in accordance to the OJK Regulation No. 55 / POJK.04 / 2015 on Establishment and Working Implementation of the Audit Committee.

The Audit Committee has the duty to provide opinions to the Board of Commissioners on reports or matters submitted by the Board of Directors to the Board of Commissioners, identify matters that require the attention of the commissioner, and carry out other duties related to the duties of the Board of Commissioners, including:

- Reviewing the financial information that will be issued by the company such as financial statements, projections and other financial information.

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- b. Conducting periodic review of the audit implementation by both internal and external audits.
- c. Conducting periodic review on the company's compliance to the laws and regulations related to the activities of the company.
- d. Providing recommendations regarding the improvement of the internal control system of the company and its implementation.
- e. Reporting to the Board of Commissioners of various risks faced by the company and the implementation of risk management by the Board of Directors.
- f. Carrying out tasks assigned by the Board of Commissioners along within the scope of duties and responsibilities of the Audit Committee.
- g. Maintaining the confidentiality of documents, data and information on the company and used only for the interest of the tasks implementation

In implementing its duties, the Audit Committee complies by OJK Regulation No. 55/POJK.04/2015 on Establishment and Work Guidelines for the Audit Committee and the Audit Committee Charter of the Company on September 25, 2013.

In conducting its function, the Audit Committee implements its duties that are in relation to the duties of Board of Commissioners, namely:

- Reviewing financial information issued by the company, such as financial statements, projections, and other financial information.
- Reviewing the implementation of audit by the internal and external auditor.
- Reviewing the compliance of the Company on regulations related to the activities of the Company.
- Providing recommendation regarding the improvement of internal control system of the company and its implementation.
- Reporting to the Board of Commissioners regarding

the various potential risks for the company and implementation of risk management by the Board of Directors.

- Conducting the duties designated by the Board of Commissioners as long as it is in the scope of duties and obligations of Audit Committee.
- Maintaining the confidentiality of documents, data, and information of the company and only utilize it for the interest of implementing Audit Committee duties.

Other than duties and responsibilities, the Audit Committee is also granted special authorization to support the implementation of its duty to be in line with the Audit Committee Charter. The Authorities are as follows:

- Members of Audit Committee must recognize and understand their roles and responsibilities in accordance with the Audit Committee Charter which is the Work Guidelines of Audit Committee.
- Audit Committee accepts the authority and duty from the Board of Commissioners by taking into account the regulations related to the capital market.
- The Audit Committee is authorized to access the record or information regarding employees, funds, or assets as well as other resources of the company related to the implementation of its duty.
- The Audit Committee, based on the assignment letter from the the Board of Commissioner, has the right for the access of information in the company from the Board of Directors, internal audit, and all organizational units of the company when there is a case / or indication of violation which requires the audit committee to investigate or clarify the cases.
- Audit Committee with the approval of the Board of Commissioners may ask for suggestions and assistance from experts and other professionals at the expense of the Company.

AUDIT COMMITTEE WORK RELATIONS



In implementing its duties and responsibilities, the Audit Committee communicates with the external auditors, internal auditors and management of the Company. The role of the Audit Committee in its relation to external auditors:

- a. Reviewing the work of external auditor.
- b. Discussing the audit result with external auditor.
- c. The Audit Committee may discuss the audit result with the management, external and internal auditor if necessary.
- d. Reviewing the performance of the external auditor to ensure the compliance of external auditor to the prevailing professional standard, including external auditor independence.

The role of Audit Committee in its relation with internal auditor:

- a. Receiving and reviewing the report of internal auditor.
- b. Monitoring the follow up of the result of internal audit.
- c. Requesting internal auditor to conduct special/ certain investigation with the approval from the Board of Commissioners.
- d. Providing opinions regarding the content of Internal Audit Charter.
- e. Coordinating with the internal auditor and external auditor to achieve a comprehensive and optimum audit result.
- f. Reviewing the report of internal audit related to the conflict of interest, and/or the violation of law.

While the role of Audit Committee in its relation with the Company Management:

- a. Evaluating the adequacy of the disclosure of materials in the financial statement of the company.
- b. Assessing the adequacy of the internal control and policy of risk management of the company.
- c. Assessing the policy of the company related to the compliance towards the prevailing internal or external regulation of the company, code of conduct and conflict of interest.
- d. Ensuring that the management of the company conducts the follow up to the recommendation from the internal audit and external audit.
- e. Identifying and monitoring problems that require the Board of Commissioners concern.
- f. Inviting the management of the company to attend the Audit Committee meeting if necessary.

REPORT

The Audit Committee must submit a written report in conducting its work or regarding the findings related to the problems of the Company to the Board of Commissioners.

- The Audit Committee prepares the report of every special task designated by the Board of Commissioners.
- In the event of the Audit Committee discovers material matters which expected to disrupt the activities of the Company, the Audit Committee will report it to the Board of Commissioners.
- The Audit Committee prepares the Annual Report of the implementation of Audit Committee activities to the Board of Commissioners.

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AUDIT COMMITTEE COMPETENCE DEVELOPMENT

The Company facilitates the implementation of development programs for the Audit Committee in order to improve the competence of the Audit Committee members. This program is expected to have a positive impact on the productivity and effectiveness of the Audit Committee's performance.

About the competency enhancement activities that are followed by Audit Committee Members throughout 2018 can be seen in the Company Profile chapter in this annual report.

AUDIT COMMITTEE MEETING

The Audit Committee conducts periodic meetings with the internal members, Board of Commissioners and Board of Directors. The meetings conducted by the Audit Committee, namely:

- Quarterly meeting of the Audit Committee is conducted four times in one year with specified schedule and focus on the discussion of Financial Statement (Balance Sheet and Profit and Loss) and the Quarterly Performance of the Company.
- Monthly Meeting of the Audit Committee is conducted once every month with the agenda that has been agreed beforehand. Monthly meeting is not conducted in the month when quarterly meeting is conducted. The focus of the monthly meeting is the discussion of the result of General Internal Audit.
- Chairman of the Audit Committee may invite the Board of Commissioners, Board of Directors, Internal Auditor, External Auditor, Shareholders Representative and other required parties.
- Result of the Audit Committee is recorded in the minutes of the meeting signed by all Audit Committee members present and distributed to the members of the meeting to be followed up.
- Audit Committee may attend the meeting of the Board of Commissioners or joint meeting of the Board of Directors and Board of Commissioners if necessary.

In 2018, the Audit Committee conducted 8 (eight) meetings, with minutes and recapitulation of attendance as follows,

MINUTES OF AUDIT COMMITTEE MEETINGS

Meeting Date	Place	Meeting Agenda
March 28, 2018	Graha Mandiri, Jakarta	Conduct coaching and control of repeated findings
April 25, 2018		Provide direction for the Internal Audit Division in establishing functions that control the operations at the branches
May 28, 2018		Monitor the commitment of the Internal Audit Division in improving operational processes at the branches
July 31, 2018		Provide direction for external audit findings
August 28, 2018		Reviewing the implementation of the pilot project for internal control placement in each region
September 26, 2018		Following up on findings from Internal Audit
October 29, 2018		Provide direction to Corporate Audit to prepare an audit plan in 2019
December 14, 2018		Evaluate the results of the audit in 2018

AUDIT COMMITTEE ATTENDANCE RECAPITULATION AT THE MEETING

Audit Committee	Number of Required Meetings	Number of Attendance	% Attendance
Ravik Karsidi (Chairman of the Audit Committee / Independent Commissioner)	8	8	100.00%
Irene Yudhistira Junarso (Audit Committee Member)	8	7	87.50%
Allen Situngkir (Audit Committee Member)	8	8	100.00%
Average			95.83%

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NOMINATION AND REMUNERATION COMMITTEE

The Company has a Nomination & Remuneration Committee whose job is to assist the Board of Commissioners in monitoring, supervising and assessing the effectiveness of nominations and remuneration activities. By referring to regulations or provisions of Law No. 40 year 2007 on Limited Liability Companies, and as one of the oversight of the Board of Commissioners, namely carrying out the functions of nomination and remuneration for members of the Board of Commissioners, Board of Directors, supporting Committees under the Board of Commissioners, as well as nomination and remuneration frameworks for all executives and employees of the Company.

Through the Nomination & Remuneration Committee, the nomination and remuneration process of the Company's management and other Company executing organs can be carried out transparently and accountably in accordance with the development of the Company's business and ultimately can increase the trust of shareholders and other stakeholders towards the management of the Company. The existence of the Nomination & Remuneration Committee is in accordance with OJK Regulation No. 34 / POJK.04 / 2014.

QUALIFICATIONS TO BECOME A MEMBER OF THE NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee members must fulfill the ability and experience requirements as well as the independence requirement, namely:

1. Possess high integrity, objectivity, and good ethics.
2. Possess adequate knowledge which includes the prevailing laws and regulations;
3. One of the members of Nomination and Remuneration Committee must have an education background and/or professional experience in the nomination and remuneration of the employees, or Human Resource Development;
4. Capable to act independently in implementing the duties professionally without any conflict of interest and influence/pressure from any party;
5. Willing to continuously improve the competence through education and training;
6. Not an insider of Public Accountant Firm, Legal Consultant Firm, Human Resource Consultant Firm, Business Development Firm, or other party that provides assurance services, non-assurance services, and/or other consultation services to the Company in the period of the last 6 (six) months before appointed as the member of the Committee by the Board of Commissioners.

TERM OF OFFICE

Committee members are appointed for certain term of office and can be reappointed. The term of office of members of the Board of Commissioners who concurrently serve as a member of the Committee is the same as the term of office of his appointment as a member of the Board of Commissioners determined by the Company's Articles of Association or General Meeting of Shareholders. The term of office of Committee members who are not members of the Board of Commissioners

may not be longer than the term of office of the Board of Commissioners. The Board of Commissioners may dismiss at any time a member of the Committee who is not a member of the Board of Commissioners, if based on consideration the Chairperson of the Committee concerned does not carry out his duties properly. The term of office of committee members who are not members of the Board of Commissioners may not be longer than the term of office of the Board of Commissioners.

STRUCTURE AND COMPOSITION OF MEMBERS OF THE NOMINATION & REMUNERATION COMMITTEE IN 2018

In accordance with the provisions of OJK Regulation Number 34/POJK.04/2014, the Company has formed a Nomination and Remuneration Committee based on the Decision of the Board of Commissioners of the Company No. Kep.Kom/01/2014 on the Establishment and Appointment

of PT Mandiri Tunas Finance Nomination and Remuneration Committee dated 26 November 2014 which has been amended by the Decree of the Board of Commissioners of the Company No. KEP/KOM/003/2017 dated 10 April 2017, with the structure as of 31 December 2018 as follows:

NOMINATION & REMUNERATION COMMITTEE STRUCTURE

Name	Position	Appointment Basics	Term of Office	Position Period
Ravik Karsidi	Chairman of the Committee/ Independent Commissioner	Decree of the Board of Commissioners No. KEP.KOM / 003/2017 dated April 10, 2017	Following the term of office as an Independent Commissioner	
Harry Gale	Member/ Commissioner	Decree of the Board of Commissioners No. KEP.KOM / 003/2017 dated April 10, 2017	Following the term of office as an Commissioner	
Vivid Zulprimiadhanni	Member/ Human Capital Division Head	Decree of the Board of Commissioners No. KEP.KOM / 003/2017 dated April 10, 2017	April 10, 2017 – April 10, 2020	First

NOMINATION & REMUNERATION COMMITTEE MEMBER PROFILE



RAVIK KARSIDI

Chairman of the Nomination & Remuneration Committee / Independent Commissioner

Profile of the Chairman of the Nomination & Remuneration Committee of Ravik Karsidi can be seen in the profile section of the Board of Commissioners in the Company Profile chapter in this Annual Report.

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HARRY GALE

Member of the Nomination & Remuneration Committee / Commissioner

Profile of the Member of the Nomination & Remuneration Committee of Harry Gale can be seen in the profile section of the Board of Commissioners in the Company Profile chapter in this Annual Report



VIVID ZULPRIMIADANNI

Member of the Nomination & Remuneration Committee / Human Capital Division Head

Profile of the Member of the Nomination & Remuneration Committee of Vivid Zulprimiadanni can be seen in the profile section of the Head of the Human Capital Division in the chapter on Business Support Functions in this Annual Report



NOMINATION AND REMUNERATION COMMITTEE INDEPENDENCE

Members of the Nomination and Remuneration Committee are professionals and possess no relation with the Company to maintain their independence in implementing their duties and responsibilities. The Nomination and Remuneration Committee is established by the Company to fulfill the independence, expertise, experience, and integrity criteria. The Nomination and Remuneration Committee also has no relation with the Board of Directors, Board of Commissioners, and shareholders. The Nomination and Remuneration Committee complies with the prevailing laws and regulations in the Company.

In order to be able to act independently, the Members of the Nomination & Remuneration Committee of the Company are required to fulfill the following independence criteria:

1. Do not own the Company's shares, directly or indirectly.
In the event that a Committee Member obtains shares due to a legal event, then within a maximum period of 6 (six) months after the acquisition of such shares must be transferred to another party.
2. Do not have a family relationship due to marriage and

descent to the second degree, both horizontally and vertically with the Board of Commissioners, Directors, or the Main Shareholders / Controllers of the Company.

3. Do not have business relations, directly or indirectly related to the Company's business, including not receiving compensation from the Company and subsidiaries other than the benefits of services received relating to duties as Committee Members.
4. Not an employee of the Public Accountant Office, Legal Consultant Office, or other Party that provides audit services, non-audit services and or other consulting services to the Company within the last 6 (six) months before being appointed by the Board of Commissioners.
5. Not a person who has the authority and responsibility to plan, lead or control the Company within the last 1 (one) year before being appointed by the Board of Commissioners, except for Committee Members from the Board of Commissioners.

The transparency of the independence of the Nomination & Remuneration Committee can be seen in the following table:

THE TRANSPARENCY OF THE INDEPENDENCE OF THE NOMINATION & REMUNERATION COMMITTEE

Independence Aspect	Ravik Karsidi	Harry Gale	Vivid Zulprimiadanni
Owns the Company's shares, both directly and indirectly	X	X	X
Possess family relationships with the Board of Commissioners, Board of Directors, or Major/Controlling Shareholders	X	X	X
Possess business relations, both directly and indirectly related to the Company's business	X	X	X
A person who provides audit, non-audit, or other consultant services to the Company in the past six months	X	X	X
A person who has the authority and responsibility to plan, lead or control the activities of the Company			

✓ = yes | X = none

*) Ravik Karsidi is an Independent Commissioner, Harry Gale is the Company's Commissioner, while Vivid Zulprimiadanni is the Head of the Company's Human Capital Division.

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WORK GUIDELINES: NOMINATION & REMUNERATION COMMITTEE CHARTER

Nomination and Remuneration Committee of PT Mandiri Tunas Finance has its own Charter that is ratified on October 29, 2014 to support the implementation of its function and role. The Charter of Nomination and Remuneration Committee regulates matters related to:

- a. Duties and Responsibilities of the Committee,
- b. Authorities of the Committee,
- c. Meetings of the Committee,
- d. Organization of the Committee.

The Nomination and Remuneration Charter is reviewed in routinely to ensure that the guideline is in line with the needs and regulations that are related with the Company's business.

DUTIES AND RESPONSIBILITIES OF THE NOMINATION AND REMUNERATION COMMITTEE



Duties and Responsibilities related to the Remuneration Function are:

1. Evaluating the remuneration policy of the Company regarding Salary, Honorarium, Holiday Allowances, Benefits (Medical, Health, Loan Facility, and others), Bonus / Incentive (for employees), and Tantiem (for Board of Commissioners and Board Directors).
2. Providing recommendations to the Board of Commissioners regarding the remuneration policy for the members of Board of Directors and/or Board of Commissioners to be subsequently submitted to the GMS as well as the remuneration policy for the Executives and all employees to be submitted to the Board of Directors.
3. Ensuring that the remuneration policy of the Company is in accordance with the financial performance and

reserves of the Company according the prevailing regulations, evaluation on individual's work achievement, peer group fairness inside and outside of the Company, and the long term development strategy.

Duties and Responsibilities related to the Nomination Function are;

1. Providing recommendation to the Board of Commissioners regarding the composition of the members of Board of Directors and/or Board of Commissioners.
2. Providing recommendation to the Board of Commissioners regarding the required policy and criteria in the nomination of members of the Board of Directors and / or Board of Commissioners.

3. Providing recommendation to the Board of Commissioners regarding the name of Board of Directors and Board of Commissioners candidates.
4. Reviewing and suggesting the succession plan of members of Board of Directors and/or Board of Commissioners.
5. Evaluating based on the prepared benchmark for performance evaluation materials and capacity building of the Board of Directors and/or Board of Commissioners.
6. Providing recommendation to the Board of Commissioners regarding the performance evaluation policy for the members of Board of Directors and/or Board of Commissioners.
7. Providing recommendation regarding independent party that will be the member of the Committee under the Board of Commissioners.
8. Recommending the approval for the changes in the organizational structure up to one level under the Board of Directors.

FUNCTIONS AND AUTHORITIES OF THE NOMINATION AND REMUNERATION COMMITTEE

In implementing its duty, the Nomination and Remuneration Committee has its own functions and authorities that are in accordance with the provision stipulated in the Nomination and Remuneration Charter.

The functions of the Nomination & Remuneration Committee are as follows:

1. Preparing, implementing, and analyzing the nomination criteria and procedures for Board of Directors and Board of Commissioners candidates as well as the dismissal procedures of the Board of Directors and Board of Commissioners.
2. Identifying the Board of Directors and Board of Commissioners candidates from both inside and outside of the company that have fulfilled the requirements to be submitted/appointed as the Board of Directors or Board of Commissioners.
3. Preparing the criteria of performance assessment of the Board of Directors.
4. Proposing an adequate remuneration system which for the Board of Directors and Board of Commissioners in the form of salary system, facilities, allowances, options, and retirement system.
5. Ensuring that the Company complies to the provisions and or regulations of OJK, Ministry of Manpower, and other related regulations including the resolutions of the GMS of the Company.
6. Supporting the professional human resources development activities.

The authorities of the Nomination & Remuneration Committee are as follows:

1. The Committee has the access to the record or information regarding the Company's employees in relation with the implementation of the duty of the Committee.
2. In implementing the authority stipulated in point 1, the Committee cooperates with its work partners, such as the Secretary of the Board of Commissioners, Committees Under the Board of Commissioners, related teams in the management level, particularly the Human Resources Development Division and other relevant work units (if necessary)
3. The Committee has the authority to communicate directly with the employees, including the Board of Directors and parties related to the implementation of the Committee's duty
4. If necessary, the Committee may involve specialists and/or consultants/independent parties outside of the Committee or establish an ad hoc team to assist the implementation of its duty at the expense of the Company
5. The Committee carries out other authorities granted by the Board of Commissioners.

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COMPETENCY DEVELOPMENT OF THE NOMINATION & REMUNERATION COMMITTEE

The Company facilitates the implementation of the development program for the Nomination & Remuneration Committee in order to improve the competence of members of the Nomination & Remuneration Committee. This program is expected to have a positive impact on the productivity and effectiveness of the Nomination &

Remuneration Committee's performance.

Regarding the competency enhancement activities that are followed by the Nomination & Remuneration Committee Members throughout 2018 can be seen in the Company Profile chapter in this annual report.

NOMINATION & REMUNERATION COMMITTEE MEETING

Nomination and Remuneration Committee conducts meeting a minimum of once in a year in accordance with the Work Guidelines of Nomination and Remuneration Committee. The decision making in the meeting held by the Nomination and Remuneration Committee is conducted based on the consensus principles or the majority votes if it does not reach a consensus. The result of the meeting of the Committee must be stipulated in the minutes of the meeting signed by all members present and

documented properly by the Corporate Secretary. In the case of dissenting opinions in the decision making process in the Committee's meeting, it must be stated clearly in the minutes of the meeting as well as the reason for the dissenting opinions.

In 2018, the Nomination & Remuneration Committee conducted 3 (three) meetings, with minutes and recapitulation of attendance as follows:

MINUTES OF THE NOMINATION & REMUNERATION COMMITTEE MEETING

Meeting Date	Place	Meeting Agenda
March 9, 2018	Graha Mandiri, Jakarta	Discussion of nominations for prospective Directors
July 26, 2018		Establish training of Directors
December 26, 2018		Establish the facilities of the Board of Directors and the Board of Commissioners after full term

PRESENTATION OF THE NOMINATION & REMUNERATION COMMITTEE RECAPITULATION AT THE MEETING

Nomination & Remuneration Committee	Number of Required Meetings	Number of Attendance	% Attendance
Ravik Karsidi (Chairman of the Nomination & Remuneration Committee / Independent Commissioner)	3	3	100.00%
Harry Gale (Member of the Nomination & Remuneration Committee / Commissioner)	3	3	100.00%
Vivid Zulprimiadanni (Member of the Nomination & Remuneration Committee)	3	3	100.00%
Average			100.00%

RISK OVERSIGHT COMMITTEE

In order to support the implementation of duties, the Board of Commissioners established a Risk Oversight Committee to monitor the implementation of the Company's risk management compiled by the Board of Directors. The establishment of the Risk Oversight Committee is based on several regulations that apply including:

1. Regulation of the Financial Services Authority Number 10/POJK.05/2014 on the Risk Level Assessment of Non - Bank Financial Services Institutions.
2. Regulation of the Financial Services Authority Number 1/POJK.05/2015 on the Application of Risk Management for Non - Bank Financial Services Institutions.
3. Circular of the Financial Services Authority Number 4/ SEOJK.05/2015 on the Risk Level Assessment of Financing Companies.
4. Circular of the Financial Services Authority Number 1/SEOJK.05/2016 on the Assessment of Financial Soundness of Financing Companies.
5. Circular of the Financial Services Authority Number 10/SEOJK.05/2016 on Guidelines for Implementation of Risk Management and Report of Self-Assessment of Risk Management for Non - Bank Financial Services Institutions.

RISK OVERSIGHT COMMITTEE MEMBERSHIP REQUIREMENTS

Based on the Risk Oversight Committee Charter, members of the Committee must fulfill various criteria and requirements. Members of the Committee must have independence, integrity and knowledge regarding the business conducted by the Company. The requirements of the Risk Oversight Committee Membership are as follows:

1. Members of the Committee must have high integrity, ability, and experience in accordance with their professional field and capable to communicate properly.
2. At least one member of the Risk Oversight Committee must have the background of risk management.
3. Understand the company's business, particularly in risk management and prevailing regulations relevant to the financing business.
4. Have the adequate knowledge to read and understand financial statements and reports related to the oversight of risk management policy implementation of financing companies.
5. Willing to continuously improve the competence through education and training.
6. Not a member of Board of the Directors with integrity and knowledge of business of the Company.

TERM OF OFFICE

Committee members are appointed for certain term of office referring to the Decree of the Board of Commissioners No. KEP. KOM/01/2016 dated September 28, 2016 regarding the Establishment and Appointment of the Risk Oversight Committee, it is established that

the term of office of the Committee's members must not exceed the term of office of the Board of Commissioners as stipulated in the Articles of Association with the Board of Commissioners has the right to dismiss the Committee members at any time.

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STRUCTURE AND COMPOSITION OF MEMBERS OF THE RISK OVERSIGHT COMMITTEE IN 2018

In accordance with the Decree of the Board of Commissioners No. KEP.KOM/004/2018 dated 30 January 2018 regarding the Appointment of the Risk Oversight Committee, the composition of the Risk Oversight Committee members as of December 31, 2018 is as follows:

COMPOSITION OF THE RISK OVERSIGHT COMMITTEE AS OF DECEMBER 31, 2018

Name	Position	Appointment Basics	Term of Office	Position Period
Ravik Karsidi	Chairman of the Risk Oversight Committee / Independent Commissioner	Decree of the Board of Commissioners No. KEP.KOM/004/2018 dated	Following the term of office as an Independent Commissioner	
Rico Setiawan	Member of the Risk Oversight Committee / President Commissioner	Decree of the Board of Commissioners No. KEP.KOM/004/2018 dated	Following the term of office as a President Commissioner	
Harry Gale	Member of the Risk Oversight Committee/ Commissioner	Decree of the Board of Commissioners No. KEP.KOM/004/2018 dated	Following the term of office as a Commissioner	
Irene Yudhistira Junarso	Member of the Risk Oversight Committee	Decree of the Board of Commissioners No. KEP.KOM/004/2018 dated	January 30, 2018 - January 30, 2021	1st
Irwan Tri Nugroho	Member of the Risk Oversight Committee	Decree of the Board of Commissioners No. KEP.KOM/004/2018 dated January 30, 2018	January 30, 2018 - January 30, 2021	1st

PROFILE OF MEMBERS OF THE RISK OVERSIGHT COMMITTEE

RAVIK KARSIDI

Chairman of the Risk Oversight Committee/Independent Commissioner

Profile of the Chairman of the Risk Oversight Committee of Ravik Karsidi can be seen in the profile section of the Board of Commissioners in the Company Profile chapter in this Annual Report





RICO SETIAWAN

Member of the Risk Oversight Committee/President Commissioner

Profile of the Member of the Risk Oversight Committee of Rico Setiawan can be seen in the profile section of the Board of Commissioners in the Company Profile chapter in this Annual Report.



HARRY GALE

Member of the Risk Oversight Committee/ Commissioner

Profile of the Member of the Risk Oversight Committee of Harry Gale can be seen in the profile section of the Board of Commissioners in the Company Profile chapter in this Annual Report.

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IRENE YUDHISTIRA

Member of the Risk Oversight Committee

Profile of the Member of the Risk Oversight Committee who are also the Member of Audit Committee of Irene Yudhistira Junarso can be seen in the Audit Committee profile section in the chapter on Good Corporate Governance in this Annual Report.



IRWAN TRI NUGROHO

Member of the Risk Oversight Committee/President Commissioner

POSITION PERIOD

January 30, 2018 – January 30, 2021, First Period

PERSONAL DATA

Indonesian Citizen

Born in Bantul, November 6, 1984 (34 years old)

DOMICILE

Bantul, Yogyakarta Special Region, Indonesia

EDUCATION

Bachelor Degree in Management - UNS (2006), Master Degree in Finance - Universitas Gadjah Mada (2009), Doctoral Degree in Banking and Finance - University of Limoges, France (2014).

WORK EXPERIENCE

Currently also a teaching staff in the field of financial management at the Faculty of Economics and Business, Sebelas Maret University (UNS), Lecturers and guest researchers at various universities both in Indonesia and abroad, Vice-president of program and international cooperation in the Indonesian Finance Association (IFA), Lecturers with a rank 1 in 2015 and 2018.



INDEPENDENCE OF THE RISK OVERSIGHT COMMITTEE

Members of the Risk Oversight Committee are professional individuals and do not have a relationship with the Company to support independence in carrying out their duties and responsibilities. The Risk Oversight Committee that forms the Company has met the criteria of independence, expertise, experience and integrity.

In order to be able to act independently, the Risk Oversight Committee Members of the Company are required to fulfill the following independence criteria:

1. Do not own the Company's shares, directly or indirectly.
In the event that a Committee Member obtains shares due to a legal event, then within a maximum period of 6 (six) months after the acquisition of such shares must be transferred to another party.
2. Not having a family relationship due to marriage and descent to the second degree, both horizontally and vertically with the Board of Commissioners, the Board of Directors, or the Main Shareholders / Controllers of the Company.
3. Do not have business relations, directly or indirectly related to the Company's business, including not receiving compensation from the Company and subsidiaries other than the benefits of services received relating to duties as Committee Members.
4. Not an employee of the Public Accountant Office, Legal Consultant Office, or other Party that provides audit services, non-audit services and or other consulting services to the Company within the last 6 (six) months before being appointed by the Board of Commissioners.
5. Not a person who has the authority and responsibility to plan, lead, or control the Company within the last 1 (one) year before being appointed by the Board of Commissioners, except Committee members from the Board of Commissioners.

The transparency of the independence of the Risk Oversight Committee is shown in the following table:

THE TRANSPARENCY OF THE INDEPENDENCE OF THE RISK OVERSIGHT COMMITTEE

Independence Aspects	Ravik Karsidi	Harry Gale	Irene	Irawan
Owens the Company's shares, both directly and indirectly	X	X	X	X
Possess family relationships with the Board of Commissioners, Board of Directors, or Major/Controlling Shareholders	X	X	X	X
Possess business relations, both directly and indirectly related to the Company's business	X	X	X	X
A person who provides audit, non-audit, or other consultant services to the Company in the past six months	X	X	X	X
A person who has the authority and responsibility to plan, lead or control the activities of the Company			X	X

✓ = yes | X = none

*) Ravik Karsidi is an Independent Commissioner, Rico Setiawan is the President Commissioner, while Harry Gale is the Company's Commissioner.

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WORK GUIDELINES: RISK OVERSIGHT COMMITTEE CHARTER

In the implementation of its work the Company's Risk Oversight Committee refers to the Risk Oversight Committee Charter. The Risk Oversight Committee Charter stipulated by the Board of Commissioners in Jakarta on November 24, 2016, is a written document that regulates mainly the position, membership, authority, duties and responsibilities of the Audit Committee. The Charter also sets limits and regulates the working relationship between the Risk Oversight Committee and the Audit Committee and with other Committees under the Board of Commissioners.

AUTHORITY, DUTIES AND RESPONSIBILITIES OF RISK OVERSIGHT COMMITTEE

The Risk Oversight Committee has the authority to access the document, data, and information of the Company, and to communicate directly with the employees, including the Board of Directors and the party that conducts internal audit function and risk management. The Committee also has the authority to involve the required independent party and other authorities granted by the Board of Commissioners in order to be capable and responsible to implement the duty of the Risk Oversight Committee which covers, among others:

1. Directing the policy, strategy and framework of risk management in accordance with risk appetite and risk tolerance
2. Reviewing the conformity of risk management policy of the company and the implementation of the policy
3. Monitoring the implementation of the duty of Risk Management work unit
4. Reviewing the risk profile report and/or risk level report
5. Reviewing the report of financial health of the Company
6. Monitoring the adequacy of identification process, oversight management, risk management system and control.

RISK OVERSIGHT COMMITTEE COMPETENCY DEVELOPMENT

The Company facilitates the implementation of the development program for the Risk Oversight Committee in order to improve the competence of the members of the Risk Oversight Committee. This program is expected to have a positive impact on the productivity and effectiveness of the Risk Oversight Committee's performance.

About the competency enhancement activities that are followed by Risk Oversight Committee Members throughout 2018 can be seen in the Company Profile chapter in this annual report.

RISK OVERSIGHT COMMITTEE MEETING

The Risk Oversight Committee hold quarterly meetings held 4 (four) times a year. The committee may also conduct monthly meetings in accordance with previously agreed needs. In its implementation, the Chair of the Committee invites all committee members and all members of the Board of Commissioners to attend meetings chaired by the Chair of the Committee or members appointed in writing if the chairperson is unable to attend. The Risk Oversight Committee meetings are considered valid if attended by more than half the number of members including a Commissioner and an independent party.

In 2018, the Risk Oversight Committee conducted 8 (eight) meetings, with minutes and recapitulation of attendance as follows,

MINUTES OF RISK OVERSIGHT COMMITTEE MEETINGS

Meeting Date	Place	Meeting Agenda
January 29, 2018	Graha Mandiri, Jakarta	Establish the structure of the Risk Oversight Committee
April 25, 2018		Provide direction to form a special team to evaluate risks in the branches
May 28, 2018		Discussion of Quality Assurance methodology
July 31, 2018		Reviewing the operational risk policy in June
August 28, 2018		Discuss the results of risk from Corporate Governance that has been fulfilled
September 26, 2018		Provide direction on operational risks related to the impact of natural disasters in Lombok
October 29, 2018		Discussion of Risk Appetite Statement
December 14, 2018		Determine policies for the impact of natural disasters in Palu

RECAPITULATION OF THE PRESENCE OF THE RISK OVERSIGHT COMMITTEE AT THE MEETING

Risk Oversight Committee	Number of Required Meetings	Number of Attendance	% Attendance
Ravik Karsidi (Chairman of the Risk Oversight Committee / Independent Commissioner)	8	8	100.00%
Harry Gale (Member of the Risk Oversight Committee / Commissioner)	8	6	75.00%
Irene Yudhistira Junarso (Member of the Risk Oversight Committee)	8	7	87.50%
Irwan Tri Nugroho (Member of the Risk Oversight Committee)	8	8	100.00%
Average			90.63%

INFORMATION ON OTHER ORGAN / COMMITTEES UNDER THE BOARD OF COMMISSIONERS

As of December 31, 2018, the Company only had organs under the Board of Commissioners as described above, namely:

1. Secretary of the Board of Commissioners
2. Audit Committee
3. Nomination and Remuneration Committee
4. Risk Oversight Committee

Thus there are no other organs or committees under the Board of Commissioners other than those described above.

THE BOARD OF DIRECTORS SUPPORTING ORGAN

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CORPORATE SECRETARY

As an issuer that trades bonds to the public, the Company must have a Corporate Secretary function which is an individual or person in charge of a work unit that carries out the function of the Corporate Secretary. The Corporate Secretary ensures that the Company complies with the regulations regarding requirements for openness in line with the application of GCG principles; provide information needed by the Board of Directors periodically

and/or at any time when requested; administer and store company documents; as well as being the Company's liaison officer to connect with parties outside the Company.

The existence of the Corporate Secretary is regulated in OJK Regulation No. 35/POJK.04/2014 on Corporate Secretary of Issuer or Public Company.

PARTIES WHO APPOINT AND DISMISS THE CORPORATE SECRETARY

The Corporate Secretary is a Company official who is specifically appointed to carry out the functions of the Corporate Secretary and is appointed and dismissed by the President Director based on the Company's internal mechanism with the approval of the Board of Commissioners. The Corporate Secretary is responsible and reports its activities directly to the President

Director. The Corporate Secretary is prohibited from concurrently holding any position with another issuer or public company.

Company Secretary is responsible directly to the President Director and make periodic reports of at least 1 (one) time a year.

QUALIFICATIONS OF CORPORATE SECRETARY OFFICER

Corporate Secretary of Mandiri Tunas Finance carries out the mission to support the creation of the good image of the company consistently and continuously through an effective communication program to all stakeholders. The requirements to be the Corporate Secretary are as follows:

1. Proficient in taking legal actions
2. Have the knowledge and understanding in the fields of law, finance and corporate governance
3. Understand the business activities of the Company
4. Have the ability to communicate well
5. Based in Indonesia

CORPORATE SECRETARY OFFICER

Determination of Acting Corporate Secretary in accordance with Directors Decree No. 01324/SKHCP. SVC/HC/11/2018 dated November 26, 2018 which appointed Arif Reza Fahlepi as Corporate Secretary & Legal Compliance Division Head and received approval from the Board of Commissioners. The replacement

of the Corporate Secretary has been published on the Company's website www.mtf.co.id/korporat dated November 27, 2018 and reported to the OJK by letter No.283/MTF-CLC.CCS/XI/2018 on November 27, 2018 to comply with the OJK Regulations No. 35/POJK.04/2014 on Corporate Secretary of Issuer or Public Company.



ARIF REZA FAHLEPI

Corporate Secretary & Legal Compliance Division Head

PERSONAL DATA

Indonesian Citizen

41 years old

Born in Jakarta, September 30, 1977

DOMICILE

South of Jakarta, DKI Jakarta, Indonesia

EDUCATION

Bachelor Degree in Indonesian Literature- Padjajaran University, Bandung (2001), and Master Degree in Corporate Communication - London School of Public Relations, Jakarta (2017).

TERM OF OFFICE AT MTF Since November 26, 2018

PROFESSIONAL CERTIFICATION AND COMPETENCY DEVELOPMENT PROGRAM IN 2018

Received a Certification Assessor PR from the Indonesian National Certification Agency

WORK EXPERIENCE

Before being trusted to become Corporate Secretary & Legal Compliance Division Head of MTF, he had a career at PT Federal International Finance as Head of Corporate Communication (2016-2018), Corporate Communication Analyst (2007-2016), Human Capital (2005-2007), Surveyor (2004-2005). Experienced as Editor at PT Cahaya Rakyat Merdeka (2001-2004) and worked as Marketing Officer at PT Purbaya Pancasakti (1997-2001). Active as the Executive Board of the Indonesian Public Relations Association (PERHUMAS) in the field of Strategic Cooperation for the period 2017-2020.

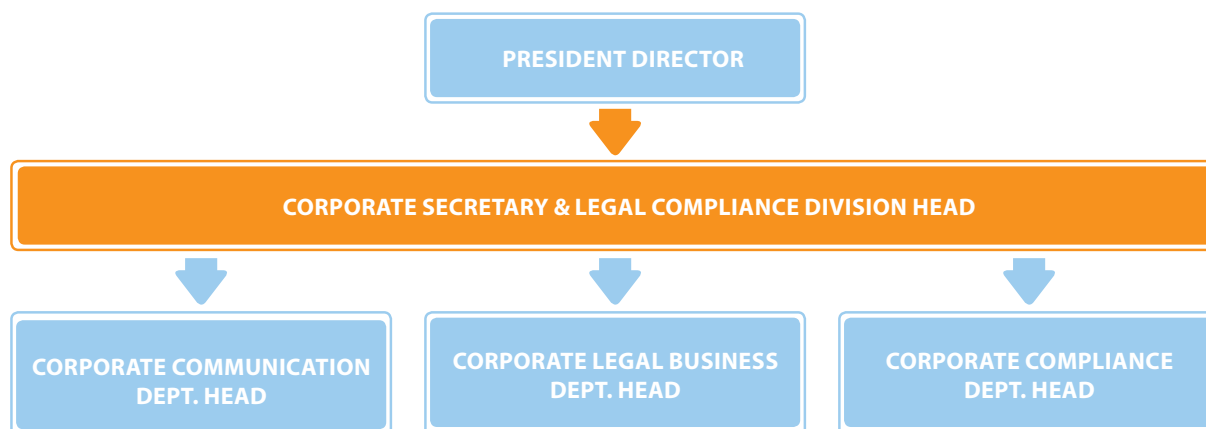
CORPORATE SECRETARY ORGANIZATION

Structurally, the Corporate Secretary is 1 (one) level below the Board of Directors. The Corporate Secretary is responsible directly to the President Director. The Corporate Secretary oversees the Head of the Communication Department, Head of the Corporate Legal Department and Head of the Regulatory and Compliance Department. With the presence of a Corporate Secretary,

it is expected to be able to assist the Board of Directors in carrying out management of Company information and ensure that the Company complies with the regulations regarding disclosure requirements in line with the application of the principles of Good Corporate Governance.

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ORGANIZATIONAL STRUCTURE OF THE MANDIRI TUNAS FINANCE CORPORATE SECRETARY



As of December 31, 2018 the number of Corporate Secretary & Legal Compliance Division employees are as follow:

THE NUMBER OF CORPORATE SECRETARY & LEGAL COMPLIANCE DIVISION

Position	Number of Employee
Division Head	1
Department Head	2
Supervisor	12
Staff	2
Total	17

WORK GUIDELINES FOR THE CORPORATE SECRETARY

In supporting the work of the Corporate Secretary, the Corporate Secretary Work Guidelines No. 03/PGN/06/2016 has been issued on December 23, 2016 and has been through revisions on December 14, 2018, approved by the Company's Board of Directors.

FUNCTIONS AND DUTIES OF THE CORPORATE SECRETARY

Based on the Decree No.2428/SK-HCP.SVC/HC/IV/2017 the functions and duties of the Corporate Secretary of PT Mandiri Tunas Finance are as follows:

1. Following the development of the capital market, especially the prevailing regulations in the field of capital markets and disseminating the information to the Board of Commissioners, Board of Directors and the Company's stakeholders.
2. Providing insights to the Board of Directors and Board of Commissioners of the Company to comply with the regulations in the field of capital markets.
3. Assisting the Board of Directors and the Board of Commissioners in the implementation of corporate governance, including:

- a. Disclosure of information to the public;
- b. Submission of reports to regulators on a timely basis; and
- c. Implementation and documentation of the GMS including the preparation process.

COMPETENCY DEVELOPMENT OF THE CORPORATE SECRETARY

The Company facilitates the implementation of development programs for the Corporate Secretary in order to improve competence. This program is expected to have a positive impact on the productivity and effectiveness of the Corporate Secretary's performance.

Regarding the competency enhancement activities followed by the Corporate Secretary throughout 2018, see the Company Profile chapter in this annual report.

IMPLEMENTATION OF THE CORPORATE SECRETARY DUTIES IN 2018

Throughout 2018, the Corporate Secretary has carried out several tasks and activities as follows:

- **Publication of Company Information**

The Company is committed to always implementing the principles of the Company's information disclosure by publishing various activities or information about the Company throughout the 2018 financial year. This is in accordance with Bapepam and LK Regulation No. X.K.1 (Decree of the Chairperson of Bapepam and LK No. Kep-86/PM/1996 dated January 24, 1996) and the Jakarta Stock Exchange Regulation No. I-E.IV (Decree of the Directors of the Jakarta Stock Exchange No. Kep-306 / BEJ / 07-2004 dated July 19, 2004). Disclosure of material information is carried out by the Company through reports or press releases. In order to increase the dissemination of material information, all information for the press and reports was made in 2 (two) languages, namely Indonesian and English.

- **Monthly Financial Statements of Financing Companies**

Based on OJK Regulation No. 3 / POJK.05 / 2013 on Monthly Reports of Non-Bank Financial Services Institutions, Financing Companies must submit Monthly Reports to OJK no later than the 10th of each month. In the event that on the 10th falls on a holiday, the Monthly Financial Report shall be submitted on the next working day. During 2018, the Company has reported to the OJK Monthly Financial Reports in a timely manner and in accordance with applicable regulations, as follows:

Report Month Period in 2018	Report Delivery Date
January	January 9, 2018
February	February 10, 2018
March	March 9, 2018
April	April 9, 2018
May	May 9, 2018
June	June 8, 2018
July	July 9, 2018
August	August 8, 2018
September	September 10, 2018
October	October 9, 2018
November	November 8, 2018
December	December 7, 2018

- **Obligations for Submitting Data on Foreign Currency Debt**

Based on OJK Letter No. S-30/PM.2/2013 dated February 7, 2013 and No. S-124/PM.23/2013 dated February 27, 2013 on Data Requests for Debts/Liabilities in Foreign Exchange, Issuers or Public Companies were asked to submit:

1. Report on the amount of debt / liabilities in foreign currencies
2. Projected payment of debt / liabilities in foreign currencies per month
3. Information on debt / liability maturity in foreign currencies

In the event that the issuer does not have or has a debt / obligation in foreign exchange, the issuer is asked

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to keep reporting to the OJK using the prescribed form. The report above must be submitted to OJK no later than the 10th of each month using the form as attached in the OJK letter No. S-30 / PM.2 / 2013 dated February 7, 2013.

The Company has reported to OJK Debt / liability reports in foreign currencies in a timely manner and in accordance with applicable regulations, as follows:

Report Month Period in 2018	Report Delivery Date
January	January 8, 2018
February	February 5, 2018
March	March 6, 2018
April	April 2, 2018
May	May 7, 2018
June	June 7, 2018

Report Month Period in 2018	Report Delivery Date
July	July 6, 2018
August	August 6, 2018
September	September 7, 2018
October	October 8, 2018
November	November 8, 2018
December	December 10, 2018

• **Activities to develop good relations with Mass Media**

The Company continues to develop good relations with Mass Media as partners in disseminating information about the condition of the company. The Company periodically holds activities with mass media to improve communication by conducting various activities. Throughout 2018, the Company carried out several activities involving mass media including:

Date	Activities	Location	Activity Title
February 14, 2018	Press conference for Solo "Direksi Mengajar" program	Surakarta	MTF Consistently Provides Financial Literacy Education for Students, Held "Direksi Mengajar" program for 1,500 UNS Students
February 13, 2018	Publication of Opening of MTF Branch Office Manado	Manado	MTF Boosts Retail Financing, Opened Branch Office in Manado
February 27, 2018	Performance 2017 press conference	Jakarta	Mandiri Tunas Finance Consistently Grow Sustainably, Distributed New Financing of Rp22.2 Trillion in 2017
March 3, 2018	Corsec Publication & IT Award	Jakarta	Mandiri Tunas Finance Won Two Awards In the Field of Corporate Secretary & Corporate Communication and IT
April 19, 2018	IIMS Opening Press Conference	Jakarta	Mandiri Tunas Finance became the Indonesia International Motor Show 2018 Official Leasing Partner
April 26, 2018	IIMS Press Conference	Jakarta	Mandiri Tunas Finance Launched "Tiered Installment" Products at the 2018 IIMS
May 3, 2018	Publication of IIMS results	Jakarta	Stable Economic Conditions, MTF Vehicle Financing Exceeded Targets in 2018 IIMS
May 17, 2018	Semarang Autoshow Publication	Semarang	MTF Targeted Work Order Worth Rp8.2 billion from Semarang Autoshow 2018

Date	Activities	Location	Activity Title
May 13, 2018	Publication of financing activities in Eastern Indonesia	Jakarta	MTF Consistently Distributes Financing in Eastern Indonesia
May 30, 2018	Q1 Performance Press Conference and break fasting with the media	Jakarta	Mandiri Tunas Finance Net Profit for First Quarter 2018 Increased Sharply 86.7%
July 21, 2018	Press Release of the Medan case response	Medan	Mandiri Tunas Finance Ensured that Evidence of Owners of Customer Motorized Vehicles in Medan were safe
July 31, 2018	Codymax event participation publications	Surabaya	MTF Targeted 150 work orders in the Codymax Auto Mall Surabaya Event
August 9, 2018	Independence MTF Promo Publication	Jakarta	Mandiri Tunas Finance Offered Independence Day Promos of "Bunga Pintar 3%" package and "Program Merdeka" for government employees & state-owned enterprises Employees
August 9, 2018	Mr. Arya's Interview by Men's Obsession	Jakarta	73 Achievement Figures in 2018, Men's Obsession Magazine, August 2018 edition
August 23, 2018	Mr. Arya's interview by Bisnis Indonesia	Jakarta	"Lunch with CEO" Rubric, Bisnis Indonesia Daily, 3rd edition in September 2018
August 28, 2018	Mr. Har's Interview by CNN Indonesia	Jakarta	Automotive finance news, CNN Indonesia, August 28, 2018
September 4, 2018	National Customer Day (Harpelnas) Press Conference	Jakarta	Mandiri Tunas Finance Appreciation for Customers on National Customer Day
September 19, 2018	CSR Lombok Press Conference	Mataram	Mandiri Tunas Finance Willing to Support Economic Recovery in Lombok, Submitted Assistance from MTF Employees
October 10, 2018	Publication of the opening of the Pekanbaru branch office	Pekanbaru	MTF Boost Retail Financing by Inaugurated a Branch Office in Pekanbaru
October 12, 2018	Publication of the opening of the Ungaran branch office	Ungaran	Mandiri Tunas Finance Expanded Network at Ungaran
October 10, 2018	Publication of participation in the Makassar IIMS	Makassar	Mandiri Tunas Finance Targeted 200 work orders in the 2018 Indonesia International Motor Show Event in Makassar
October 16, 2018	MTF Autofiesta Palembang publication	Palembang	Mandiri Tunas Finance Targeted 140 work orders in the MTF Autofiesta City of Palembang event
November 7, 2018	Publication of participation in IIMS Surabaya	Surabaya	Mandiri Tunas Finance Targeted 300 work orders in the Surabaya IIMS event

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Date	Activities	Location	Activity Title
November 8, 2018	Dukcapil Press conference	Jakarta	Improved Administrative Service Standards by Established Collaboration with the Population and Civil Registry Service (Dukcapil)
November 29, 2018	Investor Gathering Press Conference	Jakarta	Mandiri Tunas Finance Targeted Rp1 Trillion through Public Offering of MTF Continuous Obligation IV Phase I year 2018
December 5, 2018	Photo session by Kontan	Jakarta	News photos in the Kontan Daily newspaper edition December 6, 2018
December 8, 2018	Media Visit to Sonora Radio in Bandung	Bandung	Media Visit to Sonora Radio in Bandung
December 11, 2018	Publication of Business Case Competition events	Jakarta	Mandiri Tunas Finance Encouraged Millennials' Role in the Business World, held MTF Business Case Competition for College Students

In general, activities that have been carried out by the Corporate Secretary throughout the year are:

- Organizing the 2017 financial year Annual General Meeting of Shareholders
- Organizing Investor Gathering in the context of the Sustainable Public Offering of MTF Sustainable Bonds IV Phase I Year 2019
- Organizing regular Directors and Board of Commissioners Meetings activities
- Carry out reporting which is the company's obligation to the Regulator
- Establishing relationships with external parties, especially the Company's stakeholders
- Carry out Company events, both internal and external events
- Carry out Corporate Social Responsibility, Financial Literacy and Financial Inclusion activities
- Fostering relations with the mass media and monitoring the news
- Manage and update the Company's website content
- Perform in public appreciation activities and sponsorship participation
- Establish cooperation with the Population and Civil Registry Service (Disdukcapil)
- Review and recommend updates and improvements to policies, provisions and procedure systems that are owned by the Company so that they are in accordance with the applicable regulations / laws and regulations.
- Reviewing agreements and legal opinions related to the Company's business
- Handle customer complaints and make mandatory reporting regularly

INTERNAL AUDIT

Function of Internal Audit is to evaluate the function and work unit of the Company regularly to assist the Board of Directors in ensuring the implementation of internal control system. The function is implemented by Internal Audit Division, an independent unit that is responsible directly to President Director. In the implementation,

Internal Audit Division also reports its activities to the Board of Commissioners through Audit Committee. Internal Audit is led by a Division Head that is appointed and dismissed by President Director on the approval of the Board of Commissioners.



"The Head of Internal Audit is appointed and dismissed by the President Director after obtaining approval from the Board of Commissioners."

RESPONSIBILITIES

The Head of Internal Audit is responsible directly to the President Director. In carrying out the functional oversight function, Internal Audit coordinates with the Audit Committee. To support independence and ensure the smooth running of the audit and authority in monitoring the follow-up of the audit results, the Head of Internal Audit can communicate directly with the Board of Commissioners and the Board of Commissioners' Committees to inform various matters

relating to the audit. The information must be reported to the President Director.

PROFILE OF THE HEAD OF INTERNAL AUDIT

Based on Directors Decree No.02648 / SK-PGS / HRD / II / 2015 dated February 13, 2015, the President Director appointed Dayu Rasmini as the Head of the Company's Internal Audit.

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DAYU RASMINI

Head of Internal Audit

SERVED SINCE July 1, 2016

PERSONAL DATA

Indonesian Citizen

Born in Jakarta, July 10, 1973 (45 years old)

DOMICILE Bekasi, West Java, Indonesia

EDUCATION

Bachelor Degree in Accounting – Padjajaran University (1995)

TERM OF OFFICE AT MTF since 2015

PROFESSIONAL CERTIFICATION

Basic Funding Certification (PT. Indonesian Financing Professional Certification, 2016)



WORK EXPERIENCE

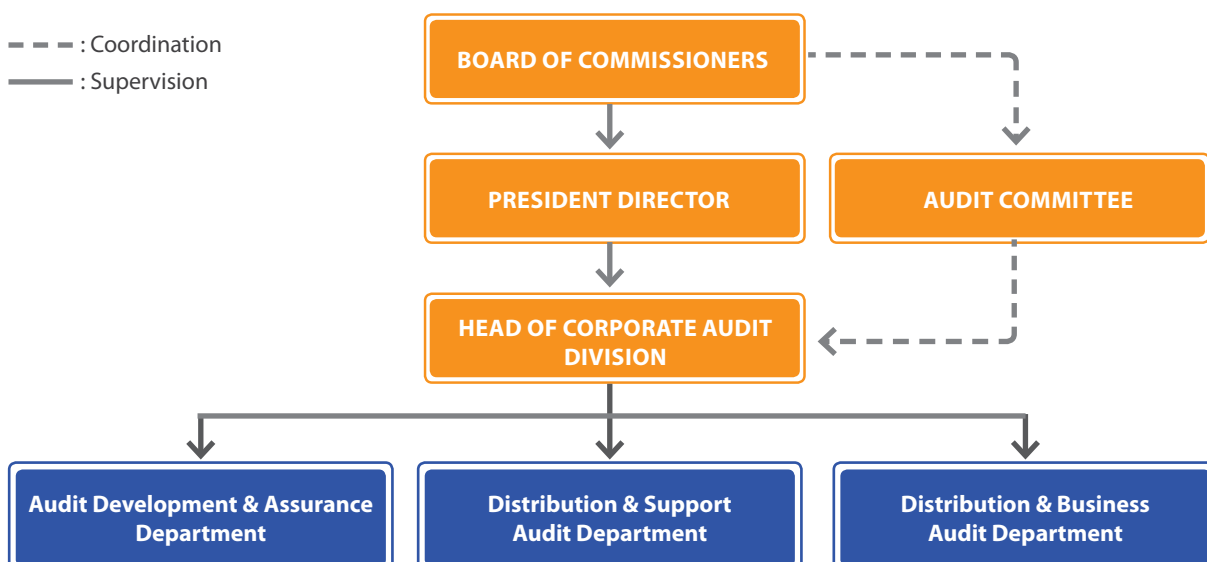
PT Mandiri Tunas Finance's Distribution & Support Audit Department Head (2015-2016), Previously she had served in PT Bank Mandiri (Persero) Tbk (1997-2015) and had experience in Retail Banking Audit, Commercial Banking Audit, Audit Development, Personnel Performance & Budgeting, and Corporate Banking Audit. She began her career in banking at PT Bank Ekspor Impor Indonesia (1996-1997) as Officer Development Program.

ORGANIZATIONAL STRUCTURE OF THE INTERNAL CONTROL UNIT

ORGANIZATIONAL STRUCTURE AND POSITION OF THE INTERNAL CONTROL UNIT

--- : Coordination

— : Supervision



As of December 31, 2018, SPI had 18 employees with details of the placement and implementation of the following tasks:

Position	Number of Employees (people)
Division Head	1
Department Head	2
Lead Auditor	6
IT Audit Specialist	1
Auditor	8
Total	18

Total employees were the results of identification and review on internal control system management and effectiveness of the supervision that were carried out by the Company's management.

INTERNAL AUDIT PROFESSIONAL CERTIFICATION

Professional certification is an important aspect for auditors to understand the development of audits, especially related to compliance with regulations and industrial development. The following is conveyed the professional certification held by the Head of Division and Head of the Internal Audit Department as of December 31, 2018.

Name	Position	Certification	Year
Dayu Rasmini	Division Head	APPI Certification	2016
Ricky Harris	Department Head	APPI Certification	2016
Nestri Hutabarat	Department Head	APPI Certification	2016

The Company is committed to increasing the level of professional certification for Internal Audit employees, both for employees who already have professional certification and those who do not yet have.

INTERNAL AUDIT CHARTER: INTERNAL AUDIT GUIDELINES AND RULES

To meet the provisions of OJK Regulation No. 56/POJK.04/2015 on the Establishment and Guidelines for Preparation of the Internal Audit Unit Charter, the Company has formed an Internal Audit Unit Charter which has been legitimated by the Board of Directors and approved by the Board of Commissioners, with the latest revision on December 1, 2015, as a reference or guideline for the Audit Division Internal in carrying out their duties, obligations and authorities. The Internal Audit Charter contains:

1. Internal Audit Division is led by a Division Head that is appointed and dismissed by President Director on the approval of the Board of Commissioners.
2. The Head of Internal Audit Division is directly responsible to President Director and coordinates with Audit Committee.
3. Appointment, substitution, or dismissal of the Head of Internal Audit Division will be reported immediately to authorities that are authorized to regulate and supervise the Company's activities.

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4. Internal Auditors in Internal Audit Division are responsible to the Head of Internal Audit Division.

INDEPENDENCE OF INTERNAL AUDIT DIVISION

Members of Internal Audit Division are professional and do not have any relations with the Company to maintain independency in the implementation of duties and responsibilities. Internal Audit Division has fulfilled the criteria of independency, expertise, experience, and integrity.

INTERNAL AUDIT CODE OF CONDUCT

Code of Conduct is the foundation of professionalism of internal auditors in the audit implementation. Internal Auditors' Code of Conduct refers to the principles that are relevant to the profession and audit activities in line with the standards of conduct of The Institute of Internal Auditors (IIA). Violation to Code of Conduct is a violation of the Company's discipline which may result a warning for Internal Auditor, dismissal from duty in the Internal Audit and or being disciplined in line with the level of offense committed.

The Internal Auditors must uphold and comply with the Code of Conduct, as follows:

1. Integrity

Having personality that is based on the principles of honesty, bravery, wisdom, and responsibility to build trusts in order to strengthen the decision-making process.

2. Objectivity

Upholding the principle of impartiality and professionalism in collecting, evaluating and processing audit data/information.

3. Secrecy

Respecting the value and ownership of information received and not revealing the information without adequate authorization unless there are rules and laws that require the information to be disclosed.

4. Competency

Having the knowledge, expertise, experiences and skills that are required to carry out the duties and responsibilities.

INTERNAL AUDIT FUNCTION

In general, the function of Internal Audit Division is divided into 2 (two), namely assurance and consulting function.

1. Assurance Function

The implementation of assurance function by Internal Audit Division is to ensure that the internal control of risk management and governance has been implemented by all work units in accordance with the written policies and procedures of the Company as well as external regulations. The results of the assessment are reported by Internal Audit Division periodically to Board of Directors and Board of Commissioners through Audit Committee. In carrying out its assurance functions, Internal Audit Division uses Risk-Based Audit (RBA) methods. In the methods, the determination of work units that will be audited is done based on risk assessments conducted periodically.

During 2018, the Internal Audit Division has conducted 56 assignments consisting of 52 general audits and 4 investigations. Each assurance assignment reported to the Board of Directors of the Company and the auditee is equipped with a corrective action plan, including sanctions if necessary. The progress corrective actions must be reported by the auditee to the Internal Audit Division periodically to ensure that every party being audited is always working to make improvements or repairs.

2. Consulting Function

To increase the effectiveness and efficiency of process, the Company implemented consulting functions by the Internal Audit Division. The consulting function serves as strategic partner through control and risk review on a process or activities that will be prepared or evaluated by the Company and provided advice

and suggestion for process improvement. In carrying out the functions of consulting, Internal Audit Division analyzes conducts self-analysis or cooperates with another unit or division.

In 2018, the focus of the audit was directed to evaluate the effectiveness of internal control regarding key business risks faced by the Company as one of the mitigation measures that should be carried out. In the process of prioritization of key risks mitigation to be evaluated, Internal Audit Division has received inputs from related working units and the direction of the Board of Directors. The inputs and directions include the main risks in business processes and supporting processes, particularly in the branch office network to support the creation of higher quality provision of financing and a decrease in AR Loss according to the targets set by the Company.

Internal Audit Division also continuously carried out desk monitoring on operational data of branch office. Indication of weakness of the result of the on desk monitoring will be submitted to client (branch) every month as a form of early warning signal form strategic partner and the follow-up will be monitored. The results of the on desk monitoring will also be communicated to the relevant work units at the Head Office to discuss its improvements.

DUTIES, RESPONSIBILITIES AND AUTHORITY OF INTERNAL AUDIT

The duties and responsibilities of Internal Audit are:

1. Planning and implementing the Annual Audit Plan.
2. Planning and implementing Internal Audit Activities with emphasis on field/activity having high risk and evaluating the existing procedure/control system to obtain assurance that the Company's objective and target can be achieved optimally and continuously.
3. Composing programs to evaluate the implemented internal audit activities.
4. Preparing audit results report and submitting the report to President Director and other members of Board of Directors, as well as to the Board of

Commissioners through the Audit Committee.

5. Monitoring, analyzing and reporting the follow-ups on the Internal Audit Activities and Investigation Activities.
6. Cooperating with the Audit Committee.
7. Carrying out special audit, if necessary.
8. Having no responsibility to carry out operational activities.

Authorities of Internal Audit Division:

1. Conducting the audit assignment to the activities of all working units and branches in the Company's organization.
2. Gaining access to all data and documents in the form of hardcopy and softcopy as well as the audit object information in the employee records, resources and other things that are considered necessary to support the audit activities.
3. Investigating any indications of cases / problems in every aspect and element of activities in the form of fraud, forgery, embezzlement, thievery, or other matters which could lead to material and immaterial losses for the Company. This investigation is limited to the disclosure and reporting to the management.
4. Conducting regular communication with members of the Board of Directors, the Board of Commissioners, and the Audit Committee.

DEVELOPMENT OF INTERNAL AUDIT COMPETENCE

The Company facilitates the implementation of development programs for Internal Audit in order to improve employee competency. This program is expected to have a positive impact on productivity and effectiveness of Internal Audit performance.

Regarding the competency enhancement activities followed by the Head of the Internal Audit Division throughout 2018, see the Company Profile chapter in this annual report. While the competency enhancement activities that are attended by the Heads of Departments, Lead Auditors, IT Audit Specialists, and Auditors, are as follows:

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No	Name	Position	Competency training / development	Year
1	Ricky Harris	Head of Department	Root Cause Analysis Methodology, Audit Report Writing Training, Middle Management Development Batch 2 Program, and Detection & Methodology to Recognize Frauds	2018
2	Nestri Hutabarat	Head of Department	Effective Communication Skill, Effective Coaching And Conseling Skill, Financial Management For Non Finance, Leader As Role Model, Integrated Leadership, Powerfull Presentation Skill, and Detection & Methodology to Recognize Frauds	2018
3	Yulyus Hariadi	Lead Auditor	Root Cause Analysis Methodology, Audit Report Writing Training, Detections & Methodology to Recognize Frauds and Investigation Workshops.	2018
4	Angga Yudhistira	Lead Auditor	Root Cause Analysis Methodology, Audit Report Writing Training, Detections & Methodology to Recognize Frauds.	2018
5	Stanley Adhitama	Lead Auditor	Root Cause Analysis Methodology, Audit Report Writing Training, Detections & Methodology to Recognize Frauds.	2018
6	Muhammad Mifta Faridz	Lead Auditor	Root Cause Analysis Methodology, Audit Report Writing Training, Detections & Methodology to Recognize Frauds.	2018
7	Ervin Kervinda	Lead Auditor	Root Cause Analysis Methodology, Audit Report Writing Training, Detections & Methodology to Recognize Frauds.	2018
8	Muhammad Fajar	Lead Auditor	Detections & Methodology to Recognize Frauds.	2018
9	Dewa Gede	IT Audit Specialist	Detections & Methodology to Recognize Frauds.	2018
10	Ena Ariadne	Auditor	Root Cause Analysis Methodology, Audit Report Writing Training, Detections & Methodology to Recognize Frauds.	2018
11	Novita Sari Naionggolan	Auditor	Root Cause Analysis Methodology, Audit Report Writing Training, Detections & Methodology to Recognize Frauds.	2018
12	Indah Christina	Auditor	Root Cause Analysis Methodology, Audit Report Writing Training, Detections & Methodology to Recognize Frauds.	2018
13	Danang Priyo Aji Wicaksono	Auditor	Detections & Methodology to Recognize Frauds and Investigation Workshops.	2018
14	Alethea Riski Maharani	Auditor	Detections & Methodology to Recognize Frauds.	2018
15	Agung Pratama Simanjuntak	Auditor	Detections & Methodology to Recognize Frauds and Investigation Workshops.	2018
16	Syahrizal	Auditor	Detections & Methodology to Recognize Frauds.	2018
17	Arya Wibowo	Auditor	Root Cause Analysis Methodology, Audit Report Writing Training, Detections & Methodology to Recognize Frauds.	2018

BRIEF REPORT ON INTERNAL AUDIT DUTIES IN 2018

Throughout 2018, Internal Audit conducted 56 audits consisting of 52 general audits and 4 investigations. The results that need attention are, among others, the process of credit acquisition, management and binding guarantees (BPKB), vehicle inventory management, cooperation agreements with third parties, compliance with regulatory provisions, and overdue debtor handling (AR Handling).

EXTERNAL AUDITOR / PUBLIC ACCOUNTANT

Public accountant is the Company's external organ which function to provide opinions related to the conformity of the presentation of the Company's financial statements to the Financial Accounting Standards (SAK) applicable in Indonesia. The existence of public accountants is regulated through OJK Regulation No. 13/POJK.03/2017 on the Use of Public Accountant Services and Public Accounting Firms in Financial Service Activities.

COMPLIANCE WITH INDONESIAN FINANCIAL ACCOUNTING STANDARDS

Management is responsible on presenting the Company's financial statements and adhering to the prevailing Financial Accounting Standards (SAK) established by the Indonesian Institute of Accountants (IAI) and the Decision of the Chair of the Financial Institution Capital Market Supervisory Agency (Bapepam-LK) which is now the Financial Services Authority (OJK) No. VIII.G.7, Attachment to Decree No. KEP-347/BL/2012, dated June 25, 2012 on Guidelines for Presentation and Disclosure of Financial Statements of Issuers or Public Companies.

EXTERNAL AUDIT PROCEDURES AND AUDIT STANDARDS

- Audits of the Company's financial statements are carried out in accordance with the professional standards of Public Accountants which cover all audit procedures that are deemed necessary in accordance with the circumstances.
- Audit includes testing and evaluating the internal control system, as well as examining, on the basis of testing, evidence supporting the amounts and disclosures in the financial statements. The audit will also include assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation in accordance with the Statement of Financial Accounting Standards (PSAK) issued by IAI.
- As part of the audit process, the Public Accountant Office (KAP) also conducts questions and answers to

management regarding the management statements presented in the financial statements.

- Audit contains an inherent risk if there are material errors and irregularities. If this is the case, KAP will convey to management.
- Management, in this case the Board of Directors, gives responsibility for the financial statements that have been audited by KAP, in accordance with OJK Regulation No. 75/POJK.04/2017 on the Responsibilities of the Board of Directors for Financial Statements.
- Management approved the KAP inspection paper on the Company to be reviewed by the relevant agency or authority.

The audit is carried out based on the Professional Accountant Professional Standards issued by the Indonesian Institute of Certified Public Accountants (IAPI). If there is financial assistance from the Republic of Indonesia Government, then the audit will be carried out based on the State Financial Inspection Standards (SPKN) issued by the Indonesian Financial Supervisory Board (BPK).

CRITERIA FOR PUBLIC ACCOUNTANTS

The Company determined 4 (four) requirements or criteria that shall be owned by Public Accounting Firm in the appointment procedure, namely as follows:

- Registered in OJK;
- KAP that is categorized in The Big Four;
- Has international affiliation;
- Has experience in audit listed company.

MECHANISM FOR APPOINTMENT OF PUBLIC ACCOUNTANTS

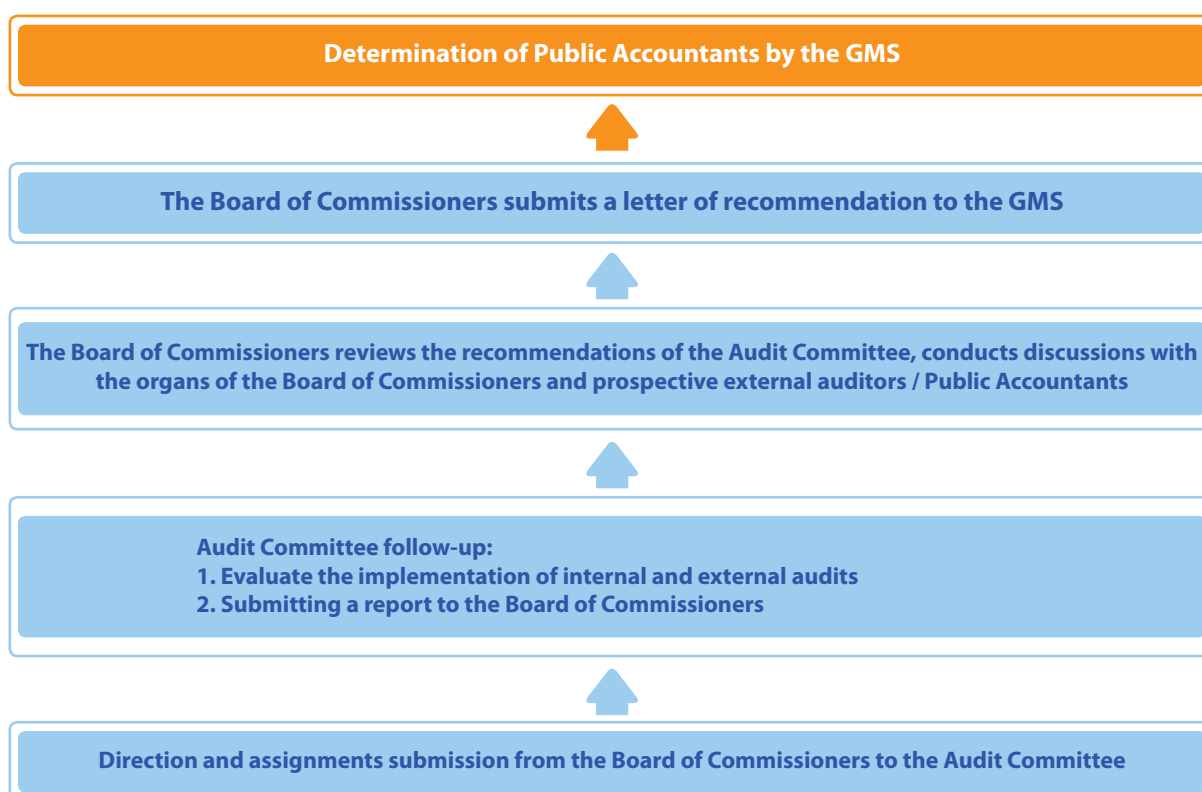
Stages of KAP appointment mechanism:

- a. The Board of Commissioners through the Audit Committee conducts the process of appointing an external Auditor candidate by requesting the assistance of the Board of Directors in the appointment

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- process in accordance with the provisions of the procurement of products / services.
- b. The Board of Commissioners can reappoint an external auditor based on the results of an evaluation of the performance of the external auditor to conduct an audit of the financial statements.
- c. The Board of Commissioners conveys the reason for the nomination to the GMS and the amount of honorarium / compensation for services proposed to the external auditor.
- d. The proposal to the GMS can be submitted through a separate letter which is part of the Board of Commissioners' response letter to the Company's annual performance.
- e. The Board of Commissioners evaluates the performance of external auditors through the Audit Committee in accordance with applicable provisions and standards.
- f. For the process of appointing prospective external auditors and / or reappointing external auditors carried out by the GMS, the Board of Commissioners is sufficient to authorize the GMS to determine the auditor.

APPOINTMENT MECHANISM TO DETERMINE PUBLIC ACCOUNTANTS



PUBLIC ACCOUNTANTS IN 2018

Based on the Decision of the Annual GMS on March 9, 2018 the Company has approved the appointment of the Public Accounting Firm (KAP) Purwanton, Sungkoro & Surja (a member firm of Ernst & Young Global Limited) to conduct a general audit of the Company's Financial Statements 2018. To guarantee independence and the quality of the results of the inspection, the appointed External Auditor may not have a conflict of interest with the Company.

PUBLIC ACCOUNTANTS IN 2018

Public Accounting Firm	Purwanton, Suherman & Surja (a member firm of Ernst & Young Global Limited)
Public Accountants	Danil Setiadi Handaja, CPA
Audit Year	Financial Year 2018
Assignment Period	2018
Service	General Audit of Financial Statements
Other Service	Nil
Cost	Rp570,000,000

LIST OF PUBLIC ACCOUNTANTS

For transparency needs, the following is a list of Public Accountants, Accountants and fees given in auditing the Company's financial statements for the past 6 (six) years.

LIST OF PUBLIC ACCOUNTANTS 2013-2018

Year	Public Accounting Firm	Accountant	Service	Other Service	Opinion	Service Cost
2018	Purwanton, Suherman & Surja (EY)	Danil Setiadi Handaja, CPA	General audit of the financial statements for 2018 financial year	Nil	Fair in all material respect	Rp570,000,000
2017	Purwanton, Suherman & Surja (EY)	Danil Setiadi Handaja, CPA	General audit of the financial statements for 2017 financial year	Nil	Fair in all material respect	Rp506,000,000
2016	Purwanton, Suherman & Surja (EY)	Yasir, CPA	General audit of the financial statements for 2016 financial year	Nil	Fair in all material respect	Rp460,000,000
2015	Purwanton, Suherman & Surja (EY)	Danil Setiadi Handaja, CPA	General audit of the financial statements for 2015 financial year	Nil	Fair in all material respect	Rp423,500,000
2014	Purwanton, Suherman & Surja (EY)	Danil Setiadi Handaja, CPA	General audit of the financial statements for 2014 financial year	Nil	Fair in all material respect	Rp390,500,000
2013	Purwanton, Suherman, & Surja (EY)	Peter Surja, CPA	General audit of the financial statements for 2013 financial year	Nil	Fair in all material respect	Rp367,500,000

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RISK MANAGEMENT

RELIABLE RISK MANAGEMENT COMMITMENT

In implementing the business, Mandiri Tunas Finance realizes the risk potential that will be faced, especially in financing industry. Therefore, the Company implements risk management to identify, analyze, and implement mitigation strategy on the upcoming risk. Corporate risk management becomes a demand since its success is a key factor in achieving objectives and winning the global competition. In its business, Mandiri Tunas Finance faces several inherent risks, namely:

1. Strategy Risk

Risk strategy is the risk that arises as a result of failure in the planning, establishment and implementation of a strategy, making the right business decisions in order to achieve the objectives and targets of MTF.

2. Operational Risk

Operational risk is the risk that arises as a result of impropriety or failed internal processes, people, information technology systems and/or the events that originate outside of the MTF.

3. Assets and Liabilities Risk

Risk assets and liabilities are risks that arise as a

result of the failure of the management of assets and liabilities, which has created a shortage of funds in the fulfillment of obligations MTF.

4. Management Risk

Risk management is a risk that appeared as a result of management failure in maintaining the best composition of its management, Board of Directors and the Board of Commissioners who have the competence and integrity.

5. Governance Risk

Governance risk is the risk that arise because of a potential failure in the implementation good governance (GCG), inaccuracies management style, the control environment in the MTF.

6. Fund Support Risk

The risk of financial support is the risk arising due to insufficiency of funds/ capital existing on the MTF, including lack of access to additional funding in the face of loss or unexpected cash needs.

7. Financing Risk

Financing risk is the risk arising from the failure of customer and/or other parties to meet obligations to the MTF.

ESTABLISHMENT OF THE RISK MANAGEMENT DIVISION AS THE COMPANY'S RISK MANAGEMENT OVERSIGHT

Mandiri Tunas Finance had established Risk Management Division so that the risk management is more maximum and measured, therefore preventing the impact of loss for the Company. Risk Management Division is led by the Head of Risk Management Division that was appointed

by the Board of Directors. Meanwhile, in supporting the implementation of performance, Risk Management Division refers to Risk Management guidelines that regulate the duties, obligation, and authorities.



RM INDRA WARDHANA
Risk Management Division Head

PERSONAL DATA

Indonesian Citizen
49 years old
Born in Jakarta, March 9, 1969

DOMICILE

South of Tangerang, Banten, Indonesia

EDUCATION

Bachelor Degree in Industrial Engineering - Pasundan University (1996)

TERM OF OFFICE AT MTF March 1, 2015

WORK EXPERIENCE

Consumer Risk Departement Head at PT Bank Mandiri (Persero) Tbk (2005 - 2008), Consumer Collection Departement Head at PT Bank Mandiri (Persero) Tbk (2002 - 2005), Consumer Collection Section Head at PT Bank Mandiri (2001 - 2002), Manager at PT Bank Mandiri Ternate Branch (1999 - 2001), Retail Officer at PT Bank Mandiri Manado branch (1998 - 1999), Retail Officer at PT Bank Mandiri Gorontalo branch (1996 - 1998). He began his career as an Officer Development Program at PT Bank Bumi Daya.

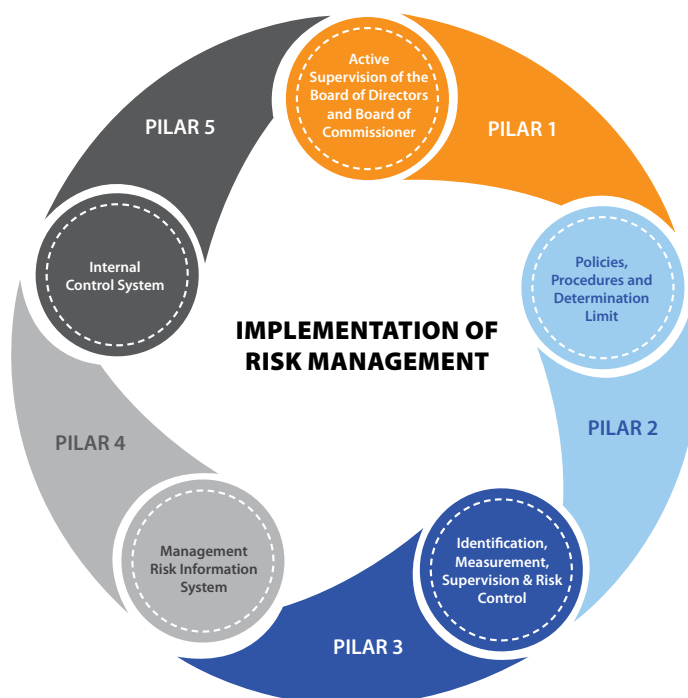
PROFESSIONAL CERTIFICATION AND COMPETENCY DEVELOPMENT PROGRAM

Taking the Basic Certification of Financing - Managerial held by PT. Indonesian Financing Professional Certification (SPPI) (2016); Executive Program Risk Management Certification by the Risk Management Certification Agency (BSMR) (2016)

IMPLEMENTATION OF MANDIRI TUNAS FINANCE RISK MANAGEMENT SYSTEM

The objective of risk management of Mandiri Tunas Finance is to maintain the Company's capital, increase the Company's value, optimize the risk-return profile, support the decision-making, and protect the Company's reputation.

In accordance with POJK No.1/POJK.05/2015 dated March 26, 2015 on The Implementation of Risk Management for Non-Bank Financial Service Institution, the Company rests on 5 pillars outlined as follows:



PILAR 1

ACTIVE SUPERVISION OF THE BOARD OF DIRECTORS AND BOARD OF COMMISSIONER

- Active supervision is reflected from business planning through:
- The establishment of policies and risk management strategies including the establishment of the authority in granting limits as well as a review of the quality of the portfolio on a regular basis
- To supervise and actively mitigate risks
- Ensuring adequate organizational structure
- Evaluation of risk management policies on a regular basis
- The presence of the Audit Committee, the Compliance Work Unit, Division of Risk Management and Risk Monitoring Committee as part of an organ the Board in carrying out its oversight function

PILAR 2

POLICIES, PROCEDURES AND DETERMINATION LIMIT

The Company prepare policies related to risk management is checked regularly and always adjusted to the current business situation. Risk Management Policy is a written brief in implementing risk management and in line with the vision, mission, business strategy of the Company and in its development should be coordinated with work related function or unit. The policy is translated into the Standard Operating

Procedure (SOP) were disseminated to all employees. The company also has set risk limits in accordance with the level of risk appetite, risk tolerance and overall corporate strategy by taking into account the ability of the Company's capital to absorb risk exposure or losses incurred. In order to control risk, limit is used as a threshold to determine the intensity level of risk mitigation by management. Limit well understood by all parties concerned and communicated if there is a change. The Company also has a limitation on policies regarding approval/authorization for credit transactions and non-credit transactions. Loss provisioning policy is also in line with the Company's receivables provisioning policy in the Parent Company are in accordance and compliance with regulatory provisions.

**PILAR
3**

IDENTIFICATION, MEASUREMENT, SUPERVISION & RISK CONTROL

The Company has the tools to identify, measure, monitor and control risks existing seven regular basis, either monthly, quarterly and semester. Identification, measurement, monitoring, and controlling risk is a major part of the process of implementation of Risk Management. Proactive Risk Identification, covers all business activities of the Company and performed in order to analyze the source and possible risks and impacts. Furthermore, the Company has conducted risk assessment in accordance with the characteristics and complexity of business activities. In monitoring the risk measurement results, the Company establishes an independent working unit of the parties to a transaction to monitor and analyze the level and trend toward risk. In addition, the effectiveness of risk management Risk management is supported by taking into account the results of the measurement and monitoring of risk.

**PILAR
4**

MANAGEMENT RISK INFORMATION SYSTEM

In order to support the identification, measurement, monitoring and risk control, MTF has developed an information management system that is tailored to the characteristics, activities and business complexity. As an example of MTF Reports that contain leading indicators, coincidence and lagging-based mobile that provides information accurate, complete, informative, timely, and reliable so that the Board of Directors, Board of Commissioners and heads of related units can be quick in making decisions.

**PILAR
5**

INTERNAL CONTROL SYSTEM

MTF has the Internal Audit Unit are independently reporting process and the results of the audit to the Board and the Managing Director. Accountability of the Internal Audit Unit include:

- Provide an assessment of the adequacy and effectiveness of all processes within the Company;
- Report significant issues related to process control activities within the Company, including potential improvements to those processes; and
- Coordination with controllers and other supervisory functions (risk management, compliance, legal and external audit).

MANAGEMENT OF INTEGRATED RISK WITH THE PARENT ENTITY

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In addition, as a Subsidiary of PT Bank Mandiri (Persero) Tbk, the Company has also done Consolidated Risk with parent company where this activity is proof of compliance with Bank Indonesia Regulation No. 8/6/PBI/2006 dated January 30, 2006 and Regulation of the Financial Services Authority No. 17/POJK.03/2014 dated November 19, 2014 on Integrated Risk Management Application For Financial Conglomerate. Through this compliance, the implementation of enterprise risk management is an integrated and consistent approach in conducting reviewing, measuring, monitoring and managing risks to all components of the Company group. The development of this consolidation periodically communicated Bank Mandiri to the regulator.

The concept of consolidation with the Parent Company's risk management is divided into two (2) major parts, namely:

1. First Line, relating to fulfillment of the provisions of PBI No. 8/6/PBI/2006 on Application of Consolidated Risk Management for Banks Performing Control Against Subsidiaries.
2. Second Line, which is more of an approach to the internal needs of the Company as a whole which includes tools, risk awareness, corporate governance, and risk management information system

Various forms of activities undertaken in order to consolidate the risks include:

- Annual Risk Consolidation Conference (ARCC) between the Parent Company and all its subsidiaries;
- Integrated Risk Committee Forum (FIRC) held with the Bank on a quarterly basis to discuss developments Inherent Risk Profile and Quality Risk Management (KPMR) in MTF.
- Implementation of Risk Appetite Statement (RAS) in conjunction with the Bank as one of the tools of Risk Management to measure the level of risk that is acceptable to support the Company's business strategy.
- Implementation of an integrated stress testing the Bank with a subsidiary every quarter, using some assumptions/scenarios as a form of corporate action in anticipation of bad business environment.
- The application scoring model created and calibrated periodically by the Bank in accordance with business conditions MTF.
- Monitoring the liquidity condition of the companies on a weekly basis to be reported to the Parent Company as a form of risk consolidation.
- Risk Awareness Survey (RAWS) conducted annually to determine the development of risk awareness of employees MTF.
- Risk Based Bank Rating conducted every semester to determine the development of the ability of capital and profitability levels MTF.
- Integrated Central Liabilities System (ICLS) is a system that contains the data set Bank Mandiri customers and all subsidiaries.

TYPES OF RISKS THAT HAS TO BE FACED AS WELL AS ITS MANAGEMENT AND MITIGATION IN 2018

In accordance with the core business, there are 3 (three) major risks faced by the Company throughout 2018, namely credit or financing risk, operational risk and risk of assets and liabilities at acceptance level, making it as a special concern for the Company in mitigation.

1. Financing Risk and Its Management

Financing risks is derived from the provision of financing activity. Financing risk management aims to quantify, anticipate and minimize losses due to failure of the debtor to meet its obligations.

- **Financing Policy**

Financing policy deployment is operationally manifested in a Standard Operating Procedure (SOP). Financing management process begins with the determination of the target market, do a risk assessment and monitoring of the provision of financing. The Company applied the precautionary principle in the provision of financing, in which the functions of credit analysis performed by the business units and units of independent financing risks, credit approval functions performed by "4 eyes principle", a concept of credit approval carried out by sales function with credit function using credit scoring system developed and maintained by Risk Management Division and its parent entity, Bank Mandiri.

- **Financing Agreement**

In assessing credit applications, MTF always abides by the regulations and prudential banking principles based on factors including assessment of ability to pay, the debtor's business prospects and performance. The Company has implemented a mobile survey in order to improve the quality of loan disbursement. Credit processes and risk management segment of retail financing is done through the process end-to-end integrated in the system of e-Star. The decision making process in the corporate segment and fleet made through Credit Committee Meeting (RKK). While in the retail segment is done through a system of credit

scoring. Credit scoring models periodically validated to ensure its accuracy. To speed up the decision-making process of the credit, the Company has given authority to decide on credit to any officer appointed by certain qualifications.

- **Financing Monitoring**

Monitoring of financing in the corporate segment and fleet were calculated using a Watch List method. Watch List is a standard method, structured and comprehensive in monitoring the performance of the debtor, so that early treatment can be done to prevent a decline in the credit quality of borrowers. Monitoring is conducted on a daily basis with their special work function account handling problems/potentially problematic in the work unit fleet. Monitoring to be done at the retail credit portfolio level through portfolio analysis of various aspects (quality and quantity of various angles portfolio analysis) as outlined in the monthly portfolio reviews. The Company also conducts periodic monitoring of the official holders of loan approval authority to monitor the quality of decisions. As anticipatory measures (early warning signal), a process simulation and stress testing of the portfolio periodically to determine changes in the quality of the portfolio against macroeconomic changes. The simulation results provide guidance for the Company to more closely monitor sectors or debtors which may experience deterioration in quality as well as to establish the anticipatory measures to prevent the bad effects.

- **Credit Collection and Recovery**

The Company specifically running handling collection and recovery policies that created a more focused, systematic, aggressive and integrated by product type and each bucket collection. The policy is supported by the Automatic Collection System that are end-to-end and fitted with a collection reports. The Company has also implemented a mobile collection which is equipped with EDC to facilitate field collector in collecting.

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2. Operational Risk and Its Management

Operational risk faced by the Company occurred because the internal process is not functioned, human error, system failure, or external factor that affects the Company's operations. An effective operational risk management may suppress the loss due to operational risk. To improve the effectiveness of the implementation of operational risk management, the Company carried out matters, such as adjusting the methodology of Risk Based Audit through risk library synchronization; providing communication media to President Director titled "letter to CEO" as Whistle Blowing System; and implementing the device called Operational Risk Management Tools (ORM Tools). ORM Tools is described as follows:

a. Quality Assurance (QA)

QA is a tool that is used to ensure the quality of financing so that it complies with the prevailing regulations.

b. Risk Control & Self Assessment (RCSA)

RCSA is used to identify and assess the risks inherent in the Company's activity, as well as assessing the quality of control that have been conducted quarterly.

c. MTF Loss Events Database (MLED)

The recording is performed by each work unit every month by online/web-based.

d. MTF Early Detection System (MEDS)

MEDS is an early detection system for loan acquisition and collection process, as well as fraud events that may arise in the business process with potential of loss.

e. Business Continuity Management

Aside from the tools above, to guarantee the sustainability of the Company's operation in emergency situation, the Company has a comprehensive plan that consists of the steps that need to be taken before, during, and after the occurrence of emergency. The Company's policy in ensuring the sustainability of business operations is stipulated in Business Continuity Management (BCM) which includes Business Continuity Plan (BCP),

Disaster Recovery Plan (DRP) and the Emergency Response Procedure (ERP).

- **Disaster Recovery Plan (DRP)**

DRP is a thorough planning of the actions to be taken before, during and after a disruptive event and cause a loss of information systems. The purpose of the DRP is to overcome the crisis conditions so that the Company's operational activities continue to run well when there is a server downtime using a prepared backup system.

- **Emergency Response Plan (ERP)**

ERP is a planning strategy to anticipate and overcome emergencies by forming a team that has the duty and responsibility to provide action in the event of an emergency.

- **Business Continuity Plan (BCP)**

BCP is a plan that is focused to maintain the continuity of business functions during a critical disruption caused by natural disasters or man-made that could potentially cause a loss so as to minimize the effects of interference and to allow the business to continue.

In terms of operational risk management, the Risk Management serves as the second line of defense while Internal Audit serves as the third line of defense. Meanwhile, the business work unit as a risk owner as the first line of defense, responsible for operational risk management in each work unit.

3. Assets and Liabilities Risk Management

The Company's main focus on asset and liability risk management is in the Company's liquidity problem. Liquidity risk may occur if the Company fails to provide liquidity at a reasonable and competitive price for business. Every month, the Company manages its liquidity risk through the Asset Liability Committee (ALCO). The Company has entered into agreements with Bank Mandiri in terms of Joint Financing, thus generating the provision of funding commitment from Bank Mandiri throughout the year. In addition to joint financing, the Company has also received loan

commitment from several local banks and international private banks with a long period of time and covered the debtors' loan tenor.

4. Other Risks

Besides the credit risk, operational risk and liquidity risk, the Company also pays attention to the other risks that must be managed, such as: management risk, governance risk, strategic risk and risk of financial support. All these risks are managed quarterly in an integrated manner with Bank Mandiri through the Integrated Risk Committee Forum (FIRC). In terms of risk management, the Company uses indicators/parameters such as the establishment of procedures and the legality of the documents relating to the appointment and dismissal of the Board of Directors/Board of Commissioners, the ownership composition and the proportion of the Board of Directors/Board of Commissioners in accordance with the provisions of existing law, and the determination of the criteria

of competence and integrity good for the Board of Directors/Board of Commissioners. In terms of governance risk, the Company uses indicators/parameters such as completeness of adequate governance guidelines, the principles of transparency, accountability, responsibility, independence, fairness and equality, as well as Management Risk which implemented properly.

In terms of strategic risk, the Company conducted a performance review and evaluation of policy formulation business targets and undertake corrective measures in the strategy plan and business targets in accordance with Risk Appetite and to consider internal and external conditions. In terms of risk Support Fund, the Company uses indicators / parameters of the ability of the Company funding and additional funding the Company is regularly evaluated through achievement ratio Financial Soundness (TKK)

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INTERNAL CONTROL SYSTEM

PRINCIPLES FOR IMPLEMENTING THE INTERNAL CONTROL SYSTEM

To achieve objectives related to the management of effective and efficient operations and business activities, the Company established an Internal Control System which aims to create reliability in financial reporting, Company's assets security, and compliance to laws and regulations so as to create a good corporate culture. The objectives of implementing the Internal Control System within the Company are as follows:

1. Maintaining and securing the assets of the Company
2. Ensuring the availability of a more accurate reports
3. Improving compliance with applicable regulations
4. Reducing the impact of losses of irregularities, including fraud, and violation against the prudence principle
5. Improving the organizational effectiveness and efficiency of resources.

IMPLEMENTATION OF THE INTERNAL CONTROL SYSTEM WITHIN THE COMPANY

Internal Control System is implemented from the determination of target and strategy in all organization, identification of the possibility of an event that may affect the said target and strategy, and the risk management to be in the range of risk appetite, to provide reasonable assurance to reach the Company's objective. Framework of the internal control system that becomes the Company's reference is the best practice that have been practiced by companies in the world, namely COSO Internal Control Framework that includes the following components:

1. The internal control environment in the Company, which consists of integrity, values, ethics and competence of the Board of Commissioners, Board of Directors and all employees of the Company, including management and leadership styles in a way in which exercise powers and responsibilities, organization and development of human resources and attention and referrals made by the Board of Commissioner and Board of Directors.
2. Risk management, which includes the identification, analysis, assessment and mitigation or response to the risks that are relevant to the Company's line of business.
3. Control Activities, includes actions undertaken so that the whole process in a controlled company in accordance targets, among other activities related to the organizational structure include the authority, authorization, verification, reconciliation, assessment of job performance, job distribution and asset security company.
4. Information systems and communications, including activities related to the presentation of the activity report of the Company and its delivery to the parties involved, which include information and communication activities of the operational, financial activities, and the observance of rules.
5. Monitoring, include activity or process of assessment of the quality of the internal control system including the quality of the Internal Audit function and quality of work units in the organizational structure of the Company, so that the internal control system can be implemented optimally and irregularities that occurred immediately reported to the Board of Directors and Commissioners through the Committee Audit.

COMPONENTS IN THE MANDIRI TUNAS FINANCE INTERNAL CONTROL SYSTEM FRAMEWORK IN ACCORDANCE WITH THE COSO INTERNAL CONTROL FRAMEWORK



OPERATIONAL AND FINANCIAL CONTROL

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The Company is committed to disclose the reports to all interested party fairly and transparently based on the prevailing accounting standards in Indonesia. Therefore, the Company always maintains the internal control system that guarantees the reliability and adequacy of every transaction. The presentation of financial statements (balance sheet, income statement, cash flow statement, statement of changes in equity) in each fiscal year is made to meet the interest of all parties related to the Company. To meet all of the principles above, the Company has a policy that guarantees that transactions are recorded immediately, accurately, and equipped

with adequate supporting document. Transactions recorded in accounting system had obtained approval from the management who is in charge of such necessity and recorded correctly. Each fair and accurate financial statements of the Company describes the actual transaction without any effort to hide the fact to the reader of the report. The Board of Directors, Board of Commissioners, and employees who are responsible for the functions, shall understand and implement the policy on internal control system and procedure for financial accounting recording of the Company.

REVIEW ON THE EFFECTIVENESS OF INTERNAL CONTROL SYSTEM

An internal control system is in place to secure assets against misuse and transfer of ownership unauthorized, maintaining the validity of accounting records and the reliability of financial information used within the company or published. The Company's management continuously

assesses the effectiveness of internal control over financial reporting of the Company. In addition, an evaluation of the effectiveness of internal control over financial reporting is also undertaken by the Public Accounting Firm during the annual financial reporting process.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) is a place for the Company to build relationships that grow together with stakeholders, both internally, such as management and employees as well as externally such as communities around business locations and consumers. Regarding the implementation of CSR, the Company divides it into 4 (four) aspects.



More information about the implementation of CSR by the Company can be seen in the chapter on Corporate Social Responsibility in this Annual Report.

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IMPORTANT CASE

LEGAL CASE

Problems and/or legal cases faced by the Company, subsidiaries, and members of the Board of Commissioners and Directors throughout 2018 and their comparison with 2017 are as follows,

Counterparty	Case		Case Status	Risks and Their Impact on the Company
	Materiil	Immateril		
Muhammad Syarifudin Hidayattullah	Rp299,360,000		Case was solved	None
Yudi Syaifullah	Rp1,500,000,000		Case was solved	None
Juanda	Rp420,260,000		Case was solved	None
Agung Kurniawan	Rp93,357,600	Rp500,000	Case was solved	None
Joko Kristanto	Rp116,096,000		Case was solved	None
Heri Subroto	Rp151,704,000		Case was solved	None
Joko Kristanto	Rp116,096,000		Case was solved	None

Counterparty	Case		Case Status	Risks and Their Impact on the Company
	Materiil	Immateriil		
Heri Subroto	Rp151,704,000		Case was solved	None
PT Mulia Restu Mandiri Group	Rp8,000,000,000		Case was solved	None
Joko Kristanto	Rp116,096,000		Case was solved	None
Heri Subroto	Rp151,704,000		Case was solved	None
Yullyanti A.R	Rp377,995,000		Case was solved	None
Siti Maimunah	Rp414,000,000		In the process of examining the case by the Banjarmasin High Court	None
Abdul Rahman Gobel	Rp287,073,000	Rp50,000	In the process of examining the case by the Gorontalo District Court	None
PT Rajawali Duta Sarana	Rp1,743,500,000	Rp150,000,000	In the process of examining the case by the Padang District Court	None
Yulia Setiana Mulder	Rp228,850,000	Rp1,000,000,000	Case was solved	None
Karyanto Pieter	Rp2,000,000,000		In the process of examining the case by the Makassar District Court	None
Brian Hartanto	Rp2,000,000,000		In the process of examining the case by the Makassar District Court	None
Riska Fauziah	Rp139,320,000	Rp70,480,000	In the process of examining the case by the Pandeglang District Court	None
Ida Khusnul Farida	Rp1,155,900,000		In the process of examining the case by the Sleman District Court	None
Armen Dedi	Rp719,450,000		In the process of examining the case by the Sleman District Court	None

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Counterparty	Case		Case Status	Risks and Their Impact on the Company
	Materiil	Immateril		
Yuhana Noviza	Rp11,000,000,000		In the process of examining the case by the Lampung District Court	None
Lili M. Suhu	Rp690,562,000		In the process of examining the case by the Manado District Court	None
Vike Rumambi	Rp225,437,000		In the process of examining the case by the Manado District Court	None
Yelis Piyohu	Rp150,278,000		In the process of examining the case by the Gorontalo District Court	None
Nirta S. Ohihiya	Rp99,382,000		In the process of examining the case by the Gorontalo District Court	None
Yudi Syaifullah	Rp187,000,000		Case was solved	None
Lukman	Rp2,300,411,100		In the process of examining the case by the Jambi District Court	None
PT Wahana Lestari Investama	Rp696,538,324		Case was solved	None
PT Almater Bangun Persada	Rp4,260,177,000		In the process of examining the case by the Ciamis District Court	None
Ling Kurnaedi	Rp100,000,000		In the process of examining the case by the Bogor District Court	None
Mamat Rahmat	Rp71,584,100		In the process of examining the case by the Bandung District Court	None
iis Risna	Rp186,760,000		In the process of examining the case by the Tangerang District Court	None
PT Batu Anugerah Mineral Resource	Rp20,585,175,644		In the process of examining the case by the Central Jakarta District Court	None

Counterparty	Case		Case Status	Risks and Their Impact on the Company
	Materiil	Immateril		
PT Prima Multi Arta	Rp391,747,600		In the process of examining the case by the Central Jakarta District Court	None
Hendrik Yudi	Rp2,000,000,000		In the process of examining the case by the Makassar District Court	None

ADMINISTRATIVE SANCTIONS

Throughout 2018 there were no administrative sanctions imposed by the relevant authorities both for the Company and members of the Board of Commissioners and Board of Directors.

IMPORTANT CASE OUTSIDE OF LEGAL ASPECTS

The Company did not find any important cases outside the legal aspects involving the Company or members of the Board of Commissioners and Board of Directors.

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ACCESS INFORMATION AND CORPORATE DATA

The Company always makes it easy for stakeholders to access company information and data through the www.mtf.co.id website which is presented in Indonesian and English. Aside from being a means of disseminating

information to the public, this website is also an effort by the Company to implement GCG practices and transparency to all stakeholders.

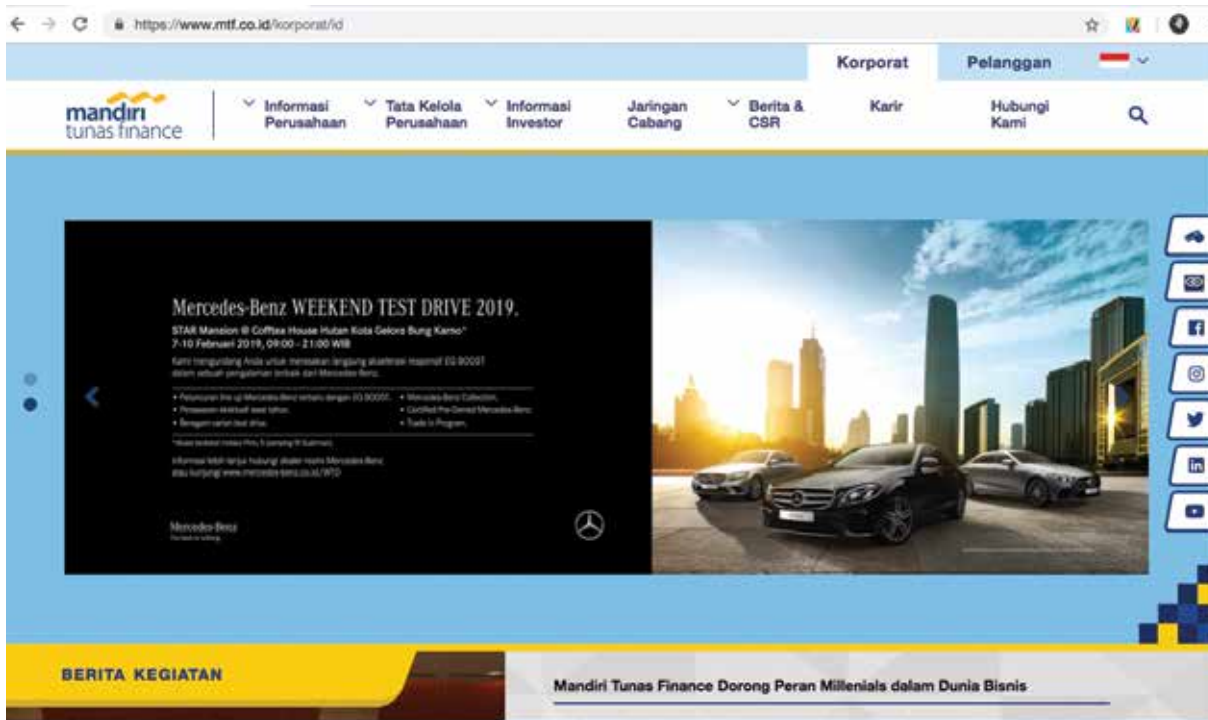
INFORMATION MANAGEMENT AND CORPORATE DATA ACCESS FOR EXTERNAL PARTIES

The Company provides access to company information and data for External Parties in the following ways:

- Website Management
In accordance with OJK Regulation No. 8/POJK.04/2015 on the Website of Issuers and Public Companies, the Company has an official website that reflects the identity of the Company and can be accessed through www.mtf.co.id. The Company's website is divided into 2 (two) platforms, namely the product and service website with the address www.mtf.co.id which is managed by marketing, and the corporate website with the address www.mtf.co.id/korporat managed by Corporate Secretary.

The Company's website is also available in 2 (two) languages, namely Indonesian and English. The Company periodically updates the website to always provide the latest information regarding the Company to stakeholders, also in order to comply with applicable laws and regulations. The Company's website also provides contact numbers, e-mail and postal addresses that can be contacted for further communication with stakeholders.

Below is presented the compatibility of the content of the Company's corporate website www.mtf.co.id/korporat with OJK Regulation No. 8/POJK.04/2015 on the Website of the Issuer or Public Company.



POJK No. 8/POJK.04/2015 on the Website of the Issuer or Public Company	Compliance with the Company's Website
General Requirements	
The Issuer or Public Company Website must provide information in Indonesian and foreign languages, provided the foreign language is used at least in English. Information presented in foreign languages must contain information similar to information presented in Indonesian.	✓
Information contained in the Issuer or Public Company is open to the public, actual and up to date.	✓
Accessible at any time by all parties.	✓
General Information of Issuers or Public Companies	
Company identity, including the name, address and contact of the head office and/or representative office of the Issuer or Public Company, and the factory address (if any) which at least includes telephone numbers, facsimile numbers and electronic mail addresses that can be contacted.	✓
A brief history of the Issuer or Public Company.	✓
Organizational structure of Issuers or Public Companies.	✓
The ownership structure of the Issuer or Public Company, includes: <ul style="list-style-type: none"> A description of the names of shareholders and the percentage of ownership at the end of each month. Information regarding the main and controlling shareholders of the Issuer or Public Company, either directly or indirectly, up to individual owners, which are presented in the form of schemes or diagrams. Names of subsidiaries, associated companies, joint venture companies where the Issuer or Public Company has joint control of the entity, along with the percentage of share ownership, business sector and operating status of the company (if any). 	✓

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POJK No. 8/POJK.04/2015 on the Website of the Issuer or Public Company	Compliance with the Company's Website
The group structure of the Issuer or Public Company in the form of a chart which at least includes companies in the group of Issuers or Public Companies that are under the supervision of the Financial Services Authority.	✓
Profile of the Board of Directors, Board of Commissioners, Committee and Corporate Secretary at least includes: photos, names, history of positions - including multiple positions, educational history, and affiliation of members of the Board of Directors and members of the Board of Commissioners with other members of the Board of Directors and / or members of the Board of Commissioners, and shareholders (if any).	✓
The name and address of the Public Accountant who audited the financial statements of the Issuer or Public Company in the current year.	✓
Name and address of Securities Rating (if any).	✓
Name and address of the Trustee (if any).	✓
Name and address of the Securities Administration Agency (if any).	X
Articles of Association.	✓
Information for Investors	
Prospectus of Public Offering.	✓
Annual report, for the last 5 (five) years period.	✓
Financial information, at least includes: <ul style="list-style-type: none"> • Annual financial statements, for the last 5 (five) financial year. • Mid-year financial statements, for the last 5 (five) fiscal years. • Overview of important financial data, in the form of a comparison for the last 5 (five) financial years which at least contains: <ul style="list-style-type: none"> ◇ Income, gross profit, profit (loss), attributable profit (loss) to owners of the parent entity and non-controlling interests, comprehensive total profit (loss), comprehensive profit (loss) attributable to owners of the parent entity and non-controlling interests and profit (loss) per share. ◇ Total assets, liabilities and equity. ◇ Ratio of profit (loss) to total assets, profit (loss) to equity ratio, profit (loss) to income ratio, current ratio, liabilities to equity ratio, and ratio of liabilities to total assets. ◇ Information and other financial ratios relevant to the company and the type of industry. 	✓
Information on the General Meeting of Shareholders, at least includes: <ul style="list-style-type: none"> • Announcement and summons. • Agenda materials discussed at the General Meeting of Shareholders. • Curriculum vitae of prospective members of the Board of Directors and Board of Commissioners if there are agenda items for the appointment or replacement of members of the Board of Directors and Board of Commissioners. • Summary of minutes of the General Meeting of Shareholders. 	✓
Stock information, at least includes: <ul style="list-style-type: none"> • Number of shares circulating. • Stock split (if any). • Share merger (if any). • Bonus shares (if any). • Changes in share nominal value (if any). 	X
Information on bonds and/or Sukuk, at least covering the value of outstanding bonds and/or Sukuk, the results of rating bonds and/or Sukuk, maturity dates, and bond interest rates and/or yields on Sukuk.	✓

POJK No. 8/POJK.04/2015 on the Website of the Issuer or Public Company	Compliance with the Company's Website
Information on dividends.	✓
Information for investors, the media, the public, and/or analysts (if any).	✓
Information relating to corporate actions carried out by Issuers or Public Companies and actions taken by other parties to Issuers or Public Companies (if any), including: <ul style="list-style-type: none"> • Affiliated Transactions and Conflicts of Interest for Certain Transactions. • Material Transactions and changes to Main Business Activities. • Business Merger or Business Combination. • Takeover of Public Company. • Quasi Reorganization. • Buy back shares issued by Issuers or Public Companies. • Distribution of Bonus Shares. • Tender Offer Statement. • Repurchase shares by Issuers or Public Companies in potentially crisis market conditions. • Share ownership program by members of the Board of Directors, members of the Board of Commissioners, and employees of Issuers or Public Companies or controlled parties. 	X
Information or material facts other than those disclosed in this Financial Services Authority Regulation.	X
Information on Corporate Governance	
Work Guidelines for the Board of Directors and Board of Commissioners.	✓
Appointment, dismissal, and/or vacancy of the Corporate Secretary, including temporary Corporate Secretary, and supporting information.	✓
Internal Audit Unit Charter.	✓
Code of Conduct.	✓
Committee work guidelines.	✓
Appointment and dismissal of members of the Audit Committee.	X
Description of Nomination and Remuneration procedures, if no Nomination and Remuneration Committee is formed.	✓
Risk management policy.	✓
Policy mechanism for violation reporting systems (if any).	✓
Anti corruption policy (if any).	X
Policies related to supplier selection and creditor rights (if any).	X
Policy in improving vendor capabilities (if any).	X
Information on Corporate Social Responsibility	
Field of environment; including policies, types of programs and costs incurred by Issuers and Public Companies.	X
Labor, health and safety practices; including policies, types of programs and costs incurred by Issuers and Public Companies.	✓
Social and community development; including policies, types of programs and costs incurred by Issuers and Public Companies.	✓
Responsibilities of products and/or services, accompanied by supporting information; including policies, types of programs and costs incurred by Issuers and Public Companies.	✓

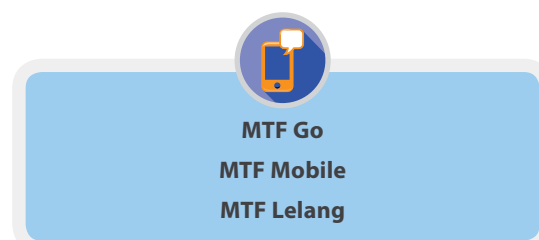
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- **Customer Service**

The company provides a customer service channel that could be used by customers to ask questions, request data needs, or complain.



used by customers and the public to obtain motorized vehicle financing services from the Company.



- **Corporate Social Networking**

The Company also pays attention to the development of social media as a communication facility for interaction with all stakeholders. For this reason, the Company opens online communication channels through Facebook, Twitter and Instagram.



- **Media Relations**

The Company utilizes mass media as a partner to disseminate information about the Company to the public. About media relations activities have been reviewed in the Corporate Secretary section of this annual report.

- **Annual Report**

The Company also publishes an Annual Report book that is shared to shareholders and other stakeholders. The issuance and submission of the Annual Report is also a form of fulfillment of the Company regarding the provisions of the Company's regulations and information as well as one of the conditions for the implementation of the GMS.

- **Mobile Application**

The Company has several mobile applications based on the Android and IOS operating systems that can be

Investor Relations Activities in 2018	Frequency
Investor Gathering November 29, 2018	1x

CODE OF CONDUCTS

In order for the vision, mission and core values and corporate culture to be applied more clearly, a tool that is articulate is needed and has a reward & punishment mechanism. The Company has compiled the Standard Code of Conduct Ethics as a Code of Conduct. This Code of Conduct serves as a standard guideline for all MTF people in interacting with internal parties and outside parties. The Company's Code of Conduct is introduced to all levels in the Company and written in the employee recruitment work contract that must be understood and signed by all employees. Then, all employees are expected to behave according to the values of the Company and implement the Code of Conduct in their daily activities. The Company periodically evaluates the effectiveness of the Code of Conduct, and conducts socialization programs to remind

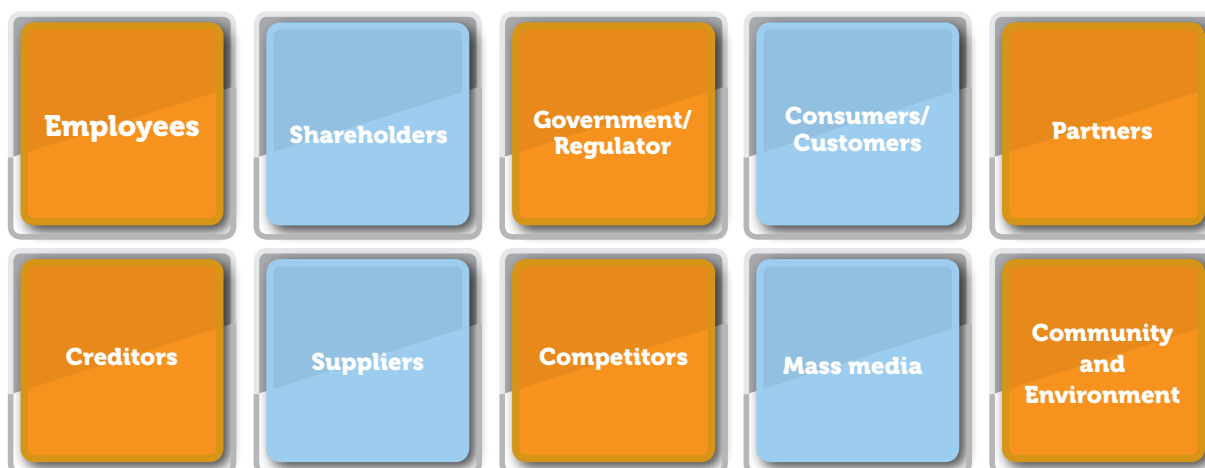
and emphasize the application of codes of conduct for employees.

HARMONIOUS RELATIONS WITH STAKEHOLDERS

One of the big objectives of the application of the principles of GCG is the development of business entity relationships with stakeholders. The Company formulates its Code of Conduct to be able to establish a harmonious relationship between the operating and business interests of the Company and the interests of each stakeholder within the Company's operating and business circles and those affected by the Company's operations and business activities.

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MANDIRI TUNAS FINANCE STAKEHOLDERS



VISION, MISSION AS WELL AS CORPORATE VALUES AND CULTURE AS COMMANDER IN CHIEF

The Company has formulated and determined its vision and mission as the chief commander in the direction for the future development of the Company. The vision and mission are then revealed into the Corporate Values and Culture which are expected to be understood as the Company's fundamental policy to develop an organization that is in line with the prescribed vision and mission.



DETERMINATION AND CONTENTS OF THE CODE OF CONDUCT

The contents of the PT Mandiri Tunas Finance code of conduct in accordance with Company Regulations 2018-2020 are as follows:

1. Should carry out the main duties in accordance with the job description and other duties determined by the Company.
2. Devoting all abilities to the Company, not working and binding themselves to third parties, both individuals and business entities or other institutions to get compensation, unless they have received written permission from the Company.
3. Always underlie all actions by prioritizing the interests of the Company, not prioritizing personal / organizational / group benefits (conflict of interest).
4. Accepting and understanding that the benefits provided by the Company is already in accordance

with their duties and responsibilities, so they will not ask for and receive compensation in any form from the parties related to the Company.

5. Keep themselves to be professional, so that they will not make efforts or actions that can harm parties related to the Company, including but not limited to clients, customers, relations in matters that can violate the code of conduct.
6. Keep themselves to always be trusted in work and would always maintain confidentiality over:
 - a. All information and data regarding the Company which can be categorized as the Company's secrets.
 - b. All information that has been entrusted by the customer to the Company.
 - c. All transactions that have been carried out by the customer through the Company.
 - d. All secret codes that have been entrusted to them in the course of carrying out their duties.
7. Uphold morality and avoid scandal among fellow workers.
8. Keep themselves professional in working by avoiding direct family relationships with one of the employees in the Company (father, mother, wife, brother, sister and child).
9. Always prioritizing the Company duties, not using work time for personal business.
10. Refrain from influencing or inviting other workers to do things that are contrary to the applicable Laws/ Government Regulations.
11. Willing to give back everything that is not their right to the Company even though it happened not because of their own fault.
12. Present at work and ready to carry out the task at the appointed time.
13. Wearing an Employee Identity Card/Identity Card provided by the Company while in the work environment.
14. Wear work clothes that have been determined by the Company with polite criteria, clean and neat during the execution of duties / jobs.
15. Be polite and maintain an atmosphere of brotherhood and familiarity in the work environment. Refrain from using physical violence, threatening, slandering or defaming fellow co-workers, which can disrupt the smooth running of work.
16. Maintain a healthy and clean work environment, and keep away from abuse of psychotropic drugs and illegal drugs, including in terms of their use, distribution, trade and ownership.
17. Always maintain all office equipment properly. If there is equipment that is damaged or lost, they are obliged to immediately report to the direct supervisor with the Official Report, then the supervisor reports to the General Affairs Department.
18. The Company may request compensation from them if there is damage to the Company's goods or other losses due to deliberate or negligent actions.
19. Office equipment, documents or any goods constitute the Company's inventory and are not permitted to be taken home, unless they have obtained permission from the direct supervisor.
20. Store all important documents of the Company in a locked cabinet / safe place.
21. Report to the Company whenever there is a change of data relating to themselves.
22. Notify supervisor directly orally or in writing if unable to attend because of illness no more than 1 (one) day.
23. If they are unable to attend because of illness more than 1 (one) day, they must submit a written report to their supervisor directly by attaching a medical letter from the doctor.
24. If they are absent from work at least within 5 (five) consecutive working days and have been summoned by registered mail by the Company 2 (two) times in writing on different days within 5 (five) working days, and they unable to provide written information with valid evidence in accordance with the provisions of the Company, then they are deemed to resign and the Company can carry out the termination process.
25. Comply with laws and regulations in the field of employment.
26. Comply with Operational Procedures & Administrative Procedures outlined by the Company.
27. Uphold and apply the Company's cultural values.

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BENEFIT AND OBJECTIVE OF THE IMPLEMENTATION OF CODE OF CONDUCT

The Company strives to implement Corporate Code of Conduct consistently, therefore providing long-term benefit to shareholders, the Company, the Board of Commissioners, and Board of Directors, as well as employees, customers, business partners, and the community. The objectives of the implementation of Corporate Code of Conduct are as follows:

1. As a joint commitment to realize the vision and implement the mission professionally and ethically by taking into account the stakeholders' interest, therefore ultimately realizing maximum work standard to all individuals and referring to the prevailing regulations.
2. Minimizing risks that cause conflict of interest and lawsuits or litigation process due to error by individual in the Company.
3. As a means to create harmonious, synergic, and mutual relationship among stakeholders of the Company.
4. For long-term, encouraging improvement of consumer service quality, company management, company value development, and ultimately improving the Company's reputation.

ENFORCEMENT OF THE CODE OF CONDUCT FOR ALL ORGANIZATIONAL LEVELS

Implementation of the Company Code of Conduct Standards Guidelines is the responsibility of all MTF personnel, including employees, Board of Directors, Board of Commissioners and all supporting organs to behave in accordance with the Company's culture so that professional, responsible, reasonable, and trustworthy behavior in conducting business relationships with co-workers and work partner is realized.

SOCIALIZATION AND INTERNALIZATION OF THE CODE OF CONDUCT

Socialization and Internalization are the important phase in the application of Code of Conduct. Mandiri Tunas Finance is committed to implementing dissemination effectively and thoroughly through the following steps:

1. Disseminating Corporate Code of Conduct to all ranks in the Company, customers, and business partner and carrying out refreshment regularly;
2. Evaluating the understanding of ranks in the Company, both in orientation period and during the employment;
3. Regularly reviewing the points of Corporate Code of Conduct for further development and improvement. In the event of a more detailed regulation is necessary, it will be prepared in the Company's policies and regulations.

GRATIFICATION CONTROL

The Company seeks to avoid the practice of gratification in carrying out its business activities. Gratification itself has the potential to affect the independence of the performance of the company's organs so that it has a negative impact on the Company. Therefore, to maintain business relationships with stakeholders, the Company regulates matters related to gratification and procedures or mechanisms for reporting that have been prepared.

In 2018, the Company consistently continues to make improvements in terms of control, one of which is to control gratification, by establishing a Gratification Control Unit along with the issuance of standard gratification control procedures and anti fraud strategies

as contained in the Guidelines for Gratification No. 03/ PGN/10/2018 and is effective from September 17, 2018 and has been approved by the Company's Board of Directors. In the standard operating procedure, it regulates the definition of gratification, the nature of gratification, the criteria for gratification, the principles of gratification control, the granting and receiving of gratuities within the company, reporting of refusal of gratuities, reporting of receipt of gratuities, and handling of gratification reports.

In 2018, the Company continues to disseminate the Anti Gratification Policy to all MTF personnel, which is routinely carried out at the Company's head office.

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INFORMATION FOR PROVIDING FUNDS FOR POLITICAL ACTIVITIES

The Company has a policy to prohibit the involvement of individuals on behalf of the Company in political activities, including giving donations for political purposes. Strictly, the Company does not allow MTF personnel to use any facilities or resources for political campaign purposes, political fundraising or for the purpose of political participation. As stipulated in the Company's Code of Conduct Standards.

On the other hand, high concern for social and community issues is an important part of the company's duties and responsibilities towards the community, which is realized through Corporate Social Responsibility (CSR) programs. A more detailed explanation of the CSR activities carried out by the Company throughout 2018, as well as the nominal value can be seen in the Corporate Social Responsibility Chapter in this Annual Report.

ANTI CORRUPTION POLICY

The Board of Commissioners, the Board of Directors, and all employees always uphold fair competition, sportsmanship and professionalism, as well as GCG principles. The Company is also committed to creating a healthy business climate, avoiding actions, behavior or actions that can lead to conflicts of interest, Corruption, Collusion and Nepotism (KKN) and always prioritizing the interests of the Company above personal, family, group or category interests. The Company also always pays attention to anti-corruption policies as written in Law No. 20 year 2001 on Amendment to Law No. 31 year 1999 on Eradication of Corruption Crime.

The Company is committed to carrying out business activities with the spirit of anti corruption which is to distance itself from the behavior of Corruption, Collusion and Nepotism (KKN) which is embedded in the minds of all MTF people. Thus, MTF always upholds fair competition, sportsmanship and professionalism, and GCG principles so as to encourage the creation of fair business competition.

This commitment is a reflection of the implementation of applicable laws and regulations such as:

- Law No. 8 year 2010 on Prevention and Eradication of Money Laundering Crimes, and
- Law No. 20 year 2001 on Amendments to Law Number 31 year 1999 on Eradication of Corruption in the Gratification Policy

MTF seeks to avoid the practice of gratification in carrying out its business activities. Gratification itself has the potential to affect the independence of the performance of the company's organs so that it has a negative impact on the Company. Therefore, in order to maintain business relationships with stakeholders, the Company regulates matters related to gratification and the procedures or mechanisms for reporting that have been prepared.

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POLICY FOR PROCUREMENT OF PRODUCTS AND SERVICES

BASIC PRINCIPLES AND PROVISIONS FOR THE PROCUREMENT OF PRODUCTS AND SERVICES WITHIN MANDIRI TUNAS FINANCE

Mandiri Tunas Finance implements products and services procurement efficiently, accountably, and transparently. The legal basis of the implementation of products and services procurement refers to the regulations of Standard Operational Procedure of the Company on Procurement of Products and Services. Therefore, the procurement of products and service is carried out carefully, from the planning, procurement, selection of products and services, to supervision of the procurement by taking into account the following aspects:

1. Being Efficient, means that the procurement of products/services has to be accountable and procured by as fewer funds and resources as possible to achieve the targets set within the shortest time.
2. Being Effective, means that the procurement of products/services must be in line with the requirements that have been established and can provide maximum benefits in accordance with the target set.
3. Being Open and Competitive, means that the procurement of products/services should be open to the providers of products/services that meet the requirements and is carried out through healthy competition among providers of Products/Services in an equal manner and fulfills specific requirements/criteria based on the clear and transparent rules and procedures.
4. Being Transparent, means that all the provisions and information on procurement of products/services, including the technical requirements of administration of procurement, evaluation procedures, evaluation results, and determination of prospective suppliers of products/services, are transparent to the interested suppliers of products/service providers and the public at large.
5. Being Fair/Not Discriminative, means that equal treatment is given to all prospective suppliers of products/services without intention to give personal gain to a particular party with any reason or method whatsoever.
6. Being Accountable, means that there must be an achievement, both physical and financial targets, as well as benefits for the convenience of public

administration and community services in line with the principles and applicable regulations of the procurement of products/services. Procedure for Procurement of Products and Services In procuring products and services, the Company has applied the following procedures:

a. Procurement Executor:

There are 3 (three) groups of procurement executors who can process the procurement of products and services for the Company, namely:

- Procurement and General Affair Department - Procurement team that consists of Procurement and General Affair Department and other related work units, and
- The Procurement committee that consists of Procurement and General Affair Department and/or the related and Legal Divisions to procure products and services which is basically conducted in a way of Public Auction/ Limited Tender or General Selection/Limited Selection.

b. Procurement Documents: Each products and services procurement activity must be documented so as to be used as an authentic evidence of the procurement of products and services.

c. List of products and services providers: The providers need to meet the determined qualification, thus the procurement of products and services is in line with the specification set.

d. Offering Delivery System: The Offering Delivery procedures can be chosen from one of the three determined applicable systems in the procurement documents, namely:

- One Cover system: this system is applicable to all procurements of products and services with technical specifications and methods of work and products that can be clearly and accurately made.

- Two-Cover System: this system is applicable to particular products and services that have specific range (corridor) in every technical aspect, thus in-depth technical evaluation is required to guarantee the quality of products and services before the price evaluation process is carried out.

- Gradual System: this system is only applied to the procurement of complex, high-tech products and services with relatively large procurement value that requires adjustment of technical/ performance/ design criteria to balance the technical specifications among the providers of products and services that are required in the procurement documents.

e. The offering evaluation system: divided into 2 parts:

- Offering Evaluation System for the procurement of products and services consisting of knockout system, value system, and costs for the economic life assessment system
- Offering Evaluation System for the procurement of consulting services that are divided into quality evaluation system, quality and cost evaluation system, and lowest cost evaluation system.

f. Form and Type of Work Contract:

- The form of work contract consists of: proof of products purchasing, SPK, Work Contract.
- The type of work contract consists of: Lump sum contract, unit price and volume contract, lump sum and unit price contract, turnkey contract, unit price without definite order volume contract, gradual submission with maximum volume limit contract, cost plus fee contract, and percentage contract.

g. Guarantee in the procurement of products and services: In the procurement of products and services, it must be realized that there will be risks

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that may arise, including the resignation of the providers of products and services, default, risk of advances withdrawal, and other risks.

- Auction winner announcement
- Auction participant's rebuttal
- Contract signing
- Down payment

TYPES OF AUCTION

- Public Auction, Limited Auction The implementation of this method is applied if the tender value is predicted to be more than Rp5 billion with the following terms and conditions:
 - Pre-qualification announcement
 - Pre-qualification document input
 - Procurement document invitation
 - Auction description
 - Offers input and opening
 - Offers evaluation
 - Preparation of the minutes of the auction result
 - Auction winners determination
- Direct Election The Procurement of products and services by using direct appointment is conducted through these following processes:
 - Invitation to products and services providers
 - Procurement document description delivery
 - Offers delivery
 - Offers opening
 - Offers evaluation
 - Negotiation and technical clarification
 - Determination of the selected supplier of products and services
 - Appointment of supplier of products and services
 - Contract assignment

WHISTLEBLOWING SYSTEM

As an effort to support the implementation of good corporate governance, the Company implements a Whistleblowing System (WBS) in order to prevent fraud by reporting violations and encouraging a culture of honesty and openness. The application of the WBS is useful for the development of a well-managed violation reporting system, which can be the foundation for the Company to design evaluations and follow-ups needed. The WBS is also part of an early warning system mechanism for the possibility of problems arising from a violation. For reporters, the WBS guarantees identity protection and confidentiality.

The Whistle Blowing System is not separate from the Anti Corruption Mechanism of PT. Mandiri Tunas Finance where in enforcing regulations, work ethics and business, the Company's values, feedback for Management and reporters, the public or reporters can submit reports regarding alleged violations of Good Corporate Governance principles and applicable ethical values based on evidence that can be accounted for and with good intentions for the benefit of the company. Where the identity of the reporter is confidential and the report can be submitted by the reporter without including an identity (anonymously).

DETERMINATION OF THE MANDIRI TUNAS FINANCE VIOLATION REPORTING SYSTEM GUIDELINES

The company's violation reporting system is regulated based on the letter of the President Director with number 063/MTF-DIR/VII/2011 dated July 20, 2011. In the letter, the Board of Director of the Company appeals to all employees with a sense of belonging in accordance with PERWIRA Culture in order to actively participate the same to prevent, detect and anticipate and increase awareness of fraud or violations in the Company.

SCOPE OF COMPLAINTS ON VIOLATIONS THROUGH THE MANDIRI TUNAS FINANCE VIOLATION REPORTING SYSTEM

Violations that can be reported through the Company's WBS mechanism are:

- A presumption or indication of violation of the procedure
- Fraud
- Acts that violate the law or other unethical actions that harm the Company's finances or the Company's reputable name.

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COMPLAINT CHANNEL

Reporting is submitted through communication media to work units that have been designated for ease of action, namely the website www.mtf.co.id/korporat/id/whistle-blower. These problems will then be followed up by a committee that is part of several designated work units to determine follow-up reporting, follow-up steps to feedback to the reporter.

COMPLAINTS MANAGEMENT

Reporting that is included in a whistleblower will be managed directly by the Corporate Secretary. Each report will be processed independently and will be traced to the truth of the information provided.

MECHANISM FOR SUBMITTING COMPLAINTS AND HANDLING COMPLAINTS THROUGH THE VIOLATION REPORTING SYSTEM

Each employee can report complaints by emailing direktur.utama@mtf.co.id or correspondence to the President Director with the address Graha Mandiri Lt. 3A, Jl. Imam Bonjol 61, Central Jakarta. Starting in 2018 all employees who will report complaints can also submit on the Company's website page at <https://www.mtf.co.id/korporat/id/whistle-blower>.

PROTECTION FOR REPORTERS

The Company guarantees confidentiality and protection to reporters in carrying out the process of reporting complaints by always prioritizing confidentiality, the presumption of innocence in a professional manner. The

Company guarantees the confidentiality of the Reporting Party's identity, as well as providing protection to the Reporting Party from all forms of threats, intimidation, or unpleasant actions from any party, as long as the Reporting Party can maintain the confidentiality of the case reported / reported.

This protection also applies to parties appointed by the Company in carrying out investigations, verification and parties who provide information related to complaints / disclosure of facts of irregularities.

AWARDS AND SANCTIONS

The form of sanctions against the Reported Party that has been proven to have committed a violation is determined in accordance with the applicable rules and regulations in the Company. The Company also provides sanctions for reporting violations that are not in accordance with the aims and objectives of this policy, such as slander or false reporting.

In addition, the award is given to the Reporter if the reported case contains the truth and the Company has a positive impact from the existence of the report. The type and magnitude of the awards given are governed by the Board of Directors' policies which are inseparable documents from the WBS policy.

REPORTING OF VIOLATIONS IN 2018 AND FOLLOW UP

Throughout 2018 there were no reports of complaints of violations entered through the mechanism WBS owned by the Company.

COMPOSITION DIVERSITY OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

The composition of the Board of Commissioners and Board of Directors comes from a variety of backgrounds to support the effectiveness of the implementation of tasks in answering all increasingly dynamic business challenges. Therefore, the determination of the composition of the Board of Commissioners and Directors is based on knowledge, expertise, professional experience and education taking into account the needs and complexity of the Company.

As of December 31, 2018, the Company does not yet have written rules governing the diversity of the composition of the Board of Commissioners and Directors. However, based on the Shareholders policy, the determination of the composition of the Board of Commissioners of the Company has been carried out by considering the needs and complexity of the company, including taking into account the element of diversity, as presented in the table below.

DIVERSITY IN THE COMPOSITION OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS OF MANDIRI TUNAS FINANCE

Name and Position	Citizen	Age	Gender	Educational Background	Skills
Board of Commissioners					
Rico Adisurja Setiawan (President Commissioner)	Indonesia	47	Male	Master of Business Administration for Finance, Bachelor of Science	Administration for Finance
Harry Gale (Commissioner)	Indonesia	47	Male	Masters in Management and Bachelor in Economics	Management
Ravik Karsidi (Independent Commissioner)	Indonesia	61	Male	Doctor of Development Counseling, Master of Science Rural Sociology for Development Studies, Bachelor of Educational Sciences	Development Counseling Science

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Name and Position	Citizen	Age	Gender	Educational Background	Skills
Board of Directors					
Arya Suprihadi (President Director)	Indonesia	47	Male	Master of Science for Finance, Master of Business Administration, Bachelor of Civil Engineering	Science
Harjanto Tjitohardjojo (Director)	Indonesia	50	Male	Bachelor in Economics majoring in Management	Economics
Armendra (Director)	Indonesia	47	Male	Bachelor of Mathematics	Mathematics and Natural Science
Albertus Henditrianto (Deputy Director)	Indonesia	49	Male	Bachelor in Economics at Gadjah Mada University	Economics
Bonifatius Perana Citra Ketaren (Deputy Director)	Indonesia	41	Male	Bachelor of Accounting at Parahyangan University	Accounting
William Francis Indra (Deputy Director)	Indonesia	36	Male	Master of Management at Mercu Buana University	Marketing Management

COMPLIANCE WITH FINANCING CORPORATE GOVERNANCE GUIDELINES: FITNESS TO OJK REGULATION NO. 30/POJK.05/2014

The GCG Roadmap issued by OJK in 2014 had a significant influence on the development of GCG in the following periods. The emphasis on transparency, accountability, and the delivery of reasonable information is a discussion that can be a guide for business entities, including the Non-Bank Financial Industry (IKNB), especially finance companies.

In general, the Company as a finance company has implemented all regulations issued by OJK, and will continue to make improvements to create added value for shareholders and stakeholders. In terms of guidelines for implementing GCG regulated under OJK Regulation No. 30/POJK.05/2014 on Good Corporate Governance for Financing Companies, the Company strives to develop GCG principles in accordance with these regulations. The description of the application can be seen below.

CONFORMITY IN THE DEVELOPMENT OF GCG IMPLEMENTATION IN MANDIRI TUNAS FINANCE WITH OJK REGULATION NO.30/POJK.05/2014 ON GOOD CORPORATE GOVERNANCE FOR FINANCING COMPANIES

The Content of the Regulations as the Compliance Principle		Status	Implementation in Mandiri Tunas Finance
Implementation of Good	The principles of Good Corporate Governance include: transparency, accountability, responsibility, independency, and fairness.	✓	Preparation of Annual Reports available on the Company's website page
	The application of Good Corporate Governance aims to: <ol style="list-style-type: none"> optimize the value of the Company for Stakeholders, especially Debtors, Creditors, and/or other Stakeholders; improve company management professionally, effectively and efficiently; improve compliance of Company Organ and DPS and the ranks below so that in making decisions and carrying out actions based on high ethics, compliance with laws and regulations, and awareness of corporate social responsibility towards Stakeholders and environmental sustainability; create a healthier, reliable, trustworthy and competitive company; and increasing the Company's contribution to the national economy. 	✓	Availability of Information Disclosure reports related to the Company's business activities

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The Content of the Regulations as the Compliance Principle	Status	Implementation in Mandiri Tunas Finance
The implementation of the principles of Good Corporate Governance should be stated in a guideline which at least describes the following matters:		
a. procedures for implementing the duties and responsibilities of the Board of Commissioners and Board of Directors;	✓	The Company has the Code of Conduct guidelines of Board of Commissioners and Board of Directors
b. completeness and procedures for implementing the duties of committees and work units that carry out internal control functions;	✓	The Company has a Charter/ Guidelines supporting the Board of Commissioners
c. policies and procedures for implementing compliance function, internal audit and external audit;	✓	The Company has an Audit Committee
d. policies and procedures for implementing risk management, including the internal control system;	✓	The Company has a Risk Oversight Committee
e. remuneration policy;	✓	The Company has a Nomination and Remuneration Committee
f. transparency policy of financial and non financial conditions; and	✓	Financial reports are listed on the Company's website
g. procedures for preparing long-term plans as well as annual work plans and budgets.	✓	The Company's work plan is listed in the Corporate Budget Work Plan (RKAP)
In conducting business activities, the Company should carry out its business activities in a healthy manner and comply with all laws and regulations of the financial services industry which are under the supervision of the OJK.	✓	Business activities are listed in the Company's Deed
The company must have adequate operating standards and procedures for all of the Company's business activities determined by the Board of Directors.	✓	The company has an SOP that can be accessed by all employees
General Meeting of Shareholders The Company's GMS must be held in accordance with the provisions of the laws and regulations and the Company's articles of association that are transparent and accountable.	✓	The Company holds an Annual GMS in accordance with the applicable Law
In making a decision, the GMS must protect the interests of all parties, especially the interests of the debtor, creditors, and the interests of minority shareholders.	✓	The GMS decision is based on deliberation and consensus of all shareholders
Shareholders Each party that becomes the controlling shareholder of the Company should fulfill the requirements for appraisal of fit and proper.	✓	The Company's shareholders have met the requirements for capability and appropriateness
Provisions regarding the capability and appropriateness as referred to in paragraph (1) are regulated by the OJK Regulation on the assessment of capability and propriety.	✓	The Company has complied with and fulfilled as stipulated in POJK
The Company's shareholders through the GMS should ensure that the Company is run based on sound financing business practices.	✓	The Company runs the GMS as stipulated in POJK
Shareholders should have a commitment to the development of the Company's operations.	✓	Shareholder commitment is always given for the development of the Company's operations
The Company's shareholders are prohibited from interfering with the Company's operational activities which are the responsibility of the Board of Directors in accordance with the provisions of the Company's articles of association and laws and regulations, except in the context of fulfill their rights and obligations as a GMS.	✓	The Company's Shareholders do not interfere with the Company's Operational activities as specified in the Limited Liability Company Law

The Content of the Regulations as the Compliance Principle	Status	Implementation in Mandiri Tunas Finance
Shareholders of the Company who serve as members of the Board of Directors, members of the Board of Commissioners, or DPS members in the same Company should prioritize the interests of the Company.	✓	The Company's shareholders are not members of the Board of Directors or the Board of Commissioners
Board of Directors Companies that have assets of up to Rp 200,000,000,000.00 should have at least 2 (two) members of the Board of Directors.	✓	The company has 3 (three) Directors
All members of the Board of Directors of the Company whose entire shareholders are: Indonesian citizens; and/or Indonesian legal entities that are owned directly or indirectly by Indonesian citizens, should be Indonesian citizens.	✓	The Board of Directors has fulfilled the criteria and conditions determined by the OJK
Companies that have foreign ownership either directly or indirectly should have at least 50% of the members of the Board of Directors who are Indonesian citizens.	X	There is no foreign ownership in the Company
Members of the Company's Board of Directors should reside in the territory of the Republic of Indonesia.	✓	All members of the Board of Directors reside in Indonesia
For members of the Board of Directors who are foreign nationals, should have a residence permit and work permit from the competent authority.	X	No member of the Board of Directors is a foreign national
All members of the Company's Board of Directors must have knowledge relevant to their position.	✓	Members of the Board of Directors have participated in the fit & proper test
Members of the Board of Directors of the Company are prohibited from concurrently holding positions as Directors in other companies except as members of the Board of Commissioners of at most 3 (three) other Companies.	✓	Members of the Company's Board of Directors do not hold concurrent positions with other companies
Excluding concurrent positions if a member of the Board of Directors who is responsible for overseeing the participation of a subsidiary that has a business in the field of financing, performs the functional duties of being a member of the Board of Commissioners in a subsidiary controlled by the Company, does not cause the concerned person to neglect the execution of duties and authority as a member of the Company's Board of Directors.		
Each member of the Company's Board of Directors must pass the fit and proper test. Provisions regarding capability and appropriateness assessment are regulated by the OJK Regulation concerning appraisal of fit and proper.	✓	All members of the Board of Directors have passed the fit and proper test as referred to by POJK
Members of the Company's Directors must meet the following criteria: a. able to act in good faith, honest and professional; b. able to act in the interests of the Company and/or other Stakeholders; c. prioritizing the interests of the Company and/or other Stakeholders rather than personal interests; d. able to make decisions based on independent and objective assessments for the interests of the Company and debtors, creditors, and/or other Stakeholders; and e. able to avoid misuse of its authority to obtain undue personal gain or cause harm to the Company.	✓	Members of the Board of Directors have met the criteria determined by the OJK
The Board of Directors of the Company should: a. comply with laws and regulations, articles of association, and other internal regulations of the Company in carrying out their duties; b. manage the Company in accordance with its authority and responsibility; c. accountable for carrying out their duties to the GMS;	✓	The Board of Directors of the Company carry out their duties and responsibilities as mandated in the Law and Articles of Association

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<ul style="list-style-type: none"> d. ensure that the Company pays attention to the interests of all parties, especially the interests of the debtor, creditor, and/or other Stakeholders; e. ensure that information about the Company is provided to the Board of Commissioners and DPS in a timely and complete manner; and f. assisting and providing facilities and/or resources for the smooth implementation of the duties and authority of Company Organ and DPS. 		
<p>The company must have a member of the Board of Directors in charge of the compliance function. The compliance function is a series of actions or steps to ensure that policies, provisions, systems and procedures, as well as business activities carried out by the Company are in accordance with the laws and regulations and ensure the Company's compliance with the commitments made by the Company to the OJK and/or other authorized supervisory authorities. Members of the Board of Directors in charge of the compliance function cannot hold concurrent position by members of the Board of Directors in charge of the financing function, marketing functions and financial functions, except the President Director.</p>	✓	<p>The compliance function in the Company is led directly by the President Director</p>
<p>The company should have a work unit or employee carrying out the compliance function. The work unit or employee has the task of assisting the Board of Directors in ensuring compliance with laws and regulations in the field of financing business and other laws and regulations. The work unit or employee is responsible to the members of the Board of Directors who oversee the compliance function.</p>	✓	<p>The Company has a work unit that is responsible for compliance, namely the Legal & Compliance Division</p>
<p>Members of the Company's Board of Directors are prohibited:</p> <ul style="list-style-type: none"> a. conduct transactions that have Conflict of Interest, with the activities of the Company where the member of the Board of Directors is in office; b. take advantage of his position at the Company where the Board of Directors member serves for personal, family, and/or other parties' interests that can harm or reduce the Company's profits where the intended member of the Board of Directors is in office; c. take and/or receive personal benefits from the Company where the intended member of the Board of Directors is serving other than the remuneration and facilities determined based on the resolution of the GMS; and d. fulfill the request of shareholders related to the operational activities of the Company where the intended members of the Board of Directors are serving other than those specified in the GMS. 	✓	<p>The Board of Directors of the Company carries out its duties and responsibilities as stipulated in the laws and regulations and the articles of association of the Company</p>
<p>The Company's Board of Directors are required to hold a Board of Directors meeting periodically at least 1 (one) time in 1 (one) month. The Company's Directors are required to attend a Board of Directors meeting of at least 50% of the total number of Directors meetings in a period of 1 (one) year. The results of the Board of Directors meeting should be stated in the minutes of the Board of Directors meeting and properly documented. Dissenting opinions that occur in the decisions of the Board of Directors meeting should be clearly stated in the minutes of the Board of Directors meeting along with the dissenting opinions. Members of the Company's Board of Directors who are present or not present at the Board of Directors meeting are entitled to receive a copy of the minutes of the Board of Directors meeting.</p>	✓	<p>Throughout 2018 the Board of Directors held 43 meetings</p>
<p>The number of Directors meetings that have been held and the number of attendance of each member of the Company's Board of Directors must be included in the report on the implementation of Good Corporate Governance.</p>	✓	<p>Board of Directors Meetings have been disclosed in the Good Corporate Governance Report</p>

The Content of the Regulations as the Compliance Principle	Status	Implementation in Mandiri Tunas Finance
<p>The Board of Directors of the Company should ensure effective, appropriate and fast decision making and can act independently, should not have interests that can interfere with their ability to carry out tasks independently and objectively.</p>	✓	<p>The Board of Directors of the Company consider all aspects in making decisions</p>
<p>The Board of Commissioners</p> <p>The company should have at least 1 (one) member of the Board of Commissioners domiciled in the territory of the Republic of Indonesia</p>	✓	<p>The Company's Board of Commissioners reside in Indonesia</p>
<p>For members of the Board of Commissioners who are foreign nationality reside in the territory of the Republic of Indonesia, should have: a residence permit; and a work permit, from the competent authority.</p>	x	<p>The Company does not have a Board of Commissioners with foreign citizenship</p>
<p>Members of the Board of Commissioners of the Company are prohibited from concurrently holding positions as members of the Board of Commissioners in more than 3 (three) other Companies. Not including multiple positions if:</p> <ol style="list-style-type: none"> non-independent members of the Board of Commissioners carry out functional duties from the Company's shareholders in the form of legal entities in their business groups; and/or members of the Board of Commissioners hold positions in non-profit organizations or institutions, <p>As long as the person concerned does not neglect the implementation of duties and responsibilities as a member of the Company's Board of Commissioners.</p>	✓	<p>Members of the Board of Commissioners do not hold concurrent positions as Board of Commissioners in other companies</p>
<p>Every member of the Company's Board of Commissioners must pass the fit and proper test. Provisions on capability and appropriateness assessment are regulated by the OJK Regulation 0n appraisal of fit and proper.</p>	✓	<p>Each member of the Board of Commissioners has passed the fit & proper test from the FSA</p>
<p>The Company's Board of Commissioners should:</p> <ol style="list-style-type: none"> carry out supervisory and advisory duties to the Board of Directors; supervise the Board of Directors in maintaining the balance of interests of all parties; compile reports on the activities of the Board of Commissioners which are part of the report on the implementation of Good Corporate Governance; monitor the effectiveness of implementing Good Corporate Governance; give approval in the event that the Sharia Supervisory Board requires the assistance of members of a committee whose organizational structure is under the Board of Commissioners; ensure that the Board of Directors has followed up on audit findings and recommendations from the Company's internal audit unit, external auditors, OJK supervision results and/or the results of supervision by other authorities. 	✓	<p>The Board of Commissioners carries out its obligations as mandated in the Law and Articles of Association of the Company</p>
<p>Members of the Board of Commissioners of the Company are prohibited:</p> <ol style="list-style-type: none"> conduct transactions that have Conflict of Interest with the activities of the Company in which the member of the Board of Commissioners is in office; utilizing his position at the Company where the members of the Board of Commissioners are intended to serve personal, family, and/or other party interests that can harm or reduce the profits of the Company in which the member of the Board of Commissioners is in office; take and/or receive personal benefits from the Company where members of the Board of Commissioners, other than remuneration and facilities determined based on the resolution of the GMS; and interfere with the Company's operational activities which are the responsibility of the Board of Directors. 	✓	<p>The Board of Commissioners in carrying out its duties and functions in accordance with the applicable laws and regulations and the Articles of Association of the Company</p>

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Members of the Company's Board of Commissioners have the right to obtain information from the Board of Directors regarding the Company in a complete and timely manner.	✓	The Board of Directors always provide information to the Board of Commissioners in a complete and timely manner
<p>Companies that have assets of more than Rp 200,000,000,000.00 must have at least 1 (one) Independent Commissioner. The Independent Commissioner of the Company must meet the following requirements:</p> <ol style="list-style-type: none"> does not have affiliation with members of the Board of Directors, members of the Board of Commissioners, members of the DPS, or shareholders of the Company, in the same company; has never been a member of a Board of Directors, a member of the Board of Commissioners, a member of a DPS or held a position 1 (one) level below the Board of Directors of the same company or other company that has an affiliation with the Company in the past 2 (two) years; understand the laws and regulations in the field of financing and other relevant laws and regulations; have good knowledge about the financial condition of the Company where the Independent Commissioner is in office; have Indonesian citizenship; and reside in Indonesia. 	✓	The Company has an Independent Commissioner
The Independent Commissioner has the main duty to carry out the supervisory function to express the interests of the Debtor, creditor and other Stakeholders.	✓	The duties and functions of the Independent Commissioners are listed in the Board of Commissioners' Code of Conduct
<p>The Independent Commissioner should report to OJK no later than 10 calendar days from the discovery of:</p> <ol style="list-style-type: none"> violation of laws and regulations in the field of financing; and/or circumstances or estimates of circumstances that could endanger the sustainability of the Company's business. 	✗	Throughout 2018 Independent Commissioners did not find violations and other matters that endanger the Company
Companies are prohibited from dismissing Independent Commissioners because of the actions of the Independent Commissioner in carrying out their duties.	✓	Throughout 2018 the Company never dismissed an Independent Commissioner
Companies that have total assets of more than Rp200,000,000,000.00 should form an audit committee. One member of the audit committee is an Independent Commissioner who is also a chair of the committee.	✓	The Company has established an Audit Committee
The audit committee has the task of assisting the Board of Commissioners to monitor and ensure the effectiveness of the internal control system and the implementation of the duties of internal auditors and external auditors by monitoring and evaluating audit planning and implementation in order to assess the adequacy of internal controls including financial reporting processes.	✓	In carrying out its duties and functions the Audit Committee has work guidelines/charters
In addition to the audit committee, the Board of Commissioners of the Company could form other committees to support the implementation of the duties of the Board of Commissioners.	✓	Other committees are the Nomination and Remuneration Committee and the Risk Monitoring Committee
The Board of Commissioners of the Company should hold Board of Commissioners meetings at least 1 (one) time in 3 (three) months. Members of the Board of Commissioners of the Company are required to attend Board of Commissioners meetings at least 75% of the total number of Board of Commissioners meetings in a period of 1 (one) year. The results of the Board of Commissioners meeting must be included in the minutes of the Board of Commissioners meeting and properly documented.	✓	Throughout 2018 the Board of Commissioners held 8 meetings

The Content of the Regulations as the Compliance Principle	Status	Implementation in Mandiri Tunas Finance
<p>Dissenting opinions that occur in the decisions of the Board of Commissioners meeting should be clearly stated in the minutes of the Board of Commissioners meeting along with the reasons for such dissent.</p> <p>Members of the Board of Commissioners of the Company who are present or not present at the Board of Commissioners meeting are entitled to receive a copy of the minutes of the Board of Commissioners' meeting.</p>	✓	The agenda of the Board of Commissioners meeting is listed in the Minutes of the Board of Commissioners' Meeting
<p>The number of Board of Commissioners meetings that have been held and the number of attendance of each member of the Board of Commissioners must be included in the report on the implementation of Good Corporate Governance.</p>	✓	The number of meetings has been stated in Good Corporate Governance
<p>The Company's Board of Commissioners must ensure effective, appropriate and fast decision making and could act independently in carrying out their duties.</p>	✓	The decision of the Board of Commissioners is independent and professional
<p>Sharia Supervisory Board (DPS)</p> <p>Sharia Financing Companies and UUSs are required to have DPS.</p>	✗	The company does not have a Sharia Supervisory Board (DPS)
<p>Transparency of Ownership</p> <p>Members of the Board of Directors and Board of Commissioners of the Company must disclose about:</p> <ol style="list-style-type: none"> share ownership that reaches 50% or more in the Company where the member of the Board of Directors is in office and/or in another company domiciled domestic and abroad; and financial relations and family relations with other members of the Board of Directors, members of the Board of Commissioners, members of the DPS, and/or shareholders of the Company where the members of the Board of Directors are in office, to the Company where the members of the Board of Directors are in office and are included in the report on the implementation of Good Corporate Governance. 	✓	Share ownership of the Board of Directors and Board of Commissioners is disclosed in the shareholders list
<p>External Auditor</p> <p>The Company's external auditor must be appointed by the GMS of the prospective external auditor submitted by the Board of Commissioners based on the proposal of the audit committee (if any). Nomination of external auditors must be accompanied by:</p> <ol style="list-style-type: none"> reasons for nomination and the amount of honorarium or compensation proposed for the external auditor; and commitment statement signed by the external auditor, to be free from the influence of the Board of Directors, Board of Commissioners, DPS and interested parties in the Company and willingness to provide information related to the results of the audit to the OJK. 	✓	The appointment of an External Auditor has been voting through a GMS with the recommendations of the Audit Committee
<p>Companies must provide all accounting records and data supporting external auditors so that external auditors can provide their opinions on the fairness and suitability of the Company's financial statements with applicable audit standards.</p>	✓	The Company is open in providing information and data to support external auditors
<p>Remuneration Policy and Practice</p> <p>Companies should implement remuneration policies for members of the Board of Directors, members of the Board of Commissioners, DPS, and employees who encourage behaviors based on prudent behavior that are in line with the Company's long-term interests and fair treatment of Debtors, creditors and/or other Stakeholders . Remuneration policy must pay attention at least:</p> <ol style="list-style-type: none"> financial performance and fulfillment of the Company's obligations as stipulated in the applicable laws and regulations; individual work performance; fairness with the Company and/or equivalent position level (peer group); and consideration of the Company's long-term goals and strategies. 	✓	The remuneration policy is regulated by the Nomination and Remuneration Committee

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Financing Governance	The company is obliged to formulate policies and financing plans as outlined in the Company's annual business plan. Financing policies and plans are required to:	✓	The company has made a business plan every year
	a. stipulated by the Board of Directors; and b. socialized to management and related work units		
	The Board of Directors should make professional financing decisions and optimize the value added of the Company's assets while taking into account the protection of the Debtor and the interests of other Stakeholders.	✓	In making decisions, the Directors pay attention to all aspects
	The company should have a work unit or employee responsible to:	✓	The Company has a Division that carries out the marketing function
	a. organizing marketing functions, applying the principle of knowing customers, analyzing financing, monitoring the quality of financing receivables, collecting, handling complaints from debtors; b. compile and implement financing operational standards and procedures; and c. compile and implement internal control systems and procedures to ensure that the process of granting financing is carried out in accordance with financing policies and strategies, and does not violate regulations.		
To perform these functions, the Company should have employees who have knowledge and experience in the field of financing.			
Risk Management and Internal Control	The company could cooperate with other parties to carry out the collecting function to the Debtor. The company should state the cooperation with other parties in the form of stamped written agreements. Cooperation with other parties as intended should meet the following conditions: a. the other party is in the form of a legal entity; b. the other party has permission from the competent agency; and c. the other party has human resources that have obtained professional certification in the collection field from the institution appointed by the Indonesian finance company association. The company is fully responsible for all impacts arising from cooperation with other parties. The company should conduct regular evaluations of cooperation with parties.	✓	Cooperation with third parties is always stated in written and stamped agreements
	Companies should implement risk management by identifying, assessing and monitoring business risks effectively. Risk management must be adjusted to the objectives, business policies, size and complexity of the business and the ability of the Company.	✓	Risk Management is managed in its own Division
	The Company's Board of Directors should establish effective and efficient internal controls to provide adequate assurance that business activities are carried out in accordance with business objectives and strategies as well as the Company's articles of association and internal rules, and legislation. Internal control includes at least the following: a. control activities, namely actions taken in a process of controlling the Company's activities at each level and unit in the company's organizational structure, including authority, authorization, verification, reconciliation, evaluation of work performance, division of tasks and security of company assets; b. information and communication system, namely a process of presenting reports on operational, financial and compliance with laws and regulations in the field of financing;	✓	Internal control is carried out by the Risk Management and Internal Audit Division

The Content of the Regulations as the Compliance Principle	Status	Implementation in Mandiri Tunas Finance
<ul style="list-style-type: none"> c. monitoring procedures, namely the process of evaluating the quality of the internal control system including the internal audit function at each level and unit of the Company's organizational structure, so that it can be implemented optimally; and d. mechanism for reporting to the Board of Directors with a copy to the audit committee, in the event of a deviation in the quality of the internal control system including the internal audit function at each level and unit of the Company's organizational structure. 		
<p>Annual Business Plan</p> <p>Companies are required to prepare an annual business plan. Annual business plans include at least:</p> <ul style="list-style-type: none"> a. executive summary; b. management policies and strategies; c. implementation of risk management and compliance; d. implementation of Good Corporate Governance; e. the Company's previous financial performance period; f. financial report projections along with assumptions used; g. projection of ratios and level of financial health; h. financing development and marketing plans; i. plan for the development and / or change of office network; j. capital plan; k. funding plan; l. organizational and human resource development plans; and m. other information. 	✓	The company has compiled an annual business plan
	✓	The Annual Business Plan has been reported before the specified due date
<p>Information Disclosure</p> <p>Communication policies and strategies Companies should enable the required information to be provided to OJK in a complete, timely and efficient manner.</p>	✓	Corporate communication with OJK through the Corporate Secretary
	✓	Financial reporting has been carried out through a system regulated by OJK and BEI
<p>Companies should disclose to OJK important matters, at least including:</p> <ul style="list-style-type: none"> a. resignation or dismissal of an external auditor; b. material transactions with related parties; c. The ongoing conflict of interest and/or that might occur; and d. other material information about the Company. 	✓	The company conducts information disclosure
<p>Disclosure of important matters is included in the report on the implementation of Good Corporate Governance.</p>	✓	Has been contained in the Good Corporate Governance Report
<p>Business Ethics</p> <p>The Board of Directors, Board of Commissioners, DPS, and Company employees are prohibited from offering or giving anything, either directly or indirectly to other parties, to influence decision making related to financing transactions, by violating the applicable legal provisions.</p> <p>The Board of Directors, Board of Commissioners, DPS, and Company employees are prohibited from accepting anything for their personal interests by violating the applicable legal provisions, both directly and indirectly, from anyone, which can influence decision making related to financing transactions.</p>	✓	Listed in Company Regulations
<p>The company is obliged to make a guideline on ethical behavior, which contains the value of business ethics, as a guide to the Organ of the Company and all employees of the Company.</p>	✓	Listed in Company Regulations

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Reporting	Companies must conduct self-assessments on the application of Good Corporate Governance on a regular basis. Self assessment of the implementation of Good Corporate Governance is conducted based on Good Corporate Governance guidelines.	✓	The Company has conducted a self assessment
	The company should prepare a report on the implementation of Good Corporate Governance at the end of each financial year. The report on the implementation of Good Corporate Governance contains at least: <ul style="list-style-type: none"> a. transparency of the implementation of Good Corporate Governance which at least includes the disclosure of all aspects of the implementation of the principles of Good Corporate Governance; b. self assessment of the implementation of Good Corporate Governance; and c. action plan which includes corrective action needed and time of completion and the obstacles/hindrances to completion, if there are still shortcomings in the implementation of Good Corporate Governance. 	✓	The Company has compiled a report on the implementation of Good Corporate Governance for OJK
	Further provisions regarding the form and composition of the report on the implementation of Good Corporate Governance are regulated in the OJK Circular Letter.	✓	The form and arrangement of reports are in accordance with SEOJK
	The report on the implementation of Good Corporate Governance is submitted no later than April 30 of the following year.	✓	Report has been sent on time
	The company is required to submit a Good Corporate Governance report for the first time in 2016, which is submitted no later than April 30, 2017.	✓	
Sanctions	Companies that violate the provisions referred to in this OJK Regulation are subject to administrative sanctions, including but not limited to: <ul style="list-style-type: none"> a. warning; and/or b. the re-implementation of a fit and proper test. <p>Administrative sanctions in the form of warnings can be given at most 3 (three) consecutive times with a maximum validity period of 2 (two) months, namely: <ul style="list-style-type: none"> a. first warning; b. second warning; and c. third warning. </p> <p>Companies that violate the provisions but the violations have been resolved, are still subject to the first warning sanctions which expire on their own.</p> <p>In the event that until the end of the third warning period, the Company does not comply with the provisions, the Board of Directors, Board of Commissioners and/or controlling shareholders are subject to reevaluation of capability and propriety.</p>	X	The Company does not violate the provisions stipulated in POJK
	In the event that the Company receives an administrative sanction in the form of a cumulative warning of 5 (five) times or more within a period of 2 (two) years, the Board of Directors, Board of Commissioners, DPS, and/or controlling shareholders are subject to reevaluation of capability and propriety.	X	Throughout 2018 there were no sanctions intended for the Company

✓ = has been applied | X = not yet applied

TRANSPARENCY OF BAD GOVERNANCE PRACTICE

INCOMPATIBILITY OF ANNUAL REPORT PRESENTATION AND FINANCIAL STATEMENTS WITH APPLICABLE REGULATIONS AND FINANCIAL ACCOUNTING STANDARDS (SAK)

The entire presentation of information in this Annual Report, specifically related to financial performance and other matters, refers to the Financial Statements for the years ended December 31, 2018 and December 31, 2017 which have been audited by the Public Accounting Firm Purwantono, Sungkoro & Surja (a member firm of Ernst & Young Global Limited). The presentation and disclosure

of the Company's financial statements are prepared and presented in accordance with the Financial Accounting Standards in Indonesia, namely the Statement of Financial Accounting Standards (PSAK) issued by the Indonesian Institute of Accountants (IAI), and OJK Regulation No. 29/POJK.04/2016 on the Annual Report of Issuers or Public Companies.

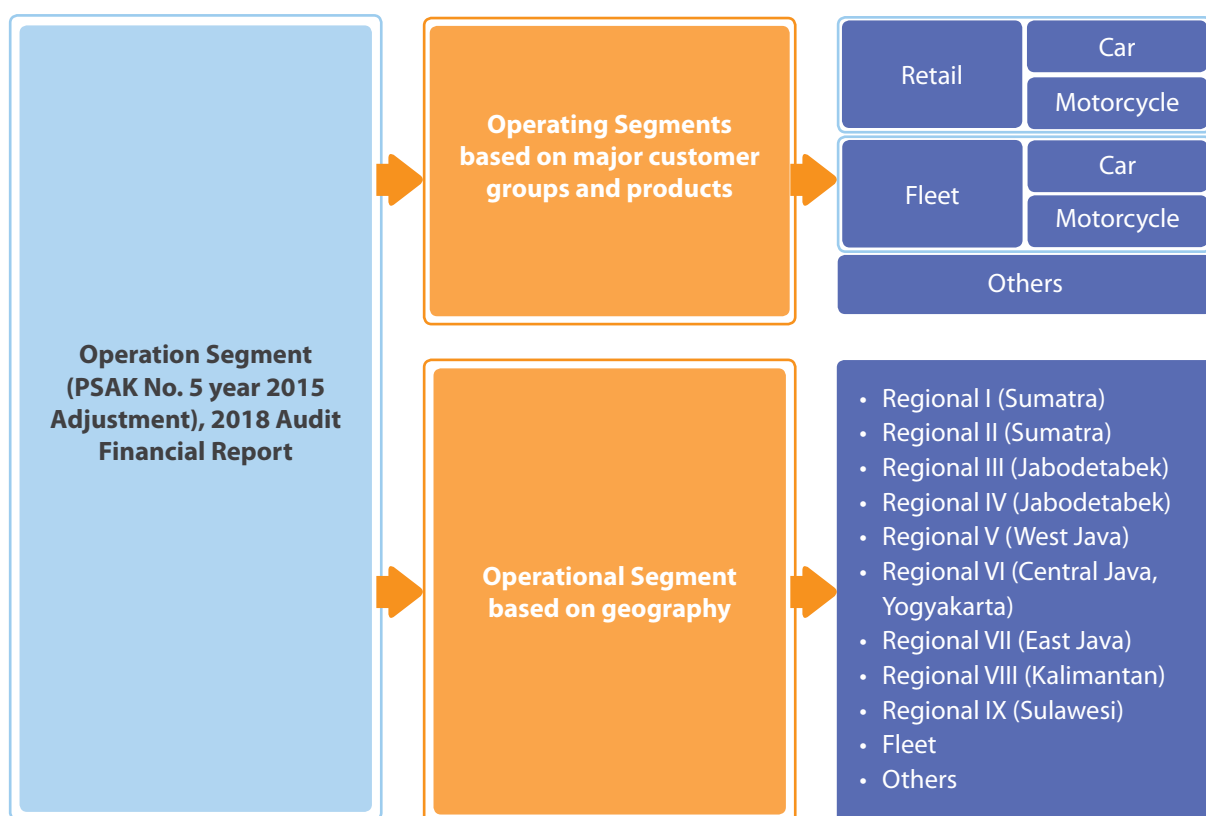
DISCLOSURE OF OPERATING SEGMENTS ON FINANCIAL STATEMENTS

As stated in PSAK No. 5 (2015 Adjustment) on the Operating Segment and for the benefit of management, the Company has implemented operating segments in its financial statements dividing operating segments

based on major customer groups and products, namely Fleet and Retail, and other segments as calculations that cannot be allocated to both segments.

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IMPLEMENTATION OF OPERATING SEGMENTS (PSAK NO. 5 YEAR 2015 ADJUSTMENTS) MANDIRI TUNAS FINANCE



SUITABILITY OF ANNUAL REPORT BOOK PRINTED AND DIGITAL ANNUAL REPORT

The Company's digital annual reports, both submitted to regulators, shareholders, stakeholders, and those that have been uploaded on the official website of the Company, are in accordance with the Annual Report book printed and published by the Company.



CORPORATE SOCIAL RESPONSIBILITY



SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT

The concept of Sustainable Development that has developed in various countries emerged as part of the urges of many parties about the balance between people, profit and the planet. This concept can only be realized through a strong commitment from all parties, especially business entities that cannot be denied to rely on profit orientation and tend to ignore the long-term impact of the activities carried out.

In Indonesia, regulators have encouraged this harmonization effort through Corporate Social Responsibility (CSR), which requires business entities to

have policies and programs related to their commitment to building sustainable relationships with stakeholders.

The International Organization for Standardization (ISO), a world industrial and commercial standard setting institution, has released ISO 26000 on Guidance on Social Responsibility. Although it is not mandatory and is merely an appeal, this ISO provides patterns and modules that apply internationally about how CSR can be developed in the dimensions of an organization. In Indonesia, ISO 26000 was ratified by the Government in 2010 and was made the National Standard (SNI) in 2012.

CORE SUBJECTS OF CORPORATE SOCIAL RESPONSIBILITY BASED ON ISO 26000



In the scope of annual reporting, CSR is divided into 4 (four) aspects, namely: environmental aspects; workforce, health and safety; social and community development; and responsibility for products and / or services. These aspects are the basis of reporting in the chapter on Corporate Social Responsibility in this Annual Report.

ASPECTS OF CORPORATE SOCIAL RESPONSIBILITY



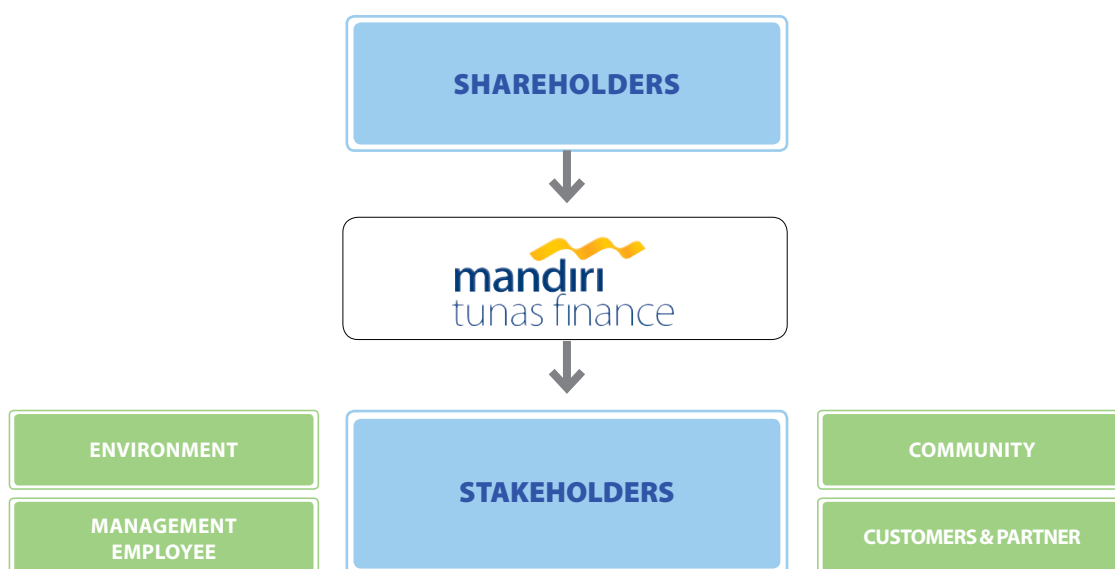
MANDIRI TUNAS FINANCE'S CORPORATE SOCIAL RESPONSIBILITY IMPLEMENTATION POLICY

PRINCIPLES AND POLICIES FOR IMPLEMENTING CORPORATE SOCIAL RESPONSIBILITY

For the Company, CSR cannot be separated from the development of Good Corporate Governance (GCG). GCG departs from the idea of a business entity that can implement a harmonious relationship pattern between business entities, stakeholders, and capital owners or shareholders. The Company believes that CSR is part of the commitment that is constantly being pursued by carrying out the principle of TARIF, especially

the principle of Responsibility, which can make the Company become more robust and sustainable. The Company believes that business will be sustainable if it provides balanced attention to the aspects of profit, people and the planet. Therefore the Company makes CSR an inseparable part of operations to support business sustainability.

BALANCE IN SUSTAINABLE BUSINESS



The preparation of the Company's CSR program begins with mapping potential CSR implementation targets. In determining CSR programs, each region prioritizes the basic needs of the surrounding community. Program implementation is carried out after the Company interacts and is directly involved with the surrounding community to determine the type of program that is targeted and needed by the community. The results of the mapping will be a program design that is in accordance with the objectives and can be implemented according to the resources owned by the Company. Thus, CSR programs are expected to produce defined and sustainable output both from the outcome side and from the program side.

LEGAL BASIS FOR IMPLEMENTING CORPORATE SOCIAL RESPONSIBILITY

The implementation basis of the Company's CSR program is based on several legal aspects, including:

1. Law No. 1 Year 1970 concerning Safety.
2. Law No. 8 Year 1999 concerning Consumer Protection.
3. Law No. 13 Year 2003 concerning Workforce.
4. Law No. 40 Year 2007 concerning Limited Liability Company.
5. Law No. 25 Year 2007 concerning Investment.
6. Law No. 22 Year 2009 concerning Traffic and Transportation.
7. Law No. 32 Year 2009 concerning Environment

- Protection and Management.
8. Law No. 36 Year 2009 concerning Health.
 9. Law No. 24 Year 2011 concerning Social Security Administrator.
 10. Government Regulation No. 27 Year 2012 concerning Environmental Permit.
 11. Government Regulation No. 47 Year 2012 concerning Social and Environmental Responsibilities of Limited Liability Companies.
 12. Government Regulation No. 50 Year 2012 concerning Application of Occupational Safety and Health Management System.

13. Minister of Manpower Regulation No. 05/Men/1996 concerning Occupational Safety and Health Management System (SMK3).

ORGANIZATIONS, APPOINTED DIVISIONS AND MANAGERS

CSR activities are an integral part of the activities within the Company, so that business decision making and activities carried out are not only for the purpose of increasing profitability, but also to maximize value for shareholders, employees, consumers, employers, suppliers, society, government and other interested parties.

	Corporate Social Responsibility Aspects	Appointed Division of Mandiri Tunas Finance
Corporate Social Responsibility	Environment	Information Technology Division
	Workforce, Health, and Safety	Human Capital Division
	Social and Community Development	Corporate Secretary & Legal Compliance Division
	Responsibility for products and/or Services	Corporate Secretary & Legal Compliance Division, Credit Management Division, Operation Support Management Division

CORPORATE SOCIAL RESPONSIBILITY FOR WORKFORCE, HEALTH AND SAFETY

POLICY

The Company's policies related to workforce are contained in the PT Mandiri Tunas Finance Company Regulation Book which is valid for the period 2018-2020 and has been registered with the Ministry of Manpower through a Director General Decree on Industrial Relations Development and Worker Social Security Number KEP.350 / PHIJSK-PK / PP / III / 2018.

PROGRAMS AND ACTIVITIES RELATED TO WORKFORCE

- **Empowerment of Local Manpower**

The Company gives priority to recruit new employees by using recruitment and selection methods that can streamline time, optimize the search for competent employees and utilization of local manpower. Job opportunities for communities around the Company's work area are always given as an effort to increase employment opportunities for local communities. In addition, the use of local labor will create cost efficiency and effective management of the Company's HR.

Regarding the empowerment of local manpower can be seen in the chapter on Business Support Functions in the Human Resources section of this annual report; or in the Sustainability Report which is published in conjunction with this annual report.

- **Recruitment, Job Opportunities and Open Career Development**

The Company's recruitment system provides equal opportunities for anyone to be accepted as employees of the Company, regardless of ethnicity, religion, race or gender. Likewise in career development, the system of developing Human Resources (HR) that applies in the Company provides equal opportunities for every employee to be promoted to a higher position. The system of recruitment and career development can be seen in the chapter on Business Support Functions in the Human Resources section of this annual report.

- **Gender Equality and Proportional Treatment**

The Company ensures all employees have equal opportunities, regardless of background, especially regarding gender. The Company provides equal opportunities to anyone to be accepted as employees of the Company to be able to prove the capacity of the Company's employees based on performance appraisal.

However, the Company has a proportional gender policy. For female employees, the Company has provided leave for pregnant employees.

Mentioned in the Company Regulation of PT Mandiri Tunas Finance 2018-2020 Article 12 related to Other Leave, including:

- Wife Giving Birth (up to 3rd children)/Miscarriage: 3 working days
- Giving birth and miscarriage break:
 1. To female employees who give birth, they have the right to rest for 45 (forty five) calendar days prior to giving birth, as per their doctor's calculation, and 45 (forty five) calendar days after giving birth
 2. If a miscarriage occurs a maximum of 45 (forty five) calendar days can be taken to rest, based on a statement from the obstetrician or midwife who treats her
 3. The birth and maternity break can be extended if the treating doctor or midwife deems it necessary.

DEMOGRAPHICS OF EMPLOYEES BY GENDER (PEOPLE)

Gender	2018		2017	
	Total	%	Total	%
Male	2,539	7.64%	2,547	73.46%
Female	909	26.36%	920	26.54%
Total	3,448	100.00%	3,467	100.00%

- HR Talent Development, Fulfillment of Welfare Rights, Appreciation, and Establishment of a Conducive Work Environment**

As one of the interested parties in the growth of the Company is employees who have important and strategic positions for the Company, especially in supporting the development of the Company. Policies to develop the talents of each employee, fulfill employee welfare rights, appreciation or appreciation, to establish a conducive working environment through activities outside of operations and business, are the Company's concern to be able to create harmonious relationships and can grow together with employees. Further information on HR discussions can be seen in the chapter on Business Support Functions in the Human Resources section of this annual report.

- Employees Turnover**

The employee turnover rate indicates the ability of a business entity to manage its HR. Turnover can be a tool for the Company to assess and evaluate policies taken related to business management, especially those related to HR. A description of employee turnover can be seen in the chapter on Business Support Functions in the Human Resources section of this annual report, or in the Sustainability Report which is published together with this annual report.

- Company Regulations**

All employees of the Company are protected by Company Regulations (PP), which are signed by the Management and Employee Representatives. PP covers the rights and obligations



of each party. PP is updated through negotiations and agreed upon every 2 (two) years. PPs that are valid for the 2018-2020 period have been registered with the Indonesian Ministry of Manpower through a Director General Decree on Industrial Relations Development and Workers' Social Security Number KEP.350 / PHIJSK-PK / PP / III / 2018.

- Employee Satisfaction / Engagement Survey**

As mentioned above, the Company views employees as one of the stakeholders who play a strategic role in the development of the Company. For this reason, the Company conducts employee satisfaction/engagement surveys as part of an evaluation tool for the Company in formulating policies and developing HR management systems.

The employee satisfaction/engagement survey can be seen in the Business Support Function chapter of the Human Resources section in this annual report.

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PROGRAMS AND ACTIVITIES RELATED TO HEALTH AND SAFETY

- **Management of Occupational Health and Safety Risks (K3)**

Work safety and security issues are important things that must be prioritized in the work environment, because emergency conditions can occur at any time. Therefore, the Company regulates the management of Occupational Health and Safety (K3) which is a form of the Company's responsibility towards employees which is manifested in the Policy as follows:

- Standard Operating Procedure No. 02/OPS/06/2018 concerning Business Continuity Management (BCM).
- Standard Operating Procedure No. 02/PGA/2017 concerning Procurement & General Affair

BCM regulates emergency conditions in branches and head office, where the main components consist of:

- Disaster Recovery Plan (DRP), which is a

comprehensive plan of actions that must be taken before, during and after an event that disrupts and causes a loss of information systems. The DRP Team is chaired by the IT Division Head, with members from various functions in the IT Division. DRC trials are conducted routinely, with a period of at least 1 time in 1 year by the IT Division with the Risk Management Division.

- Emergency Response Plan (ERP), which is a planning strategy to anticipate and overcome emergencies, where each work unit is required to have an Emergency Response Team (ERT) chaired by each Division Head (at the head office) and Branch Manager (at the Office Branch). The Chairman of the Emergency Response Team ensure that all tools in the process of disaster occurrence, evacuation and business continuity could run, and for addition at the branch office,

a declaration of the occurrence of a disaster. The company also ensures that the Fire Extinguisher (APAR) functions by carrying out inspections at least 2 times a year.

Business Continuity Plan (BCP), adalah suatu perencanaan yang difokuskan untuk mempertahankan kelangsungan fungsi bisnis saat terjadi gangguan kritis yang disebabkan oleh bencana alam atau yang dibuat manusia yang berpotensi menyebabkan kerugian sehingga dapat meminimalisasi efek gangguan dan untuk memungkinkan bisnis terus berlangsung.

- **Establishment of Occupational Safety and Health Committee (P2K3)**

As a business entity that is committed to compliance with occupational safety and health norms as well as applicable laws and regulations in Indonesia, the Company establishes an Occupational Safety and Health Advisory Committee (P2K3). The formation of this organization refers to Minister of Manpower Regulation No. PER.04 / MEN / 1987 concerning the Occupational Safety and Health Supervisory

Committee and the Procedure for Appointment of Occupational Safety Experts. P2K3 is a subsidiary institute which is a collaboration forum between the Company and employees to develop cooperation in the application of occupational safety and health.

- **Work Accidents and K3 Performance Figures**

The number of work accidents that occurred throughout 2018 were recorded 5 (five) people. Where 3 (three) of them experience work accidents when doing collections while 2 (two) other people when on duty in the branch office.

- **Facilities and Health Insurance for Employees**

The Company provides facilities and health insurance to employees, both health insurance for workplace accidents while on duty or health insurance required by applicable laws and regulations.

Regarding facilities and employee health insurance can be seen in the Business Support Function chapter of the Human Resources section in this annual report, or in the Sustainability Report which is published in conjunction with this annual report.

CORPORATE SOCIAL RESPONSIBILITIES FOR SOCIAL AND COMMUNITY DEVELOPMENT

POLICY

The Company's commitment to corporate social responsibility in the field of social and community development is attached to the Company's policies contained in the Standard Operation Procedure No. 03 / PGN / 05/2016 concerning Corporate Communication.

PROGRAMS, ACTIVITIES CONDUCTED AND THEIR IMPACTS

The CSR programs implemented by the Company during 2018 are activities in the fields of education, health and social affairs, as attached below:

- **Education Fields**

Like the previous year, in 2018 the Company once again implemented CSR programs in the field of

education in the form of financial literacy which is a series of activities to increase knowledge, skills and confidence for the community so that they have the ability to manage personal finance better.

Following are the Financial Literacy program activities carried out by the Company throughout 2018:



"Direksi Mengajar" program at Sebelas Maret University, Surakarta



"Direksi Mengajar" program at Universitas Indonesia, Depok



"Direksi Mengajar" program at Gadjah Mada University, Yogyakarta



"Direksi Mengajar" program at Universitas Ma Chung, Malang

No	Date	Quarter	Activity	Description
1	February 14	1	"Direksi Mengajar" program at UNS - Solo	<p>"Direksi Mengajar" program at Sebelas Maret University, Surakarta</p> <p>PT Mandiri Tunas Finance (MTF) conducted financial literacy education activities for around 1,000 students at Sebelas Maret University (UNS) in Surakarta, Central Java. Presented at the event were UNS Chancellor Ravik Karsidi, President Director of MTF Ignatius Susatyo Wijoyo, accompanied by other MTF Directors. In the event MTF shared about the financing industry and introduced MTF, as well as how to deal with the world of work for students.</p>
2	March 14	1	"Direksi Mengajar" program at UI - Depok	<p>"Direksi Mengajar" program at Universitas Indonesia, Depok</p> <p>PT Mandiri Tunas Finance (MTF) conducted financial literacy education activities in the "Direksi Mengajar" program, this time at the University of Indonesia (UI), Depok, West Java. In the event, MTF President Director Arya Suprihadi presented the material in front of around 160 students who listened and asked questions enthusiastically. Also attended Deputy Director of MTF William Francis Indra, MTF Corporate Secretary Ahmad Reza, HC Division Head Vivid Zulprimiadhanni, and other MTF teams. While from UI Management, presented Director of Development and Relations of Alumni Career Development Center (CDC) Drs. Erwin Nurdin, M.Sc.</p>
3	March 14	1	CSR for Yayasan Dinamika Edukasi Dasar, Semarang	<p>MTF Care - Donation for Yayasan Dinamika Edukasi Dasar</p> <p>PT Mandiri Tunas Finance participated in supporting the Integrated Financial Information System program organized by the Dinamika Edukasi Dasar (DED) Foundation. The DED Foundation is a foundation in the field of education which was established by Father YB Mangunwijaya or Romo Mangun, aiming to help and empower children from the middle to lower economic class to obtain proper education. The symbolic handover of aid funds was carried out by Semarang, March 14, 2018 by the Deputy Director of MTF Albertus Henditrianto to Father Aria Dewa as Treasurer of the DED Foundation.</p>
4	September 21	3	"Direksi Mengajar" program at UGM - Yogyakarta	<p>"Direksi Mengajar" program at Gadjah Mada University, Yogyakarta</p> <p>PT Mandiri Tunas Finance (MTF) conducted "Direksi Mengajar" program in a series of Literacy and Education activities in 2018 and took place at Gadjah Mada University (UGM). The event was not only attended by UGM students but were also attended by UPN, UII and other students. MTF Finance Director Armendra presented material on "Getting to Know the Financing Company", which was enthusiastically responded by students through the many questions about the world of finance. In addition to the Financial Director of MTF, the Head of Vivid Zulprimiadhanni Human Capital Division, Head of Regional Region 6, Puji Bisno Santoso and a representative from the MTF Yogyakarta Branch were also present.</p>

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No	Date	Quarter	Activity	Description
5	November 14	4	Literacy for Master Degree UNS Students	Literacy for Magister of Management Students Program at UNS A number of Magister of Management Students Program at Sebelas Maret University (UNS) visited MTF and listened to the explanation from MTF Director Harjanto Tjitohardjojo about "Getting to Know the Financing Company" and discussing the financing industry.
6	November 27	4	"Direksi Mengajar" program at Ma Chung - Malang	"Direksi Mengajar" program at Universitas Ma Chung, Malang PT Mandiri Tunas Finance (MTF) conducted financial literacy activities in the form of "Direksi Mengajar" program at Ma Chung University, Malang, East Java. In the event, around 100 students attended enthusiastically the presentation on "Getting to Know the Financing Company" presented by MTF Deputy Director William Francis Indra.

- Health**

The Company's concern for the health sector is implemented through blood donor activities in collaboration with the Indonesian Red Cross. Where the results of the blood donor activities will be donated to the Indonesian Red Cross. This activity is intended

not only for employees of the Company, but also for other companies in the vicinity of MTF offices.

The following are the Blood Donor program activities carried out by the Company throughout 2018:



Blood Donation in the context of Kartini Day



Blood Donation in the context of Indonesian Independence Day

No	Date	Quarter	Activity	Description
1	April 23	2	Blood Donor	Blood Donation in the context of Kartini Day PT Mandiri Tunas Finance held a blood donor activity in the context of Kartini Day, which was held in collaboration with Indonesian Red Cross (PMI) Tangerang City. During the event, MTF employees and other companies in Graha Mandiri participated and contributed 77 bags of blood.

No	Date	Quarter	Activity	Description
2	August 27	3	Blodd Donor	<p>Blood Donation in the context of Indonesian Independence Day</p> <p>PT Mandiri Tunas Finance held a blood donor activity in the context of the Indonesian Independence Day, which was held in collaboration with the Indonesian Red Cross (PMI) Jakarta. The Director of MTF Harjanto Tjitohardjojo and Armendra joined together with MTF employees and other companies in Graha Mandiri donating as many as 83 bags of blood.</p>

• **Social**

The CSR program in the social sector is carried out by the Company as a form of the Company's concern for others. The forms of CSR activities in the social sector throughout 2018 are as follows:



Participation in the Eid Al-Adha Mandiri Group Commemoration



Donation on Toilet and Clean Water Installation for Lombok Earthquake Victims.



Donation for Palu Disaster Victims



MTF Cares for Sunda Strait Tsunami Victims

No	Date	Quarter	Activity	Description
1	August 22	3	Eid al-Adha Mandiri Group	<p>Participation in the Eid Al-Adha Mandiri Group Commemoration</p> <p>As part of the Mandiri Group, PT Mandiri Tunas Finance participated in the commemoration of the 1439 Eid al-Adha Day. In the event the Director of MTF Armendra handed over cows to Mandiri Amal Insani as the event organizer. The Eid al-Adha commemoration followed by Bank Mandiri and subsidiaries is carried out regularly every year.</p>

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No	Date	Quarter	Activity	Description
2	September 19	3	CSR Lombok	<p>Donation on Toilet and Clean Water Installation for Lombok Earthquake Victims</p> <p>PT Mandiri Tunas Finance provides assistance to the community, especially customers in Lombok in the form of a number of toilet units and clean water installations as well as a number of basic food packages. The assistance was handed over to Pamenang and Nipah residents by MTF Managing Director Arya Suprihadi, accompanied by Deputy Director of MTF Perana Citra Ketaren. Donations, which is a form of care and solidarity from all MTF employees, is expected to be able to alleviate the condition of the people around the area.</p>
3	October 24	4	CSR Palu	<p>Donation for Palu Disaster Victims</p> <p>To provide support and assistance to employees and communities who were victims of disasters in Palu and its surroundings, PT Mandiri Tunas Finance through MTF President Director Arya Suprihadi accompanied by Deputy Director MTF Bonifacius Perana Citra Ketaren and other MTF teams visited Palu. On this occasion, MTF handed over donations from MTF employees and CSR MTF funds to employees and the surrounding community in the form of cash donations and basic food packages.</p>
4	December 31	4	Contribution to the Banten tsunami disaster	<p>MTF Cares for Sunda Strait Tsunami Victims</p> <p>To ease the burden of the tsunami victims in the Sunda Strait, PT Mandiri Tunas Finance provided assistance in the form of 200 packages of basic necessities, stationery, clothing and tents. The donation was handed over by Deputy Director of MTF Perana Citra and Deputy Director of MTF William Francis in Desa Teluk, Labuan, Banten.</p>

COSTS AND/OR INVESTMENTS IN SOCIAL RESPONSIBILITY COMMUNITY EMPOWERMENT ASPECTS

The amount of CSR program distribution on aspects of social and community development can be seen in the table below.

The following is a table of the amount of the budget used for CSR programs in 5 (last five years).

Year	Total (Rp)	Increased (Decreased) from the previous year
2018	360,000,000	2.86%
2017	350,000,000	5.70%
2016	331,000,000	(17.3%)
2015	400,372,050	16.2%
2014	344,744,736	

SOCIAL RESPONSIBILITY OF THE COMPANY SCOPE OF RESPONSIBILITY FOR PRODUCTS/SERVICES AS WELL AS CONSUMERS AND PARTNERS

POLICY

The Company's policies relating to product/service responsibilities as well as consumers and work partners are contained in:

1. Financing Policy No. 1 dated February 29, 2016
2. Operational Policy and Support No. 2 dated March 31, 2016, specifically the Procurement of Goods and Services, Payment Receipt of Customer Obligations
3. Standard Operating Procedure for Control No. 03 / PGN / 02/2016 concerning Customer Care
4. Standard Operating Procedure No. 02 / GA / 01/2017 concerning Procurement & General Affairs

PLAN AND TARGET ACTIVITIES AND REALIZATION IN THE YEAR 2018

In winning high competition in the financing industry, in 2018 Mandiri Tunas Finance developed a strategy related to lending to accelerate SLAs and reduce credit risk and reduce paper use. The strategies are:

1. Run the SPRINT program (Centralized Input Process).
This program was created to reduce the SLA of the credit process, reduce paper use and develop digital processes.
2. Collaborating with the Directorate General of Population and Civil Registration (Ditjen Dukcapil) of the Ministry of Home Affairs of the Republic of Indonesia.
This collaboration is carried out to reduce the potential for falsifying population identity data and reduce the gap for leasing mafia to commit fraud. In addition, it is also to realize the government's program in building big population data in Indonesia.

These strategies are made with the ultimate goal of one day service while continuing to support the Go Green program, healthy lending growth with maintained quality, Non Performing Financing (NPF) <1% and profit growing healthily. These programs have been implemented and realized in 2018.

PROGRAMS & ACTIVITIES CONDUCTED AND THEIR IMPACTS

Management of Relationships with Suppliers/Vendors

Relations with suppliers/vendors are regulated in SOP Procurement & General Affairs No. 02/GA/01/2017 on the discussion of Procurement of Goods and Services in particular. General procurement provisions in the Company refer to the basic principles and ethics of the procurement of goods and services which include transparency, accountability, responsibility, independence, fairness and effectiveness and efficiency. Procurement of goods and services at the MTF Head Office and Branch Offices includes:

- Procurement of goods and services
 - Procurement of consultancy services but not including construction planning services, construction supervisors.
 - Procurement of outsourcing services
- All procurement of goods and services is carried out by the Procurement Department.

COMPLAINTS REGARDING SERVICES AND COMPANY PRODUCTS AND THEIR HANDLING

The handling and resolution of customer complaints is carried out through the Customer Care & Services work unit at the Head Office and Customer Care & Services Officers at each branch offices with the coordination of the relevant work units. Services provided included receiving current complaints/problems, questions and requests for information including how to pay installments, insurance, Vehicle Registration Certificate (STNK) renewal process, taking Proof of Motor Vehicle Owner (BPKB), calculating repayments (only for expedite customers) and information related to collection and marketing.

Customers can submit complaints or questions through various media that have been provided by the Company to speed up and facilitate customers in submitting complaints, namely through:

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Channel Type	Description
Website	www.mtf.co.id
Email	customer.service@mtf.co.id
Care Center	1500059
Facebook	MTFAutoLoan
Google+	MTFAutoLoan
Youtube	MTF AutoLoan
Twitter	@MTF_Autoloan
Instagram	@mtf_autoloan
LinkedIn	Mandiri Tunas Finance
Whatsapp	08111766935

AMOUNT AND COMPLAINTS HANDLING SERVICES AS WELL AS COMPANY PRODUCTS

	2018 (complaints)	2017 (complaints)	Increased (Decreased) %
Total Complaints	572	229	149%

CROSS REFFERENCE: ANNUAL REPORT AWARDS 2018 CRITERIA

No	CRITERIA	AVAILABILITY IN THE ANNUAL REPORT	PAGE
I. GENERAL			
1.	The Annual Report shall be written in the good Indonesian, and also recommended to present this report in English.	✓	
2.	The Annual Report shall be printed with a good quality and using readable font type and size	✓	
3.	Company's Name and Annual Report period shall be presented at: 1. Front Cover; 2. Spine; 3. Back Cover; and 4. Every Page	✓	
4.	The Annual Report shall present corporate identity obviously	✓	
5.	The Annual Report shall be uploaded at the Company's Website Including recent and 4 recent years Annual Report.	✓	
II. KEY FINANCIAL HIGHLIGHTS			
1.	Information of comparatives statements of incomes within recent 3 (three) fiscal years or since the beginning of operation, if the Company commences its business activity less than 3 (three) years. The information includes: 1. Revenue/Sales; 2. Earning (loss); a. Attributable to owner of parent entity; and b. Attributable to non-controlling interest 3. Comprehensive Income for the year; a. Attributable to owner of parent entity; and b. Attributable to non-controlling interest 4. Profit (loss) per share. Notes: if the Company does not have subsidiary, the Company shall present total statements of profit (loss) and comprehensive income for current period.	✓	20-21
2.	Information of comparative financial positions within recent 3 (three) fiscal years or since the beginning of operation, if the Company commences its business activity less than 3 (three) years. The information includes: 1. Total investment with associations; 2. Total assets; 3. Total liabilities; and 4. Total equity.	✓	22-25
3.	Comparative financial ratio within recent 3 (three) fiscal years or since the beginning of operation, if the Company commences its business activity less than 3 (three) years. The information covers 5 (five) common financial ratio that are relevant with the Company's industry.	✓	25-27
4.	Shares Price Information in Table and Chart. Information in the form of tables and graphs 1. Total Shares Outstanding 2. Information as table includes: a. Market capitalization based on price at the Stock Exchange where the shares are listed; b. The highest, lowest and closing shares prices based on price at the Stock Exchange where the shares are listed c. Shares trading volume at the Stock Exchange where the shares are listed. 3. Information in chart is at least including: a. Closing price based on price at the Stock Exchange where the shares are listed; b. Shares trading volume at Stock Exchange where shares trading is at the Stock Exchange where the Company's shares are listed. For every quarter in the last 2 years.	✓	29
5.	The information includes: 1. Total bonds/ sukuk/ converted bonds outstanding; 2. Interest/yield rate; 3. Date of Maturity; and 4. Bonds/Sukuk Rating in 2015 and 2016 Notes: if the Company did not have bonds/sukuk/converted bonds, the condition shall be reported. Information on issued Bonds, Sukuk or Converted Bonds within recent 2 (two) fiscal years	✓	28
III. REPORT FROM BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS			
1.	Report from Board of Commissioners. Contains the followings: 1. Assessment on the Board of Directors Performance in the course of Company's management altogether with the assessment basis; 2. View on the Company's business prospect prepared by the Board of Directors and basis for the consideration; 3. View on Whistle Blowing System (WBS) implementation and role of the Board of Commissioners in the WBS practice; 4. Change to Board of Commissioners composition altogether with the reason.	✓	36- 41
2.	Report from Board of Directors. Contains the followings: 1. Analysis on the Company's performance including : a. strategic policy; b. comparison between target and realization; and c. issues experienced by the Company and settlement plants; 2. Business prospect analysis; 3. Corporate governance practice; and 4. Change to Board of Directors composition altogether with the reason (if any).	✓	42-49

No	CRITERIA	AVAILABILITY IN THE ANNUAL REPORT	PAGE
3.	Sign of approval from the Board of Commissioners and the Board of Directors. Contains the followings: 1. The signatures are disclosed in separated sheet; 2. Board of Directors and Board of Commissioners Responsibility Statement upon the Authenticity of the Annual Report Contents; 3. Signed by all Board of Directors and Board of Commissioners Members by declaring their name and position; 4. Written explanation in a separated letter for any Board of Directors or Board of Commissioners member not signing the Annual Report, or: written explanation in a separated letter for other members if the written explanation from respective member is unavailable.	✓	52
IV. COMPANY PROFILE			
1.	Name and Full Address of the Company. The information includes name and address, zip code, phone number, fax number, email and website.	✓	56
2.	Includes, among others: date/year of establishment, name and effective date of the Company's name change. Notes: if the Company's not doing any name changes, the condition shall be disclosed. Brief History of the Company.	✓	56-60
3.	Line of Business. The description includes: 1. Business activity based on the latest Articles of Association; 2. Business activity that is operated; and 3. Products and services provided.	✓	61
4.	Organization Structure. In chart, including name and position at least until one level below the Board of Directors	✓	64-65
5.	Vision and Mission. Includes: 1. Vision; 2. Mission; and 3. Explanation of the Vision and Mission Approval by the Board of Directors/Board of Commissioners 4. Statements of Corporate Culture	✓	66-67
6.	Identity and Brief Profile of Board of Commissioners Members. The information includes: 1. Name; 2. Position (including position in other companies or organizations); 3. Age; 4. Domicile; 5. Education (Major and Educational Institution) 6. Career History (Position, Institution & Serving Period); and 7. Appointment History (period and position) as member of Board of Commissioners in the Company since initial appointment.	✓	69-72
7.	Identity and Brief Profile of Board of Directors Members. The information includes: 1. Name; 2. Position (including position in other companies or organizations); 3. Age; 4. Domicile; 5. Education (Major and Educational Institution) 6. Career History (Position, Institution and Serving Period); and 7. Appointment History (period and position) as member of Board of Directors in the Company since initial appointment.	✓	73-78
8.	Employee Demography (2 years comparative) and description of their competency development (i.e. employee education and training aspects). The information includes: 1. Employee demography by organization level; 2. Employee demography by education level; 3. Employee demography by employment status; 4. Employee competency development program initiated in recent fiscal year consists of training participants (position level), type of training, and purpose of the training; and 5. Realization of employee competency development budget.	✓	79-83
9.	Shareholders Composition. Contains the followings: 1. List of Top 20 Shareholders Name and Ownership Percentage; 2. Name of Shareholders and ownership percentage, including: a. Name of Shareholders with 5% or higher Shares Ownership; and b. Public shareholders with less than 5% shares ownership; and the ownership percentage. 3. Name of Director and Commissioner with Shares Ownership; Notes: If the Board of Directors and Board of Commissioners do not have direct shares ownership, the condition shall be disclosed.	✓	84-89
10.	List of subsidiary and/or association. The information in tables includes: 1. Subsidiary and Association; 2. Shares ownership percentage; 3. Description of business line of the subsidiary and/or association; and 4. Description of operational status of the subsidiary and/or association (operating or not yet operated)	✓	90
11.	Group Structure as chart illustrating the subsidiary, association, joint venture and special purpose vehicle (SPV). Company Group Structure	✓	90
12.	Shares Listing Chronology (including private placement) and/or shares listing since the initial issuance until end of fiscal year. Includes the information, as follows: 1. Years of shares listing, total shares, shares par value and shares offering prices for each corporate action. 2. Total shares listed after each corporate action; and 3. Name of the stock exchange where the shares are listed. Notes: If the Company does not have shares listing chronology, the condition shall be disclosed.	✓	91

No	CRITERIA	AVAILABILITY IN THE ANNUAL REPORT	PAGE
13.	Other Securities Listing Issuance and/or Listing Chronology since the initial issuance until end of fiscal year Includes the information, as follows: 1. Name of other securities, other securities issuance date, interest/yield rate of other securities, and maturity date of other securities; 2. Other securities offering price; 3. Name of stock exchange where other securities are listed; and 4. Securities rating. Notes: if the Company does not have other securities listing chronology and issuance, the condition shall be disclosed.	✓	91-97
14.	Includes the information, as follows: 1. Name and address of Shares Registrar/Company's Shares Administrator; 2. Name and Address of Public Accountant Firm; and 3. Name and address of rating company. Name and address of stock market supporting institution and/or profession	✓	98-99
15.	Information includes: 1. Name of award and / or certification; 2. Year of award and / or certification; 3. Agency for awarding and / or certification; and 4. Validity period (for certification). National and International scales awards received and/or valid certifications in recent fiscal year	✓	100-103
16.	Name and address of subsidiary or branch office or representative office (if any). Includes the information, as follows: 1. Name and address of the subsidiary; and 2. Name and address of branch/representative office. Notes: if the Company does not have any subsidiary/branch office/representative office, shall be disclosed.	✓	104-110
17.	Information at Official Website. Includes the information, at least, as follows: 1. Shareholders information until individual end-owners; 2. Code of Conducts contents; 3. Information about General Meetings of Shareholders (GMS) at least including agenda discussed in the GMS, GMS Minutes of Meeting Summary and important date information, such as GMS announcement date, GMS invitation date, GMS Summary publication date; 4. Separated Financial Statements (5 recent years); 5. Profile of Board of Commissioners and Board of Directors; and 6. Charter of the Board of Commissioners, Committees and Internal Audit Unit	✓	111-113
18.	Education and/or training program participated by Board of Commissioners, Board of Directors, the Committees, Corporate Secretary and Internal Audit Unit Includes the information, at least, as follows (type and person who is relevant to participate in): 1. Education and/or training program for Board of Commissioners; 2. Education and/or training program for Board of Directors; 3. Education and/or training program for Audit Committee; 4. Education and/or training program for Remuneration and Nomination Committee; 5. Education and/or training program for Other Committees; 6. Education and/or training program for Corporate Secretary; and 7. Education and/or training program for Internal Audit Unit. Notes: if there is no education and/or training program done in the fiscal year, the condition shall be disclosed.	✓	114-117
V.	MANAGEMENT'S DISCUSSION & ANALYSIS ON THE COMPANY'S PERFORMANCE		
1.	Operational Review by Business Segment. The information contains, as follows: 1. Explanation about each business segment. 2. Performance by business segment, including: a. Production; b. Increasing/decreasing production capacity ; c. Sales/Revenue; and d. Profitability	✓	125 - 141
2.	Description on Financial Performance. Financial performance analysis including comparison of financial performance in recent fiscal year with earlier year and the cause of increasing/decreasing performance (narrative explanation and table), includes the information, as follows: 1. Current assets, non-current assets, and total assets; 2. Current liabilities, non-current liabilities and total liabilities; 3. Equity; 4. Sales/Revenue, expense and profit (loss), comprehensive income & total comprehensive income (loss); and 5. Cash flows.	✓	142 - 155
3.	Discussion and analysis on solvency and receivables collectability by presenting calculation of ratio that are relevant with the Company's industry. Explanation on : 1. Solvency, both short-term and long-term; and 2. Receivables collectability ratio.	✓	156 - 161
4.	Discussion on capital structure and capital structure policy. Explanation on: 1. Capital structure description comprising of interest/sukuk based liabilities and equity; and 2. Capital structure policies; and 3. Basis for capital structure policy preference	✓	162 - 164
5.	Discussion on material commitment for capital expenditure. Explanation on: 1. Name of the committed party; 2. Purpose of the commitment; 3. Source of fund expected to fulfill the commitment; 4. Denomination currency; and 5. Initiatives planned by the Company as protection from related foreign currency. Notes: if the Company does not have any commitment related with capital expenditure in the recent fiscal year, the condition shall be disclosed.	✓	165

No	CRITERIA	AVAILABILITY IN THE ANNUAL REPORT	PAGE
6.	Discussion on capital expenditure realization in recent fiscal year. Explanation on: 1. Type of capital expenditure; 2. Purpose of capital expenditure; and 3. Value of capital expenditure realization in recent fiscal year. Notes: if there is no capital expenditure realization, the condition shall be disclosed.	✓	165
7.	Information on comparison between target at beginning of fiscal year with the result (realization), and target or projection to be achieved within one upcoming period in terms of revenue, profit, capital structure or others considered necessary for the Company. The information includes: 1. Comparison between target at beginning of fiscal year and result (realization); and 2. Target or projection to be achieved within one upcoming period	✓	166 - 168
8.	Subsequent material information and fact after accountant reporting date. Description on subsequent material event after accountant reporting date including its impact to future performance and business risk. Notes: if there is no subsequent material information after accountant reporting date, the condition shall be disclosed.	✓	168
9.	Description on business prospect. Description on business prospect related with the industry and economics generally followed by quantitative supporting data from reliable sources.	✓	169
10.	Description on marketing aspect. Description on marketing aspect of the Company's products and/or services, i.e. marketing strategy and market share.	✓	169 - 171
11.	Description on dividend policy and amount of cash dividend per share and total dividend per annum that is announced or paid within 2 (two) recent fiscal years. The information includes: 1. Dividend policy; 2. Total dividend paid; 3. Total cash dividend per share; 4. Payout ratio; and 5. Cash dividend announcement and payment date in each year. Notes: If no dividend payment, the reason shall be disclosed.	✓	172
12.	Employee and/or management stock option plan (ESOP/MSOP). The information includes: 1. Amount of ESOP/MSOP shares and realization; 2. Maturity; 3. Requirement for eligible employee and/or management; 4. Exercise price. Notes: If the program is unavailable, the condition shall be disclosed.	✓	173
13.	Public offering proceeds realization (in the course of the Company has a mandatory to report proceeds realization) The information includes: 1. Total proceeds; 2. Proceeds realization plan; 3. Detail of proceeds realization; 4. Outstanding; and 5. Date of GMS approval on the change of proceeds realization (if any). Notes: if the public offering proceeds realization information is not available, the condition shall be disclosed.	✓	174
14.	Material information on investment, expansion, divestment, business merger/joint, acquisition and/or debt/capital restructuring The information includes: 1. Name of the transaction and nature of the affiliated relation; 2. Explanation about the transaction fairness; 3. Reason of the transaction; 4. Realization of the transaction during the recent fiscal year period; 5. Company policy related with transaction review mechanism; 6. Compliance with related Law and regulation. Notes: if the transaction is unavailable, the condition shall be disclosed.	✓	174 - 177
15.	Description on change in regulation in recent fiscal year. The information contains information, as follows: 1. Name of changing regulation; 2. Impacts (quantitative and/or qualitative) to the Company (if significant) or statements that the impact is less material. Notes: if there is no changing regulation, the condition shall be disclosed.	✓	178
16.	Description on change in accounting policy implemented in recent fiscal years. Description includes: 1. Change in accounting policy; 2. Reason of the change to the accounting policy; and 3. Quantitative impact on the financial statements Notes: If there is no change in accounting policy, the condition shall be disclosed.	✓	179
17.	Information on Business Sustainability. Disclosure of information, as follows: 1. Issues with potential significant impact towards the Company's business sustainability in the recent fiscal year. 2. Assessment form the management on issues explained at point 1; and 3. Assumption used by the Management in the assessment.	✓	180
VI.	GOOD CORPORATE GOVERNANCE		
1.	Description on Board of Commissioners. Description includes: 1. Description of the responsibilities of the Board of Commissioners; 2. Evaluation of the performance of each committee under the Board of Commissioners and the basis of the assessment 3. Disclosure of Board Charter (Board of Commissioners guidelines and rules) 4. Frequency of meetings and the level of attendance of the Board of Commissioners in meetings;	✓	226 - 232

No	CRITERIA	AVAILABILITY IN THE ANNUAL REPORT	PAGE
2.	Independent Commissioner (minimum 30% of total Board of Commissioners). Includes the information, as follows: 1. Independent Commissioner appointment criteria; and 2. Statement of Independency for every Independent Commissioner.	✓	233 - 234
3.	Description of Board of Directors. The information includes: 1. Scope of individual duty and responsibility for every Board of Directors member; 2. Assessment on the Committees under the Board of Directors (if any); and 3. Disclosure on Board Charter (Board of Directors Working Guideline and Procedure).	✓	235 - 241
4.	GCG Assessment for Fiscal Year 2015 including, at least, Board of Commissioners and Board of Directors aspects The information includes: 1. Assessment criteria; 2. Name of the Assessor; 3. Score for each criteria; 4. Assessment recommendation; and 5. Reason for recommendation that is not/not yet implemented. Notes: If there is no GCG Assessment in 2015, the condition shall be disclosed.	✓	242
5.	Description on remuneration policy for Board of Commissioners and Board of Directors. The information includes: 1. Disclosure of Board of Commissioners remuneration proposal until stipulation procedure; 2. Disclosure of Board of Directors remuneration proposal until stipulation procedure; 3. Remuneration structure indicating remuneration component and amount per component for every Board of Commissioners member; 4. Remuneration structure indicating remuneration component and amount per component for every Board of Directors member; 5. Disclosure of Board of Directors remuneration indicator; and 6. Disclosure of performance and non-performance incentives and/or stock option received by every Board of Commissioners and Board of Directors member (if any). Notes: If the performance and non-performance incentives and/or stock option received by every Board of Commissioners and Board of Directors member are unavailable, the condition shall be disclosed.	✓	243 - 246
6.	Meeting frequency & attendance list that is attended by majority of the members in Board of Commissioners meeting (minimum once in 2 months), Board of Directors meeting (minimum once in 1 month), and Board of Commissioners and Board of Directors Joint Meeting (Management Meeting) (minimum once in 4 months) The information includes: 1. Meeting date; 2. Meeting participants; and 3. Meeting agenda. For every Board of Commissioners meeting, Board of Directors meeting or Management Meeting	✓	247 - 251
7.	Information about ultimate and controlling shareholders, both direct and non-direct shareholders until individual shareholder. Presented as scheme or chart, with separation between ultimate and controlling shareholders. Notes: Ultimate shareholders refer to any party with direct and indirect shares ownership minimum 20% (twenty per cent) of voting rights from total shares with voting rights issued by a Company who are not controlling Shareholders.	✓	252
8.	Disclosure of affiliation among the Board of Directors members, Board of Commissioners and Ultimate/Controlling Shareholders. The information includes: 1. Affiliation among the Board of Directors members; 2. Affiliation between Board of Directors and Board of Commissioners members; 3. Affiliation between Board of Directors members with Ultimate and/or Controlling Shareholders; 4. Affiliation among the Board of Commissioners members; and 5. Affiliation between Board of Commissioners members with Ultimate and/or Controlling Shareholders. Notes: If the affiliation is unavailable, the condition shall be disclosed.	✓	253 - 255
9.	Audit Committee. The information includes: 1. Name and position of Audit Committee members; 2. Educational background (Major and Institution) and career history (Position, Institution, and tenure) of the Audit Committee members; 3. Independency of Audit Committee members; 4. Description of duty and responsibility; 5. Description of Audit Committee working report in the fiscal year; 6. Audit Committee meeting frequency and attendance level.	✓	256 - 264
10.	Nomination and/or Remuneration Committee. The information includes: 1. Name, position and brief profile of Nomination and/or remuneration committee members; 2. Independency of nomination and/or remuneration committee members; 3. Description of duty and responsibility; 4. Description of nomination and/or remuneration committee working report in the fiscal year; and 5. Nomination and/or remuneration committee meeting frequency and attendance level; 6. Statements of nomination and/or remuneration committee charter; and 7. Board of Directors succession policy.	✓	265 - 271
11.	Other committees meeting frequency and attendance level. Other Committees under the Board of Commissioners established by the Company. The information includes: 1. Name, position, and brief profile of the other committee's members; 2. Independency of other committee's members; 3. Description of duty and responsibility; 4. Description of working report by the other committees; and	✓	278

No	CRITERIA	AVAILABILITY IN THE ANNUAL REPORT	PAGE
12.	Description of Corporate Secretary Duty and Function. The information includes: 1. Name and brief profile of Corporate Secretary; 2. Domicile; 3. Description of duty and responsibility; 4. Corporate secretary working report in the fiscal year.	✓	279 -285
13.	Description on Internal Audit Unit. The information includes: 1. Name of Internal Audit Unit Chief; 2. Total personnel (internal auditor) at Internal Audit Unit; 3. Certification as internal audit profession; 4. Position of internal audit unit in the organization structure; 5. Description of internal audit unit working report; and 6. Party who appointed and discharged Head of Internal Audit Unit.	✓	286 -291
14.	Public Accountant. The information includes: 1. Name and period of public accountant auditing the annual financial statements for 5 recent years; 2. Name and period of Public Accountant Firm auditing annual financial statements for 5 recent years; 3. Amount of fee for each service provided by the public accountant in recent fiscal year; and 4. Other service provided by Public Accountant Firm besides annual financial statements audit service Notes: If there is no other service provided, the condition shall be disclosed.	✓	292 -294
15.	Description on Risk Management. The information includes: 1. Explanation on risk management system implemented by the Company 2. Explanation on evaluation done to effectiveness of the risk management system; 3. Explanation on risks profile of the Company; and 4. Risk mitigation plan.	✓	295 - 302
16.	Description on internal control system. The information includes: 1. Brief explanation on internal control system including financial and operational controlling; 2. Explanation of internal control system compliance with international-standard framework (COSO – internal control framework); 3. Explanation on evaluation to the internal control system	✓	303 - 305
17.	Description on corporate social responsibility related with environment The information includes: 1. Information about commitment on social responsibility 2. Information on method and scope of due diligent to social, economic and environmental impacts from the Company's activity 3. Information about key stakeholders who are affected or influenced by impact from the Company's activity 4. Information about social economics and environmental key issues related to impact from the Company's activity 5. Information about scope of corporate social responsibility as obligations or beyond obligation 6. Information about strategy and working program in handling social, economics and environmental issues as stakeholders engagement initiatives and to increase value for the stakeholders and shareholders 7. Information about various programs exceeding the minimum corporate responsibility that is relevant with current business practice 8. Information about social responsibility financing and budget	x	-
18.	Description on corporate social responsibility related to Human Rights subject. The information includes: 1. Information about social responsibility commitment and policy on Human Rights core subject 2. Information about corporate formulation on scope of social responsibility Human Rights core subject 3. Information about corporate social responsibility planning on Human Rights aspect 4. Information about implementation of CSR initiatives in Human Rights aspect 5. Information about achievements and rewards for CSR initiatives in Human Rights aspect	x	-
19.	Description on Social Responsibility related to Fair Operation Core Subject. The information includes: 1. Information about social responsibility commitment and policy on Fair Operation core subject 2. Information about corporate formulation in scope of social responsibility in Fair Operation core subject 3. Information about corporate social responsibility planning in Fair Operation aspect 4. Information on implementation of CSR initiatives in fair operations aspect 5. Information on achievements and rewards of CSR in fair operations aspect	x	-
20.	Description on Corporate Social Responsibility related to Environment. Disclosure of information, as follows: 1. Information about environmental commitment and policy 2. Information about environmental impact and risk that are related directly or non-directly with the Company 3. Information about activity target/plan for 2018 as stipulated by the management; 4. Information about activities that are done and related to environmental program engaging with the Company's operational activity 5. Information about implementation of CSR in environment 6. Information about quantitative impact from the activities, and, the use of eco-friendly material and energy, and during the recycle process, the Company's waste management treatment, environmental issue reporting mechanism, considering environmental aspect in loans disbursement to the customers and others. 7. Certification in environment aspect.	x	-
21.	Description on corporate social responsibility related to employment, occupational health and safety. The information includes: 1. Corporate social responsibility policy and commitment in employment subject 2. Information about social responsibility scope and formulation in employment aspect 3. Information related to target/activity plan in 2018 as stipulated by the management; and 4. Implemented activity and quantitative impact from the activity 5. Information about occupational health, safety and employment such as gender equity and working opportunity, occupational health and equipment, employee turnover rate, accident rate, remuneration, employment issue reporting mechanism, and others.	✓	347 - 350

No	CRITERIA	AVAILABILITY IN THE ANNUAL REPORT	PAGE
22.	Description on corporate social responsibility related to responsibility to the customers. Including, among others: 1. Activity target/plan in 2018 as stipulated by the management; 2. Activities done and its impact 3. Related to product responsibility such as customer's health and safety, product information, facilities, amount and handling process upon the customer complaint, and others.	✓	356 - 357
23.	Description on Corporate Social Responsibility related to social and community development Including information about: 1. Corporate social responsibility policy and commitment in social and community development core subject 2. Information about social issues that are relevant with the Company 3. Information about social risks managed by the Company 4. Information about social responsibility scope and formulation in social and community development 5. Activity target/plan in 2018 as stipulated by the management; 6. Activity realization and impact from the activities; and 7. Related to social and community development, such as hiring local workers, community development in operational area, improvements of social infrastructures and facilities, other donations, communication about anti-corruption policy and procedure, anti-corruption training and others.	✓	351 - 355
24.	Litigation encountered by the Company, subsidiary, Board of Directors and/or Board of Commissioners members serving in the Annual Report period. The information includes: 1. Case/lawsuit summary; 2. Case/lawsuit settlement status; 3. Risk encountered by the Company and value of the litigation/lawsuit; 4. Administrative sanction charged to the Entity, Board of Commissioners and Board of Directors members by the authorized regulator (stock market, banking and other authorities) in recent fiscal year (or statements of free from any administrative sanction). Notes: In the course of the Entity, Board of Commissioners and Board of Directors members do not encounter any litigation, the condition shall be disclosed.	✓	307 - 310
25.	Access to company information and data: A description of the availability of access to company information and data to the public. Description on the availability of corporate information and data access publicly, i.e via website (in Indonesian and English), mass media, mailing list, bulletin, analyst meeting and others	✓	311 - 315
26.	Description on Code of Conducts . The information includes: 1. Code of Conducts provisions; 2. Disclosure that Code of Conducts prevail for entire organization level; 3. Code of Conducts dissemination; 4. Punishment for every violation as stipulated in the Code of Conducts (normative); 5. Number of Code of Conducts violation, punishment administered in recent fiscal year Notes: If Code of Conducts violation is unavailable in recent fiscal year, the condition shall be disclosed.	✓	316 - 319
27.	Disclosure on Whistle Blowing System. The information includes Whistle Blowing System mechanism, as follows: 1. Fraud report submission; 2. Protection to the Whistle Blower; 3. Report handling; 4. Report Manager authority; and 5. Total report received and processed in recent fiscal year; and 6. Punishment/follow-up on the report that had been processed completely during the fiscal year. Notes: If neither incoming or processed report in recent fiscal year, the condition shall be disclosed.	✓	326 - 329
28.	Board of Commissioners and Board of Directors Composition Diversity Policy. Description of written policy of the Company on Board of Commissioners and Board of Directors composition diversity policy in terms of educational background (major), career history, age and gender. Notes: if the policy is unavailable, the condition shall be disclosed altogether with the consideration.	✓	328 - 329
VII.	FINANCIAL INFORMATION		
1.	Declaration from the Board of Directors and/or Board of Commissioners on Financial Statements Responsibility. Compliance with regulations related with Financial Statements Responsibility	✓	370 - 371
2.	Independent Auditor Opinion on the Financial Statements	✓	373 - 374
3.	Description of Independent Auditor in the Opinion. Description includes, as follows: 1. Name & signature; 2. Date of Audit Report; and 3. KAP and Public Accountant Registries.	✓	
4.	Complete Financial Statements. Full disclosure of financial statements parts, as follows: 1. Statements of financial position (balance sheet); 2. Statements of profit or loss; 3. Statements of equity change; 4. Statements of cash flows; 5. Note son the financial statements; 6. Comparative statements on earlier period; 7. Statements of financial position at beginning of earlier period when the entity implemented certain accounting policy retrospectively or restating the financial statement accounts, or when the entity reclassified the accounts in the financial statements (if relevant)	✓	
5.	Comparison of profitability. Comparative profit (loss) for the year and earlier year	✓	
6.	Statements of Cash Flows. The information includes: 1. Classification of three activity categories: operating, investing and financing; 2. Implementation of direct method to report cash flows from operating activities; 3. Separation of disclosure between inflow and outflow cash in recent year on operating, investing and financing activities; 4. Disclosure of non-cash transaction that shall be disclosed in the notes on financial statements.	✓	

No	CRITERIA	AVAILABILITY IN THE ANNUAL REPORT	PAGE
7.	Summary of Accounting Policy. The information, at least, includes: 1. Statement of compliance with the FAS; 2. Basis of Financial Statements measurement and preparation; 3. Recognition of income and expenses; 4. Employment benefits; and 5. Financial Instruments.	✓	
8.	Disclosure of related party transaction. The disclosure includes: 1. Name of related parties; and nature and relation with the related parties; 2. Amount of the transaction and percentage total related income and expenses; and 3. Amount of balance and percentage to total assets or liabilities.	✓	
9.	Disclosure of taxation-related information. The disclosure shall present information as follows: 1. Fiscal reconciliation and current tax calculation; 2. Explanation on relationship between tax income (expense) and accounting income. 3. Statements of reconciliated Taxable Income (LKP) is placed as basis for the Entity Income Tax Annual SPT submission; 4. Detail of deferred tax assets and liabilities recognized in the financial statements for every presentation period, and total deferred tax income (expenses) recognized in statements of profit or loss if the amount is unrecognized in the total deferred tax assets or liabilities recognized in the statements of financial position; and 5. Disclosure of any tax dispute event	✓	
10.	Disclosure related with fixed assets. The disclosure shall present information as follows: 1. Depreciation method applied; 2. Disclosure on selected accounting policy between revaluation model and cost model; 3. Significant method and assumption applied to estimate fair value of the fixed assets (for revaluation model) or disclosure of fixed assets fair value (for cost model); and 4. Reconciliation of total fixed assets gross booked value and accumulative depreciation at beginning and end of period by presenting: addition, deduction and reclassification.	✓	
11.	Disclosure related with operation segment. The disclosure shall present information as follows: 1. General information including factors applied to identify the reported segment; 2. Information on profit or loss, assets and liabilities of the reported segment; 3. Reconciliation of total segment revenue, reported segment profit or loss, segment assets, segment liabilities and other material elements of the segments to total related in the entity; and 4. Disclosure at entity level, including information about product and/or service, geographical area and main customers.	✓	
12.	Disclosure related with Financial Instruments. The disclosure shall present information: 1. Detail information of owned financial instruments by classification; 2. Fair value and its hierarchical level for every financial instrument group; 3. Explanation of risk related with the financial instrument; market risk, credit risk and liquidity risk; 4. Risk management policy; and 5. Quantitative risk analysis related with financial instrument.	✓	
13.	Financial Statements Publication. The disclosure shall present information: 1. Date of authorization for the financial statements publication; and 2. Authorized party of the financial statements.	✓	
OTHER ASPECT			
I Good Corporate Governance practices (+ 5%) that exceed the criteria			
1	Implement regulations or provisions on corporate governance in the capital market sector and international best practices; and	✓	
2	Delivering Sustainability / CSR Reports compiled based on internationally accepted standards (GRI Sustainability Reporting Guidelines).	✓	
II The practice of bad corporate governance (-5%) which is not regulated in the criteria			
1	There are reports as companies that pollute the environment;	✓	
2	Important matters currently being faced by companies, subsidiaries, members of the Board of Directors and / or members of the Board of Commissioners who are not disclosed in the Annual Report;	✓	
3	Non-compliance in fulfilling tax obligations;	✓	
4	Mismatch of presentation of annual reports and financial reports with applicable regulations and IFRSs;	✓	
5	Cases related to workers and employees;	✓	
6	There is no disclosure of operating segments in listed companies; and	✓	
7	There is a discrepancy between LT hardcopy and softcopy LT.	✓	



A man in a dark suit and tie stands in front of a whiteboard, pointing at it with his right hand. The whiteboard contains various financial diagrams and text, including a circular flow diagram and a list of items. In the foreground, another person's hands are visible, resting on a desk with a laptop. The background is a plain wall.

AUDITED FINANCIAL REPORT

PT Mandiri Tunas Finance

Laporan keuangan
tanggal 31 Desember 2018
dan untuk tahun yang berakhir pada tanggal tersebut
beserta laporan auditor independen/
*Financial statements as of 31 December 2018 and
for the year then ended
with independent auditors' report*

**SURAT PERNYATAAN DIREKSI
TENTANG TANGGUNG JAWAB ATAS
LAPORAN KEUANGAN
TANGGAL 31 DESEMBER 2018
DAN UNTUK TAHUN YANG BERAKHIR
PADA TANGGAL TERSEBUT**

PT MANDIRI TUNAS FINANCE

**BOARD OF DIRECTORS' STATEMENT
REGARDING THE RESPONSIBILITY FOR THE
FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2018
AND FOR THE YEAR THEN ENDED**

PT MANDIRI TUNAS FINANCE

Kami yang bertanda tangan di bawah ini:

We, the undersigned:

1. Nama : Arya Suprihadi
Alamat kantor : Gedung Graha Mandiri Lt. 3A
Jl. Imam Bonjol No. 61
Menteng Jakarta Pusat 10310
Alamat domisili
sesuai KTP atau
kartu identitas
lain : Jl. Wijaya XII No. 38
RT 001/RW 004
Kel. Melawai,
Kec. Kebayoran Baru,
Jakarta Selatan
Nomor Telepon : (021) 2305605
Jabatan : Direktur Utama
2. Nama : Armendra
Alamat kantor : Gedung Graha Mandiri Lt. 3A
Jl. Imam Bonjol No. 61
Menteng Jakarta Pusat 10310
Alamat domisili
sesuai KTP atau
kartu identitas
lain : Bukit Modern G-5/2
RT 001/RW 013
Kel. Pondok Cabe Udik,
Kec. Pamulang,
Kota Tangerang Selatan.
Nomor Telepon : (021) 2305608
Jabatan : Direktur

1. Name : Arya Suprihadi
Office address : Gedung Graha Mandiri Lt. 3A
Jl. Imam Bonjol No. 61
Menteng Jakarta Pusat 10310
Domicile address
appropriate ID
card or other
identification card : Jl. Wijaya XII No. 38
RT 001/RW 004
Kel. Melawai,
Kec. Kebayoran Baru,
Jakarta Selatan
Telephone : (021) 2305608
Function : President Director
2. Name : Armendra
Office address : Gedung Graha Mandiri Lt. 3A
Jl. Imam Bonjol No. 61
Menteng Jakarta Pusat 10310
Domicile address
appropriate ID
card or other
identification card : Bukit Modern G-5/2
RT 001/RW 013
Kel. Pondok Cabe Udik,
Kec. Pamulang,
Kota Tangerang Selatan.
Telephone : (021) 2305608
Function : Director

menyatakan bahwa:

1. Kami bertanggung jawab atas penyusunan dan penyajian laporan keuangan PT Mandiri Tunas Finance ("Perseroan");
2. Laporan keuangan Perseroan telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia;
3. a. Semua informasi dalam laporan keuangan Perseroan telah dimuat secara lengkap dan benar;
b. Laporan keuangan Perseroan tidak mengandung informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material;
4. Bertanggung jawab atas sistem pengendalian internal dalam Perseroan

declare that:

1. *We are responsible for the preparation and presentation of the financial statements of PT Mandiri Tunas Finance (the "Company");*
2. *The Company's financial statements have been prepared and presented in accordance with the Indonesian Financial Accounting Standards;*
3. a. *All information in the Company's financial statements has been disclosed in a complete and truthful manner;*
b. *The Company's financial statements do not contain any incorrect information or material facts, nor do they omit information or material facts;*
4. *We are responsible for the Company's internal control system.*

Demikian pernyataan ini dibuat dengan sebenarnya.

We certify the accuracy of this statement.

Jakarta, 25 Januari 2019/ 25 January 2019

Atas nama dan mewakili Direksi / *For and on behalf of the Board of Directors*


Arya Suprihadi
Presiden Direktur / *President Director*


Armendra
Direktur / *Director*

The original financial statements included herein are in the Indonesian language.

**PT MANDIRI TUNAS FINANCE
LAPORAN KEUANGAN
TANGGAL 31 DESEMBER 2018
DAN UNTUK TAHUN YANG BERAKHIR PADA
TANGGAL TERSEBUT
BESERTA LAPORAN AUDITOR INDEPENDEN**

**PT MANDIRI TUNAS FINANCE
FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2018
AND FOR THE YEAR THEN ENDED
WITH INDEPENDENT AUDITORS' REPORT**

Daftar Isi

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Laporan Laba Rugi dan Penghasilan Komprehensif Lain	3	<i>Statement of Profit or Loss and Other Comprehensive Income</i>
Laporan Perubahan Ekuitas.....	4	<i>Statement of Changes in Equity</i>
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Catatan atas Laporan Keuangan	7-117	<i>Notes to the Financial Statements</i>

The original report included herein is in the Indonesian language.

Laporan Auditor Independen

Laporan No. 00106/2.1032/AU.1/09/1008-2/1/1/2019

Pemegang Saham, Dewan Komisaris dan Direksi

PT Mandiri Tunas Finance

Kami telah mengaudit laporan keuangan PT Mandiri Tunas Finance terlampir, yang terdiri dari laporan posisi keuangan tanggal 31 Desember 2018, serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal tersebut, dan suatu ikhtisar kebijakan akuntansi signifikan dan informasi penjelasan lainnya.

Tanggung jawab manajemen atas laporan keuangan

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

Tanggung jawab auditor

Tanggung jawab kami adalah untuk menyatakan suatu opini atas laporan keuangan tersebut berdasarkan audit kami. Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami untuk mematuhi ketentuan etika serta merencanakan dan melaksanakan audit untuk memperoleh keyakinan memadai tentang apakah laporan keuangan tersebut bebas dari kesalahan penyajian material.

Independent Auditors' Report

Report No. 00106/2.1032/AU.1/09/1008-2/1/1/2019

The Shareholders, Boards of Commissioners and Directors

PT Mandiri Tunas Finance

We have audited the accompanying financial statements of PT Mandiri Tunas Finance, which comprise the statement of financial position as of 31 December 2018 and the statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of such financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of 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 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 financial statements are free from material misstatement.

Laporan Auditor Independen (lanjutan)

Laporan No. 00106/2.1032/AU.1/09/1008-2/1/I/2019 (lanjutan)

Tanggung jawab auditor (lanjutan)

Suatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit tentang angka-angka dan pengungkapan dalam laporan keuangan. Prosedur yang dipilih bergantung pada pertimbangan auditor, termasuk penilaian atas risiko kesalahan penyajian material dalam laporan keuangan, baik yang disebabkan oleh kecurangan maupun kesalahan. Dalam melakukan penilaian risiko tersebut, auditor mempertimbangkan pengendalian internal yang relevan dengan penyusunan dan penyajian wajar laporan keuangan entitas untuk merancang prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektifitasan pengendalian internal entitas. Suatu audit juga mencakup pengevaluasian atas ketepatan kebijakan akuntansi yang digunakan dan kewajaran estimasi akuntansi yang dibuat oleh manajemen, serta pengevaluasian atas penyajian laporan keuangan secara keseluruhan.

Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

Opini

Menurut opini kami, laporan keuangan terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan PT Mandiri Tunas Finance tanggal 31 Desember 2018, serta kinerja keuangan dan arus kasnya untuk tahun yang berakhir pada tanggal tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Independent Auditors' Report (continued)

Report No. 00106/2.1032/AU.1/09/1008-2/1/I/2019 (continued)

Auditors' responsibility (continued)

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 financial statements present fairly, in all material respects, the financial position of PT Mandiri Tunas Finance as of 31 December 2018, and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Purwantono, Sungkoro & Surja



Danil Setiadi Handaja, CPA

Registrasi Akuntan Publik No. AP.1008/Public Accountant Registration No. AP.1008

25 Januari 2019/25 January 2019

The original financial statements included herein are in the Indonesian language.

PT MANDIRI TUNAS FINANCE
LAPORAN POSISI KEUANGAN
Tanggal 31 Desember 2018
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)

PT MANDIRI TUNAS FINANCE
STATEMENT OF FINANCIAL POSITION
As of 31 December 2018
(Expressed in millions of Rupiah,
unless otherwise stated)

	Catatan/ Notes	31 Desember/ 31 December 2018	31 Desember/ 31 December 2017	
ASET				ASSETS
Kas dan setara kas	2c,2f 4,27			Cash and cash equivalents
Kas		12.863	20.198	Cash on hand
Kas pada bank				Cash in banks
Pihak ketiga		105.923	8.944	Third parties
Pihak berelasi	2s,4,26a	136.154	131.408	Related parties
		254.940	160.550	
Piutang pembiayaan konsumen	2c,2d,2g,5, 27,28,29			Consumer financing receivables
Pihak ketiga		12.927.542	11.444.554	Third parties
Pihak berelasi	2s,5,26a	5.822	7.957	Related parties
		12.933.364	11.452.511	
Dikurangi: cadangan kerugian penurunan nilai	2j,5	(303.884)	(271.205)	Less: allowance for impairment losses
		12.629.480	11.181.306	
Piutang sewa pembiayaan	2c,2d,2h,6, 27,28,29			Finance lease receivables
Pihak ketiga		3.328.389	2.364.629	Third parties
Dikurangi: cadangan kerugian penurunan nilai	2j,6	(9.286)	(7.739)	Less: allowance for impairment losses
		3.319.103	2.356.890	
Anjak piutang	2c,2d,2i,7, 27,28			Factoring receivables
Pihak ketiga		11.416	-	Third parties
Dikurangi: cadangan kerugian penurunan nilai	2j,7	(113)	-	Less: allowance for impairment losses
		11.303	-	
Piutang lain-lain	2c,8,27			Other receivables
Pihak ketiga		115.193	104.140	Third parties
Pihak berelasi	2s,8,26a	620.215	564.131	Related parties
		735.408	668.271	
Dikurangi: cadangan kerugian penurunan nilai	2j,8	(6.007)	(2.896)	Less: allowance for impairment losses
		729.401	665.375	
Aset pajak tangguhan	2m,9d	59.921	38.004	Deferred tax assets
Tagihan kelebihan pajak	9a	43.538	65.538	Claims for tax refund
Piutang derivatif	2c,2t,16,27,28	138.333	23.202	Derivative receivables
Aset tetap (setelah dikurangi akumulasi penyusutan masing-masing sebesar Rp137.175 dan Rp102.750 pada tanggal 31 Desember 2018 dan 2017)	2l,10	182.005	165.907	Fixed assets (net of accumulated depreciation of Rp137,175 and Rp102,750 as of 31 December 2018 and 2017, respectively)
Aset lain-lain	2c,2k,11, 27,29			Other assets
Pihak ketiga		111.593	81.340	Third parties
Pihak berelasi	2s,11,26a	2.227	1.346	Related parties
TOTAL ASET		17.481.844	14.739.458	TOTAL ASSETS

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

The original financial statements included herein are in the Indonesian language.

**PT MANDIRI TUNAS FINANCE
LAPORAN POSISI KEUANGAN
(lanjutan)
Tanggal 31 Desember 2018
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)**

**PT MANDIRI TUNAS FINANCE
STATEMENT OF FINANCIAL POSITION
(continued)
As of 31 December 2018
(Expressed in millions of Rupiah,
unless otherwise stated)**

	Catatan/ Notes	31 Desember/ 31 December 2018	31 Desember/ 31 December 2017	
LIABILITAS DAN EKUITAS				LIABILITIES AND EQUITY
LIABILITAS				LIABILITIES
Utang usaha	2c,12,27,29	649.630	606.513	Trade payables
Utang lain-lain	2c,13,27			Other payables
Pihak ketiga		199.947	194.491	Third parties
Pihak berelasi	2s,13,26b	84.738	30.344	Related parties
Utang pajak kini	2m,9b	1.852	33.916	Current tax liabilities
Beban yang masih harus dibayar	2c,14,27			Accrued expenses
Pihak ketiga		220.282	135.559	Third parties
Pihak berelasi	2s,14,26b	1.828	1.227	Related parties
Pinjaman bank	2c,2d,2e,15,27,28			Bank loans
Pihak ketiga		9.843.103	6.641.977	Third parties
Pihak berelasi	2s,15,26b	1.379.632	1.602.605	Related parties
		11.222.735	8.244.582	
Biaya provisi yang belum diamortisasi	15	(34.611)	(34.152)	Unamortized provision cost
		11.188.124	8.210.430	
Surat berharga yang diterbitkan	2c,2d,2r,17,27,28			Securities issued
Pihak ketiga		1.835.300	2.443.300	Third parties
Pihak berelasi	2s,17,26b	1.014.700	1.231.700	Related parties
		2.850.000	3.675.000	
Beban emisi yang belum diamortisasi	17	(5.284)	(9.749)	Unamortized issuance cost
		2.844.716	3.665.251	
Utang derivatif	2c,2t,16,27,28	89.788	19.540	Derivative payables
Liabilitas imbalan kerja karyawan	2n,18	80.024	73.845	Employee benefits obligation
TOTAL LIABILITAS		15.360.929	12.971.116	TOTAL LIABILITIES
EKUITAS				EQUITY
Modal saham				Share capital
Modal dasar - 10.000.000.000 lembar saham biasa dengan nilai nominal Rp100 (nilai penuh) per saham				Authorized capital - 10,000,000,000 ordinary shares with a par value of Rp100 (full amount) per share
Modal ditempatkan dan disetor penuh - 2.500.000.000 lembar saham	2o,19	250.000	250.000	Issued and fully paid up capital - 2,500,000,000 ordinary shares
Penghasilan komprehensif lain: Pengukuran kembali atas liabilitas imbalan kerja karyawan - neto	2n,18	(19.519)	(24.567)	Other comprehensive income: Remeasurement of employee benefits obligation - net
Kerugian kumulatif atas instrumen derivatif untuk lindung nilai arus kas - neto	2t	(33.391)	(12.620)	Cumulative loss on derivative instrument for cash flow hedges - net
Saldo laba				Retained earnings
Sudah ditentukan penggunaannya	20	50.000	50.000	Appropriated
Belum ditentukan penggunaannya		1.873.825	1.505.529	Unappropriated
TOTAL EKUITAS		2.120.915	1.768.342	TOTAL EQUITY
TOTAL LIABILITAS DAN EKUITAS		17.481.844	14.739.458	TOTAL LIABILITIES AND EQUITY

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

The original financial statements included herein are in the Indonesian language.

PT MANDIRI TUNAS FINANCE
LAPORAN LABA RUGI DAN PENGHASILAN
KOMPREHENSIF LAIN
Untuk Tahun yang Berakhir pada Tanggal
31 Desember 2018
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)

PT MANDIRI TUNAS FINANCE
STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
For the Year Ended 31 December 2018
(Expressed in millions of Rupiah,
unless otherwise stated)

	Catatan/ Notes	Tahun yang Berakhir pada tanggal 31 Desember/ Year ended 31 December		
		2018	2017	
PENDAPATAN	2u			REVENUE
Pembiayaan konsumen	2s,21a,26c	1.936.719	1.830.424	Consumer financing
Sewa pembiayaan	21b	386.302	178.983	Finance lease
Anjak piutang	21c	96	-	Factoring
Bunga	2s,21d,26c	12.116	9.036	Interest
Lain-lain - neto	2s,21e,26c	784.959	719.921	Others - net
Total pendapatan		3.120.192	2.738.364	Total revenue
BEBAN	2u			EXPENSES
Beban keuangan	2s,2t,22,26d	(1.260.010)	(1.035.442)	Finance charges
Gaji dan tunjangan	2s,23,26d	(518.980)	(437.812)	Salaries and benefits
Umum dan administrasi	2s,24,26d	(398.555)	(354.063)	General and administration
Penyisihan kerugian penurunan nilai:				Provision for impairment losses:
Pembiayaan konsumen	2c,2j,5	(394.619)	(434.774)	Consumer financing
Sewa pembiayaan	2c,2j,6	(3.950)	(5.784)	Finance lease
Anjak piutang	2c,2j,7	(113)	-	Factoring
Piutang lain-lain	2c,2j,8	(4.122)	(2.111)	Other receivables
Total beban		(2.580.349)	(2.269.986)	Total expenses
LABA SEBELUM BEBAN PAJAK FINAL DAN PAJAK PENGHASILAN		539.843	468.378	INCOME BEFORE FINAL TAX AND INCOME TAX EXPENSE
Beban pajak final	2m,9c	(2.423)	(1.807)	Final tax expense
LABA SEBELUM BEBAN PAJAK PENGHASILAN		537.420	466.571	INCOME BEFORE INCOME TAX EXPENSE
BEBAN PAJAK PENGHASILAN	2m,9c	(134.100)	(116.329)	INCOME TAX EXPENSE
LABA TAHUN BERJALAN		403.320	350.242	INCOME FOR THE YEAR
PENGHASILAN KOMPREHENSIF LAIN				OTHER COMPREHENSIVE INCOME
Pos yang tidak akan direklasifikasi ke laba rugi:				Item that will not be reclassified to profit or loss:
Pengukuran kembali atas liabilitas imbalan kerja karyawan	2n,18	6.730	(13.162)	Remeasurement of employee benefits obligation
Pajak penghasilan terkait	2m,9d	(1.682)	3.290	Income tax effect
		5.048	(9.872)	
Pos yang akan direklasifikasi ke laba rugi:				Item that will be reclassified to profit or loss:
Bagian efektif dari kerugian instrumen lindung nilai dalam rangka lindung nilai arus kas	2t	(27.695)	(16.826)	Effective portion of loss on hedging instruments in a cash flow hedge
Pajak penghasilan terkait	2m,9d	6.924	4.206	Income tax effect
		(20.771)	(12.620)	
Penghasilan komprehensif lain - setelah pajak		(15.723)	(22.492)	Other comprehensive income - net of tax
TOTAL PENGHASILAN KOMPREHENSIF TAHUN BERJALAN		387.597	327.750	TOTAL COMPREHENSIVE INCOME FOR THE YEAR
LABA PER SAHAM DASAR (Rupiah penuh)	2q,25	161	140	BASIC EARNINGS PER SHARE (Full amount)

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

The original financial statements included herein are in the Indonesian language.

PT MANDIRI TUNAS FINANCE
LAPORAN PERUBAHAN EKUITAS
Untuk Tahun yang Berakhir
Pada Tanggal 31 Desember 2018
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)

PT MANDIRI TUNAS FINANCE
STATEMENT OF CHANGES IN EQUITY
For the Year Ended
31 December 2018
(Expressed in millions of Rupiah,
unless otherwise stated)

Catatan/ Notes	Modal saham/ Share capital	Pengukuran kembali atas liabilitas imbalan kerja karyawan- neto/ Remeasurement of employee benefits obligation- net	Kerugian kumulatif atas instrumen derivatif untuk lindung nilai Cummulative loss on derivative instrument for cash flow hedges- net	Saldo laba sudah ditentukan penggunaannya/ Appropriated retained earnings	Saldo laba belum ditentukan penggunaannya/ Unappropriated retained earnings	Ekuitas/ Equity
Saldo 31 Desember 2016	250.000	(14.695)	-	50.000	1.188.824	1.474.129
Pengukuran kembali atas liabilitas imbalan kerja karyawan- setelah pajak		(9.872)	-	-	-	(9.872)
Kerugian bersih atas instrumen derivatif untuk lindung nilai arus kas		-	(12.620)	-	-	(12.620)
Laba tahun berjalan 2017		-	-	-	350.242	350.242
Dividen yang dibayarkan		-	-	-	(33.537)	(33.537)
Saldo 31 Desember 2017	250.000	(24.567)	(12.620)	50.000	1.505.529	1.768.342
Pengukuran kembali atas liabilitas imbalan kerja karyawan- setelah pajak		5.048	-	-	-	5.048
Kerugian bersih atas instrumen derivatif untuk lindung nilai arus kas		-	(20.771)	-	-	(20.771)
Laba tahun berjalan 2018		-	-	-	403.320	403.320
Dividen yang dibayarkan		-	-	-	(35.024)	(35.024)
Saldo 31 Desember 2018	250.000	(19.519)	(33.391)	50.000	1.873.825	2.120.915

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

The original financial statements included herein are in the Indonesian language.

PT MANDIRI TUNAS FINANCE
LAPORAN ARUS KAS
Untuk Tahun yang Berakhir
Pada Tanggal 31 Desember 2018
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)

PT MANDIRI TUNAS FINANCE
STATEMENT OF CASH FLOWS
For the Year Ended
31 December 2018
(Expressed in millions of Rupiah,
unless otherwise stated)

	Catatan/ Notes	Tahun yang Berakhir pada tanggal 31 Desember/ Year ended 31 December		
		2018	2017	
ARUS KAS DARI				CASH FLOWS FROM
AKTIVITAS OPERASI				OPERATING ACTIVITIES
Penerimaan kas dari konsumen:				Cash receipts from customers:
Pembiayaan konsumen		32.929.846	29.784.343	Consumer financing
Sewa pembiayaan		3.146.365	867.371	Finance lease
Bunga		12.128	9.053	Interest
Pendapatan penalti	21e	58.007	47.844	Late payment penalties
Penerimaan dari piutang yang telah dihapusbukukan	5,6	152.200	72.005	Recovery from written-off receivables
Premi asuransi		1.746.273	1.643.524	Insurance premiums
Pengeluaran kas untuk:				Cash disbursements for:
Pembayaran fasilitas pembiayaan bersama		(9.408.430)	(9.844.625)	Repayments of joint financing facilities
Pembayaran kepada penyalur kendaraan		(27.161.244)	(22.647.364)	Payments to car dealers
Pembayaran beban keuangan		(1.208.033)	(1.040.072)	Payments for finance charges
Pembayaran pajak penghasilan		(185.262)	(113.687)	Payments for income tax
Pembayaran gaji dan tunjangan		(461.115)	(355.254)	Payments for salaries and allowances
Pembayaran beban umum dan administrasi		(478.880)	(385.014)	Payments for general and administrative expenses
Pembayaran kepada perusahaan asuransi		(1.085.334)	(1.008.229)	Payments to insurance companies
Kas neto yang digunakan untuk aktivitas operasi		(1.943.479)	(2.970.105)	Net cash used in operating activities
ARUS KAS DARI AKTIVITAS INVESTASI				CASH FLOWS FROM INVESTING ACTIVITIES
Hasil penjualan aset tetap	10	-	38	Proceeds from sale of fixed assets
Perolehan aset tetap	10	(50.719)	(49.979)	Acquisition of fixed assets
Kas neto yang digunakan untuk aktivitas investasi		(50.719)	(49.941)	Net cash used in investing activities

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

The original financial statements included herein are in the Indonesian language.

**PT MANDIRI TUNAS FINANCE
LAPORAN ARUS KAS (lanjutan)
Untuk Tahun yang Berakhir
Pada Tanggal 31 Desember 2018
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)**

**PT MANDIRI TUNAS FINANCE
STATEMENT OF CASH FLOWS (continued)
For the Year Ended
31 December 2018
(Expressed in millions of Rupiah,
unless otherwise stated)**

	Catatan/ Notes	Tahun yang Berakhir pada tanggal 31 Desember/ Year ended 31 December		
		2018	2017	
ARUS KAS DARI AKTIVITAS PENDANAAN				CASH FLOWS FROM FINANCING ACTIVITIES
Penerimaan pinjaman bank	32	16.824.698	13.034.928	Proceeds from bank loans
Penerimaan surat berharga yang diterbitkan	32	-	850.000	Proceeds from securities issued
Pembayaran pinjaman bank	32	(13.874.241)	(10.424.457)	Repayment of bank loans
Pembayaran surat berharga yang diterbitkan	17,32	(825.000)	(500.000)	Repayment of securities issued
Pembayaran beban emisi surat berharga	17	(1.845)	(4.232)	Payment of securities issuance costs
Pembayaran dividen kas	20	(35.024)	(33.537)	Payment of cash dividends
Kas neto yang diperoleh dari aktivitas pendanaan		2.088.588	2.922.702	Net cash provided by financing activities
Kenaikan (penurunan) neto kas dan setara kas		94.390	(97.344)	Net increase (decrease) in cash and cash equivalents
Kas dan setara kas pada awal tahun	4	160.550	257.894	Cash and cash equivalents at beginning of year
Kas dan setara kas pada akhir tahun	4	254.940	160.550	Cash and cash equivalents at end of year

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

The original financial statements included herein are in the Indonesian language.

**PT MANDIRI TUNAS FINANCE
CATATAN ATAS LAPORAN KEUANGAN
Tanggal 31 Desember 2018 dan Untuk Tahun
yang Berakhir Pada Tanggal Tersebut
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)**

**PT MANDIRI TUNAS FINANCE
NOTES TO THE FINANCIAL STATEMENTS
As of 31 December 2018 and
for the Year Then Ended
(Expressed in millions of Rupiah,
unless otherwise stated)**

1. INFORMASI UMUM

PT Mandiri Tunas Finance (“Perseroan”) didirikan dengan nama PT Tunas Financindo Corporation pada tanggal 17 Mei 1989 berdasarkan Akta Notaris Misahardi Wilamarta, S.H., Notaris di Jakarta, No. 262. Akta pendirian ini disahkan oleh Menteri Kehakiman dalam Surat Keputusan No. C2-4868.HT.01.01.TH’89 tanggal 1 Juni 1989 serta diumumkan dalam Lembaran Berita Negara Republik Indonesia No. 57, Tambahan No. 1369 tanggal 18 Juli 1989. Pada tanggal 18 Agustus 2000, Perseroan melakukan perubahan nama menjadi PT Tunas Financindo Sarana berdasarkan Akta Notaris Adam Kasdarmadji S.H., M.H., Notaris di Jakarta No. 49. Akta perubahan ini disetujui oleh Menteri Hukum dan Perundang-Undangan melalui Surat Keputusan No. C-21195HT.01.04.TH2000 tanggal 22 September 2000. Pada tanggal 30 November 2007, Perseroan melakukan penyesuaian Anggaran Dasar terhadap Undang-Undang Nomor 40 Tahun 2007 tentang Perseroan Terbatas berdasarkan Akta Notaris No. 94, Herawati, S.H., Notaris di Jakarta. Akta tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia dalam Surat Keputusan No. AHU-06708.AH.01.02.Tahun 2008 tanggal 12 Februari 2008.

Pada tanggal 26 Juni 2009, Perseroan mengubah nama Perseroan menjadi PT Mandiri Tunas Finance berdasarkan perubahan Anggaran Dasar sesuai dengan Akta Notaris No. 181 Dr. Irawan Soerodjo, S.H., Msi., Notaris di Jakarta. Anggaran Dasar Perseroan telah mengalami beberapa kali perubahan, perubahan terakhir dengan Akta, No. 23 tanggal 24 Februari 2016 yang dibuat dihadapan Lenny Janis Ishak, S.H., Notaris di Jakarta. Perubahan ini telah diterima dan dicatatkan dalam database Sistem Administrasi Badan Hukum Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia No. AHU-AH.01.03-0032175 tanggal 17 Maret 2016.

Perubahan susunan Direksi dan anggota Dewan Komisaris yang terakhir dilakukan pada tanggal 26 Maret 2018, sebagaimana ternyata dalam Akta No. 42 yang dibuat oleh Lenny Janis Ishak, S.H., Notaris di Jakarta. Penerimaan pemberitahuan perubahan data Perseroannya telah diterima dan dicatat di dalam database sistem administrasi Badan Hukum di Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia No. AHU-AH.01.03-0128132 tanggal 28 Maret 2018.

1. GENERAL INFORMATION

PT Mandiri Tunas Finance (the “Company”) was incorporated with the name of PT Tunas Financindo Corporation on 17 May 1989 based on Notarial Deed of Misahardi Wilamarta, S.H., Notary in Jakarta, No. 262. The Company’s Articles of Association were approved by the Ministry of Justice in its Decision Letter No. C2-4868.HT.01.01.TH’89 dated 1 June 1989 and were published in the State Gazette of the Republic of Indonesia No. 57, Supplement No. 1369 dated 18 July 1989. On 18 August 2000, the Company changed its name to PT Tunas Financindo Sarana based on Notarial Deed of Adam Kasdarmadji S.H., M.H., Notary in Jakarta No. 49. This deed was approved by the Minister of Law and Regulation in its Decision Letter No. C-21195HT.01.04.TH2000 dated 22 September 2000. On 30 November 2007, the Company complied its Articles of Association to The Law No. 40 of 2007 concerning Limited Liability Company based on Notarial Deed No. 94 of Herawati, S.H., Notary in Jakarta. This Deed was approved by Minister of Law and Human Rights in its Decision Letter No. AHU-06708.AH.01.02.Tahun 2008 dated 12 February 2008.

On 26 June 2009, the Company changed its name to PT Mandiri Tunas Finance based on the amendment of the Articles of Association by the Notarial Deed No. 181 of Dr. Irawan Soerodjo, S.H., Msi., Notary in Jakarta. The Articles of Association have been amended from time to time, the latest amendment was by Deed of No. 23 dated 24 February 2016 made before Lenny Janis Ishak, S.H., Notary in Jakarta. This deed was approved by the Minister of Laws and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-AH.01.03-0032175 dated 17 March 2016.

The latest change in the composition of Directors and the composition of the Board of Commissioner was conducted on 26 March 2018 as stated in the Notary Deed No. 42 of Lenny Janis Ishak, S.H., Notary in Jakarta. The notification receipt of the change in the corporate data has been received and recorded in the database administration system of legal entity in the Ministry of Laws and Human Rights of the Republic of Indonesia No. AHU-AH.01.03-0128132 dated 28 March 2018.

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1. INFORMASI UMUM (lanjutan)

Kegiatan komersial Perseroan dimulai pada tahun 1989. Perseroan memperoleh ijin usaha sebagai Perseroan pembiayaan dalam bidang sewa guna usaha, anjak piutang dan pembiayaan konsumen dari Menteri Keuangan berdasarkan Surat Keputusan No. 1021/KMK.013/1989 tanggal 7 September 1989, sebagaimana diubah dengan Surat Keputusan No. 54/KMK.013/1992 tanggal 15 Januari 1992 dan No. 19/KMK.017/2001 tanggal 19 Januari 2001. Amandemen terakhir diubah dengan Surat Keputusan Menteri Keuangan No. KEP-352/KM.10/2009 tanggal 29 September 2009. Saat ini, Perseroan bergerak dalam kegiatan usaha pembiayaan investasi, modal kerja, multiguna, anjak piutang dan kegiatan usaha lain berdasarkan persetujuan Otoritas Jasa Keuangan.

Perseroan berdomisili di Jakarta Pusat dan mempunyai 102 kantor cabang dan 20 kantor selain kantor cabang yang berlokasi di beberapa tempat di Indonesia.

Pada tanggal 6 Februari 2009, PT Tunas Ridean Tbk. dan PT Tunas Mobilindo Parama mengalihkan kepemilikan sahamnya di Perseroan sejumlah masing-masing 650.000.000 lembar saham dan 625.000.000 lembar saham atau sebesar 51% dari total saham ditempatkan dan disetor penuh kepada PT Bank Mandiri (Persero) Tbk. dengan akta notaris No. 8, Dr. A. Partomuan Pohan, S.H., LL.M., tanggal 6 Februari 2009.

Perseroan menerbitkan dan mendaftarkan Obligasi Mandiri Tunas Finance ke Bursa Efek Indonesia sebagai berikut:

Obligasi/Bonds	Tanggal terbit/Issue date	Nilai nominal/Nominal value
I	29 Mei/May 2003	500.000
II	22 Juni/June 2004	350.000
III	8 Juli/July 2005	350.000
IV	22 Februari/February 2007	600.000
V	20 Februari/February 2008	600.000
VI	6 Mei/May 2011	600.000
Berkelanjutan I tahap I/ Continuing Bonds I Phase I	5 Juni/June 2013	500.000
Berkelanjutan I tahap II/ Continuing Bonds I Phase II	23 Mei/May 2014	600.000
Berkelanjutan I tahap III/ Continuing Bonds I Phase III	9 Juni/June 2015	150.000
Berkelanjutan II tahap I/ Continuing Bonds II Phase I	18 Desember/December 2015	600.000
Berkelanjutan II tahap II/ Continuing Bonds II Phase II	1 Juni/June 2016	1.400.000
Berkelanjutan III tahap I/ Continuing Bonds III Phase I	7 Oktober/October 2016	500.000
Berkelanjutan III tahap II/ Continuing Bonds III Phase II	8 Mei/May 2017	850.000

1. GENERAL INFORMATION (continued)

The Company commenced commercial activities in 1989. The Company obtained a business license to operate in leasing, factoring and consumer financing from the Ministry of Finance in its Decision Letter No. 1021/KMK.013/1989 dated 7 September 1989, as amended by the Decision Letter No. 54/KMK.013/1992 dated 15 January 1992 and No. 19/KMK.017/2001 dated 19 January 2001. The latest amendment was by the Ministry of Finance Decision Letter No. KEP-352/KM.10/2009 dated 29 September 2009. Currently, the Company is engaged in investing, working capital, multipurpose, factoring and other financing activities based on the approval of Financial Services Authority.

The Company is domiciled in Central Jakarta and has 102 branches and 20 other branches that are located through other parts of Indonesia.

On 6 February 2009, PT Tunas Ridean Tbk. and PT Tunas Mobilindo Parama have transferred their ownership in the Company amounting to 650,000,000 shares and 625,000,000 shares, respectively, representing 51% of total issued and fully paid-up shares, to PT Bank Mandiri (Persero) Tbk. by the Notarial Deed No. 8 of Dr. A. Partomuan Pohan, S.H., LL.M., dated 6 February 2009.

The Company issued and registered the following Mandiri Tunas Finance Bonds in the Indonesia Stock Exchange:

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1. INFORMASI UMUM (lanjutan)

Pada tanggal 20 Mei 2011, Perseroan telah menerbitkan dan mendaftarkan Obligasi Mandiri Tunas Finance VI tahun 2011 ("Obligasi VI") ke Bursa Efek Indonesia. Penerbitan Obligasi VI tahun 2011 serta Penunjukan Wali Amanat dilakukan sesuai dengan Perjanjian No. 29 tanggal 25 Februari 2011 jo. Addendum 1 No. 7 tanggal 5 April 2011, jo. Addendum II No. 16 tanggal 11 April 2011, jo. Addendum III No. 1 tanggal 2 Mei 2011 yang dibuat antara Perseroan dengan PT Bank Mega Tbk, yang bertindak selaku Wali Amanat pemegang Obligasi VI.

Pada tanggal 7 Juni 2013, Perseroan telah menerbitkan dan mendaftarkan Obligasi Berkelanjutan I Tahap I Tahun 2013 ("Obligasi Berkelanjutan I Tahap I") ke Bursa Efek Indonesia. Penerbitan Obligasi Berkelanjutan I Tahap I ini serta Penunjukan Wali Amanat dilakukan berdasarkan Akta Perjanjian Perwaliamanatan No. 29 tanggal 22 Maret 2013, jo. Addendum I No. 61 tanggal 17 April 2013, jo. Addendum II No. 47 tanggal 20 Mei 2013 yang dibuat antara Perseroan dengan PT Bank Mega Tbk, yang bertindak selaku Wali Amanat pemegang Obligasi Berkelanjutan I Tahap I.

Pada tanggal 26 Mei 2014, Perseroan telah menerbitkan dan mendaftarkan Obligasi Berkelanjutan I Tahap II Tahun 2014 ("Obligasi Berkelanjutan I Tahap II") ke Bursa Efek Indonesia. Penerbitan Obligasi Berkelanjutan I Tahap II ini serta Penunjukan Wali Amanat dilakukan berdasarkan Akta Perjanjian Perwaliamanatan No. 5 tanggal 2 Mei 2014 yang dibuat antara Perseroan dengan PT Bank Mega Tbk, yang bertindak selaku Wali Amanat pemegang Obligasi Berkelanjutan I Tahap II.

Pada tanggal 9 Juni 2015, Perseroan telah menerbitkan dan mendaftarkan Obligasi Berkelanjutan I Tahap III Tahun 2015 ("Obligasi Berkelanjutan I Tahap III") ke Bursa Efek Indonesia. Penerbitan Obligasi Berkelanjutan I Tahap III ini serta Penunjukan Wali Amanat dilakukan berdasarkan Akta Perjanjian Perwaliamanatan No. 29 tanggal 19 Mei 2015 yang dibuat antara Perseroan dengan PT Bank Mega Tbk, yang bertindak selaku Wali Amanat pemegang Obligasi Berkelanjutan I Tahap III.

1. GENERAL INFORMATION (continued)

On 20 May 2011, the Company issued and registered Bonds Mandiri Tunas Finance VI ("Bonds VI") in the Indonesia Stock Exchange. The issuance of Bonds VI 2011 and Trusteeship Agreements No. 29 dated 25 February 2011 jo. Addendum 1 No. 7 dated 5 April 2011, jo. Addendum II No. 16 dated 11 April 2011, jo. Addendum III No. 1 dated 2 Mei 2011 were signed by the Company and PT Bank Mega Tbk, as the Trustee for the Bonds VI holders.

On 7 June 2013, the Company issued and registered Mandiri Tunas Finance Continuing Bonds I Phase I Year 2013 ("Continuing Bonds I Phase I") in the Indonesia Stock Exchange. The issuance of Continuing Bonds I Phase I and Trusteeship Agreements No. 29 dated 22 March 2013, jo. Addendum I No. 61 dated 17 April 2013, jo. Addendum II No. 47 dated 20 May 2013 were signed by the Company and PT Bank Mega Tbk, as the Trustee for the Continuing Bonds I Phase I.

On 26 May 2014, the Company issued and registered Mandiri Tunas Finance Continuing Bonds I Phase II Year 2014 ("Continuing Bonds I Phase II") in the Indonesia Stock Exchange. The issuance of Continuing Bonds I Phase II and appointment of Trustee based on Trusteeship Agreements No. 5 dated 2 May 2014 were signed by the Company and PT Bank Mega Tbk, as the Trustee for the Continuing Bonds I Phase II.

On 9 June 2015, the Company issued and registered Mandiri Tunas Finance Continuing Bonds I Phase III Year 2015 ("Continuing Bonds I Phase III") in the Indonesia Stock Exchange. The issuance of Continuing Bonds I Phase III and appointment of Trustee based on Trusteeship Agreements No. 29 dated 19 May 2015 were signed by the Company and PT Bank Mega Tbk, as the Trustee for the Continuing Bonds I Phase III.

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1. INFORMASI UMUM (lanjutan)

Pada tanggal 18 Desember 2015, Perseroan telah menerbitkan dan mendaftarkan Obligasi Berkelanjutan II Tahap I Tahun 2015 ("Obligasi Berkelanjutan II Tahap I") ke Bursa Efek Indonesia. Penerbitan Obligasi Berkelanjutan II Tahap I ini serta Penunjukan Wali Amanat dilakukan berdasarkan Akta Perjanjian Perwaliamanatan No. 7 tanggal 5 Oktober 2015 yang dibuat antara Perseroan dengan PT Bank Mega Tbk, yang bertindak selaku Wali Amanat pemegang Obligasi Berkelanjutan II Tahap I.

Pada tanggal 1 Juni 2016, Perseroan telah menerbitkan dan mendaftarkan Obligasi Berkelanjutan II Tahap II Tahun 2016 ("Obligasi Berkelanjutan II Tahap II") ke Bursa Efek Indonesia. Penerbitan Obligasi Berkelanjutan II Tahap II ini serta Penunjukan Wali Amanat dilakukan berdasarkan Akta Perjanjian Perwaliamanatan No. 28 tanggal 12 Mei 2016, yang dibuat antara Perseroan dengan PT Bank Mega Tbk, yang bertindak selaku Wali Amanat Pemegang Obligasi Berkelanjutan II Tahap II.

Pada tanggal 7 Oktober 2016, Perseroan telah menerbitkan dan mendaftarkan Obligasi Berkelanjutan III Tahap I Tahun 2016 ("Obligasi Berkelanjutan III Tahap I") ke Bursa Efek Indonesia. Penerbitan Obligasi Berkelanjutan III Tahap I ini serta Penunjukan Wali Amanat dilakukan berdasarkan Akta Perjanjian Perwaliamanatan No. 2 tanggal 1 Agustus 2016 yang dibuat antara Perseroan dengan PT Bank Mega Tbk, yang bertindak selaku Wali Amanat pemegang Obligasi Berkelanjutan III Tahap I.

Pada tanggal 8 Mei 2017, Perseroan telah menerbitkan dan mendaftarkan Obligasi Berkelanjutan III Tahap II Tahun 2017 ("Obligasi Berkelanjutan III Tahap II") ke Bursa Efek Indonesia. Penerbitan Obligasi Berkelanjutan III Tahap II ini serta Penunjukan Wali Amanat dilakukan berdasarkan Akta Perjanjian Perwaliamanatan No. 16 tanggal 8 Mei 2017 yang dibuat antara Perseroan dengan PT Bank Mega Tbk, yang bertindak selaku Wali Amanat pemegang Obligasi Berkelanjutan III Tahap II.

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1. GENERAL INFORMATION (continued)

On 18 December 2015, the Company issued and registered Mandiri Tunas Finance Continuing Bonds II Phase I Year 2015 ("Continuing Bonds II Phase I") in the Indonesia Stock Exchange. The issuance of Continuing Bonds II Phase I and Trusteeship Agreements No. 7 dated 5 October 2015 were signed by the Company and PT Bank Mega Tbk, as the Trustee for the Continuing Bonds II Phase I.

On 1 June 2016, the Company issued and registered Mandiri Tunas Finance Continuing Bonds II Phase II Year 2016 ("Continuing Bonds II Phase II") in the Indonesia Stock Exchange. The issuance of Continuing Bonds II Phase II and Trusteeship Agreements No. 28 dated 12 May 2016, were signed by the Company and PT Bank Mega Tbk, as the Trustee for the Continuing Bonds II Phase II.

On 7 October 2016, the Company issued and registered Mandiri Tunas Finance Continuing Bonds III Phase I Year 2016 ("Continuing Bonds III Phase I") in the Indonesia Stock Exchange. The issuance of Continuing Bonds III Phase I and appointment of Trustee based on Trusteeship Agreements No. 2 dated 1 August 2016 were signed by the Company and PT Bank Mega Tbk, as the Trustee for the Continuing Bonds III Phase I.

On 8 May 2017, the Company issued and registered Mandiri Tunas Finance Continuing Bonds III Phase II Year 2017 ("Continuing Bonds III Phase II") in the Indonesia Stock Exchange. The issuance of Continuing Bonds III Phase II and appointment of Trustee based on Trusteeship Agreements No. 16 dated 8 May 2017 were signed by the Company and PT Bank Mega Tbk, as the Trustee for the Continuing Bonds III Phase II.

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1. INFORMASI UMUM (lanjutan)

Susunan anggota Dewan Komisaris, Direksi dan Komite Audit Perseroan adalah sebagai berikut:

	31 Desember/ December 2018
Dewan Komisaris	
Komisaris Utama	Rico Adisurja
Komisaris	Setiawan
Komisaris Independen	Harry Gale Ravik Karsidi
Direksi	
Direktur Utama	Arya Suprihadi **)
Direktur	Armendra **)
Direktur	Harjanto Tjitohardjo
Komite Audit	
Ketua	Ravik Karsidi
Anggota	Allen Situngkir Irene Yudhistira
Anggota	Junarso

Pembentukan Komite Audit Perseroan telah sesuai dengan Peraturan Otoritas Jasa Keuangan No. 55/POJK.04/2015 tanggal 23 Desember 2015.

Sekretaris Perusahaan Perseroan dan Kepala Divisi Audit Internal Perseroan adalah sebagai berikut:

	31 Desember/ December 2018
Sekretaris Perusahaan	Arif Reza Fahlepi
Kepala Divisi Audit Internal	Dayu Rasmini

Pembentukan Sekretaris Perusahaan Perseroan telah sesuai dengan Peraturan Otoritas Jasa Keuangan No. 35/POJK.04/2014 tanggal 8 Desember 2014.

Pembentukan Divisi Audit Internal Perseroan telah sesuai dengan Peraturan Otoritas Jasa Keuangan No. 56/POJK.04/2015 tanggal 23 Desember 2015.

Pada tanggal 31 Desember 2018, Perseroan memiliki 3.448 karyawan (31 Desember 2017: 3.467 karyawan) (tidak diaudit).

Entitas induk langsung dan entitas induk terakhir Perseroan adalah PT Bank Mandiri (Persero) Tbk, Badan Usaha Milik Negara (BUMN) yang dimiliki oleh Pemerintah Republik Indonesia.

*) Telah mengundurkan diri berdasarkan keputusan Rapat Umum Pemegang Saham tanggal 26 Maret 2018

**) Telah diangkat berdasarkan keputusan Rapat Umum Pemegang Saham tanggal 26 Maret 2018 dan efektif setelah mendapatkan persetujuan dari OJK

1. GENERAL INFORMATION (continued)

The members of the Company's Board of Commissioners, Directors and Audit Committee are as follows:

	31 Desember/ December 2017	
		Board of Commissioners
	Rico Adisurja	President Commissioner
	Setiawan	Commissioner
	Harry Gale	Independent Commissioner
	Ravik Karsidi	
		Directors
	Ignatius Susatyo	President Director
	Wijoyo *)	Director
	Arya Suprihadi	Director
	Harjanto Tjitohardjo	
		Audit Committee
	Ravik Karsidi	Chairman
	Allen Situngkir	Member
	Irene Yudhistira	
	Junarso	Member

The appointment of the Company's Audit Committee is in compliance with Financial Services Authority Regulation No. 55/POJK.04/2015 dated 23 December 2015.

The Company's Corporate Secretary and the Head of Internal Audit Division are as follows:

	31 Desember/ December 2017	
		Corporate Secretary
	Citra Judith Lupitadevi	Head of Internal Audit Division
	Dayu Rasmini	

The establishment of the Company's Corporate Secretary is in compliance with Financial Services Authority Regulation No. 35/POJK.04/2014 dated 8 December 2014.

The establishment of the Company's Internal Audit Division is in compliance with Financial Services Authority Regulation No. 56/POJK.04/2015 dated 23 December 2015.

As of 31 December 2018, the Company has 3,448 employees (31 December 2017: 3,467 employees, respectively) (unaudited).

The direct and ultimate holding entity of the Company is PT Bank Mandiri (Persero) Tbk, state-owned company, owned by the Government of the Republic of Indonesia.

*) Has resigned based on the decision of General Meeting of Shareholders on 26 March 2018

**) Has been appointed based on the decision of General Meeting of Shareholders on 26 March 2018 and effective after obtaining approval from OJK

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2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING

Kebijakan akuntansi yang signifikan, yang diterapkan dalam penyusunan laporan keuangan Perseroan adalah sebagai berikut:

a. Pernyataan kepatuhan

Laporan keuangan telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia yang diterbitkan oleh Ikatan Akuntan Indonesia (IAI).

b. Dasar penyusunan laporan keuangan

Laporan keuangan disusun berdasarkan konsep akrual, kecuali laporan arus kas, dan menggunakan konsep biaya historis kecuali seperti yang disebutkan dalam catatan atas laporan keuangan yang relevan.

Laporan arus kas disusun menggunakan metode langsung dan arus kas dikelompokkan atas dasar aktivitas operasi, investasi dan pendanaan. Untuk tujuan laporan arus kas, kas dan setara kas mencakup kas, kas pada bank dan deposito berjangka dengan jangka waktu jatuh tempo tiga bulan atau kurang, sepanjang tidak digunakan sebagai jaminan atas pinjaman atau dibatasi penggunaannya.

Pos-pos dalam Penghasilan Komprehensif Lainnya disajikan terpisah antara akun - akun yang akan direklasifikasikan ke laba rugi dan akun - akun yang tidak akan direklasifikasikan ke laba rugi.

Dalam penyusunan laporan keuangan sesuai dengan standar akuntansi keuangan Indonesia, dibutuhkan estimasi dan asumsi yang mempengaruhi:

- nilai aset dan liabilitas dilaporkan dan pengungkapan atas aset dan liabilitas kontinjensi pada tanggal laporan keuangan, dan
- jumlah pendapatan dan beban selama periode pelaporan.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, applied in the preparation of the Company's financial statements were as follows:

a. Statement of compliance

The financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards as issued by the Indonesian Institute of Accountants.

b. Basis of preparation of the financial statements

The financial statements have been prepared on the accrual basis, except for the statement of cash flows, and using the historical cost concept of accounting, except as disclosed in the relevant notes herein.

The statement of cash flows are prepared based on direct method by classifying cash flows on the basis of operating, investing and financing activities. For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, cash in banks and time deposits with original maturity of three months or less, as long as they are not being pledged as collateral for borrowings or restricted.

The items under Other Comprehensive Income (OCI) are presented separately between items to be reclassified to profit or loss and those items not to be reclassified to profit or loss.

The preparation of financial statements in conformity with Indonesian Financial Accounting Standards requires the use of estimates and assumptions that affects:

- *the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and*
- *the reported amounts of revenues and expenses during the reported period.*

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2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)

b. Dasar penyusunan laporan keuangan
(lanjutan)

Walaupun estimasi ini dibuat berdasarkan pengetahuan terbaik manajemen atas kejadian dan tindakan saat ini, hasil yang timbul mungkin berbeda dengan jumlah yang diestimasi semula.

Mata uang penyajian yang digunakan pada laporan keuangan adalah Rupiah, yang merupakan mata uang fungsional.

Seluruh angka dalam laporan keuangan ini, kecuali dinyatakan secara khusus, dibulatkan menjadi dan disajikan dalam jutaan Rupiah kecuali dinyatakan lain.

c. Aset dan liabilitas keuangan

Aset keuangan

Perseroan mengklasifikasikan aset keuangannya dalam kategori: (i) aset keuangan yang diukur pada nilai wajar melalui laporan laba rugi, (ii) pinjaman yang diberikan dan piutang, (iii) aset keuangan dimiliki hingga jatuh tempo, dan (iv) aset keuangan tersedia untuk dijual. Klasifikasi ini tergantung dari tujuan perolehan aset keuangan tersebut. Manajemen menentukan klasifikasi aset keuangan tersebut pada saat awal pengakuannya.

Selama tahun berjalan dan pada tanggal laporan posisi keuangan, Perseroan memiliki aset keuangan yang diklasifikasikan sebagai pinjaman yang diberikan dan serta derivatif lindung nilai sehingga kebijakan akuntansi berkaitan dengan klasifikasi aset keuangan di luar pinjaman yang diberikan dan piutang serta derivatif lindung nilai tidak diungkapkan.

Pinjaman yang diberikan dan piutang

Pinjaman yang diberikan dan piutang adalah aset keuangan non-derivatif dengan pembayaran tetap atau telah ditentukan dan tidak mempunyai kuotasi di pasar aktif, kecuali:

- yang dimaksudkan oleh Perseroan untuk dijual dalam waktu dekat, yang diklasifikasikan dalam kelompok diperdagangkan, serta yang pada saat pengakuan awal ditetapkan sebagai diukur pada nilai wajar melalui laporan laba rugi;

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

b. Basis of preparation of the financial
statements (continued)

Although these estimates are based on management's best knowledge of current events and activities, actual results may differ from those estimates.

The presentation currency used in the financial statements is Indonesian Rupiah, which is the functional currency of the Company.

The amounts in the financial statements are rounded to and stated in millions of Rupiah unless otherwise stated.

c. Financial assets and liabilities

Financial assets

The Company classifies its financial assets in the following categories: (i) financial assets measured at fair value through profit or loss, (ii) loans and receivables, (iii) held-to-maturity financial assets, and (iv) available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

During the year and at the date of statement of financial position, the Company only has financial assets classified as loans and receivables and hedging derivatives. Therefore, the accounting policies related to classifications other than loans and receivables and hedging derivatives are not disclosed.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- those that the Company intends to sell immediately or in the near future, which are classified as held-for-trading, and those that the entity upon initial recognition designates as at fair value through profit or loss;

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

c. Aset dan liabilitas keuangan (lanjutan)

Aset keuangan (lanjutan)

Pinjaman yang diberikan dan piutang (lanjutan)

- yang pada saat pengakuan awal ditetapkan dalam kelompok tersedia untuk dijual; atau
- dalam hal Perseroan mungkin tidak akan memperoleh kembali investasi awal secara substansial, kecuali yang disebabkan oleh penurunan kualitas pinjaman yang diberikan dan piutang.

Pada saat pengakuan awal, pinjaman yang diberikan dan piutang diakui pada nilai wajarnya ditambah biaya transaksi dan pendapatan administrasi dan selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

Pinjaman yang diberikan dan piutang meliputi kas dan setara kas, piutang pembiayaan konsumen, piutang sewa pembiayaan, anjak piutang, piutang lain-lain dan aset lain-lain (piutang karyawan, piutang bunga, setoran dalam perjalanan dan uang jaminan).

Pendapatan dari aset keuangan dalam kelompok pinjaman yang diberikan dan piutang dicatat di dalam laporan laba rugi dan penghasilan komprehensif lain dan dilaporkan sebagai "Pendapatan pembiayaan konsumen", "Pendapatan sewa pembiayaan" dan "Anjak piutang".

Dalam hal terjadi penurunan nilai, cadangan kerugian penurunan nilai dilaporkan sebagai pengurang dari nilai tercatat dari aset keuangan dalam kelompok pinjaman yang diberikan dan piutang, dan diakui di dalam laporan laba rugi dan penghasilan komprehensif lain sebagai "Penyisihan kerugian penurunan nilai".

Aset keuangan yang diukur pada nilai wajar melalui laba rugi

Aset keuangan yang diukur pada nilai wajar melalui laba rugi termasuk aset keuangan untuk diperdagangkan dan aset keuangan yang ditetapkan pada saat pengakuan awal untuk diukur pada nilai wajar melalui laba rugi.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

c. Financial assets and liabilities (continued)

Financial assets (continued)

Loans and receivables (continued)

- those that the Company upon initial recognition designates as available-for-sale; or
- those for which the Company may not recover substantially all of its initial investment, other than because of credit deterioration and receivables.

Loans and receivables are initially recognized at fair value plus transaction costs and administration income and subsequently measured at amortized cost using the effective interest rate method.

Loans and receivables consist of cash and cash equivalents, consumer financing receivables, finance lease receivables, factoring receivables, other receivables and other assets (employee receivables, interest receivables, deposit in transit and security deposit).

Income from financial assets classified as loans and receivables is included in the statement of profit or loss and other comprehensive income and is reported as "Consumer financing income", "Finance lease income" and "Factoring".

In the case of impairment, allowance for impairment losses is reported as a deduction from the carrying value of the financial assets classified as loan and receivables and recognized in the statement of profit or loss and other comprehensive income as "Provision for impairment losses".

Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss.

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(lanjutan)

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

c. Aset dan liabilitas keuangan (lanjutan)

c. Financial assets and liabilities (continued)

Aset keuangan (lanjutan)

Financial assets (continued)

Aset keuangan yang diukur pada nilai wajar melalui laba rugi (lanjutan)

Financial assets measured at fair value through profit or loss (continued)

Aset derivatif diklasifikasikan sebagai kelompok diperdagangkan kecuali mereka ditetapkan sebagai instrumen lindung nilai efektif. Aset keuangan yang diukur pada nilai wajar melalui laba rugi disajikan dalam laporan posisi keuangan pada nilai wajar dengan keuntungan atau kerugian dari perubahan nilai wajar diakui dalam laba rugi.

Derivative assets are classified as held for trading unless they are designated as effective hedging instruments. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with gains or losses recognized in the profit or loss.

Pengakuan

Recognition

Perseroan menggunakan akuntansi tanggal penyelesaian untuk kontrak reguler ketika mencatat transaksi aset keuangan.

The Company uses settlement date accounting for regular way contracts when recording financial assets transactions.

Penurunan nilai dari aset keuangan

Impairment of financial assets

Pada setiap tanggal laporan posisi keuangan, Perseroan mengevaluasi apakah terdapat bukti yang obyektif bahwa aset keuangan atau kelompok aset keuangan mengalami penurunan nilai. Kerugian penurunan nilai terjadi, jika dan hanya jika, terdapat bukti yang obyektif mengenai penurunan nilai tersebut sebagai akibat dari satu atau lebih peristiwa yang terjadi setelah pengakuan awal aset tersebut (peristiwa yang merugikan), dan peristiwa yang merugikan tersebut berdampak pada estimasi arus kas masa depan atas aset keuangan atau kelompok aset keuangan yang dapat diestimasi secara andal.

The Company assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. 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.

Kesulitan keuangan yang dialami debitur, kemungkinan debitur akan bangkrut, atau kegagalan atau penundaan pembayaran angsuran dapat dipertimbangkan sebagai indikasi adanya penurunan nilai atas aset atau bagian dari kelompok aset keuangan tersebut.

Significant financial difficulties of the debtors, probability that the debtors will bankrupt and default or delinquency in payments are considered as indicators that the financial assets or group of financial assets are impaired.

Perseroan menentukan penurunan nilai secara individual atas aset keuangan yang signifikan secara individual, dan untuk aset keuangan yang tidak signifikan secara individual, penentuan penurunan nilai dilakukan secara kolektif.

The Company assesses impairment of financial assets individually for financial assets that are individually significant, and collectively for financial assets that are not significant individually.

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c. Aset dan liabilitas keuangan (lanjutan)

Aset keuangan (lanjutan)

Penurunan nilai dari aset keuangan (lanjutan)

Jika Perseroan menentukan tidak terdapat bukti obyektif mengenai penurunan nilai atas aset keuangan yang dinilai secara individual, maka Perseroan memasukkan aset keuangan tersebut ke dalam kelompok aset keuangan yang memiliki karakteristik risiko kredit yang serupa dan menilai penurunan nilai kelompok tersebut secara kolektif. Aset keuangan yang penurunan nilainya dinilai secara individual tidak termasuk dalam penilaian penurunan nilai secara kolektif.

Arus kas masa datang dari kelompok aset keuangan yang penurunan nilainya dievaluasi secara kolektif, diestimasi berdasarkan kerugian historis yang pernah dialami atas aset-aset yang memiliki karakteristik risiko kredit yang serupa dengan karakteristik risiko kredit kelompok tersebut di dalam Perseroan. Kerugian historis yang pernah dialami kemudian disesuaikan berdasarkan data terkini yang dapat diobservasi untuk mencerminkan kondisi saat ini yang tidak berpengaruh pada periode terjadinya kerugian historis tersebut, dan untuk menghilangkan pengaruh kondisi yang ada pada periode historis namun sudah tidak ada lagi saat ini.

Ketika suatu piutang tidak tertagih, piutang tersebut dihapus buku dengan menjurnal balik cadangan kerugian penurunan nilai. Piutang tersebut dapat dihapus buku setelah semua prosedur yang diperlukan telah dilakukan dan jumlah kerugian telah ditentukan. Beban penurunan nilai yang terkait dengan pinjaman yang diberikan dan piutang diklasifikasikan ke dalam "cadangan kerugian penurunan nilai".

Jika pada periode berikutnya, jumlah kerugian penurunan nilai berkurang dan pengurangan tersebut dapat dikaitkan secara obyektif pada peristiwa yang terjadi setelah penurunan nilai diakui (seperti meningkatnya peringkat piutang debitur), maka kerugian penurunan nilai yang sebelumnya diakui harus dipulihkan, dengan menyesuaikan akun cadangan kerugian penurunan nilai. Jumlah pemulihan aset keuangan diakui pada laporan laba rugi dan penghasilan komprehensif lain.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

c. Financial assets and liabilities (continued)

Financial assets (continued)

Impairment of financial assets (continued)

If the Company determines that no objective evidence of impairment exists for individually assessed financial assets, it includes the financial assets in a group of financial assets with similar credit risk characteristic and collectively assesses them for impairment. Financial assets that are individually assessed for impairment are not included in a collective assessment of impairment.

Future cash flows from a group of financial assets that are collectively evaluated for impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the Company. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not currently exist.

When a receivable is uncollectible, it is written off against the related allowance for impairment losses. Such receivables are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Impairment charges relating to loans and receivables are classified into "allowance for impairment losses".

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's receivable rating), the previously recognized impairment loss is reversed by adjusting the allowance for impairment losses. The amount of the impairment reversal is recognized in the statement of profit or loss and other comprehensive income.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

c. Aset dan liabilitas keuangan (lanjutan)

Aset keuangan (lanjutan)

Penurunan nilai dari aset keuangan (lanjutan)

Penerimaan kemudian atas piutang yang telah dihapusbukkan, dikreditkan dengan menyesuaikan pada akun cadangan kerugian penurunan nilai.

Liabilitas keuangan

Perseroan mengklasifikasikan liabilitas keuangan dalam kategori (i) liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi dan (ii) liabilitas keuangan yang diukur pada biaya perolehan diamortisasi.

Selama tahun berjalan dan pada tanggal laporan posisi keuangan, Perseroan tidak memiliki liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi. Perseroan juga memiliki utang derivatif yang diakui sebagai lindung nilai yang efektif.

Liabilitas keuangan yang diukur pada biaya perolehan diamortisasi

Pada saat pengakuan awal, liabilitas keuangan yang diukur pada biaya perolehan diamortisasi diukur pada nilai wajar dikurangi biaya transaksi.

Setelah pengakuan awal, Perseroan mengukur seluruh liabilitas keuangan yang diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

Liabilitas keuangan yang diukur pada biaya perolehan diamortisasi antara lain utang usaha, utang lain-lain, beban bunga yang masih harus dibayar, pinjaman bank dan surat berharga yang diterbitkan.

Liabilitas keuangan yang diukur pada nilai wajar melalui laba atau rugi

Liabilitas keuangan yang diukur pada nilai wajar melalui laba atau rugi mencakup liabilitas keuangan yang diklasifikasikan dalam kelompok diperdagangkan dan liabilitas keuangan yang pada saat pengakuan awalnya, telah ditetapkan, diukur pada nilai wajar melalui laba atau rugi.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

c. Financial assets and liabilities (continued)

Financial assets (continued)

Impairment of financial assets (continued)

Subsequent recoveries of receivable written off are credited by adjusting the allowance for impairment losses account.

Financial liabilities

The Company classifies its financial liabilities in the category of (i) financial liabilities measured at fair value through profit or loss and (ii) financial liabilities measured at amortized cost.

During the year and at the date of statement of financial position, the Company does not have financial liabilities that are measured at fair value through profit or loss. The Company has derivatives payables that are accounted for as an effective hedge.

Financial liabilities measured at amortized cost

Financial liabilities at amortized cost are initially recognized at fair value less transaction costs.

After initial recognition, the Company measures all financial liabilities at amortized cost using effective interest rates method.

Financial liabilities measured at amortized cost include trade payables, other payables, accrued interest expenses, bank loans and securities issued.

Financial liabilities measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss.

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(lanjutan)**

c. Aset dan liabilitas keuangan (lanjutan)

Liabilitas keuangan (lanjutan)

Liabilitas keuangan yang diukur pada nilai wajar
melalui laba atau rugi (lanjutan)

Liabilitas keuangan diklasifikasikan dalam kelompok diperdagangkan jika diperoleh atau dimiliki untuk tujuan dijual dalam waktu dekat. Liabilitas derivatif juga diklasifikasikan dalam kelompok diperdagangkan kecuali derivatif yang ditetapkan sebagai instrumen lindung nilai yang efektif.

Laba atau rugi atas liabilitas keuangan dalam kelompok diperdagangkan harus diakui dalam laba rugi.

Penghentian pengakuan

Penghentian pengakuan aset keuangan dilakukan ketika hak kontraktual atas arus kas yang berasal dari aset keuangan tersebut berakhir, atau ketika aset keuangan tersebut telah ditransfer dan secara substansial seluruh risiko dan manfaat atas kepemilikan aset tersebut telah ditransfer (jika secara substansial seluruh risiko dan manfaat tidak ditransfer, maka Perseroan melakukan evaluasi untuk memastikan keterlibatan berkelanjutan atas kendali yang masih dimiliki tidak mencegah penghentian pengakuan). Liabilitas keuangan dihentikan pengakuannya ketika liabilitas telah dilepaskan atau dibatalkan atau kadaluwarsa.

Penghentian pengakuan piutang pembiayaan konsumen yang mengalami penurunan nilai, akan dilakukan ketika piutang telah dihapusbukukan. Piutang ragu-ragu akan dihapusbukukan setelah menunggak lebih dari 180 hari atau pada saat piutang tersebut diputuskan tidak dapat tertagih. Penghapusbukuan piutang ragu-ragu ini bukan merupakan hapus tagih, sehingga upaya penagihan tetap dilakukan. Piutang pembiayaan konsumen dapat diselesaikan dengan menjual kendaraan yang dibiayai Perseroan.

Perseroan menerima kendaraan dari konsumen dan membantu untuk menjual kendaraan tersebut sehingga konsumen dapat melunasi utang pembiayaan konsumennya.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

c. Financial assets and liabilities (continued)

Financial liabilities (continued)

Financial liabilities measured at fair value
through profit or loss (continued)

Financial liabilities are classified as held for trading if these are incurred for the purpose of selling in the near term. Derivative liabilities are also classified as held for trading unless these are designated as effective hedging instruments.

Gains or losses on financial liabilities held for trading are recognized in profit or loss.

Derecognition

Financial assets are derecognized when the contractual rights to receive the cash flows from these assets have ceased to exist or the assets have been transferred and substantially all the risks and rewards of ownership of the assets are also transferred (if substantially all the risk and rewards were not transferred, the Company tests control to ensure that continuing involvement on the basis of any retained powers of control does not prevent derecognition). Financial liabilities are derecognized when they have been redeemed or otherwise extinguished.

Consumer financing receivables are derecognized when the receivables have been written off. Doubtful receivables are written off when they have been overdue for more than 180 days or determined to be not collectible. The write-off of doubtful accounts do not eliminate the right to collect and hence are still to be pursued for collection continuously. Consumer financing receivables could be settled by selling the motor vehicles that are financed by the Company.

The Company receives motor vehicles from customers and assist them in selling their motor vehicles so that the customers are able to settle their consumer financing payables.

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(lanjutan)

c. Aset dan liabilitas keuangan (lanjutan)

Penghentian pengakuan (lanjutan)

Konsumen memberi kuasa kepada Perseroan untuk menjual kendaraan ataupun melakukan tindakan lainnya dalam upaya penyelesaian piutang pembiayaan konsumen bila terjadi wanprestasi terhadap perjanjian pembiayaan. Konsumen berhak atas selisih lebih antara nilai penjualan dengan saldo piutang pembiayaan konsumen. Jika terjadi selisih kurang, kerugian yang terjadi dibebankan pada laporan laba rugi dan penghasilan komprehensif lain tahun berjalan.

Jaminan kendaraan milik konsumen untuk pelunasan piutang pembiayaan konsumen, dinyatakan sebesar nilai terendah antara nilai tercatat piutang pembiayaan konsumen terkait atau realisasi neto dari jaminan kendaraan milik konsumen tersebut. Selisih antara nilai tercatat dan nilai realisasi neto piutang dicatat sebagai cadangan kerugian penurunan nilai dan dibebankan pada laporan laba rugi dan penghasilan komprehensif lain tahun berjalan.

Saling hapus

Aset dan liabilitas keuangan saling hapus disajikan dalam laporan posisi keuangan jika memiliki hak yang berkekuatan hukum untuk melakukan saling hapus buku atas jumlah yang telah diakui tersebut dan berniat untuk menyelesaikan secara neto atau untuk merealisasikan aset dan menyelesaikan liabilitasnya secara simultan. Hak yang berkekuatan hukum berarti:

- a. tidak terdapat kontinjensi di masa yang akan datang, dan
- b. hak yang berkekuatan hukum pada kondisi-kondisi berikut ini:
 - i. kegiatan bisnis normal;
 - ii. kondisi kegagalan usaha; dan
 - iii. kondisi gagal bayar atau bangkrut.

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

c. Financial assets and liabilities (continued)

Derecognition (continued)

The customers give the right to the Company to sell the motor vehicles or take any other actions to settle the outstanding consumer financing receivables in the events of default. Customers are entitled to the positive difference between the proceeds from sale of the motor vehicles and the outstanding consumer financing receivables. If difference is negative, the resulting loss is charged to the current year statement of profit or loss and other comprehensive income.

Motor vehicle collaterals owned by customers for settlement of their consumer financing receivables are presented at the lower of carrying value of the related consumer financing receivables or the net realizable value of motor vehicle collaterals. The difference between the carrying value and the net realizable value of receivables is recorded as allowance for impairment losses and charged to the current year statement of profit or loss and other comprehensive income.

Offsetting

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when there is a legally 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. This means that the right to set off:

- a. must not be contingent on a future event, and
- b. must be legally enforceable in all of the following circumstances:
 - i. the normal course of business
 - ii. the event of default
 - iii. the event of insolvency or bankruptcy.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

c. Aset dan liabilitas keuangan (lanjutan)

Klasifikasi instrumen keuangan

Perseroan mengklasifikasikan instrumen keuangan ke dalam klasifikasi tertentu yang mencerminkan sifat dari informasi dan mempertimbangkan karakteristik dari instrumen keuangan tersebut. Klasifikasi ini dapat dilihat pada tabel berikut:

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

c. Financial assets and liabilities (continued)

Classification of financial instruments

The Company classifies the financial instruments into classes that reflects the nature of information and take into account the characteristics of those financial instruments. The classifications are shown in the table below:

Kategori yang didefinisikan oleh PSAK No.55 (Revisi 2014)/ Category as defined by SFAS No.55 (Revised 2014)		Golongan (ditentukan oleh Perseroan)/ Class (as determined by the Company)	Subgolongan/ Subclasses
Aset keuangan/ Financial assets	Pinjaman yang diberikan dan piutang/Loans and receivables	Kas dan setara kas/Cash and cash equivalents	
		- Kas/Cash on hand - Kas pada bank/Cash in banks - Deposito berjangka/Time deposit	
		Piutang pembiayaan konsumen/Consumer financing receivables Piutang sewa pembiayaan/Finance lease receivables Anjak piutang/Factoring receivables	
		Piutang lain-lain/Other receivables	
		Aset lain-lain/Other assets	
		- Piutang karyawan/Employee receivables - Piutang bunga/Interest receivables - Setoran dalam perjalanan/Deposit in transit - Uang jaminan/Security deposit	
	Derivatif lindung nilai/Hedging derivatives	Lindung nilai atas nilai arus kas/Hedging instruments in cash flow hedges - Piutang derivatif/Derivative receivables	
Liabilitas keuangan/ Financial liabilities	Liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi/Financial liabilities at amortized cost	Utang usaha/Trade payables	
		- Utang kendaraan/Vehicle payables - Utang asuransi/Insurance payables	
		Utang lain-lain/Other payables	
		- Kantor pendaftaran fidusia/Fiduciary register office - Premi asuransi/Insurance premium - Pembiayaan bersama/Joint financing Lain-lain/Others	
	Beban bunga yang masih harus dibayar/Accrued interest expenses		
		Pinjaman bank/Bank loans	
		Surat berharga yang diterbitkan/Securities issued	
	Derivatif lindung nilai/Hedging derivatives	Lindung nilai atas nilai arus kas/Hedging instruments in cash flow hedges - Utang Derivatif/ Derivative payables	

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2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
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d. Penentuan nilai wajar

Nilai wajar adalah harga yang akan diterima untuk menjual suatu aset atau harga yang akan dibayar untuk mengalihkan suatu liabilitas dalam transaksi teratur antara pelaku pasar pada tanggal pengukuran. Pengukuran nilai wajar berdasarkan asumsi bahwa transaksi untuk menjual aset atau mengalihkan liabilitas terjadi di:

- pasar utama untuk aset dan liabilitas tersebut, atau
- jika terdapat pasar utama, di pasar yang paling menguntungkan untuk aset atau liabilitas tersebut.

Perseroan harus memiliki akses ke pasar utama atau pasar yang paling menguntungkan tersebut.

Nilai wajar aset dan liabilitas diukur menggunakan asumsi yang akan digunakan pelaku pasar ketika menentukan harga aset atau liabilitas tersebut, dengan asumsi bahwa pelaku pasar bertindak dalam kepentingan ekonomi terbaiknya.

Perseroan menggunakan teknik penilaian yang sesuai dalam keadaan dan dimana data yang memadai tersedia untuk mengukur nilai wajar, memaksimalkan penggunaan input yang tidak dapat diobservasi.

Semua aset dan liabilitas yang nilai wajarnya diukur atau diungkapkan dalam laporan keuangan dikategorikan dalam hirarki nilai wajar, sebagaimana dijelaskan di bawah ini, berdasarkan tingkatan level input yang terendah yang signifikan terhadap pengukuran nilai wajar secara keseluruhan:

- Level 1 - harga kuotasian (tanpa penyesuaian) di pasar aktif untuk aset atau liabilitas yang identik.
- Level 2 - teknik penilaian di mana tingkat level input terendah yang signifikan terhadap pengukuran nilai wajar dapat diobservasi baik secara langsung atau tidak langsung.
- Level 3 - teknik penilaian di mana tingkat level input terendah yang signifikan terhadap pengukuran nilai wajar tidak dapat diobservasi baik secara langsung atau tidak langsung.

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

d. Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- *in the principal market for the asset or liability, or*
- *in the absence of the principal market, in the most advantageous market for the asset or liability.*

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- *Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities.*
- *Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.*
- *Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly unobservable.*

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d. Penentuan nilai wajar (lanjutan)

Untuk aset dan liabilitas yang diukur secara berulang dalam laporan keuangan, Perseroan menentukan apakah perpindahan antar level hirarki telah terjadi dengan melakukan evaluasi pengelompokan (berdasarkan level input yang terendah yang signifikan terhadap pengukuran nilai wajar secara menyeluruh) pada setiap akhir periode pelaporan.

e. Penjabaran mata uang asing

Transaksi dalam mata uang asing dijabarkan ke mata uang Rupiah dengan menggunakan kurs yang berlaku pada tanggal transaksi. Pada tanggal laporan posisi keuangan, aset dan liabilitas moneter dalam mata uang asing dijabarkan dengan kurs yang berlaku pada tanggal laporan posisi keuangan.

Keuntungan dan kerugian selisih kurs yang timbul dari transaksi dalam mata uang asing dan dari penjabaran aset dan liabilitas moneter dalam mata uang asing, diakui pada laporan laba rugi dan penghasilan komprehensif lain.

Kurs yang digunakan untuk menjabarkan aset dan liabilitas moneter dalam mata uang asing pada tanggal 31 Desember 2018 dan 2017 adalah sebagai berikut:

	2018
<u>Mata uang</u>	
Dolar Amerika Serikat (AS\$)	14.481,00
Yen Jepang (JPY ¥)	131,12

f. Kas dan setara kas

Kas dan setara kas mencakup kas, kas di bank dan deposito berjangka dengan jangka waktu jatuh tempo tiga bulan atau kurang, yang tidak dibatasi penggunaannya, tidak digunakan sebagai jaminan atas pinjaman dan dapat segera dijadikan kas tanpa terjadi perubahan nilai yang sangat signifikan.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

d. Determination of fair value (continued)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

e. Foreign currency translation

Transactions denominated in a foreign currency are translated into Rupiah at the exchange rate prevailing at the date of the transaction. At the date of statement of financial position, monetary assets and liabilities in foreign currencies are translated at the exchange rates prevailing at that date.

Exchange gains and losses arising on transactions in foreign currency and on the translation of foreign currency monetary assets and liabilities are recognized in the statement of profit or loss and other comprehensive income.

The exchange rates used to translate the monetary assets and liabilities denominated in foreign currencies as of 31 December 2018 and 2017 are as follows:

	2017	<u>Currency</u>
	13.548,00	United State Dollar (US\$)
	-	Japanese Yen (JPY ¥)

f. Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in banks and time deposits with original maturity of three months or less, which are not restricted and are not pledged as collateral for any borrowing and that are readily convertible to known amounts of cash which are subject to insignificant risk of changes in value.

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g. Piutang pembiayaan konsumen

Piutang pembiayaan konsumen diakui pada awalnya dengan nilai wajar ditambah biaya-biaya transaksi dan dikurangi *yield enhancing income* yang dapat diatribusikan secara langsung dan selanjutnya diukur dengan biaya perolehan diamortisasi menggunakan metode tingkat bunga efektif. Piutang pembiayaan konsumen diklasifikasikan sebagai pinjaman yang diberikan dan piutang. Lihat Catatan 2c untuk kebijakan akuntansi atas pinjaman yang diberikan dan piutang.

Penyelesaian kontrak sebelum masa pembiayaan konsumen berakhir diperlakukan sebagai pembatalan kontrak pembiayaan konsumen dan laba atau rugi yang terjadi diakui dalam laporan laba rugi dan penghasilan komprehensif lain tahun berjalan pada tanggal terjadinya transaksi.

Pendapatan pembiayaan konsumen yang belum diakui merupakan selisih antara jumlah keseluruhan pembayaran angsuran yang akan diterima dari konsumen dan jumlah pokok pembiayaan yang akan diakui sebagai penghasilan sesuai dengan jangka waktu kontrak dengan menggunakan metode tingkat suku bunga efektif.

Restrukturisasi kredit dapat dilakukan dengan cara pengalihan kredit, melanjutkan kredit, mengangsur kembali, merubah jatuh tempo, merubah tenor dan/atau menambah *down payment*.

Kerugian yang timbul dari restrukturisasi kredit yang berkaitan dengan modifikasi persyaratan kredit hanya diakui bila nilai tunai penerimaan kas masa depan yang telah ditentukan dalam persyaratan kredit yang baru, termasuk penerimaan yang diperuntukkan sebagai bunga maupun pokok, adalah lebih kecil dari nilai kredit yang diberikan yang tercatat sebelum restrukturisasi di laporan keuangan.

Pembiayaan bersama

Piutang pembiayaan konsumen merupakan jumlah piutang setelah dikurangi dengan piutang pembiayaan bersama, pendapatan pembiayaan yang belum diakui dan cadangan kerugian penurunan nilai.

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

g. Consumer financing receivables

Consumer financing receivables are recognized initially at fair value, added with directly attributable transactions costs and deducted by yield enhancing income, and subsequently measured at amortized cost using the effective interest rate method. Consumer financing receivables are classified as loans and receivables. Refer to Note 2c for the accounting policy for loans and receivables.

Early termination is treated as a cancellation of an existing contract and the resulting gain or loss is credited or charged to the current year statement of profit or loss and other comprehensive income at the transaction date.

Unearned consumer financing income is the difference between total installments to be received from customers and the total financing which is recognized as income over the term of the contract using the effective interest rate.

Credit restructuring can be done by over contract, asset replacement, repay back, change in due date, change in tenor and/or increase in down payment.

Losses on loan restructuring in respect of modification of the terms of the loans are recognized only if the cash value of total future cash receipt specified in the new terms of the loans, including both receipt designated as interest, and those designated as loan principal, are less than the recorded amounts of loans before restructuring in financial statements.

Joint financing

Consumer financing receivables are stated at net of joint financing receivables, unearned consumer financing income and allowance for impairment losses.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

g. Piutang pembiayaan konsumen (lanjutan)

Pembiayaan bersama (lanjutan)

Piutang pembiayaan konsumen yang dibiayai bersama pihak-pihak lain dimana masing-masing pihak mendapatkan imbalan (*rewards*) dan menanggung risiko kredit sesuai dengan porsi yang disajikan di laporan posisi keuangan secara bersih. Pendapatan administrasi atas pengelolaan pembiayaan bersama disajikan di laporan laba rugi dan penghasilan komprehensif lain.

h. Piutang sewa pembiayaan

Piutang sewa pembiayaan merupakan jumlah piutang sewa pembiayaan ditambah nilai sisa yang akan diterima pada akhir masa sewa pembiayaan dikurangi dengan pendapatan sewa pembiayaan tangguhan, simpanan jaminan dan cadangan kerugian penurunan nilai. Selisih antara nilai piutang usaha bruto dan nilai tunai piutang diakui sebagai pendapatan sewa pembiayaan tangguhan. Pendapatan sewa pembiayaan tangguhan dialokasikan sebagai pendapatan di laporan laba rugi dan penghasilan komprehensif lain tahun berjalan berdasarkan suatu tingkat pengembalian konstan atas investasi bersih dengan menggunakan suku bunga efektif.

Penyewa pembiayaan memiliki hak opsi untuk membeli aset yang disewa-pembiayakannya pada akhir masa sewa pembiayaan dengan harga yang telah disetujui bersama pada saat dimulainya perjanjian sewa pembiayaan.

Penyelesaian kontrak sebelum masa sewa pembiayaan berakhir diperlakukan sebagai pembatalan kontrak sewa dan laba atau rugi yang timbul diakui dalam laporan laba rugi dan penghasilan komprehensif lain tahun berjalan.

Piutang sewa pembiayaan diklasifikasikan sebagai pinjaman yang diberikan dan piutang. Lihat Catatan 2c untuk kebijakan akuntansi atas pinjaman yang diberikan dan piutang.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**g. Consumer financing receivables
(continued)**

Joint financing (continued)

Joint financing receivables where the Company and joint financing providers bear credit risk in accordance with their portion are presented on a net basis in the statement of financial position. Administration income for managing joint financing are presented in the statement of profit or loss and other comprehensive income.

h. Finance lease receivables

Finance lease receivables represent lease receivables plus the residual value at the end of the lease period and stated at net of unearned lease income, security deposits and allowances for impairment losses. The difference between the gross lease receivable and the present value of the lease receivable is recognized as unearned lease income. Unearned lease income is allocated to current year statement of profit or loss and other comprehensive income based on a constant rate of return on the net investment using effective interest rates.

The lessee has the option to purchase the leased asset at the end of the lease period at a price mutually agreed upon at the commencement of the agreement.

Early termination is treated as a cancellation of an existing contract and the resulting gain or loss is credited or charged to the current year statement of profit or loss and other comprehensive income.

Finance lease receivables are classified as loans and receivables. Refer to Note 2c for the accounting policy of loans and receivables.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
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i. Tagihan anjak piutang

Tagihan anjak piutang dicatat berdasarkan jumlah yang dibayar oleh Perseroan yang dihitung berdasarkan persentase tertentu dari nilai piutang. Perbedaan antara jumlah yang dibayar dan jumlah neto piutang dialihkan merupakan pendapatan belum diakui dan diakui sebagai pendapatan selama jangka waktu perjanjian dengan menggunakan tingkat suku bunga efektif (Catatan 2c).

j. Cadangan kerugian penurunan nilai

Perseroan melakukan perhitungan cadangan kerugian penurunan nilai dengan menggunakan metode "incurred losses". Lihat Catatan 2c.

k. Beban dibayar di muka

Beban dibayar di muka diamortisasi selama masa manfaat masing-masing biaya dengan menggunakan metode garis lurus.

l. Aset tetap dan penyusutan

Aset tetap diakui sebesar harga perolehan setelah dikurangi dengan akumulasi penyusutan.

Harga perolehan mencakup semua pengeluaran yang terkait secara langsung dengan perolehan aset tetap.

Biaya pengurusan legal hak atas tanah dalam bentuk Hak Guna Bangunan ("HGB") ketika tanah diperoleh pertama kali diakui sebagai bagian dari biaya perolehan tanah pada akun "Aset Tetap" dan tidak diamortisasi.

Sementara biaya pengurusan atas perpanjangan atau pembaruan legal hak atas tanah dalam bentuk HGB diakui sebagai aset takberwujud dan diamortisasi sepanjang mana yang lebih pendek antara umur hukum hak dan umur ekonomi tanah.

Hak atas tanah tidak diamortisasi.

Aset dalam penyelesaian dinyatakan sebesar biaya perolehan dan akan dipindahkan ke masing-masing aset tetap yang bersangkutan pada saat selesai dan siap digunakan.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

i. Factoring receivables

Factoring receivables are recorded at the amount paid by the Company which are calculated based on certain percentages of the receivable value. The difference in value between the amounts paid by the Company and the net factoring receivable is recognized as unearned income and realized over the period of the contract using the effective interest method (Note 2c).

j. Allowance for impairment losses

The Company calculates the allowance for impairment losses using the "incurred losses" methodology. Refer to Note 2c.

k. Prepaid expenses

Prepaid expenses are amortized over the periods benefited using the straight-line method.

l. Fixed assets and depreciation

Fixed assets are carried at cost less accumulated depreciation.

Acquisition cost covers all expenditure that is directly attributable to the acquisition of the items.

The legal cost of land rights in the form of Building Usage Right (Hak Guna Bangunan or "HGB") when the land was acquired initially are recognized as part of the cost of the land under the "Fixed Assets" account and not amortized.

Meanwhile, the extension or the legal renewal costs of land rights in the form of HGB is recognized as intangible asset and amortized over the shorter of the rights' legal life and land's economic life.

Land rights is not amortized.

Construction in progress is stated at cost and transferred to the respective fixed asset account when completed and ready to use.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

1. Aset tetap dan penyusutan (lanjutan)

1. Fixed assets and depreciation (continued)

Penyusutan aset tetap selain tanah dan bangunan dalam pengerjaan dihitung dengan menggunakan metode garis lurus sepanjang estimasi masa manfaatnya sebagai berikut:

Depreciation on fixed assets other than land and construction in progress are calculated using the straight-line method over their estimated useful lives as follows:

Golongan	Masa manfaat (tahun)/ Useful life (years)	Persentase/ Percentage	Classification
Bangunan	20	5,00%	Buildings
Perabotan dan peralatan kantor	5	20,00%	Furniture and office equipment
Kendaraan	5	20,00%	Vehicles
Renovasi bangunan sewa	3 - 5	20,00% - 33,33%	Leasehold improvement

Aset tetap kecuali tanah dan bangunan dalam pengerjaan disusutkan sampai dengan nilai sisanya.

Fixed assets except land and construction in progress are depreciated to their residual value.

Biaya-biaya setelah pengakuan awal aset diakui sebagai bagian dari nilai tercatat aset atau sebagai aset yang terpisah, sebagaimana seharusnya, hanya apabila kemungkinan besar Perseroan akan mendapatkan manfaat ekonomis di masa depan berkenaan dengan aset tersebut dan biaya perolehan aset dapat diukur dengan andal. Nilai yang terkait dengan penggantian komponen tidak diakui. Biaya perbaikan dan pemeliharaan dibebankan ke dalam laporan laba rugi dan penghasilan komprehensif lain selama periode dimana biaya-biaya tersebut terjadi.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Amounts in respect of replaced parts are derecognized. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the period in which they are incurred.

Nilai residu dan umur manfaat aset ditelaah dan disesuaikan, setiap tanggal laporan posisi keuangan jika diperlukan.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each date of statement of financial position.

Apabila aset tetap tidak digunakan lagi atau dijual, maka nilai tercatat dan akumulasi penyusutannya dikeluarkan dari laporan keuangan dan keuntungan atau kerugian yang dihasilkan dari penjualan aset tetap diakui dalam laporan laba rugi dan penghasilan komprehensif lain.

When assets are retired or otherwise disposed of, their carrying values and the related accumulated depreciation are eliminated from the financial statements and the resulting gain or loss on the disposal of fixed assets is recognized in the statement of profit or loss and other comprehensive income.

Apabila nilai tercatat aset tetap lebih besar dari nilai yang dapat diperoleh kembali, nilai tercatat aset diturunkan menjadi sebesar nilai yang dapat diperoleh kembali.

When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Penilaian dilakukan pada akhir setiap periode pelaporan apakah terdapat indikasi bahwa rugi penurunan nilai yang telah diakui dalam periode sebelumnya mungkin tidak ada lagi atau mungkin telah menurun. Jika indikasi yang dimaksud ditemukan, maka entitas mengestimasi jumlah terpulihkan aset tersebut.

An assessment is made at each reporting period as to whether there is any indication that previously recognized impairment losses recognized may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated

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i. Aset tetap dan penyusutan (lanjutan)

Kerugian penurunan nilai yang telah diakui dalam periode sebelumnya dibalik hanya jika terdapat perubahan asumsi-asumsi yang digunakan untuk menentukan jumlah terpulihkan aset tersebut sejak rugi penurunan nilai terakhir diakui. Dalam hal ini, jumlah tercatat aset dinaikkan ke jumlah terpulihkannya.

Pembalikan rugi penurunan nilai diakui dalam laporan laba rugi dan penghasilan komprehensif lain. Setelah pembalikan tersebut, penyusutan aset tersebut disesuaikan di periode mendatang untuk mengalokasikan jumlah tercatat aset yang direvisi, dikurangi nilai sisanya, dengan dasar yang sistematis selama sisa umur masa manfaatnya.

m. Perpajakan

Pajak Final

Peraturan perpajakan di Indonesia mengatur beberapa jenis penghasilan dikenakan pajak yang bersifat final. Pajak final yang dikenakan atas nilai bruto transaksi tetap dikenakan walaupun atas transaksi tersebut pelaku transaksi mengalami kerugian.

Mengacu pada PSAK No. 46, "Pajak Penghasilan", pajak final tersebut tidak termasuk dalam lingkup yang diatur oleh PSAK No. 46. Oleh karena itu, Perusahaan memutuskan untuk menyajikan beban pajak final sehubungan dengan pendapatan bunga sebagai pos tersendiri.

Pajak Kini

Aset dan liabilitas pajak kini untuk tahun berjalan diukur sebesar jumlah yang diharapkan dapat direstitusi dari atau dibayarkan kepada otoritas perpajakan.

Beban pajak kini ditentukan berdasarkan laba kena pajak tahun berjalan yang dihitung berdasarkan tarif pajak yang berlaku.

Kekurangan/kelebihan pembayaran pajak penghasilan dicatat sebagai bagian dari "Beban Pajak Penghasilan" dalam laporan laba rugi dan penghasilan komprehensif lain. Perusahaan juga menyajikan bunga/denda, jika ada, sebagai bagian dari "Beban Pajak Penghasilan".

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

i. Fixed assets and depreciation (continued)

A previously recognized impairment loss 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.

Reversal of an impairment loss is recognized in the statement of profit or loss and other comprehensive income. After such a reversal, the depreciation charge on the 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.

m. Taxation

Final Tax

Tax regulation in Indonesia determined that certain taxable income is subject to final tax. Final tax applied to the gross value of transactions is applied even when the parties carrying the transaction are recognizing losses.

Referring to PSAK No. 46, "Income Tax", final tax is no longer governed by PSAK No. 46. Therefore, the Company has decided to present all of the final tax arising from interest income as separate line item.

Current Tax

Current income tax assets and liabilities for the current year are measured at the amount expected to be recovered from or paid to the taxation authority.

Current tax expense is determined based on the taxable profit for the year computed using the prevailing tax rates.

Underpayment/overpayment of income tax are presented as part of "Income Tax Expense" in the statement of profit or loss and other comprehensive income. The Company also presented interest/penalty, if any, as part of "Income Tax Expense".

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(lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

m. Perpajakan (lanjutan)

m. Taxation (continued)

Pajak Tangguhan

Deferred Tax

Koreksi terhadap liabilitas perpajakan diakui pada saat surat ketetapan pajak diterima atau, jika diajukan keberatan, pada saat keputusan atas keberatan ditetapkan.

Amendments to tax obligations are recorded when a tax assessment letter is received or, if appealed against, when the result of the appeal is determined.

Aset dan liabilitas pajak tangguhan diakui menggunakan metode posisi keuangan atas konsekuensi pajak pada masa mendatang yang timbul dari perbedaan jumlah tercatat aset dan liabilitas menurut laporan keuangan dengan dasar penerapan pajak aset dan liabilitas pada setiap tanggal pelaporan. Liabilitas pajak tangguhan diakui untuk semua perbedaan temporer kena pajak dan aset pajak tangguhan diakui untuk perbedaan temporer yang boleh dikurangkan dan akumulasi rugi fiskal, sepanjang besar kemungkinan perbedaan temporer yang boleh dikurangkan dan akumulasi rugi fiskal tersebut dapat dimanfaatkan untuk mengurangi laba kena pajak pada masa depan.

Deferred tax assets and liabilities are recognized using the financial position method for the future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities in the financial statements and their respective tax bases at each reporting date. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences and accumulated fiscal losses to the extent that it is probable that taxable profit will be available in future years against which the deductible temporary differences and accumulated fiscal losses can be utilized.

Jumlah tercatat aset pajak tangguhan ditelaah ulang pada akhir setiap periode pelaporan dan diturunkan apabila laba fiskal mungkin tidak memadai untuk mengkompensasi sebagian atau semua manfaat aset pajak tangguhan tersebut. Pada akhir setiap periode pelaporan, Perusahaan menilai kembali aset pajak tangguhan yang tidak diakui. Perusahaan mengakui aset pajak tangguhan yang sebelumnya tidak diakui apabila besar kemungkinan bahwa laba fiskal pada masa depan akan tersedia untuk pemulihannya.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax assets to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Pajak tangguhan dihitung dengan menggunakan tarif pajak yang berlaku atau secara substansial telah berlaku pada tanggal pelaporan. Perubahan nilai tercatat aset dan liabilitas pajak tangguhan yang disebabkan oleh perubahan tarif pajak dibebankan pada usaha tahun berjalan, kecuali untuk transaksi-transaksi yang sebelumnya telah langsung dibebankan atau dikreditkan ke ekuitas.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted at the reporting date. Changes in the carrying amount of deferred tax assets and liabilities due to a change in tax rates are charged to current year operations, except to the extent that they relate to items previously charged or credited to equity.

Aset dan liabilitas pajak tangguhan disajikan secara saling hapus dalam laporan posisi keuangan, kecuali aset dan liabilitas pajak tangguhan untuk entitas yang berbeda, sesuai dengan penyajian aset dan liabilitas pajak kini.

Deferred tax assets and liabilities are offset in the statement of financial position, except if they are for different legal entities, consistent with the presentation of current tax assets and liabilities.

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2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)

n. Imbalan kerja

Imbalan kerja jangka pendek

Imbalan kerja jangka pendek diakui pada saat terutang kepada karyawan berdasarkan metode akrual.

Imbalan pasca-kerja

Imbalan pasca-kerja, seperti pensiun, uang pisah, uang penghargaan, dan imbalan lainnya, ditentukan sesuai dengan Peraturan Perseroan dan Undang-Undang Ketenagakerjaan No. 13/2003 ("UU 13/2003").

Karena UU 13/2003 menentukan rumus tertentu untuk menghitung jumlah minimal imbalan pensiun, pada dasarnya, program pensiun berdasarkan UU 13/2003 adalah program imbalan pasti. Program pensiun imbalan pasti adalah program pensiun yang menentukan jumlah imbalan pensiun yang akan diberikan, biasanya berdasarkan pada satu faktor atau lebih seperti usia, masa kerja atau kompensasi.

Liabilitas program pensiun imbalan pasti yang diakui di laporan posisi keuangan adalah nilai kini liabilitas imbalan pasti pada tanggal laporan posisi keuangan, serta disesuaikan dengan keuntungan atau kerugian aktuarial dan biaya jasa lalu yang belum diakui. Nilai kini liabilitas imbalan pasti dihitung setiap tahun oleh aktuaris independen menggunakan metode *projected unit credit*.

Nilai kini liabilitas imbalan pasti ditentukan dengan mendiskontokan estimasi arus kas keluar masa depan dengan menggunakan tingkat obligasi pemerintah jangka panjang dalam mata uang yang sama dengan mata uang imbalan yang akan dibayarkan dan waktu jatuh tempo yang kurang lebih sama dengan waktu jatuh tempo imbalan yang bersangkutan.

Seluruh biaya jasa lalu diakui pada saat yang lebih dulu antara ketika amandemen/kurtailmen terjadi atau ketika biaya restrukturisasi atau pemutusan hubungan kerja diakui. Sebagai akibatnya, biaya jasa lalu yang belum vested tidak lagi dapat ditangguhkan dan diakui selama periode vesting masa depan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

n. Employee benefits

Short-term employee benefits

Short-term employee benefits are recognized when it is payable to the employees based on accrual method.

Post-employment benefits

Post-employment employee benefits, such as pensions, severance pay, service pay, and other benefits are provided in accordance with the Company's Regulations and Labor Law No. 13/2003 ("Law 13/2003").

Since Law 13/2003 sets the formula for determining the minimum amount of benefits, in substance pension plans under this Law 13/2003 represent defined benefit plans. A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation.

The liability recognized in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the date of statement of financial position, together with adjustments for unrecognized actuarial gains or losses and past service cost. The present value of defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using yields on Indonesian Government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

All past service costs are recognized at the earlier of when the amendment/curtailment occurs and when the related restructuring or termination costs are recognized. As a result, unvested past service costs can no longer be deferred and recognized over the future vesting period.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

n. Imbalan kerja (lanjutan)

Imbalan pasca-kerja (lanjutan)

Bunga neto atas imbalan pasti neto merupakan komponen pendapatan bunga dari aset program, biaya bunga atas liabilitas imbalan pasti dan bunga atas dampak batas atas dari aset.

Pengukuran kembali liabilitas imbalan pasti neto terdiri atas:

- keuntungan dan kerugian aktuarial
- imbal hasil atas aset program, tidak termasuk jumlah yang dimasukkan dalam bunga neto atas liabilitas imbalan pasti neto
- setiap perubahan dampak batas atas aset, tidak termasuk jumlah yang dimasukkan dalam bunga neto atas liabilitas imbalan pasti neto.

Pesangon pemutusan hubungan kerja

Pesangon pemutusan hubungan kerja terutang ketika karyawan dihentikan kontrak kerjanya sebelum usia pensiun normal. Perseroan mengakui pesangon pemutusan hubungan kerja ketika Perseroan menunjukkan komitmennya untuk memutuskan hubungan kerja dengan karyawan berdasarkan suatu rencana formal terperinci yang kecil kemungkinannya untuk dibatalkan. Pesangon yang akan dibayarkan dalam waktu lebih dari 12 bulan setelah tanggal laporan posisi keuangan didiskontokan untuk mencerminkan nilai kini.

o. Saham

Saham biasa diklasifikasikan sebagai ekuitas.

p. Dividen

Pembagian dividen final diakui sebagai liabilitas dalam laporan keuangan pada tanggal dividen tersebut disetujui Rapat Umum Pemegang Saham Perseroan.

q. Laba per saham

Labanya per saham dihitung dengan membagi laba tahun berjalan dengan jumlah rata-rata tertimbang saham biasa yang beredar pada tahun yang bersangkutan.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

n. Employee benefits (continued)

Post-employment benefits (continued)

Net interest on the net defined benefit liabilities is the interest income component of plan assets, interest expense of defined benefit obligation and interest on the effect of asset ceiling.

Remeasurements of the net defined benefit obligation consists of:

- Actuarial gains and losses
- Return on plan assets, excluding amount included in net interest on the net defined benefit obligation
- Any change in effect of the asset ceiling, excluding amount included in net interest on the net defined benefit obligation.

Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date. The Company recognizes termination benefits when it is demonstrably committed to terminate the employment of current employees according to a detailed formal plan and the possibility to withdraw the plan is low. Benefits falling due more than 12 months after statement of financial position's date are discounted to reflect its present value.

o. Share capital

Ordinary shares are classified as equity.

p. Dividends

Final dividend distributions are recognized as a liability in the financial statements at the date when the dividends are approved in the Company's General Meeting of Shareholders.

q. Earnings per share

Earnings per share is calculated by dividing income for the year by the weighted average number of ordinary shares outstanding during the year.

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2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

r. Surat berharga yang diterbitkan

Surat berharga yang diterbitkan meliputi *Medium-Term Notes* dan utang obligasi. Surat berharga yang diterbitkan diklasifikasikan sebagai liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi. Biaya tambahan yang dapat diatribusikan secara langsung dengan penerbitan surat berharga dikurangkan dari jumlah surat berharga yang diterbitkan dan diamortisasi selama jangka waktu surat berharga yang diterbitkan tersebut dengan menggunakan metode suku bunga efektif. Lihat Catatan 2c untuk kebijakan akuntansi atas liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi.

r. Securities issued

Securities issued consist of Medium-Term Notes and bonds payable. Securities issued are classified as financial liabilities at amortized cost. Incremental costs directly attributable to the issuance of securities are deducted from the amount of securities issued and amortized over the period of the securities issued using the effective interest rate method. Refer to Note 2c for the accounting policy of financial liabilities at amortized cost.

s. Transaksi dengan pihak-pihak berelasi

Perseroan mempunyai transaksi dengan pihak berelasi. Definisi pihak berelasi yang dipakai adalah sebagai berikut:

Suatu pihak dianggap berelasi dengan Perseroan jika:

- a. orang atau anggota keluarga dekatnya mempunyai relasi dengan entitas pelapor jika orang tersebut:
 - (i) memiliki pengendalian atau pengendalian bersama atas entitas pelapor;
 - (ii) memiliki pengaruh signifikan atas entitas pelapor; atau
 - (iii) merupakan personil manajemen kunci entitas pelapor atau entitas induk dari entitas pelapor.
- b. suatu entitas berelasi dengan entitas pelapor jika memenuhi salah satu hal berikut:
 - (i) entitas dan entitas pelapor adalah anggota dari kelompok usaha yang sama (artinya entitas induk, entitas anak, dan entitas anak berikutnya saling berelasi dengan entitas lainnya).
 - (ii) satu entitas adalah entitas asosiasi atau ventura bersama dari entitas lain (atau entitas asosiasi atau ventura bersama yang merupakan anggota suatu kelompok usaha, yang mana entitas lain tersebut adalah anggotanya).
 - (iii) kedua entitas tersebut adalah ventura bersama dari pihak ketiga yang sama.
 - (iv) satu entitas adalah ventura bersama dari entitas ketiga dan entitas yang lain adalah entitas asosiasi dari entitas ketiga.

s. Transactions with related parties

The Company has transactions with related parties. The definition of related parties used is as follows:

The Company considers the following as its related parties:

- a. a person or a close member of that person's family is related to a reporting entity if that person:
 - (i) has control or joint control of the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b. an entity is related to a reporting entity if any of the following conditions applies:
 - (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) 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).
 - (iii) both entities are joint ventures of the same third party.
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.

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(lanjutan)**

**s. Transaksi dengan pihak-pihak berelasi
(lanjutan)**

- b. suatu entitas berelasi dengan entitas pelapor jika memenuhi salah satu hal berikut: (lanjutan)
- (v) entitas tersebut adalah suatu program imbalan pascakerja untuk imbalan kerja dari salah satu entitas pelapor atau entitas yang terkait dengan entitas pelapor. Jika entitas pelapor adalah entitas yang menyelenggarakan program tersebut, maka entitas sponsor juga berelasi dengan entitas pelapor.
 - (vi) entitas yang dikendalikan atau dikendalikan bersama oleh orang yang diidentifikasi dalam huruf (a).
 - (vii) orang yang diidentifikasi dalam huruf (a)(i) memiliki pengaruh signifikan atas entitas atau merupakan personel manajemen kunci entitas (atau entitas induk dari entitas).

Seluruh transaksi dengan pihak-pihak berelasi telah diungkapkan di catatan atas laporan keuangan.

t. Instrumen keuangan derivatif

Instrumen derivatif diakui pertama-tama pada nilai wajar pada saat kontrak tersebut dilakukan, dan selanjutnya diukur pada nilai wajarnya. Derivatif dicatat sebagai aset apabila memiliki nilai wajar positif dan sebagai liabilitas apabila memiliki nilai wajar negatif.

Metode pengakuan keuntungan atau kerugian dari perubahan nilai wajar tergantung pada apakah derivatif tersebut adalah instrumen lindung nilai, dan sifat dari unsur yang dilindungi nilainya.

Perseroan menggunakan instrumen keuangan derivatif, pertukaran (swap) mata uang asing dan tingkat suku bunga, sebagai bagian dari aktivitas manajemen untuk melindungi dampak risiko mata uang asing dan tingkat suku bunga atas pinjaman Perusahaan. Perusahaan menerapkan akuntansi lindung nilai arus kas pada saat transaksi tersebut memenuhi kriteria perlakuan akuntansi lindung nilai.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**s. Transactions with related parties
(continued)**

- b. an entity is related to a reporting entity if any of the following conditions applies: (continued)
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - (vi) the entity is controlled or jointly controlled by a person identified in (a).
 - (vii) a person identified in (a)(i) 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 transactions with related parties are disclosed in the notes to the financial statements.

t. Derivative financial instruments

Derivative instruments are initially recognized at fair value on the date the contracts are entered into and are subsequently re-measured at their fair values. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The method of recognizing the fair value 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 Company uses derivative instruments, cross currency and interest rate swap as part of its management activities to manage exposures to foreign currency and interest rate on the Company's bank loan. The Company applies cash flow hedge accounting when transactions meet the specified criteria for hedge accounting treatment.

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2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

t. Instrumen keuangan derivatif (lanjutan)

t. Derivative financial instruments
(continued)

Pada saat terjadinya transaksi, Perseroan membuat dokumentasi mengenai hubungan antara instrumen lindung nilai dan unsur yang dilindungi nilainya, juga tujuan manajemen risiko dan strategi yang diterapkan dalam melakukan transaksi lindung nilai. Proses dokumentasi ini menghubungkan derivatif yang ditujukan sebagai lindung nilai dengan aset dan liabilitas tertentu atau dengan komitmen penuh tertentu atau transaksi yang diperkirakan.

The Company documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking hedge transactions. This process includes linking all derivatives designated as hedges to specific assets and liabilities or to specific firm commitments or forecast transactions.

Pada saat terjadinya transaksi lindung nilai dan pada periode berikutnya, Perseroan juga membuat dokumentasi atas penilaian apakah derivatif yang digunakan sebagai transaksi lindung nilai memiliki efektivitas yang tinggi dalam menandingi (offsetting) perubahan nilai wajar atau arus kas dari unsur yang dilindungi nilainya.

The Company also documents its assessment, both at the hedge inception and on an ongoing basis, as to whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

Lindung nilai dinyatakan efektif oleh Perseroan hanya jika memenuhi kriteria sebagai berikut:

The Company assesses a hedge as highly effective only if the following criteria are met:

- i) pada saat terjadinya dan sepanjang umur transaksi lindung nilai memiliki efektivitas yang tinggi dalam menandingi (offsetting) perubahan nilai wajar atau arus kas yang melekat pada risiko - risiko yang dilindungi nilainya dan
- ii) tingkat efektivitas lindung nilai berkisar antara 80% sampai dengan 125%. Perusahaan menghentikan penerapan akuntansi lindung nilai ketika derivatif tersebut tidak atau tidak lagi efektif; ketika instrumen lindung nilai kadaluwarsa atau dijual, dihentikan atau dibayar, pada saat unsur yang dilindungi tersebut jatuh tempo, dijual atau dibayar kembali; atau ketika transaksi yang diperkirakan akan terjadi tidak lagi diperkirakan akan terjadi.

- i) At inception of the hedge and throughout its life, the hedge is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risks, and*
- ii) Actual results of the hedge are within a range of 80% to 125%. The Company discontinues hedge accounting when it determines that a derivative is not, or has ceased to be, highly effective as a hedge; when the derivative expires or is sold, terminated or exercised; when the hedged item matures, is sold or repaid; or when a forecast transaction is no longer deemed highly probable.*

Bagian yang efektif atas perubahan nilai wajar derivatif yang ditujukan dan memenuhi kualifikasi sebagai lindung nilai arus kas, diakui sebagai "penghasilan komprehensif lain" pada bagian ekuitas. Keuntungan atau kerugian atas bagian yang tidak efektif diakui langsung sebagai laba atau rugi. Jumlah akumulasi keuntungan atau kerugian dalam ekuitas dibebankan sebagai laba atau rugi komprehensif ketika unsur yang dilindungi nilainya mempengaruhi laba neto.

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges are recognized in "other comprehensive income" and reported to equity. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss. Amounts accumulated in equity are recycled to profit or loss in the periods in which the hedged item will affect net profit.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

t. Instrumen keuangan derivatif (lanjutan)

Ketika instrumen lindung nilai kadaluwarsa atau dijual, dihentikan, dilaksanakan, atau tidak lagi memenuhi kriteria akuntansi lindung nilai, keuntungan atau kerugian kumulatif yang ditangguhkan di ekuitas tetap diakui pada "penghasilan komprehensif lain" dan direklasifikasi ke laba rugi ketika item yang dilindungi nilai diakui dalam laporan laba rugi dan penghasilan komprehensif lain.

u. Pengakuan pendapatan dan beban

Pendapatan dari pembiayaan konsumen dan sewa pembiayaan, komisi asuransi dan biaya jasa perantara asuransi serta beban bunga untuk semua instrumen keuangan dengan *interest bearing* diakui sesuai dengan jangka waktu kontrak berdasarkan metode suku bunga efektif.

Metode suku bunga efektif adalah metode yang digunakan untuk menghitung biaya perolehan diamortisasi dari aset keuangan atau liabilitas keuangan dan metode untuk mengalokasikan pendapatan bunga atau beban bunga selama periode yang relevan. Suku bunga efektif adalah suku bunga yang secara tepat mendiskontokan estimasi pembayaran atau penerimaan kas di masa datang selama perkiraan umur dari instrumen keuangan, atau jika lebih tepat, digunakan periode yang lebih singkat untuk memperoleh nilai tercatat bersih dari aset keuangan atau liabilitas keuangan.

Pada saat menghitung suku bunga efektif, Perseroan mengestimasi arus kas dengan mempertimbangkan seluruh persyaratan kontraktual dalam instrumen keuangan tersebut, namun tidak mempertimbangkan kerugian kredit di masa datang. Perhitungan ini mencakup biaya transaksi dan pendapatan administrasi.

Pendapatan bunga bank dan denda keterlambatan pembayaran diakui pada saat terjadinya. Pendapatan bunga bank disajikan secara bruto pada laporan laba rugi dan penghasilan komprehensif lain.

Pendapatan dan beban diakui pada saat terjadinya, menggunakan dasar akrual.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**t. Derivative financial instruments
(continued)**

When the hedging instrument expires or sold, terminated, exercised or no longer qualifies for hedge accounting, the cumulative amount deferred in equity remains in the "other comprehensive income" and is subsequently transferred to profit or loss when the hedged item is recognized in the statement of profit or loss and other comprehensive income.

u. Income and expense recognition

Income from consumer financing and finance lease, insurance commission and insurance brokerage fee and expense for all interest bearing financial instruments are recognized over the term of the respective contracts using the effective interest rate method.

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instruments but does not consider future credit losses. These calculations include transaction costs and administration income.

Interest income and late payment penalties are recognized upon receipt. Interest income is presented on a gross basis in the statement of profit or loss and other comprehensive income.

Income and expense are recognized as incurred on an accrual basis.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

v. Segmen Operasi

Segmen operasi adalah suatu komponen dari entitas, dimana:

- i. yang terlibat dalam aktivitas bisnis yang memperoleh pendapatan dan menimbulkan beban (termasuk pendapatan dan beban yang terkait dengan transaksi dengan komponen lain dari entitas yang sama);
- ii. hasil operasinya dikaji ulang secara berkala oleh kepala operasional untuk pembuatan keputusan tentang sumber daya yang dialokasikan pada segmen tersebut dan menilai kinerjanya; dan,
- iii. tersedia informasi keuangan yang dapat dipisahkan.

Perseroan menyajikan segmen operasi berdasarkan informasi yang disiapkan secara internal untuk pengambil keputusan operasional. Pengambil keputusan operasional Perseroan adalah Direksi.

Segmen operasi Perseroan disajikan berdasarkan segmen usaha yang terdiri dari *fleet* dan *retail* (lihat Catatan 30).

w. Perubahan kebijakan akuntansi dan pengungkapan

Perseroan telah menerapkan standar akuntansi berikut pada tanggal 1 Januari 2018 yang dianggap relevan:

- Amandemen PSAK No. 2: Laporan Arus Kas tentang Prakarsa Pengungkapan, berlaku efektif 1 Januari 2018, dengan penerapan dini diperkenankan.

Amandemen ini mensyaratkan entitas untuk menyediakan pengungkapan yang memungkinkan pengguna laporan keuangan untuk mengevaluasi perubahan pada liabilitas yang timbul dari aktivitas pendanaan, termasuk perubahan yang timbul dari arus kas maupun perubahan non-kas.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

v. Operating Segment

An operating segment is a component of an entity which:

- i. involves with business activities to generate income and expenses (including income and expenses relating to the transactions with other components with the same entity);
- ii. operation result is observed regularly by chief decision maker to make decisions regarding the allocation of resources and to evaluate the works; and,
- iii. separate financial information is available.

The Company presents operating segments based on the information that is internally provided to the chief operating decision maker. The Company's chief operating decision makers are the Directors.

The Company discloses the operating segment and presented based on business segment which consists of *fleet* and *retail* (refer to Note 30).

w. Changes in accounting policies and disclosures

The Company adopted the following accounting standards, which are considered relevant, starting on 1 January 2018:

- Amendments to SFAS 2: Statement of Cash Flows on the Disclosures Initiative, effective 1 January 2018, with earlier application is permitted.

These amendments require entities to provide disclosures that enable the financial statements users to evaluate the changes in liabilities arising from financing activities, including changes from cash flow and non-cash.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

w. Perubahan kebijakan akuntansi dan pengungkapan (lanjutan)

Perseroan telah menerapkan standar akuntansi berikut pada tanggal 1 Januari 2018 yang dianggap relevan: (lanjutan)

- Amandemen PSAK No. 46: Pajak Penghasilan tentang Pengakuan Aset Pajak Tangguhan untuk Rugi yang Belum Direalisasi, berlaku efektif 1 Januari 2018, dengan penerapan dini diperkenankan.

Amandemen ini mengklarifikasi bahwa untuk menentukan apakah laba kena pajak akan tersedia sehingga perbedaan temporer yang dapat dikurangkan dapat dimanfaatkan; estimasi atas kemungkinan besar laba kena pajak masa depan dapat mencakup pemulihan beberapa aset entitas melebihi jumlah tercatatnya.

Perseroan telah menganalisa penerapan standar akuntansi di atas tidak memiliki pengaruh yang signifikan terhadap laporan keuangan.

3. PERTIMBANGAN, ESTIMASI DAN ASUMSI AKUNTANSI YANG SIGNIFIKAN

Penyusunan laporan keuangan Perseroan mengharuskan manajemen untuk membuat pertimbangan, estimasi dan asumsi yang mempengaruhi jumlah yang dilaporkan atas pendapatan, beban, aset dan liabilitas dan pengungkapan atas liabilitas kontinjensi, pada akhir periode pelaporan.

Ketidakpastian mengenai asumsi dan estimasi tersebut dapat mengakibatkan penyesuaian material terhadap nilai tercatat aset dan liabilitas dalam periode pelaporan berikutnya.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

w. Changes in accounting policies and disclosures (continued)

The Company adopted the following accounting standards, which are considered relevant, starting on 1 January 2018: (continued)

- Amendments to SFAS No. 46: Income Taxes on the Recognition of Deferred Tax Assets for Unrealized Losses, effective 1 January 2018, with earlier application is permitted.

These amendments clarify that to determine whether the taxable income will be available so that the deductible temporary differences can be utilized; estimates of the most likely future taxable income can include recovery of certain assets of the entity exceeds its carrying amount.

The Company has assessed that the adoption of the above mentioned accounting standards do not have significant impact to the financial statements.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset and liability affected in future periods.

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3. PERTIMBANGAN, ESTIMASI DAN ASUMSI
AKUNTANSI YANG SIGNIFIKAN (lanjutan)

Pertimbangan

Pertimbangan berikut ini dibuat oleh manajemen dalam rangka penerapan kebijakan akuntansi Perseroan yang memiliki pengaruh paling signifikan atas jumlah yang diakui dalam laporan keuangan:

Klasifikasi aset dan liabilitas keuangan

Aset keuangan dan liabilitas keuangan diakui sesuai dengan kebijakan akuntansi Perseroan seperti diungkapkan pada Catatan 2c.

Sewa

Perseroan mempunyai perjanjian-perjanjian sewa dimana perseroan bertindak sebagai *lessee* untuk sewa tempat. Perseroan mengevaluasi apakah terdapat risiko dan manfaat yang signifikan dari aset sewa yang diahlikan, yang mensyaratkan Perseroan untuk membuat pertimbangan dengan estimasi dari pengalihan risiko dan manfaat terkait dengan kepemilikan aset.

Berdasarkan hasil penelaahan yang dilakukan Perseroan atas perjanjian sewa tempat yang ada saat ini, maka transaksi sewa tersebut diklasifikasikan sebagai sewa operasi.

Estimasi dan Asumsi

a. Cadangan kerugian penurunan nilai

Perseroan melakukan revidasi atas piutang yang diberikan pada setiap tanggal laporan untuk melakukan penilaian atas cadangan penurunan nilai yang telah dicatat. Justifikasi manajemen diperlukan dalam menentukan tingkat cadangan yang dibutuhkan.

Perseroan membentuk cadangan kerugian penurunan nilai kolektif atas eksposur piutang, dimana evaluasi dilakukan berdasarkan data kerugian historis (lihat Catatan 2c).

3. SIGNIFICANT ACCOUNTING JUDGEMENTS,
ESTIMATES AND ASSUMPTIONS (continued)

Judgments

The following judgments are made by management in the process of applying the Company's accounting policies that have the most significant effects on the amounts recognized in the financial statements:

Classification of financial assets and financial liabilities

The financial assets and financial liabilities are accounted for in accordance with the Company's accounting policies disclosed in Note 2c.

Leases

The Company has several leases whereby the Company act as lessee in respect of rental location. The Company evaluates whether significant risks and rewards of ownership of the leased assets are transferred which requires the Company to make judgment and estimates of the transfer of risks and rewards related to the ownership of assets.

Based on the review performed by the Company for the current rental agreement of rental location accordingly, the rent transactions were classified as operating lease.

Estimates and Assumptions

a. Allowance for impairment losses

The Company reviews its receivables at reporting date to evaluate the allowance for impairment losses. Management's judgment is applied in the estimation when determining the level of allowance required.

The Company estimates the collective impairment allowance for its receivables portfolio based on historical loss experience (refer to Note 2c).

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**3. PERTIMBANGAN, ESTIMASI DAN ASUMSI
AKUNTANSI YANG SIGNIFIKAN (lanjutan)**

Estimasi dan Asumsi (lanjutan)

b. Imbalan pasca kerja

Imbalan pasca kerja ditentukan berdasarkan perhitungan aktuarial. Perhitungan aktuarial menggunakan asumsi-asumsi seperti tingkat diskonto, tingkat pengembalian investasi, tingkat kenaikan gaji, tingkat kematian, tingkat pengunduran diri dan lain-lain. Perubahan asumsi ini akan mempengaruhi jumlah tercatat liabilitas imbalan pasca kerja (lihat Catatan 2n).

c. Penyusutan dan estimasi umur manfaat aset tetap

Biaya perolehan aset tetap disusutkan dengan menggunakan metode garis lurus berdasarkan estimasi masa manfaat ekonomisnya. Manajemen mengestimasi masa manfaat ekonomis aset tetap seperti diungkapkan pada Catatan 2l. Ini adalah umur yang secara umum diharapkan dalam industri dimana Perusahaan menjalankan bisnisnya. Perubahan tingkat pemakaian dan perkembangan teknologi dapat mempengaruhi masa manfaat ekonomis dan nilai sisa aset, dan karenanya biaya penyusutan masa depan mungkin direvisi.

d. Pajak penghasilan

Pertimbangan signifikan dilakukan dalam menentukan provisi atas pajak penghasilan badan. Terdapat transaksi dan perhitungan tertentu yang penentuan pajak akhirnya adalah tidak pasti sepanjang kegiatan usaha normal. Perusahaan mengakui liabilitas atas pajak penghasilan badan berdasarkan estimasi apakah terdapat tambahan pajak penghasilan badan.

e. Pajak tangguhan

Aset pajak tangguhan diakui atas jumlah pajak penghasilan terpulihkan (*recoverable*) pada periode mendatang sebagai akibat perbedaan temporer yang boleh dikurangkan.

Justifikasi manajemen diperlukan untuk menentukan jumlah aset pajak tangguhan yang dapat diakui, sesuai dengan waktu yang tepat dan tingkat laba fiskal di masa mendatang sejalan dengan strategi rencana perpajakan ke depan (Catatan 2m).

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**3. SIGNIFICANT ACCOUNTING JUDGEMENTS,
ESTIMATES AND ASSUMPTIONS (continued)**

Estimates and Assumptions (continued)

b. Post-employment benefits

Post-employment benefits are determined based on actuarial valuation. The actuarial valuation involves making assumptions about discount rate, expected rate of return, on investments, future salary increases, mortality rate, resignation rate and others. Any changes in these assumptions will impact the carrying amount of post-employment benefits obligations (refer to Note 2n).

c. Depreciation and estimated useful lives of fixed assets

The costs of fixed assets are depreciated on a straight-line method over their estimated useful lives. Management properly estimates the useful lives of these fixed assets as disclosed in Note 2l. These are common life expectancies applied in the industries where the Company conducts its businesses. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised.

d. Income tax

Significant judgment is involved in determining provision for corporate income tax. There are certain transaction and computation for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for expected corporate income tax issues based on estimates of whether additional corporate income tax will be due.

e. Deferred tax assets

Deferred tax assets are recognized for the future recoverable taxable income arising from temporary difference.

Management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing on level of future taxable profits together with future strategic planning (Note 2m).

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4. KAS DAN SETARA KAS

4. CASH AND CASH EQUIVALENTS

	<u>31 Desember/ December 2018</u>	<u>31 Desember/ December 2017</u>	
Kas	12.863	20.198	Cash on hand
Kas pada bank			Cash in banks
Pihak ketiga			Third parties
<u>Rupiah</u>			<u>Rupiah</u>
MUFG Bank, Ltd., Cabang Jakarta (dahulu Bank of Tokyo Mitsubishi UFJ, Ltd, Cabang Jakarta)	55.803	5	MUFG Bank, Ltd., Jakarta Branch (formerly Bank of Tokyo Mitsubishi UFJ, Ltd, Jakarta Branch)
PT Bank UOB Indonesia	47.847	5	PT Bank UOB Indonesia
PT Bank Central Asia Tbk	1.454	8.280	PT Bank Central Asia Tbk
PT BPR Karyajatnika Sadaya	595	391	PT BPR Karyajatnika Sadaya
PT Bank Mega Tbk	54	54	PT Bank Mega Tbk
PT Bank Panin Tbk	25	47	PT Bank Panin Tbk
PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk	18	30	PT Bank Pembangunan Daerah Jawa Barat and Banten Tbk
PT Bank Danamon Indonesia Tbk	17	17	PT Bank Danamon Indonesia Tbk
PT Bank OCBC NISP Tbk	16	20	PT Bank OCBC NISP Tbk
PT Bank DKI	16	17	PT Bank DKI
PT Maybank Indonesia Tbk	16	5	PT Maybank Indonesia Tbk
PT Bank KEB Hana Indonesia	14	24	PT Bank KEB Hana Indonesia
Bank of China Limited Cabang Jakarta	14	23	Bank of China Limited Jakarta Branch
PT Bank CTBC Indonesia	14	14	PT Bank CTBC Indonesia
PT Bank HSBC Indonesia	14	11	PT Bank HSBC Indonesia
PT Bank Tabungan Pensiunan Nasional Tbk	4	-	PT Bank Tabungan Pensiunan Nasional Tbk
PT Bank Mizuho Indonesia	2	-	PT Bank Mizuho Indonesia
PT Bank Bukopin Tbk	-	1	PT Bank Bukopin Tbk
	<u>105.923</u>	<u>8.944</u>	
Pihak berelasi			Related parties
<u>Rupiah</u>			<u>Rupiah</u>
PT Bank Mandiri (Persero) Tbk	85.763	79.640	PT Bank Mandiri (Persero) Tbk
PT Bank Rakyat Indonesia (Persero) Tbk	384	1.734	PT Bank Rakyat Indonesia (Persero) Tbk
PT Bank Mandiri Taspen	7	7	PT Bank Mandiri Taspen
PT Bank Negara Indonesia (Persero) Tbk	-	27	PT Bank Negara Indonesia (Persero) Tbk
	<u>86.154</u>	<u>81.408</u>	
Deposito berjangka			Time deposits
Pihak Berelasi			Related Parties
<u>Rupiah</u>			<u>Rupiah</u>
PT Bank Mandiri Taspen	50.000	50.000	PT Bank Mandiri Taspen
	<u>254.940</u>	<u>160.550</u>	

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4. KAS DAN SETARA KAS (lanjutan)

Tingkat suku bunga deposito berjangka dan giro dalam mata uang Rupiah untuk tahun yang berakhir pada tanggal 31 Desember 2018 dan 2017, berkisar sebagai berikut:

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December	
	2018	2017
Deposito	6,75%	7,25%
Giro	0% - 2,75%	0,00% - 1,90%

Penempatan deposito pada PT Bank Mandiri Taspen (dahulu PT Bank Mandiri Taspen Pos) sebesar Rp50.000 adalah penempatan atas dana hasil usaha yang berasal dari laba neto Perseroan seperti yang dipersyaratkan oleh Undang-Undang No. 40 pasal 70 tentang "Perseroan Terbatas" yaitu kewajiban perusahaan untuk melakukan pencadangan hingga mencapai paling sedikit 20% dari modal ditempatkan dan disetor penuh.

Lihat Catatan 26a untuk rincian saldo dan transaksi dengan pihak berelasi.

4. CASH AND CASH EQUIVALENTS (continued)

The interest rates for time deposits and current accounts for the year ended 31 December 2018 and 2017, are as follows:

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December	
	2018	2017
Time deposits	6,75%	7,25%
Current accounts	0% - 2,75%	0,00% - 1,90%

Placement of time deposit at PT Bank Mandiri Taspen (formerly PT Bank Mandiri Taspen Pos) amounting to Rp50,000 represents the placement of the funds derived from the Company's net income as required by Law No. 40 article 70 concerning "Limited Liability Companies" whereby the Company shall make a reserve up to a least 20% of the issued and fully paid up capital.

Refer to Note 26a for details of balances and transaction with related parties.

5. PIUTANG PEMBIAYAAN KONSUMEN

	31 Desember/ December 2018	31 Desember/ December 2017
Piutang pembiayaan konsumen - bruto	46.569.692	41.546.201
Dikurangi:		
Piutang pembiayaan yang dibiayai bersama pihak-pihak lain - bruto:		
<u>Rupiah</u>		
Pihak berelasi	(30.185.424)	(26.751.546)
Piutang pembiayaan konsumen - bruto: Pembiayaan sendiri	16.384.268	14.794.655
Dikurangi:		
Pendapatan pembiayaan konsumen yang belum diakui		
<u>Rupiah</u>		
Pihak Ketiga	(7.559.236)	(7.061.514)
Dikurangi:		
Pendapatan yang belum diakui dari pembiayaan yang dibiayai bersama pihak-pihak lain - bruto:		
<u>Rupiah</u>		
Pihak berelasi	4.108.332	3.719.370
Pendapatan pembiayaan konsumen yang belum diakui: Pembiayaan sendiri	(3.450.904)	(3.342.144)
Piutang pembiayaan konsumen	12.933.364	11.452.511
Dikurangi:		
Cadangan kerugian penurunan nilai	(303.884)	(271.205)
Neto	12.629.480	11.181.306

5. CONSUMER FINANCING RECEIVABLES

Consumer financing receivables - gross	46.569.692	41.546.201
Less:		
Joint financing - gross:		
<u>Rupiah</u>		
Related parties	(30.185.424)	(26.751.546)
Consumer financing receivables - gross: Direct financing	16.384.268	14.794.655
Less:		
Unearned income on consumer financing		
<u>Rupiah</u>		
Third parties	(7.559.236)	(7.061.514)
Less:		
Unearned joint financing - gross:		
<u>Rupiah</u>		
Related parties	4.108.332	3.719.370
Unearned income on consumer financing: Direct financing	(3.450.904)	(3.342.144)
Consumer Finance Receivables	12.933.364	11.452.511
Less:		
Allowance for impairment losses	(303.884)	(271.205)
Net	12.629.480	11.181.306

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5. PIUTANG PEMBIAYAAN KONSUMEN (lanjutan)

Seluruh kontrak pembiayaan yang disalurkan Perseroan adalah untuk kendaraan bermotor, multiguna, investasi, dan modal kerja.

Jangka waktu kontrak pembiayaan yang disalurkan oleh Perseroan atas kendaraan bermotor berkisar antara 12 - 84 bulan.

Angsuran dari saldo piutang pembiayaan konsumen - bruto per 31 Desember 2018 dan 2017 yang akan diterima dari konsumen berdasarkan tanggal jatuh temponya adalah sebagai berikut:

	31 Desember/ December 2018	31 Desember/ December 2017	
<u>Tahun</u>			
2018	-	16.755.018	2018
2019	19.007.202	12.317.949	2019
2020	13.855.149	7.660.716	2020
2021	8.552.024	3.653.352	2021
2022	4.011.982	1.099.565	2022
2023 dan sesudahnya	1.143.335	59.601	2023 and onward
	46.569.692	41.546.201	

5. CONSUMER FINANCING RECEIVABLES (continued)

All consumer financing contracts provided by Company are for motor vehicles, multipurpose, investment, and working capital.

The period of consumer financing contracts for motor vehicles ranged between 12 - 84 months.

Installments of consumer financing receivables - gross balance as of 31 December 2018 and 2017 which will be received from customers based on the maturity dates, are as follows:

Rata-rata suku bunga efektif yang dikenakan kepada konsumen untuk tahun yang berakhir pada tanggal 31 Desember 2018 dan 2017, adalah sebagai berikut:

Average effective interest rates charged to customers for the years ended 31 December 2018 and 2017, are as follows:

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Mobil	12,64%	12,97%	Car
Sepeda Motor	14,03%	13,39%	Motorcycle
Investasi	13,50%	13,50%	Investment
Multiguna	17,86%	17,63%	Multipurpose
Modal Kerja	9,34%	10,36%	Working Capital

Analisa umur piutang pembiayaan konsumen - bruto adalah sebagai berikut:

The aging analysis of consumer financing receivables - gross, are as follows:

	31 Desember/ December 2018	31 Desember/ December 2017	
Belum jatuh tempo	43.978.864	39.403.525	Current
Lewat jatuh tempo:			Overdue:
1 - 90 hari	2.191.715	1.799.950	1 - 90 days
91 - 120 hari	180.103	139.881	91 - 120 days
121 - 180 hari	200.498	177.069	121 - 180 days
> 180 hari	18.512	25.776	> 180 days
	46.569.692	41.546.201	

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5. PIUTANG PEMBIAYAAN KONSUMEN (lanjutan)

Mutasi cadangan kerugian penurunan nilai untuk tahun yang berakhir pada tanggal 31 Desember 2018 dan 2017 adalah sebagai berikut:

	31 Desember/ December 2018
Saldo awal	271.205
Penyisihan untuk tahun berjalan	394.619
Penghapusan piutang ragu-ragu	(513.552)
Pemulihan kembali piutang yang telah dihapusbukukan	151.612
Saldo akhir	303.884

Seluruh piutang pembiayaan konsumen pada tanggal 31 Desember 2018 dan 2017 dievaluasi secara kolektif terhadap penurunan nilai dan Perseroan telah mencadangkan sejumlah cadangan kerugian penurunan nilai.

Piutang pembiayaan konsumen yang direstrukturisasi pada tanggal 31 Desember 2018 adalah sebesar 0,3574% dari saldo piutang pembiayaan konsumen - bruto (31 Desember 2017: 0,0425%).

Pada tanggal 31 Desember 2018, piutang pembiayaan konsumen yang digunakan sebagai jaminan atas pinjaman bank yang diterima oleh Perseroan dan utang obligasi seperti yang masing-masing dijelaskan pada Catatan 15 dan 17 adalah sejumlah Rp8.109.979 (31 Desember 2017: Rp6.674.756).

Manajemen berkeyakinan bahwa cadangan kerugian penurunan nilai tersebut adalah cukup untuk menutupi kemungkinan kerugian dari tidak tertagihnya piutang pembiayaan konsumen.

5. CONSUMER FINANCING RECEIVABLES (continued)

The movements in the allowance for impairment losses for years ended 31 December 2018 and 2017, are as follows:

	31 Desember/ December 2017	
	298.650	<i>Beginning balance</i>
	434.774	<i>Provision for the year</i>
	(533.362)	<i>Receivables written-off</i>
	71.143	<i>Recovery from receivables written-off</i>
	271.205	<i>Ending balance</i>

All consumer financing receivables as of 31 December 2018 and 2017 are collectively evaluated for impairment and the Company has provided some allowance for impairment losses.

The percentage of restructured consumer financing receivables as of 31 December 2018 is 0.3574% of the consumer financing receivables balance - gross (31 December 2017: 0.0425%).

As of 31 December 2018, total consumer financing receivables pledged as collateral for bank loans and bonds payable as disclosed respectively in Notes 15 and 17 amounted to Rp8,109,979 (31 December 2017: Rp6,674,756).

Management believes that the allowance for impairment losses is sufficient to cover any possible losses from uncollectible consumer financing receivables.

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6. PIUTANG SEWA PEMBIAYAAN

6. FINANCE LEASE RECEIVABLES

	31 Desember/ December 2018	31 Desember/ December 2017	
Piutang sewa pembiayaan			<i>Finance lease receivables</i>
Piutang sewa pembiayaan - bruto	5.160.930	2.756.597	<i>Finance lease receivables - gross</i>
Dikurangi:			<i>Less:</i>
Piutang sewa pembiayaan yang dibiayai bersama pihak-pihak lain - bruto:			<i>Joint financing - gross :</i>
<u>Rupiah</u>			<u>Rupiah</u>
Pihak berelasi	(1.243.484)	-	<i>Related parties</i>
Nilai sisa yang terjamin	1.631.185	796.442	<i>Guaranteed residual value</i>
Piutang sewa pembiayaan - bruto: Pembiayaan sendiri	5.548.631	3.553.039	<i>Finance lease receivables – gross: Direct financing</i>
Dikurangi:			<i>Less:</i>
Pendapatan sewa pembiayaan yang belum diakui:			<i>Unearned income on finance lease receivables:</i>
<u>Rupiah</u>			<u>Rupiah</u>
Pihak ketiga	(692.570)	(391.968)	<i>Third parties</i>
Simpanan jaminan	(1.631.185)	(796.442)	<i>Security deposit</i>
Dikurangi:			<i>Less:</i>
Pendapatan yang belum diakui dari pembiayaan yang dibiayai bersama pihak-pihak lain - bruto:			<i>Unearned joint financing – gross:</i>
<u>Rupiah</u>			<u>Rupiah</u>
Pihak berelasi	103.513	-	<i>Related parties</i>
Pendapatan sewa pembiayaan yang belum diakui: Pembiayaan sendiri	(2.220.242)	(1.188.410)	<i>Unearned lease income financing: Direct financing</i>
Piutang sewa pembiayaan	3.328.389	2.364.629	<i>Finance lease receivables</i>
Cadangan kerugian penurunan nilai	(9.286)	(7.739)	<i>Allowance for impairments losses</i>
Neto	3.319.103	2.356.890	Net

Jangka waktu kontrak pembiayaan yang disalurkan oleh Perseroan atas kendaraan bermotor dan alat berat berkisar antara 12 - 60 bulan.

The period of consumer financing contracts for motor vehicles and heavy equipment ranged between 12 - 60 months.

Piutang sewa pembiayaan - bruto sesuai dengan tanggal jatuh temponya sebagai berikut:

Finance lease receivables - gross based on maturity date, are as follows:

	31 Desember/ December 2018	31 Desember/ December 2017	
<u>Tahun</u>			<u>Year</u>
2018	-	1.224.643	2018
2019	2.473.702	949.452	2019
2020	1.824.280	510.070	2020
2021	727.172	65.315	2021
2022 dan seterusnya	135.776	7.117	2022 and onward
	5.160.930	2.756.597	

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6. PIUTANG SEWA PEMBIAYAAN (lanjutan)

Mutasi cadangan kerugian penurunan nilai untuk tahun yang berakhir pada tanggal tanggal 31 Desember 2018 dan 2017 adalah sebagai berikut:

	31 Desember/ December 2018	31 Desember/ December 2017	
Saldo awal	7.739	4.538	Beginning balance
Penyisihan untuk tahun berjalan	3.950	5.784	Provision for the year
Penghapusan piutang	(2.991)	(3.445)	Receivables written-off
Pemulihan kembali piutang yang telah dihapusbukukan	588	862	Recovery of written-off receivables
Saldo akhir	9.286	7.739	Ending balance

Seluruh piutang sewa pembiayaan pada tanggal 31 Desember 2018 dan 2017 dievaluasi secara kolektif terhadap penurunan nilai dan Perseroan telah mencadangkan sejumlah cadangan kerugian penurunan nilai.

Piutang sewa pembiayaan yang direstrukturisasi pada tanggal 31 Desember 2018 adalah sebesar 0,1579% dari saldo piutang sewa pembiayaan - bruto (31 Desember 2017: 1,5039%).

Rata-rata suku bunga efektif yang dikenakan kepada konsumen untuk tahun yang berakhir pada tanggal 31 Desember 2018 dan 2017 adalah sebagai berikut:

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Mobil	12,40%	11,98%	Car
Alat berat	12,53%	12,10%	Heavy equipment
Mesin	11,25%	14,65%	Machine

Analisa umur piutang sewa pembiayaan - bruto adalah sebagai berikut:

	31 Desember/ December 2018	31 Desember/ December 2017	
Belum jatuh tempo	4.911.063	2.695.432	Current
Lewat jatuh tempo:			Overdue:
1 - 90 hari	221.462	45.730	1 - 90 days
91 - 120 hari	7.024	9.374	91 - 120 days
121 - 180 hari	11.476	5.227	121 - 180 days
> 180 hari	9.905	834	> 180 days
	5.160.930	2.756.597	

6. FINANCE LEASE RECEIVABLES (continued)

The movements in the allowance for impairment losses for years ended 31 December 2018 and 2017, are as follows:

All finance lease receivables as of 31 December 2018 and 2017 are collectively evaluated for impairment and the Company has provided some allowance for impairment losses.

The percentage of restructured finance lease receivables as of 31 December 2018 is 0.1579% of the finance lease receivables balance - gross (31 December 2017: 1.5039%).

Average effective interest rates charged to customers for years ended 31 December 2018 and 2017, are as follows:

The aging analysis of finance lease receivables - gross, are as follows:

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6. PIUTANG SEWA PEMBIAYAAN (lanjutan)

Pada saat transaksi sewa pembiayaan ditandatangani, penyewa pembiayaan memberikan uang jaminan yang akan diperhitungkan dengan nilai jual aset sewa pembiayaan pada saat transaksi berakhir bila penyewa pembiayaan menggunakan hak opsinya untuk membeli aset sewa pembiayaan tersebut. Jika penyewa tidak menggunakan hak opsinya, jaminan tersebut akan dikembalikan kepada penyewa pembiayaan.

Pada tanggal 31 Desember 2018, piutang sewa pembiayaan yang digunakan sebagai jaminan atas pinjaman bank yang diterima oleh Perseroan dan utang obligasi seperti yang dijelaskan masing-masing pada Catatan 15 dan 17 adalah sejumlah Rp535.356 (31 Desember 2017: Rp1.328.105).

Manajemen berpendapat bahwa jumlah cadangan kerugian penurunan nilai yang dibentuk adalah cukup untuk menutup kerugian yang mungkin timbul akibat tidak tertagihnya piutang sewa pembiayaan.

7. ANJAK PIUTANG

	<u>31 Desember/ December 2018</u>
Anjak piutang - bruto:	11.693
Dikurangi:	
Pendapatan anjak piutang yang belum diakui:	
<u>Rupiah</u>	
Pihak ketiga	(277)
Anjak piutang	11.416
Cadangan kerugian penurunan nilai	(113)
Neto	11.303

Anjak piutang - bruto sesuai dengan tanggal jatuh temponya sebagai berikut:

	<u>31 Desember/ December 2018</u>
<u>Tahun</u> 2019	11.693

6. FINANCE LEASE RECEIVABLES (continued)

Upon signing of lease contracts, the lessee is required to pay a security deposit which will be applied against the selling price of the leased asset at the end of the lease term if the lessee exercises his option to purchase the leased asset. Otherwise, the security deposit will be refunded to the lessee.

As of 31 December 2018, total finance lease receivables pledged as collateral for bank loans and bonds payable as disclosed respectively in Notes 15 and 17 amounted to Rp535,356 (31 December 2017: Rp1,328,105).

Management believes that the existing allowance for impairment losses is adequate to cover possible losses arising from uncollectible finance lease receivables.

7. FACTORING RECEIVABLES

	<u>31 Desember/ December 2017</u>
Factoring receivables - gross:	-
Less:	
Unearned income on factoring receivables:	
<u>Rupiah</u>	
Third parties	-
Factoring receivables	-
Allowance for impairments losses	-
Net	-

Factoring receivables - gross based on maturity date, are as follows:

	<u>31 Desember/ December 2017</u>
<u>Year</u> 2019	-

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7. ANJAK PIUTANG (lanjutan)

Mutasi cadangan kerugian penurunan nilai untuk tahun yang berakhir pada tanggal 31 Desember 2018 dan 2017 adalah sebagai berikut:

	31 Desember/ December 2018	31 Desember/ December 2017	
Saldo awal	-	-	Beginning balance
Penyisihan untuk tahun berjalan	113	-	Provision for the year
Saldo akhir	113	-	Ending balance

Rata-rata suku bunga efektif yang dikenakan kepada konsumen untuk tahun yang berakhir pada tanggal 31 Desember 2018 dan 2017 adalah sebagai berikut:

	31 Desember/ December 2018	31 Desember/ December 2017	
Anjak piutang	14,50%	-	Factoring receivables

Analisa umur anjak piutang - bruto adalah sebagai berikut:

	31 Desember/ December 2018	31 Desember/ December 2017	
Belum jatuh tempo	11.693	-	Current
	11.693	-	

Manajemen berpendapat bahwa jumlah cadangan kerugian penurunan nilai yang dibentuk adalah cukup untuk menutup kerugian yang mungkin timbul akibat tidak tertagihnya anjak piutang.

The movements in the allowance for impairment losses for years ended 31 December 2018 and 2017, are as follows:

Average effective interest rates charged to customers for the years ended 31 December 2018 and 2017, are as follows:

The aging analysis of factoring receivables - gross, are as follows:

Management believes that the existing allowance for impairment losses is adequate to cover possible losses arising from uncollectible factoring receivables.

8. PIUTANG LAIN-LAIN

	31 Desember/ December 2018	31 Desember/ December 2017	
Pihak ketiga			Third parties
Piutang akseptasi klaim	48.550	51.515	Claim acceptance receivables
Piutang asuransi	30.114	21.709	Insurance receivables
Piutang penjualan kendaraan jaminan	2.182	8.288	Receivables from sales of collateral vehicle
Lain-lain	34.347	22.628	Others
	115.193	104.140	
Dikurangi: Cadangan kerugian penurunan nilai	(6.007)	(2.896)	Less: Allowance for impairment losses
	109.186	101.244	

8. OTHER RECEIVABLES

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8. PIUTANG LAIN-LAIN (lanjutan)

	31 Desember/ December 2018	31 Desember/ December 2017
Pihak berelasi		
Piutang pembiayaan bersama	555.645	502.570
Piutang klaim penjaminan kredit	50.598	7.309
Piutang akseptasi klaim	13.796	53.699
Lain-lain	176	553
	<u>620.215</u>	<u>564.131</u>
	729.401	665.375

8. OTHER RECEIVABLES (continued)

Related parties
Joint financing receivables
Credit guarantee claims receivables
Claim acceptance receivables
Others

Piutang pembiayaan bersama merupakan piutang yang telah dijanjikan secara bersama untuk dibiayai, namun belum ditagihkan ke pemberi pembiayaan bersama.

Joint financing receivables represent receivables that have been jointly promised to be financed, but have not been billed to the joint financing provider.

Lihat Catatan 26a untuk rincian saldo dan transaksi dengan pihak berelasi.

Refer to Note 26a for details of balances and transactions with related parties.

Mutasi cadangan kerugian penurunan nilai untuk tahun yang berakhir pada tanggal 31 Desember 2018 dan 2017 adalah sebagai berikut:

The movements in the allowance for impairment losses for years ended 31 December 2018 and 2017, are as follows:

	31 Desember/ December 2018	31 Desember/ December 2017	
Saldo awal	2.896	785	<i>Beginning balance</i>
Penambahan untuk tahun berjalan	4.122	2.111	<i>Provision for the year</i>
Penghapusan piutang	(1.011)	-	<i>Receivables written-off</i>
Saldo akhir	6.007	2.896	<i>Ending balance</i>

Manajemen berkeyakinan bahwa cadangan kerugian penurunan nilai adalah cukup untuk menutupi kemungkinan kerugian dari tidak tertagihnya piutang.

Management believes that the allowance for impairment losses is sufficient to cover any possible losses from uncollectible receivables.

9. PERPAJAKAN

9. TAXATION

a. Tagihan kelebihan pajak

a. Claims for tax refund

	31 Desember/ December 2018	31 Desember/ December 2017	
Pajak pertambahan nilai:			<i>Value added tax:</i>
Tahun pajak 2011	14.582	14.582	<i>Fiscal year 2011</i>
Tahun pajak 2012	21.442	21.442	<i>Fiscal year 2012</i>
Tahun pajak 2013	29.495	29.495	<i>Fiscal year 2013</i>
	<u>65.519</u>	<u>65.519</u>	
Pajak penghasilan badan:			<i>Corporate income tax:</i>
Tahun pajak 2013	19	19	<i>Fiscal year 2013</i>
	<u>65.538</u>	<u>65.538</u>	
Dikurangi:			<i>Less:</i>
Cadangan kerugian penurunan nilai	(22.000)	-	<i>Allowance for impairment losses</i>
	43.538	65.538	

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9. PERPAJAKAN (lanjutan)

b. Utang pajak kini

	31 Desember/ December 2018	31 Desember/ December 2017
Pasal 29	1.852	3.916
Pasal 25	-	30.000
	1.852	33.916

Article 29

Article 25

c. Beban pajak

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December	
	2018	2017
Kini - non final	150.775	123.758
Tangguhan (lihat Catatan 9d)	(16.675)	(7.429)
	134.100	116.329

9. TAXATION (continued)

b. Current tax liabilities

c. Tax expense

Current - non final
Deferred (refer to Note 9d)

Rekonsiliasi antara beban pajak penghasilan dengan hasil perkalian laba akuntansi sebelum pajak penghasilan dan tarif pajak yang berlaku adalah sebagai berikut:

The reconciliation between income tax expense and the theoretical tax amount on the Company's income before income tax expense is as follows:

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Laba sebelum beban pajak penghasilan	539.843	468.378	Income before income tax expense
Pajak dihitung pada tarif pajak	134.961	117.095	Tax calculated at tax rates
Penghasilan bunga dikenakan pajak final	(3.029)	(2.259)	Interest income subjected to final tax
Beban yang tidak dapat dikurangkan	2.168	1.493	Non-deductible expenses
Beban pajak	134.100	116.329	Tax expense

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9. PERPAJAKAN (lanjutan)

9. TAXATION (continued)

c. Beban pajak (lanjutan)

c. Tax expense (continued)

Rekonsiliasi antara laba sebelum beban pajak penghasilan menurut laporan laba rugi dan penghasilan komprehensif lain dengan penghasilan kena pajak adalah sebagai berikut:

Reconciliation between income before income tax expense, as shown in the statement of profit or loss and other comprehensive income, and estimated taxable income is as follows:

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Laba sebelum beban pajak penghasilan	539.843	468.378	<i>Income before income tax expense</i>
Koreksi fiskal:			<i>Fiscal corrections:</i>
Beda temporer			<i>Temporary differences</i>
Selisih antara nilai buku aset tetap komersial dan fiskal	(2.133)	(4.228)	<i>Difference in net book value between commercial and fiscal</i>
Penyisihan kerugian penurunan nilai atas tagihan kelebihan pajak	22.000	-	<i>Provision for impairment losses on claims for tax refund</i>
Penyisihan imbalan kerja karyawan	12.909	10.548	<i>Provision for employee benefits</i>
Penyisihan bonus	30.432	20.453	<i>Provision for bonus</i>
Penyisihan penghapusan <i>customer deposit</i>	381	834	<i>Provision for write-off customer deposit</i>
Penyisihan kerugian penurunan nilai atas piutang lain-lain	3.111	2.111	<i>Provision for impairment losses on other receivables</i>
	66.700	29.718	
Beda tetap			<i>Permanent differences</i>
Beban yang tidak dapat dikurangkan	8.671	5.972	<i>Non-deductible expenses</i>
Penghasilan bunga dikenakan pajak final	(12.116)	(9.036)	<i>Interest income subjected to final tax</i>
	(3.445)	(3.064)	
Penghasilan kena pajak	603.098	495.032	<i>Taxable income</i>
Beban pajak	150.775	123.758	<i>Tax expense</i>
Dikurangi:			<i>Less:</i>
Pajak dibayar di muka			<i>Prepaid taxes</i>
Pasal 23	(10.452)	(4.237)	<i>Article 23</i>
Pasal 25	(138.471)	(115.605)	<i>Article 25</i>
Utang pajak penghasilan badan	1.852	3.916	<i>Corporate income tax payable</i>
Pendapatan bunga yang dikenakan pajak final	12.116	9.036	<i>Interest income subjected to final tax</i>
Pajak penghasilan pasal 4 (2) - final	2.423	1.807	<i>Income tax article 4 (2) - final</i>
Dikurangi:			<i>Less:</i>
Pajak dibayar di muka	(2.423)	(1.807)	<i>Prepaid tax</i>
	-	-	

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9. PERPAJAKAN (lanjutan)

9. TAXATION (continued)

d. Aset/(liabilitas) pajak tangguhan - neto

d. Deferred tax assets/(liabilities) - net

31 Desember/December 2018			
	Saldo awal/ Beginning balance	Manfaat (beban) pajak tangguhan/ Deferred tax income (expenses)	Saldo akhir/ Ending balance
Aset pajak tangguhan dampak dari laporan laba rugi			<i>Deferred tax assets effect from profit or loss</i>
Penyisihan kerugian penurunan nilai atas piutang lain-lain	724	778	1.502
Selisih antara nilai buku aset tetap komersial dan fiskal	(593)	(533)	(1.126)
Penyisihan imbalan kerja karyawan	10.273	3.227	13.500
Penyisihan bonus	14.419	7.608	22.027
Penyisihan penghapusan customer deposit	787	95	882
Penyisihan atas tagihan kelebihan pajak	-	5.500	5.500
Aset pajak tangguhan dampak dari penghasilan komprehensif lain			<i>Deferred tax assets effect from other comprehensive income</i>
Pengukuran kembali atas liabilitas imbalan kerja karyawan	8.188	(1.682)	6.506
Kerugian bersih atas instrumen derivatif untuk lindung nilai arus kas	4.206	6.924	11.130
	38.004	21.917	59.921
31 Desember/December 2017			
	Saldo awal/ Beginning balance	Manfaat (beban) pajak tangguhan/ Deferred tax income (expenses)	Saldo akhir/ Ending balance
Aset pajak tangguhan dampak dari laporan laba rugi			<i>Deferred tax assets effect from profit or loss</i>
Penyisihan kerugian penurunan nilai atas piutang lain-lain	196	528	724
Selisih antara nilai buku aset tetap komersial dan fiskal	464	(1.057)	(593)
Penyisihan imbalan kerja karyawan	7.636	2.637	10.273
Penyisihan bonus	9.306	5.113	14.419
Penyisihan penghapusan customer deposit	579	208	787
Aset pajak tangguhan dampak dari penghasilan komprehensif lain			<i>Deferred tax assets effect from other comprehensive income</i>
Pengukuran kembali atas liabilitas imbalan kerja karyawan	4.898	3.290	8.188
Kerugian bersih atas instrumen derivatif untuk lindung nilai arus kas	-	4.206	4.206
	23.079	14.925	38.004

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9. PERPAJAKAN (lanjutan)

e. Surat ketetapan pajak

Tahun pajak 2013, 2012 dan 2011

Pada tanggal 25 Januari 2016 dan 25 Oktober 2016, Perseroan menerima Surat Ketetapan Pajak Kurang Bayar (SKPKB) dan Surat Tagihan Pajak (STP) atas berbagai macam pajak untuk tahun pajak 2013, 2012 dan 2011, yang menghasilkan jumlah kurang bayar sebesar Rp172.497. Atas kurang bayar tersebut, Perseroan telah melakukan pembayaran sebesar Rp67.634, dimana dari pembayaran tersebut, Perseroan telah mengajukan keberatan sebesar Rp65.538, sisanya sebesar Rp2.096 dicatat sebagai Beban denda pajak di dalam laporan laba rugi dan penghasilan komprehensif lain. Untuk jumlah yang belum dibayarkan sebesar Rp104.863, Perseroan mengajukan keberatan ke Kantor Pajak.

Pada tahun 2017, Kantor Pajak menolak semua keberatan untuk tahun fiskal 2013, 2012, dan 2011. Pada tahun yang sama, Perseroan mengajukan banding atas keputusan tersebut ke Pengadilan Pajak. Manajemen berkeyakinan bahwa seluruh taksiran tagihan pajak penghasilan tersebut dapat dipulihkan.

Pada tanggal 18 Desember 2018, Pengadilan Pajak membacakan putusan terkait dengan banding yang diajukan Perseroan sebesar Rp170.401, yang terdiri dari PPh Badan sebesar Rp104.463, PPN sebesar Rp57.733, STP atas denda PPN sebesar Rp7.786, Pajak Penghasilan Pasal 4(2) sebesar Rp370, dan Pajak Penghasilan Pasal 23 sebesar Rp49 untuk tahun pajak 2011, 2012 dan 2013.

Atas putusan tersebut Perseroan menerima surat putusan dari Pengadilan Pajak pada tanggal 27 Desember 2018. Berdasarkan hasil putusan tersebut PPh Badan telah dikabulkan sebagian sebesar Rp104.351 dan tidak dikabulkannya sebesar Rp112. Sedangkan untuk PPN yang dikabulkan sebesar Rp57.674 dan Rp59 tidak dikabulkan. Sedangkan untuk STP atas denda yang timbul dari PPN tersebut akan diajukan pembatalan STP ke Direktorat Jendral Pajak sebesar Rp7.778 dan tidak diajukan pembatalan STP sebesar Rp8. Sedangkan untuk Pajak Penghasilan Pasal 4(2) dan Pajak Penghasilan Pasal 23 tidak dikabulkan sebesar Rp370 dan Rp49. Sehingga dari hasil putusan tersebut yang masih harus dibayar total keseluruhan sebesar Rp598. Atas putusan yang sudah diterima, Manajemen sepakat untuk menerima hasil putusan yang sudah ditetapkan oleh Pengadilan Pajak.

9. TAXATION (continued)

e. Tax assessment letter

Fiscal year 2013, 2012 and 2011

On 25 January 2016 and 25 October 2016, the Company received an underpayment tax assessment letter (SKPKB) and tax billing (STP) on various taxes for fiscal years 2013, 2012 and 2011, which resulted in net tax underpayment of Rp172,497. For this underpayment, the Company has paid the amount of Rp67,634 and for the said payment, the Company has submitted an objection for the amount of Rp65,538, the remaining amount of Rp2,096 was recorded as tax penalty in the statement of profit or loss and other comprehensive income. For the remaining unpaid balance amounting to Rp104,863, the Company filed an objection to the Tax Office.

In 2017, the Tax Office has rejected all objections for fiscal years 2013, 2012, and 2011. In the same year, the Company appealed the decision to the Tax Court. Management believes that all of the estimated claim for income tax can be recovered.

On 18 December 2018, the Tax Court read out the decision related to the appeal filed in the amount of Rp170,401, consisting of Corporate Income Tax amounting to Rp104,463, VAT of Rp57,733, STP for the VAT penalty of Rp7,786, Income Tax Article 4(2) of Rp370, and Income Tax Article 23 of Rp49 for fiscal year 2011, 2012 and 2013.

Based on the decision, the Company received a decision letter from the Tax Court on 27 December 2018. Based on the results of the decision, the Corporate Income Tax was partially granted in the amount of Rp104,351 and was not granted in the amount of Rp112. Whereas the VAT granted in the amount of Rp57,674 and Rp59 were not granted. Whereas for STP for fines arising from the VAT, STP cancellation will be submitted to the Directorate General of Taxes amounting to Rp7,778 and no STP cancellation is submitted amounting to Rp8. Whereas for Income Tax Article 4(2) and Income Tax Article 23 were not granted in the amount of Rp370 and Rp49, respectively. So that from the results of the verdict, the total accrued amounted to Rp598. For the decisions that have been received, Management agrees to accept the results of the decisions that have been determined by the Tax Court.

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9. PERPAJAKAN (lanjutan)

**e. Surat ketetapan pajak (lanjutan)
Tahun pajak 2015 dan 2014**

Pada tanggal 12 September 2018, Perseroan menerima Surat Ketetapan Pajak Kurang Bayar ("SKPKB") dari Direktorat Jendral Pajak ("DJP") atas Pajak Penghasilan Badan untuk tahun pajak 2015 dan 2014 masing-masing sebesar Rp60.999 dan Rp31.453. Untuk jumlah kurang bayar dari SKPKB tersebut, Perseroan mengajukan keberatan ke Kantor Pajak sebesar Rp90.879. Perseroan telah menyetujui keputusan dan telah membayar sejumlah Rp724 dan Rp849 masing-masing atas SKPKB atas Pajak Penghasilan Badan untuk tahun pajak 2015 dan 2014 berdasarkan Pembahasan Akhir Hasil Pemeriksaan pada tanggal 1 Oktober 2018. Sampai tanggal laporan keuangan, hasil keputusan dari DJP belum diketahui.

Perseroan juga menerima SKPKB dari DJP atas Pajak Pertambahan Nilai ("PPN") untuk tahun pajak 2015 dan 2014 masing-masing sebesar Rp12.328 dan Rp4.182 dan Surat Tagihan Pajak ("STP") atas SKPKB tahun 2015 dan 2014 yang diterbitkan oleh DJP dengan jumlah masing-masing sebesar Rp1.666 dan Rp565. Perseroan menerima hasil SKPKB dan STP dari DJP dan tidak mengajukan keberatan.

Perseroan juga menerima SKPKB dari DJP atas Pajak Penghasilan Pasal 21, Pajak Penghasilan Pasal 23, dan Pajak Penghasilan Pasal 4(2) untuk tahun pajak 2015 dan 2014 dengan jumlah total masing-masing sebesar Rp125 dan Rp117. Perseroan menerima hasil SKPKB dan STP dari DJP dan tidak mengajukan keberatan.

Atas kurang bayar dari SKPKB dan STP atas berbagai macam pajak untuk tahun pajak 2015 dan 2014 tersebut, Perseroan telah melakukan pembayaran sebesar Rp20.555, dimana dari pembayaran tersebut sebesar Rp18.740 untuk jumlah kurang bayar dari SKPKB atas PPN dan STP atas SKPKB tersebut berasal dari PPN Keluaran. Sedangkan pembayaran sebesar Rp1.815 untuk Pajak Penghasilan Badan, Pajak Penghasilan Pasal 21, Pajak Penghasilan Pasal 23, dan Pajak Penghasilan Pasal 4(2) dicatat sebagai Beban denda pajak di laporan laba rugi dan penghasilan komprehensif lainnya.

f. Administrasi

Berdasarkan Undang-Undang Perpajakan yang berlaku di Indonesia, Perseroan menghitung, menetapkan dan membayar sendiri besarnya jumlah pajak yang terutang. Direktur Jenderal Pajak dapat menetapkan atau mengubah liabilitas pajak dalam jangka waktu tertentu. Untuk tahun pajak 2008 dan seterusnya, jangka waktunya adalah lima tahun sejak saat terutangnya pajak.

9. TAXATION (continued)

**e. Tax assessment letter (continued)
Fiscal year 2015 and 2014**

On 12 September 2018, the Company received Tax Assessment Letter on Underpayment ("SKPKB") from Directorate General of Taxes ("DGT") on Corporate Income Tax for fiscal year 2015 and 2014 amounting to Rp60,999 and Rp31,453, respectively. For the amount of the underpayment of the SKPKB, the Company filed an objection to the Tax Office amounting to Rp90,879. The Company has approved the decision and has paid the amount of Rp724 and Rp849, respectively for the SKPKB on Corporate Income Tax for fiscal year 2015 and 2014 based on the Audit Result Final Discussion on 1 October 2018. Until the date of the financial statement, the decision from DGT is not yet known.

The Company also received SKPKB from DGT on Value Added Tax ("VAT") for fiscal year 2015 and 2014 amounting to Rp12,328 and Rp4,182, respectively and Tax Assessment Letter ("STP") for SKPKB for year 2015 and 2014 from DGT amounting to Rp1,666 and Rp565, respectively. Management accepted the result of SKPKB and STP from DJP and did not file an objection to The Tax Office.

The Company also received SKPKB from DGT on Income Tax Article 21, Income Tax Article 23 and Income Tax Article 4(2) for fiscal year 2015 and 2014 amounting to Rp125 and Rp117, respectively. Management accepted the result of SKPKB and STP from DJP and did not file an objection to The Tax Office.

For the underpayments of SKPKB and STP on various taxes for fiscal years 2015 and 2014, the Company has paid the amount of Rp20,555 and for the said payment, for the amount of Rp18,740 for the amount of underpayments of SKPKB on VAT and STP on the SKPKB were from VAT Out. Whereas payments of Rp1,815 for Corporate Income Tax, Article 21 Income Tax, Article 23 Income Tax, and Income Tax Article 4 (2) were recorded as tax penalty in the statement of profit and loss and other comprehensive income.

f. Administration

Under the Taxation Laws of Indonesia, the Company submits tax returns on the basis of self-assessment. The Director General of Taxes may assess or amend taxes within a certain period. For the fiscal years of 2008 and onwards, the period is within five years from the time the tax becomes due.

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10. ASET TETAP

10. FIXED ASSETS

31 Desember/December 2018						
	1 Januari/ January	Penambahan/ Additions	(Pengurangan)/ (Deductions)	Reklasifikasi/ Reclassifications	31 Desember/ December	
Aset tetap						Fixed assets
Kepemilikan langsung						Direct ownership
Harga perolehan						Cost
Tanah	42.445	-	-	-	42.445	Land
Bangunan	42.555	2.034	-	1.375	45.964	Buildings
Kendaraan	28	-	-	-	28	Vehicles
Perabotan dan peralatan kantor	150.468	40.756	(196)	-	191.028	Furniture and office equipment
Renovasi bangunan sewa	31.786	3.120	-	-	34.906	Leasehold improvement
Aset dalam penyelesaian	1.375	4.809	-	(1.375)	4.809	Construction in progress
	<u>268.657</u>	<u>50.719</u>	<u>(196)</u>	<u>-</u>	<u>319.180</u>	
Akumulasi penyusutan						Accumulated depreciation
Bangunan	(6.483)	(2.287)	-	-	(8.770)	Buildings
Kendaraan	(8)	(5)	-	-	(13)	Vehicles
Perabot dan peralatan kantor	(72.186)	(28.119)	149	-	(100.156)	Furniture and office equipment
Renovasi bangunan sewa	(24.073)	(4.163)	-	-	(28.236)	Leasehold improvement
	<u>(102.750)</u>	<u>(34.574)</u>	<u>149</u>	<u>-</u>	<u>(137.175)</u>	
Nilai buku neto	<u>165.907</u>				<u>182.005</u>	Net book value
31 Desember / December 2017						
	1 Januari/ January	Penambahan/ Additions	(Pengurangan)/ (Deductions)	Reklasifikasi/ Reclassifications	31 Desember/ December	
Aset tetap						Fixed assets
Kepemilikan langsung						Direct ownership
Harga perolehan						Cost
Tanah	34.343	-	-	8.102	42.445	Land
Bangunan	32.986	437	-	9.132	42.555	Buildings
Kendaraan	13	15	-	-	28	Vehicles
Perabotan dan peralatan kantor	112.568	40.603	(2.703)	-	150.468	Furniture and office equipment
Renovasi bangunan sewa	25.917	5.869	-	-	31.786	Leasehold improvement
Aset dalam penyelesaian	15.554	3.055	-	(17.234)	1.375	Construction in progress
	<u>221.381</u>	<u>49.979</u>	<u>(2.703)</u>	<u>-</u>	<u>268.657</u>	
Akumulasi penyusutan						Accumulated depreciation
Bangunan	(4.890)	(1.593)	-	-	(6.483)	Buildings
Kendaraan	(2)	(6)	-	-	(8)	Vehicles
Perabot dan peralatan kantor	(54.299)	(20.542)	2.655	-	(72.186)	Furniture and office equipment
Renovasi bangunan sewa	(20.868)	(3.205)	-	-	(24.073)	Leasehold improvement
	<u>(80.059)</u>	<u>(25.346)</u>	<u>2.655</u>	<u>-</u>	<u>(102.750)</u>	
Nilai buku neto	<u>141.322</u>				<u>165.907</u>	Net book value

Rincian aset dalam penyelesaian pada tanggal 31 Desember 2018 dan 2017 adalah sebagai berikut:

Details of construction in progress as of 31 December 2018 and 2017, are as follows:

31 Desember/December 2018				
	Jumlah/ Amount	Estimasi tahun penyelesaian/ Estimated year of completion	Persentase penyelesaian/ Percentage of completion	
Renovasi dalam penyelesaian untuk pembukaan jaringan usaha baru	4.809	2019	80%	Renovation in progress for new business networks

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10. ASET TETAP (lanjutan)

Rincian aset dalam penyelesaian pada tanggal 31 Desember 2018 dan 2017 adalah sebagai berikut: (lanjutan)

10. FIXED ASSETS (continued)

Details of construction in progress as of 31 December 2018 and 2017, are as follows: (continued)

31 Desember/December 2017

	Jumlah/ Amount	Estimasi tahun penyelesaian/ Estimated year of completion	Persentase penyelesaian/ Percentage of completion	
Renovasi dalam penyelesaian untuk pembukaan jaringan usaha baru	1.375	2018	75%	Renovation in progress for new business networks

Seluruh aset tetap kepemilikan langsung kecuali tanah, telah diasuransikan dengan pihak berelasi, PT Mandiri Axa General Insurance dengan jumlah pertanggungan asuransi sebesar Rp249.086 dan Rp131.610 masing-masing pada tanggal 31 Desember 2018 dan 2017 yang menurut manajemen cukup untuk menutupi kemungkinan kerugian karena kebakaran, banjir, huru-hara dan gempa bumi.

Directly owned fixed assets, except for land, are insured with a related party, PT Mandiri Axa General Insurance, for a sum insured of Rp249,086 and Rp131,610 as of 31 December 2018 and 2017, respectively, which according to the management, is sufficient to cover possible losses due to fire, flood, public disorder/riots and earthquake.

Tanah Perseroan berupa sertifikat Hak Guna Bangunan ("HGB") yang mempunyai masa manfaat selama 20 sampai dengan 30 tahun yang akan jatuh tempo antara 2 Februari 2023 sampai dengan 31 Maret 2046. Manajemen berpendapat bahwa HGB tersebut dapat diperbaharui atau diperpanjang pada saat jatuh tempo.

Land is held in the form of certificates of Hak Guna Bangunan ("HGB") which have useful lives of 20 to 30 years and will be due between 2 February 2023 to 31 March 2046. Management believes that the HGB can be renewed or extended upon expiration.

Rincian keuntungan atas pelepasan aset tetap adalah sebagai berikut:

Details of gain on disposal of fixed assets are as follows:

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Hasil pelepasan aset tetap	-	38	Proceed from disposal of fixed assets
Nilai buku aset tetap	(47)	(48)	
Rugi atas pelepasan aset tetap	(47)	(10)	Loss on disposal of fixed assets

Kerugian atas pelepasan aset tetap diakui sebagai bagian dari "beban umum dan administrasi - lain-lain" pada laporan laba rugi dan penghasilan komprehensif lain.

Loss on disposal of fixed assets is recognized as part of "general and administrative expenses - others" in the statement of profit or loss and other comprehensive income.

Pada tanggal 20 Juli 2018, sebagian bangunan cabang Medan milik Perseroan mengalami kerusakan karena peristiwa kebakaran dengan nilai buku sebesar Rp610. Perseroan telah mengajukan klaim kepada perusahaan asuransi sebesar Rp524 dan telah disetujui oleh perusahaan asuransi. Sampai tanggal laporan keuangan, Perseroan belum menerima klaim yang telah disetujui dari perusahaan asuransi.

On 20 July 2018, certain buildings of the Company's Medan branch were damaged due to fire events with a book value of Rp610. The Company has filed a claim with the insurance company amounted to Rp524 and has been approved by the insurance company. Until the date of financial statement, the Company has not received the approved claim from the insurance company.

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10. ASET TETAP (lanjutan)

Manajemen berpendapat tidak terdapat indikasi penurunan nilai atas aset tetap yang dimiliki Perseroan pada tanggal 31 Desember 2018 dan 2017.

Pada 31 Desember 2018 dan 2017, jumlah bruto dari aset tetap yang telah disusutkan penuh dan masih digunakan adalah masing-masing sebesar Rp61.353 dan Rp48.557.

Tidak ada aset tetap yang dijadikan jaminan pada tanggal 31 Desember 2018 dan 2017.

10. FIXED ASSETS (continued)

Management believes that there is no impairment on the Company's fixed assets as of 31 December 2018 and 2017, respectively.

As of 31 December 2018 and 2017, the gross amount of fixed assets which have been fully depreciated and still being used amounted to Rp61,353 and Rp48,557, respectively.

There were no fixed assets pledged as collateral as of 31 December 2018 and 2017.

11. ASET LAIN-LAIN

	31 Desember/ December 2018
Pihak ketiga	
Setoran dalam perjalanan	59.807
Sewa dibayar di muka	18.251
Asuransi dibayar di muka	12.177
Uang muka	8.187
Setoran jaminan	4.501
Piutang karyawan	1.397
Piutang bunga	168
Lain-lain	7.105
	111.593
Pihak berelasi	
Sewa dibayar di muka	2.227
	113.820

Lain-lain merupakan persediaan materai Perseroan, biaya provisi dibayar di muka, biaya emisi dan biaya dibayar di muka.

Lihat Catatan 26a untuk rincian saldo dan transaksi dengan pihak berelasi.

11. OTHER ASSETS

	31 Desember/ December 2017
Third parties	
Deposit in transit	45.669
Prepaid rent	21.650
Prepaid insurance	224
Advance payments	3.366
Security deposits	3.316
Employee receivables	403
Interest receivable	180
Others	6.532
	81.340
Related parties	
Prepaid rent	1.346
	82.686

Others mainly represent the Company's stamp duty, prepaid provision cost, issuance cost and prepaid expenses.

Refer to Note 26a for details of balances and transactions with related parties.

12. UTANG USAHA

	31 Desember/ December 2018
Pihak ketiga	
Utang kendaraan	529.757
Utang asuransi	119.873
	649.630

Utang usaha merupakan utang kepada pemasok atas pembiayaan kendaraan bermotor dan utang kepada perusahaan asuransi yang berkaitan dengan pembiayaan kendaraan bermotor.

12. TRADE PAYABLES

	31 Desember/ December 2017
Third parties	
Vehicle payables	469.144
Insurance payables	137.369
	606.513

Trade payables represent payables to suppliers for motor vehicle financing and payables to insurance companies in relation to motor vehicle financing.

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13. UTANG LAIN-LAIN

	31 Desember/ December 2018	31 Desember/ December 2017
Pihak ketiga		
Titipan konsumen	96.705	68.264
Notaris	38.267	32.220
Liabilitas pajak		
Pasal 21	5.536	6.364
Pasal 23	1.033	1.139
PPH final	93	128
PPN keluaran	36.635	75.955
Pembelian aset tetap	12.730	3.254
Lain-lain	8.948	7.167
	<u>199.947</u>	<u>194.491</u>
Pihak berelasi		
Pembiayaan bersama	84.498	30.104
Lain-lain	240	240
	<u>84.738</u>	<u>30.344</u>
	<u>284.685</u>	<u>224.835</u>

Titipan konsumen terutama berhubungan dengan cicilan pembayaran piutang pembiayaan konsumen yang masih dalam proses identifikasi.

Pembiayaan bersama berhubungan dengan porsi cicilan pembayaran piutang pembiayaan yang telah diterima dari konsumen namun belum dibayarkan kepada pemberi pembiayaan bersama.

Lain-lain terutama terdiri dari utang kepada pihak ketiga yang berkaitan dengan utang asuransi dan biaya biro jasa NPWP.

Lihat Catatan 26b untuk rincian saldo dan transaksi pihak berelasi.

14. BEBAN YANG MASIH HARUS DIBAYAR

	31 Desember/ December 2018	31 Desember/ December 2017
Pihak ketiga		
Gaji dan tunjangan	100.008	64.758
Bunga yang masih harus dibayar	98.754	53.228
Promosi	7.223	6.810
Jasa profesional	2.822	852
Telepon	1.521	1.028
Perbaikan dan pemeliharaan	627	916
Listrik dan air	488	515
Lain-lain	8.839	7.452
	<u>220.282</u>	<u>135.559</u>
Pihak berelasi		
Bunga yang masih harus dibayar	1.828	1.227
	<u>222.110</u>	<u>136.786</u>

Lain-lain terutama terdiri dari beban yang masih harus dibayar terkait: jamuan, materai, sewa PC, sewa kendaraan, perjalanan dinas dan pelatihan.

Lihat Catatan 26b untuk rincian saldo dan transaksi pihak berelasi.

13. OTHER PAYABLES

	31 Desember/ December 2017	
Third parties		
Customer deposits	68.264	
Notary	32.220	
Tax liabilities		
Article 21	6.364	
Article 23	1.139	
Final tax	128	
VAT out	75.955	
Purchase of fixed asset	3.254	
Others	7.167	
	<u>194.491</u>	
Related parties		
Joint financing	30.104	
Others	240	
	<u>30.344</u>	
	<u>224.835</u>	

Customer deposits represent installment of consumer financing receivables which are still in identification process.

Joint financing represents the portion of installment payments for financing receivables that have been received from customers but have not been paid to joint financing providers.

Others mainly consist of payables to third parties related to insurance payable and NPWP service fee.

Refer to Note 26b for details of balances and transactions with related parties.

14. ACCRUED EXPENSES

	31 Desember/ December 2017	
Third parties		
Salaries and allowances	64.758	
Accrued interest	53.228	
Promotion	6.810	
Professional fee	852	
Telephone	1.028	
Repairs and maintenance	916	
Utilities	515	
Others	7.452	
	<u>135.559</u>	
Related parties		
Accrued interest	1.227	
	<u>1.227</u>	
	<u>136.786</u>	

Others mainly consist of: entertainment, stamps, PC rent, vehicles rent, travelling and training.

Refer to Note 26b for details of balances and transactions with related parties.

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15. PINJAMAN BANK

15. BANK LOANS

	31 Desember/ December 2018	31 Desember/ December 2017				
<i>Revolving</i>	1.262.528	268.194		<i>Revolving</i>		
<i>Non-revolving</i>	9.960.207	7.976.388		<i>Non-revolving</i>		
	11.222.735	8.244.582				
Biaya provisi yang belum diamortisasi	(34.611)	(34.152)		<i>Unamortized provision cost</i>		
	11.188.124	8.210.430				
	Jumlah fasilitas/ Facility amount		Jumlah pinjaman/ Loan amount		Jatuh tempo fasilitas/ Maturity date of the facility	
	31 Desember/ December 2018	31 Desember/ December 2017	31 Desember/ December 2018	31 Desember/ December 2017	31 Desember/ December 2018	31 Desember/ December 2017
<i>Revolving</i>						
Rupiah						
Pihak ketiga/Third parties						
PT Bank Central Asia Tbk	55.000	55.000	-	-	Maret/ March 2019	Maret/ March 2018
PT Bank OCBC NISP Tbk	200.000	150.000	-	-	November/ November 2019	Februari/ February 2018
PT Bank Danamon Tbk	87.472	-	-	-	Agustus / August 2019	-
	65.000	65.000	19.861	41.528	November/ November 2019	November/ November 2019
	50.000	50.000	16.667	33.333	Desember/ December 2019	Desember/ December 2019
	52.000	52.000	26.000	43.333	Juni/ June 2020	Juni/ June 2020
	-	31.806	-	-	-	Agustus/ August 2018
	100.000	100.000	100.000	-	Agustus/ August 2019	Agustus/ August 2018
PT Bank HSBC Indonesia	150.000	150.000	150.000	-	Juli/ July 2019	Juli/ July 2018
MUFG Bank, Ltd., Cabang Jakarta (dahulu Bank of Tokyo Mitsubishi UFJ, Ltd, Cabang Jakarta)/ (formerly Mitsubishi UFJ, Ltd, Jakarta Branch)	724.050	-	700.000	-	Februari/ February 2019	-
	-	677.400	-	-	-	Februari/ February 2018
PT Bank UOB Indonesia	300.000	300.000	-	-	Januari/ January 2019	November/ November 2018
PT Bank ANZ Indonesia	217.215	-	-	-	Oktober/ October 2019	-
PT Bank Tabungan Pensiunan Nasional Tbk	100.000	-	100.000	-	April/ April 2019	-
	50.000	-	50.000	-	April/ April 2019	-
	2.150.737	1.631.206	1.162.528	118.194		
<i>Revolving</i>						
Rupiah						
Pihak berelasi/Related parties						
PT Bank Mandiri (Persero) Tbk	300.000	300.000	100.000	-	Desember/ December 2019	Desember/ December 2018
	425.000	150.000	-	150.000	Desember/ December 2019	Desember/ December 2020
	-	100.000	-	-	-	Desember/ December 2018
	725.000	550.000	100.000	150.000		
Jumlah/Total revolving	2.875.737	2.181.206	1.262.528	268.194		

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15. PINJAMAN BANK (lanjutan)

15. BANK LOANS (continued)

	Jumlah fasilitas/ Facility amount		Jumlah pinjaman/ Loan amount		Jatuh tempo fasilitas/ Maturity date of the facility	
	31 Desember/ December 2018	31 Desember/ December 2017	31 Desember/ December 2018	31 Desember/ December 2017	31 Desember/ December 2018	31 Desember/ December 2017
Non-revolving						
Rupiah						
Pihak ketiga/Third parties						
PT Bank Central Asia Tbk	50.000	50.000	20.833	34.375	Agustus/ August 2020	Agustus/ August 2020
	250.000	250.000	97.222	180.556	Februari/ February 2020	Februari/ February 2020
	200.000	200.000	83.333	150.000	Maret/ March 2020	Maret/ March 2020
	200.000	200.000	105.556	172.222	Juli/ July 2020	Juli/ July 2020
	100.000	100.000	55.556	91.667	Agustus/ August 2020	Agustus/ August 2020
	300.000	-	241.667	-	Mei/ May 2021	-
	700.000	-	583.333	-	Juni/ June 2021	-
PT Bank UOB Indonesia	300.000	300.000	225.000	-	Maret/ March 2021	November/ November 2018
PT Maybank Indonesia Tbk	500.000	500.000	375.000	-	Maret/ March 2021	Desember/ December 2018
PT Bank Panin Tbk	100.000	100.000	2.128	27.660	Januari/ January 2019	Januari/ January 2019
	30.000	30.000	652	8.478	Januari/ January 2019	Januari/ January 2019
	-	100.000	-	13.889	-	Mei/ May 2018
	-	100.000	-	13.889	-	Mei/ May 2018
	-	100.000	-	13.889	-	Mei/ May 2018
	-	100.000	-	16.667	-	Juni/ June 2018
	-	100.000	-	16.667	-	Juni/ June 2018
	-	150.000	-	25.000	-	Juni/ June 2018
	-	100.000	-	16.667	-	Juni/ June 2018
	-	100.000	-	27.778	-	Oktober/ October 2018
	-	100.000	-	27.778	-	Oktober/ October 2018
	-	100.000	-	27.778	-	Oktober/ October 2018
	-	100.000	-	27.778	-	Oktober/ October 2018
	-	100.000	-	30.556	-	November/ November 2018
	100.000	100.000	22.917	47.917	November/ November 2019	November/ November 2019
	-	100.000	-	30.556	November 2018	November 2018
	-	100.000	-	30.556	November 2018	November 2018
	100.000	100.000	-	33.333	Desember/ December 2018	Desember/ December 2018
	100.000	100.000	-	33.333	Desember/ December 2018	Desember/ December 2018
	150.000	150.000	8.333	58.333	Februari/ February 2019	Februari/ February 2019
	100.000	100.000	5.556	38.889	Februari/ February 2019	Februari/ February 2019
	100.000	100.000	31.250	56.250	Maret/ March 2020	Maret/ March 2020
	200.000	200.000	16.667	83.333	Maret/ March 2019	Maret/ March 2019
	100.000	100.000	31.250	56.250	Maret/ March 2020	Maret/ March 2020
	100.000	100.000	33.333	58.333	April/ April 2020	April/ April 2020
	100.000	100.000	16.667	50.000	Juni/ June 2019	Juni/ June 2019
	100.000	100.000	19.444	52.778	Juli/ July 2019	Juli/ July 2019
	100.000	100.000	19.444	52.778	Juli/ July 2019	Juli/ July 2019

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15. BANK LOANS (continued)

	Jumlah fasilitas/ Facility amount		Jumlah pinjaman/ Loan amount		Jatuh tempo fasilitas/ Maturity date of the facility	
	31 Desember/ December 2018	31 Desember/ December 2017	31 Desember/ December 2018	31 Desember/ December 2017	31 Desember / December 2018	31 Desember/ December 2017
<i>Non-revolving (lanjutan/continued)</i>						
Rupiah (lanjutan/continued)						
Pihak ketiga (lanjutan)/Third parties (continued)						
PT Bank Panin Tbk (lanjutan/continued)	100.000	100.000	19.444	52.778	Julii/ July 2019	Julii/ July 2019
	100.000	100.000	19.444	52.778	Julii/ July 2019	Julii/ July 2019
	100.000	100.000	25.000	58.333	September/ September 2019	September/ September 2019
	25.000	25.000	11.979	18.229	November/ November 2020	November/ November 2020
	50.000	50.000	25.000	37.500	Desember/ December 2020	Desember/ December 2020
	200.000	200.000	133.333	50.000	Desember/ December 2020	Desember/ December 2020
	150.000	150.000	78.125	115.625	Desember/ December 2020	Desember/ December 2020
	150.000	150.000	76.596	114.894	Desember/ December 2020	Desember/ December 2020
	100.000	100.000	53.333	80.000	Desember/ December 2020	Desember/ December 2020
	100.000	100.000	54.546	81.818	Desember/ December 2020	Desember/ December 2020
	100.000	100.000	54.546	81.818	Desember/ December 2020	Desember/ December 2020
	125.000	125.000	68.182	102.273	Desember/ December 2020	Desember/ December 2020
	100.000	100.000	54.545	81.818	Desember/ December 2020	Desember/ December 2020
	-	200.000	-	200.000	-	Desember/ December 2020
	-	800.000	-	-	-	April/ April 2018
	400.000	-	288.889	-	Februari/ February 2021	-
	400.000	-	300.000	-	Maret/ March 2021	-
	200.000	-	-	-	Desember/ December 2018	-
PT Bank OCBC NISP Tbk	575.000	-	-	-	Maret/ March 2019	-
PT Bank KEB Hana Indonesia	-	50.000	-	4.838	-	Maret/ March 2018
	-	50.000	-	6.420	-	April/ April 2018
	-	50.000	-	12.605	-	Agustus/ August 2018
	-	50.000	-	14.116	-	September/ September 2018
	-	100.000	-	28.232	-	September/ September 2018
	-	100.000	-	28.232	-	September/ September 2018
	400.000	-	-	-	Maret/ March 2019	-
	100.000	100.000	15.738	50.949	Mei/ May 2019	Mei/ May 2019
	100.000	100.000	18.808	53.728	Juni/ June 2019	Juni/ June 2019
PT Bank DKI	-	35.000	-	1.139	-	Januari/ January 2018
	-	30.000	-	1.944	-	Februari/ February 2018
	-	50.000	-	4.838	-	Maret/ March 2018
	-	50.000	-	4.838	-	Maret/ March 2018
	-	19.500	-	2.504	-	April/ April 2018
	-	50.000	-	18.521	-	Desember/ December 2018
	100.000	100.000	12.721	48.331	April/ April 2019	April/ April 2019

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15. BANK LOANS (continued)

	Jumlah fasilitas/ Facility amount		Jumlah pinjaman/ Loan amount		Jatuh tempo fasilitas/ Maturity date of the facility	
	31 Desember/ December 2018	31 Desember/ December 2017	31 Desember/ December 2018	31 Desember/ December 2017	31 Desember/ December 2018	31 Desember/ December 2017
Non-revolving (lanjutan/continued)						
Rupiah (lanjutan/continued)						
Pihak ketiga (lanjutan)/Third parties (continued)						
PT Bank DKI (lanjutan/continued)	150.000	150.000	19.023	72.358	April/ April 2019	April/ April 2019
	25.000	25.000	8.376	16.750	November/ November 2019	November/ November 2019
	50.000	50.000	18.207	34.827	Desember/ December 2019	Desember/ December 2019
	125.000	125.000	49.126	90.363	Januari/ January 2020	Januari/ January 2020
	275.000	-	226.854	-	Mei/ May 2021	-
PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk	-	100.000	-	14.286	-	Mei/ May 2018
	-	100.000	-	15.625	-	Mei/ May 2018
	-	100.000	-	33.333	-	Desember/ December 2018
	-	100.000	-	33.333	-	Desember/ December 2018
	75.000	75.000	10.417	35.417	Mei/ May 2019	Mei/ May 2019
	75.000	75.000	12.500	37.500	Juni/ June 2019	Juni/ June 2019
	100.000	100.000	41.667	75.000	Maret/ March 2020	Maret/ March 2020
	100.000	100.000	45.714	80.000	April/ April 2020	April/ April 2020
	100.000	100.000	47.059	82.353	April/ April 2020	April/ April 2020
	100.000	100.000	47.059	82.353	April/ April 2020	April/ April 2020
	100.000	100.000	63.889	97.222	November/ November 2020	November/ November 2020
	100.000	100.000	66.667	100.000	Desember/ December 2020	Desember/ December 2020
PT Bank Mizuho Indonesia	724.050	-	-	-	Juni/ June 2019	-
	9.854.050	9.364.500	3.961.928	3.915.752		
Mata uang asing/Foreign currency						
Kredit sindikasi I/ Syndication credit I	1.194.750	1.194.750	760.470	1.117.751	September/ September 2020	September/ September 2020
	1.491.600	1.491.600	1.062.152	1.490.280	November/ November 2020	November/ November 2020
Kredit sindikasi II/ Syndication credit II	963.300	-	941.265	-	Oktober/ October 2021	-
	317.418	-	313.639	-	Oktober/ October 2021	-
	868.800	-	796.484	-	Agustus/ August 2021	-
	287.040	-	265.397	-	Agustus/ August 2021	-
Bank of China Limited, Cabang Jakarta	575.000	-	579.240	-	Desember/ December 2021	-
	5.697.908	2.686.350	4.718.647	2.608.031		
Pihak berelasi/Related parties						
PT Bank Mandiri (Persero) Tbk	-	49.000	-	1.595	-	Januari/ January 2018
	-	49.000	-	1.595	-	Januari/ January 2018
	-	49.000	-	1.595	-	Januari/ January 2018
	-	49.000	-	3.175	-	Februari/ February 2018
	-	49.000	-	3.175	-	Februari/ February 2018
	-	49.000	-	4.741	-	Maret/ March 2018

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15. BANK LOANS (continued)

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	31 Desember/ December 2018	31 Desember/ December 2017	31 Desember/ December 2018	31 Desember/ December 2017	31 Desember/ December 2018	31 Desember/ December 2017
<i>Non-revolving (lanjutan/continued)</i>						
Rupiah (lanjutan/continued)						
Pihak berelasi (lanjutan)/Related parties (continued)						
PT Bank Mandiri (Persero) Tbk (lanjutan/continued)	-	49.000	-	4.741	-	Maret/ March 2018
	-	20.000	-	1.935	-	Maret/ March 2018
	-	40.000	-	7.633	-	Juni/ June 2018
	-	34.000	-	9.599	-	September/ September 2018
	100.000	100.000	21.840	56.465	Juli/ July 2019	Juli/ July 2019
	100.000	100.000	24.859	59.198	Agustus/ August 2019	Agustus/ August 2019
	100.000	100.000	24.859	59.198	Agustus/ August 2019	Agustus/ August 2019
	50.000	50.000	12.429	29.599	Agustus/ August 2019	Agustus/ August 2019
	100.000	100.000	27.794	61.839	September/ September 2019	September/ September 2019
	50.000	50.000	16.768	33.516	November/ November 2019	November/ November 2019
	50.000	50.000	16.768	33.516	November 2019	November 2019
	100.000	100.000	36.363	69.607	Desember/ December 2019	Desember/ December 2019
	100.000	100.000	36.363	69.607	Desember/ December 2019	Desember/ December 2019
	150.000	150.000	54.544	104.410	Desember 2019	Desember 2019
	100.000	100.000	39.248	72.245	Januari/ January 2020	Januari/ January 2020
	100.000	100.000	47.777	80.042	April/ April 2020	April/ April 2020
	100.000	100.000	50.578	82.602	Mei/ May 2020	Mei/ May 2020
	100.000	100.000	50.578	82.602	Mei/ May 2020	Mei/ May 2020
	100.000	100.000	50.578	82.602	Mei/ May 2020	Mei/ May 2020
	100.000	100.000	53.357	85.144	Juni/ June 2020	Juni/ June 2020
	100.000	100.000	53.357	85.144	Juni/ June 2020	Juni/ June 2020
	100.000	100.000	53.357	85.144	Juni/ June 2020	Juni/ June 2020
	100.000	100.000	56.116	87.667	Juli/ July 2020	Juli/ July 2020
	95.000	95.000	63.443	92.674	November/ November 2020	November/ November 2020
	150.000	-	104.170	-	Desember/ December 2020	-
	100.000	-	77.329	-	Maret/ March 2021	-
	250.000	-	193.157	-	Maret/ March 2021	-
	114.000	-	114.000	-	Desember/ December 2021	-
	2.509.000	2.332.000	1.279.632	1.452.605		
Jumlah/Total non-revolving	18.060.958	14.382.850	9.960.207	7.976.388		
Jumlah/Total	20.936.695	16.564.056	11.222.735	8.244.582		

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15. PINJAMAN BANK (lanjutan)

Kredit sindikasi I

Berdasarkan perjanjian sindikasi tanggal 19 Juli 2017, Perseroan memperoleh fasilitas pinjaman dari Anggota Sindikasi dengan batas kredit maksimum sejumlah AS\$200.000.000 (nilai penuh). Rincian nilai pinjamannya sebagai berikut:

	31 Desember/ December 2018	31 Desember/ December 2017
MUFG Bank, Ltd., Cabang Jakarta (dahulu Bank of Tokyo Mitsubishi UFJ, Ltd, Cabang Jakarta)	273.393	391.204
Industrial and Commercial Bank of China Limited, Cabang Singapura	145.810	208.642
RHB Bank Berhad	141.252	202.122
Eastspring Investments SICAV-FIS - Asia Pacific Loan Fund	109.357	156.482
The Gunma Bank, Ltd.	109.357	156.482
BDO Unibank, Inc., Cabang Hong Kong	109.356	156.482
PT Bank CTBC Indonesia	91.131	130.402
Bank of Taiwan, Offshore Banking Branch	63.792	91.281
Chang Hwa Commercial Bank, Ltd., Offshore Banking Branch	63.792	91.281
The Export - Import Bank of the Republic of China	63.792	91.281
Far Eastern International Bank	63.792	91.281
The Hyakugo Bank, Ltd	63.792	91.281
KGI Bank	63.792	91.281
Land Bank of Taiwan, Cabang Singapura	63.792	91.281
Mega International Commercial Bank Co., Ltd., Offshore Banking Branch	63.792	91.281
Taiwan Cooperative Bank, Offshore Banking Branch	63.792	91.281
Taiwan Shin Kong Commercial Bank	63.792	91.281
The Korea Development Bank	54.679	78.241
The Korea Development Bank, Cabang Singapura	54.679	78.241
BDO Private Bank, Inc.	31.896	45.641
Hua Nan Commercial Bank, Ltd., Offshore Banking Branch	31.896	45.641
Hua Nan Commercial Bank, Ltd., Cabang Singapura	31.896	45.641
Total	1.822.622	2.608.031

15. BANK LOANS (continued)

Syndication credit I

Based on the syndication agreement dated 19 July 2017, the Company obtained a loan facility from a Syndicated Member with a maximum credit limit of US\$200,000,000 (full amount). Details are as follows:

MUFG Bank, Ltd., Jakarta Branch (formerly Bank of Tokyo Mitsubishi UFJ, Ltd, Jakarta Branch)
Industrial and Commercial Bank of China Limited, Singapore Branch
RHB Bank Berhad
Eastspring Investments SICAV-FIS - Asia Pacific Loan Fund
The Gunma Bank, Ltd.
BDO Unibank, Inc., Hong Kong Branch
PT Bank CTBC Indonesia
Bank of Taiwan, Offshore Banking Branch
Chang Hwa Commercial Bank, Ltd., Offshore Banking Branch
The Export - Import Bank of the Republic of China
Far Eastern International Bank
The Hyakugo Bank, Ltd
KGI Bank
Land Bank of Taiwan, Singapore Branch
Mega International Commercial Bank Co., Ltd., Offshore Banking Branch
Taiwan Cooperative Bank, Offshore Banking Branch
Taiwan Shin Kong Commercial Bank
The Korea Development Bank
The Korea Development Bank, Singapore Branch
BDO Private Bank, Inc.
Hua Nan Commercial Bank, Ltd., Offshore Banking Branch
Hua Nan Commercial Bank, Ltd., Singapore Branch
Total

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15. PINJAMAN BANK (lanjutan)

Kredit sindikasi II

Pada tanggal 26 April 2018, Perseroan memperoleh fasilitas pinjaman dari Anggota Sindikasi, dengan batas kredit maksimum Tranche A sejumlah AS\$125.000.000 (nilai penuh) dan Tranche B JPY4.600.000.000 (nilai penuh). Penarikan pertama dilakukan pada tanggal 3 Agustus 2018 dengan jumlah Tranche A AS\$60.000.000 (nilai penuh) dan Tranche B JPY2.208.000.000 (nilai penuh). Penarikan kedua tanggal 2 Oktober 2018 dengan jumlah Tranche A AS\$65.000.000 (nilai penuh) dan Tranche B JPY2.392.000.000 (nilai penuh).

Perjanjian sindikasi mensyaratkan kondisi keuangan tertentu, yaitu:

- Perseroan akan memastikan Total Utang Kotor tidak melebihi 10 kali (atau (apabila lebih kecil) dari tingkat yang ditentukan oleh Otoritas Jasa Keuangan Indonesia) atas Nilai Bersih barang Berwujud untuk setiap tahun buku dan semester tahun berikutnya.
- Perseroan akan memastikan Total Utang Kotor tidak melebihi 90 persen dari piutang bersih untuk setiap tahun buku dan semester tahun berikutnya.
- Perseroan akan memastikan bahwa pinjaman-pinjaman macetnya tidak melebihi 3 persen dari keseluruhan Piutangnya untuk setiap tahun buku dan semester tahun berikutnya.

Berdasarkan perjanjian sindikasi tanggal 26 April 2018, Perusahaan memperoleh fasilitas pinjaman dari Anggota Sindikasi, dengan batas kredit maksimum sejumlah AS\$168.000.000. Dengan nilai pinjaman sebesar:

**31 Desember/
December 2018**

MUFG Bank, Ltd., Cabang Jakarta (dahulu Bank of Tokyo Mitsubishi UFJ, Ltd, Cabang Jakarta)	417.060
The Gunma Bank, Ltd.	278.040
Mega International Commercial Bank Co.Ltd, Offshore Banking Branch	278.040
The Nishi-Nippon City Bank.Ltd	251.755
Land Bank Of Taiwan, Cabang Singapura	208.530
PT Bank Negara Indonesia (Persero) Tbk Cabang Tokyo	201.403
Bank of Taiwan, Cabang Tokyo	139.020
Hua Nan Commercial Bank, Ltd., Offshore Banking Branch	139.020
The Joyo Bank, Ltd	139.020
The Hachijuni Bank, Ltd	125.877
Fuyo General Lease(HK) Limited	69.510
The Hokkoku Bank, Ltd. Cabang Singapura	69.510

2.316.785

15. BANK LOANS (continued)

Syndication credit II

On 26 April 2018, the Company obtained a loan facility from a Syndicated Member with a maximum credit limit Tranche A amounting to US\$125,000,000 (full amount) and Tranche B amounting to JPY4,600,000,000 (full amount). The first drawdown was on 3 August 2018 with total Tranche A of US\$60,000,000 (full amount) and Tranche B of JPY2,208,000,000 (full amount). The second drawdown was on 2 October 2018 with total Tranche A of US\$65,000,000 (full amount) and Tranche B of JPY2,392,000,000 (full amount).

The syndication agreement has required financial covenants, namely:

- The Company shall ensure that the Total Gross debt does not exceed 10 times (or (if lower) the level prescribed by the Indonesia Financial Services Authority) of the Tangible Net Worth for each of its financial years and its financial half-years.
- The Company shall ensure that the Total Gross Debt does not exceed 90 per cent of the Net Receivables for each of its financial years and its financial half-years.
- The Company shall ensure that its Non-Performing Loans does not exceed 3 percent of its aggregate Receivables for each of its financial years and its financial half-years.

Based on the syndication agreement dated 26 April 2018, the Company obtained a loan facility from a Syndicated Member, with a maximum credit limit of US \$168,000,000. With loan amount of:

MUFG Bank, Ltd., Jakarta Branch (formerly Bank of Tokyo Mitsubishi UFJ, Ltd, Jakarta Branch)
The Gunma Bank, Ltd.
Mega International Commercial Bank Co.Ltd Offshore Banking Branch
The Nishi-Nippon City Bank.Ltd
Land Bank Of Taiwan, Singapore Branch PT Bank Negara Indonesia (Persero) Tbk Tokyo Branch
Bank of Taiwan, Tokyo Branch
Hua Nan Commercial Bank, Ltd., Offshore Banking Branch
The Joyo Bank, Ltd
The Hachijuni Bank, Ltd
Fuyo General Lease (HK) Limited
The Hokkoku Bank, Ltd. Singapore Branch

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15. PINJAMAN BANK (lanjutan)

Cicilan pinjaman bank dan pinjaman sindikasi sesuai dengan tanggal jatuh temponya sebagai berikut:

Tahun	31 Desember/ December 2018	31 Desember/ December 2017	Year
2018	-	3.856.712	2018
2019	6.172.054	2.809.092	2019
2020	3.751.911	1.578.778	2020
2021 dan sesudahnya	1.298.770	-	2021 and there after
	11.222.735	8.244.582	

15. BANK LOANS (continued)

Bank loan and syndicated loans' installment based on maturity date follows:

Pada tanggal 31 Desember 2018, Perseroan memiliki fasilitas pinjaman yang belum ditarik dengan rincian sebagai berikut:

As of 31 December 2018, the Company has undrawn loan facilities with details as follows:

Nama bank/ Bank name	Jenis pinjaman/ Loan type	Nomor perjanjian/ Agreement number	Tanggal perjanjian/ Agreement date	Jumlah fasilitas/ Facility amount	Jumlah fasilitas yang belum ditarik/ Undrawn facility amount	Jatuh tempo fasilitas/ Maturity date facility
Revolving:						
PT Bank Central Asia Tbk	Fasilitas Kredit Lokal/ Local Credit Facility	No. 18	17 Januari/ January 2018	55.000	55.000	12 Maret/ March 2019
PT Bank OCBC NISP Tbk	Demand Loan	No.120	29 Maret/ March 2018	200.000	200.000	10 November/ November 2019
PT Bank Danamon Tbk	KMK Revolving	107A/PPCBD/V/2018	Mei/May 2018	87.472	87.472	30 Agustus/ August 2019
MUFG Bank, Ltd Cabang Jakarta (dahulu Bank of Tokyo Mitsubishi UFJ, Ltd. Cabang Jakarta) (formerly Bank of Tokyo Mitsubishi UFJ, Ltd. Jakarta Branch)	Fasilitas Kredit/ Credit Facility	17-0604LN	11 Februari/ February 2017	724.050	24.050	11 Februari/ February 2019
PT Bank UOB Indonesia	Fasilitas Revolving Credit Facility	594/11/2017	21 November/ November 2017	300.000	300.000	21 Januari/ January 2019
PT Bank Mandiri (Persero) Tbk	KMK Revolving	CRO.KP/058/KMK/12 Akta no.10	20 Desember/ December 2018	300.000	200.000	23 Desember/ December 2019
PT Bank Mandiri (Persero) Tbk	KMK Revolving	No.10	20 Desember/ December 2018	425.000	425.000	20 Desember/ December 2019
PT Bank ANZ Indonesia	Fasilitas Modal Kerja/ Working Capital Facility	110/FA/ANZ/NEW/ X/2018	11 Oktober/ October 2018	217.215	217.215	11 Oktober/ October 2019
Non-revolving:						
PT Bank OCBC NISP Tbk	Fasilitas Term Loan/ Term Loan Facility	No. 120	29 Maret/ March 2018	575.000	575.000	29 Maret/ March 2019
PT Bank Mizuho Indonesia	Fasilitas Jangka Panjang/ Long Term Facility	152/MA/MZH/0618	29 Juni/ June 2018	724.050	724.050	29 Juni/ June 2019
PT Bank KEB Hana Indonesia	Angsuran Modal Kerja/ Working Capital Installment	No.5	3 September/ September 2018	400.000	400.000	3 Maret/ March 2019

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15. PINJAMAN BANK (lanjutan)

Pinjaman bank dalam rupiah di atas dikenakan bunga antara 7,23% - 12,00% per tahun pada tahun yang berakhir pada tanggal 31 Desember 2018 dan 2017. Pinjaman bank dalam mata uang asing dikenakan bunga LIBOR 3M+0,9% per tahun pada tahun yang berakhir pada tanggal 31 Desember 2018 dan 2017.

Selama tahun yang berakhir pada tanggal 31 Desember 2018 dan 2017, Perseroan telah melakukan pembayaran cicilan pokok dan bunga pinjaman sesuai jadwal yang ditetapkan.

Pinjaman-pinjaman ini dijamin dengan piutang pembiayaan konsumen sejumlah Rp6.466.782 pada tanggal 31 Desember 2018 (31 Desember 2017: Rp4.671.455) dan piutang sewa pembiayaan sejumlah Rp468.553 pada tanggal 31 Desember 2018 (31 Desember 2017: Rp1.126.406).

Fasilitas pinjaman dari beberapa bank dan bank sindikasi tersebut mensyaratkan Perseroan untuk memberikan pemberitahuan tertulis dalam hal pembagian dividen, perubahan modal dan pemegang saham, perubahan susunan direksi dan komisaris, perubahan bisnis utama, investasi dan perolehan pinjaman baru dari bank lain.

Dalam perjanjian pinjaman tersebut, Perseroan juga diwajibkan untuk memenuhi persyaratan keuangan seperti rasio jumlah utang bunga terhadap ekuitas tidak melebihi rasio 10:1 dan kewajiban penyampaian laporan lainnya. Pada tanggal 31 Desember 2018 dan 2017, Perseroan telah memenuhi persyaratan-persyaratan di atas.

Fasilitas-fasilitas pinjaman ini dipergunakan untuk modal kerja kegiatan usaha Perseroan.

Lihat Catatan 26b untuk rincian saldo dan transaksi dengan pihak berelasi.

Lihat Catatan 29 untuk perjanjian kerjasama pembiayaan bersama dan penyaluran pemberian kredit.

15. BANK LOANS (continued)

The bank loans denominated in Rupiah bear interest rates ranging between 7.23% - 12.00% per annum for the year ended 31 December 2018 and 2017. The bank loans denominated in foreign currency bear interest LIBOR 3M+0.9% per annum for the year ended 31 December 2018 and 2017.

During the year ended 31 Desember 2018 and 2017, the Company has paid the loan principal and interests installments on schedule.

These loans are secured by consumer financing receivables amounting to Rp6,466,782 as of 31 December 2018 (31 December 2017: Rp4,671,455) and finance lease receivables amounting to Rp468,553 as of 31 Desember 2018 (31 Desember 2017: Rp1,126,406).

The loan facilities from those banks and syndicated banks require the Company to provide a written notice in respect of dividend payments, changes of capital and shareholders, changes of directors and commissioners, changes of main business, investment and obtaining new loan facilities from other banks.

Under the loan agreements, the Company is also obliged to comply with financial covenants such as gearing ratio not exceeding 10:1 and other reporting obligations. As of 31 December 2018 and 2017, the Company has complied with the above requirements.

The loan facilities are used for the Company's working capital.

Refer to Note 26b for details of balances and transactions with related parties.

Refer to Note 29 for joint financing and credit channeling cooperation agreements.

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16. INSTRUMEN KEUANGAN DERIVATIF

16. DERIVATIVE FINANCIAL INSTRUMENTS

31 Desember/December 2018				
Instrumen	Jumlah nosional mata uang asing/ (jumlah penuh) <i>Notional amount foreign currency (full amount)</i>	Nilai wajar/Fair values		Instruments
		Piutang derivatif/ <i>Derivative receivables</i>	Utang derivatif/ <i>Derivative payables</i>	
Terkait nilai tukar dan suku bunga				
Swap mata uang asing dan suku bunga				
MUFG Bank, Ltd., Cabang Jakarta (dahulu Bank of Tokyo Mitsubishi UFJ, Ltd, Cabang Jakarta)	USD90.000.000	69.950	-	Exchange and interest rate related Cross currency swaps and interest rate MUFG Bank, Ltd., Jakarta Branch (formerly Bank of Tokyo Mitsubishi UFJ, Ltd, Jakarta Branch)
MUFG Bank, Ltd., Cabang Jakarta (dahulu Bank of Tokyo Mitsubishi UFJ, Ltd, Cabang Jakarta)	USD110.000.000	68.383	-	MUFG Bank, Ltd., Jakarta Branch (formerly Bank of Tokyo Mitsubishi UFJ, Ltd, Jakarta Branch)
PT Bank UOB Indonesia	USD 40.000.000	-	24.201	PT Bank UOB Indonesia
MUFG Bank, Ltd., Cabang Jakarta (dahulu Bank of Tokyo Mitsubishi UFJ, Ltd, Cabang Jakarta)	USD 20.000.000	-	4.514	MUFG Bank, Ltd., Cabang Jakarta (formerly Bank of Tokyo Mitsubishi UFJ, Ltd, Jakarta Branch)
PT Bank UOB Indonesia	USD30.000.000	-	8.312	PT Bank UOB Indonesia
MUFG Bank, Ltd., Cabang Jakarta (dahulu Bank of Tokyo Mitsubishi UFJ, Ltd, Cabang Jakarta)	USD35.000.000	-	28.849	MUFG Bank, Ltd., Cabang Jakarta (formerly Bank of Tokyo Mitsubishi UFJ, Ltd, Jakarta Branch)
MUFG Bank, Ltd., Cabang Jakarta (dahulu Bank of Tokyo Mitsubishi UFJ, Ltd, Cabang Jakarta)	JPY2.208.000.000	-	4.411	MUFG Bank, Ltd., Cabang Jakarta (formerly Bank of Tokyo Mitsubishi UFJ, Ltd, Jakarta Branch)
MUFG Bank, Ltd., Cabang Jakarta (dahulu Bank of Tokyo Mitsubishi UFJ, Ltd, Cabang Jakarta)	JPY2.392.000.000	-	16.904	MUFG Bank, Ltd., Cabang Jakarta (formerly Bank of Tokyo Mitsubishi UFJ, Ltd, Jakarta Branch)
PT Bank Danamon Indonesia Tbk	USD40.000.000	-	2.597	PT Bank Danamon Indonesia Tbk
		138.333	89.788	
31 Desember/ December 2017				
Instrumen	Jumlah nosional mata uang asing/ (jumlah penuh) <i>Notional amount foreign currency (full amount)</i>	Nilai wajar/Fair values		Instruments
		Piutang derivatif/ <i>Derivative receivables</i>	Utang derivatif/ <i>Derivative payables</i>	
Terkait nilai tukar dan suku bunga				
Swap mata uang asing dan suku bunga				
MUFG Bank, Ltd., Cabang Jakarta (dahulu Bank of Tokyo Mitsubishi UFJ, Ltd, Cabang Jakarta)	USD90.000.000	23.202	-	Exchange and interest rate related Cross-currency swaps and interest rate MUFG Bank, Ltd., Jakarta Branch (formerly Bank of Tokyo Mitsubishi UFJ, Ltd, Jakarta Branch)
MUFG Bank, Ltd., Cabang Jakarta (dahulu Bank of Tokyo Mitsubishi UFJ, Ltd, Cabang Jakarta)	USD110.000.000	-	19.540	MUFG Bank, Ltd., Jakarta Branch (formerly Bank of Tokyo Mitsubishi UFJ, Ltd, Jakarta Branch)
		23.202	19.540	

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16. INSTRUMEN KEUANGAN DERIVATIF (lanjutan)

Perseroan menghadapi risiko pasar, terutama karena perubahan kurs mata uang asing dan tingkat bunga mengambang, dan menggunakan instrumen derivatif untuk lindung nilai atas risiko tersebut sebagai bagian dari manajemen risiko. Perusahaan tidak memiliki atau menerbitkan instrumen derivatif untuk tujuan-tujuan diperdagangkan.

MUFG Bank, Ltd., cabang Jakarta (dahulu Bank of Tokyo Mitsubishi UFJ, Ltd, Cabang Jakarta)

Perseroan melakukan kontrak swap mata uang dan suku bunga dengan MUFG Bank, Ltd., cabang Jakarta (dahulu Bank of Tokyo Mitsubishi UFJ, Ltd, Cabang Jakarta) dengan rincian sebagai berikut:

Dasar pinjaman/ Underlying loan	Nilai kontrak/ Contract value	Tanggal perjanjian/ Agreement date	Tanggal jatuh tempo/ Maturity date	Jenis kontrak swap/ Type of swap contract
Kredit sindikasi I/ Syndication credit I	USD90.000.000	19 Juli/July 2017	25 September/ 25 September 2020	Swap mata uang dan suku bunga/ Cross currency interest rate swaps
Kredit sindikasi I/ Syndication credit I	USD110.000.000	19 Juli/July 2017	20 November/ 20 November 2020	Swap mata uang dan suku bunga/ Cross currency interest rate swaps
Kredit sindikasi II Tranche A/ Syndication credit II Tranche A	USD20.000.000	26 April/April 2018	3 Agustus/ 3 August 2021	Swap mata uang dan suku bunga/ Cross currency interest rate swaps
Kredit sindikasi II Tranche B/ Syndication credit II Tranche B	JPY2.208.000.000	26 April/April 2018	3 Agustus/ 3 August 2021	Swap mata uang dan suku bunga/ Cross currency interest rate swaps
Kredit sindikasi II Tranche A/ Syndication credit II Tranche A	USD35.000.000	26 April/April 2018	4 Oktober/ 4 October 2021	Swap mata uang dan suku bunga/ Cross currency interest rate swaps
Kredit sindikasi II Tranche B/ Syndication credit II Tranche B	JPY2.392.000.000	26 April/April 2018	4 Oktober/ 4 October 2021	Swap mata uang dan suku bunga/ Cross currency interest rate swaps

Perseroan membayar angsuran pokok dan bunga setiap 3 (tiga) bulan dengan tingkat suku bunga tetap berkisar antara 7,23%-7,74%, dan menerima dengan tingkat bunga mengambang LIBOR 3M+1,13% untuk kontrak swap mata uang dan suku bunga untuk Kredit Sindikasi I.

Perseroan membayar angsuran pokok dan bunga setiap 3 (tiga) bulan dengan tingkat suku bunga tetap berkisar antara 8,85%-9,85%, dan menerima dengan tingkat bunga mengambang 3M ICE LIBOR +0,9% untuk USD dan 3M JPY ICE LIBOR +0,5% untuk JPY, kontrak swap mata uang dan suku bunga untuk Kredit Sindikasi II.

**16. DERIVATIVE FINANCIAL INSTRUMENTS
(continued)**

The Company is exposed to market risks, primarily to changes in foreign currency exchange and floating interest rates, and uses derivative instruments to hedge these risks as part of its risk management activities. The Company does not hold or issue derivative instruments for trading purposes.

MUFG Bank, Ltd., Jakarta branch (formerly Bank of Tokyo Mitsubishi UFJ, Ltd, Jakarta Branch)

The Company entered into cross currency swap contracts and interest rate swap contracts with MUFG Bank, Ltd., Jakarta branch (formerly Bank of Tokyo Mitsubishi UFJ, Ltd, Jakarta Branch) with details as follows:

The Company pays quarterly principal installments and interest with annual fixed interest rate ranging from 7.23% - 7.74% and has received with a floating rate LIBOR 3M+1.13% for cross currency and interest rate swap for Syndication credit I.

The Company pays quarterly principal installments and interest with annual fixed interest rate ranging from 8.85% - 9.85% and has received with a floating rate 3M ICE LIBOR +0.9% for USD and 3M JPY ICE LIBOR +0.5% for JPY, cross currency and interest rate swap for Syndication credit II.

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16. INSTRUMEN KEUANGAN DERIVATIF (lanjutan)

PT Bank UOB Indonesia

Perseroan melakukan kontrak swap mata uang dan suku bunga dengan PT Bank UOB Indonesia dengan rincian sebagai berikut:

Dasar pinjaman/ Underlying loan	Nilai kontrak/ Contract value	Tanggal perjanjian/ Agreement date	Tanggal jatuh tempo/ Maturity date	Jenis kontrak swap/ Type of swap contract
Kredit sindikasi II <i>Tranche A/ Syndication credit II Tranche A</i>	USD40.000.000	26 April/April 2018	3 Agustus/ 3 August 2021	Swap mata uang dan suku bunga/ Cross currency interest rate swaps
Kredit sindikasi II <i>Tranche A/ Syndication credit II Tranche A</i>	USD30.000.000	26 April/April 2018	4 Oktober/ 4 October 2021	Swap mata uang dan suku bunga/ Cross currency interest rate swaps

Perseroan membayar angsuran pokok dan bunga setiap 3 (tiga) bulan dengan tingkat suku bunga tetap berkisar antara 8,85%-9,85%, dan menerima dengan tingkat bunga mengambang 3M ICE LIBOR +0,9% untuk kontrak swap mata uang dan suku bunga.

PT Bank Danamon Indonesia Tbk

Perseroan melakukan kontrak swap mata uang dan suku bunga dengan PT Bank Danamon Indonesia Tbk dengan rincian sebagai berikut:

Dasar pinjaman/ Underlying loan	Nilai kontrak/ Contract value	Tanggal perjanjian/ Agreement date	Tanggal jatuh tempo/ Maturity date	Jenis kontrak swap/ Type of swap contract
Bilateral loan/ <i>Bilateral loan</i>	USD40.000.000	29 Maret/March 2018	24 Desember/ 24 December 2021	Swap mata uang dan suku bunga/ Cross currency interest rate swaps

Perseroan membayar angsuran pokok dan bunga setiap 3 (tiga) bulan dengan tingkat suku bunga tetap berkisar sebesar 9,25%, dan menerima dengan tingkat bunga mengambang LIBOR 3M +1,15% untuk kontrak swap mata uang dan suku bunga.

Kontrak swap mata uang dan suku bunga Perseroan telah memenuhi kriteria dan berlaku efektif sebagai lindung nilai arus kas. Oleh karenanya, nilai wajar instrumen lindung nilai yang belum mempengaruhi laba rugi disajikan pada penghasilan komprehensif lainnya di bagian ekuitas. Aset atau liabilitas terkait yang timbul dari transaksi swap tersebut disajikan pada piutang atau utang derivatif.

**16. DERIVATIVE FINANCIAL INSTRUMENTS
(continued)**

PT Bank UOB Indonesia

The Company entered into cross currency swap contracts and interest rate swap contracts with PT Bank UOB Indonesia as follows:

The Company pays quarterly principal installments and interest with annual fixed interest rate ranging from 8.85% - 9.85% and has received with a floating rate 3M ICE LIBOR +0.9% for cross-currency and interest rate swap.

PT Bank Danamon Indonesia Tbk

The Company entered into cross currency swap contracts and interest rate swap contracts with PT Bank Danamon Indonesia Tbk as follows:

The Company pays quarterly principal installments and interest with annual fixed interest rate of around 9.25% and has received with a floating rate LIBOR 3M+1.15% for cross-currency and interest rate swap.

The Company's cross currency and interest rate swap contracts are designated as effective cash flow hedge. Therefore, the fair value of the hedging instrument which has not yet affected the profit and loss is presented under other comprehensive income in the equity section. The related assets or liabilities arising from the swap transaction is presented under derivative receivables or payables.

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17. SURAT BERHARGA YANG DITERBITKAN

17. SECURITIES ISSUED

	31 Desember/ December 2018	31 Desember/ December 2017	
Obligasi Berkelanjutan I Tahap II	-	175.000	<i>Continuing Bonds I Phase II</i>
Obligasi Berkelanjutan I Tahap III	-	150.000	<i>Continuing Bonds I Phase III</i>
Obligasi Berkelanjutan II Tahap I	100.000	600.000	<i>Continuing Bonds II Phase I</i>
Obligasi Berkelanjutan II Tahap II	1.400.000	1.400.000	<i>Continuing Bonds II Phase II</i>
Obligasi Berkelanjutan III Tahap I	500.000	500.000	<i>Continuing Bonds III Phase I</i>
Obligasi Berkelanjutan III Tahap II	850.000	850.000	<i>Continuing Bonds III Phase II</i>
	<u>2.850.000</u>	<u>3.675.000</u>	
Dikurangi:			Less:
Beban emisi yang belum diamortisasi:			<i>Unamortized issuance cost:</i>
Saldo awal	9.749	8.766	<i>Beginning balance</i>
Penambahan	1.845	4.232	<i>Additions</i>
Amortisasi (lihat Catatan 22)	(6.310)	(3.249)	<i>Amortization (refer to Note 22)</i>
	<u>5.284</u>	<u>9.749</u>	
Total	<u>2.844.716</u>	<u>3.665.251</u>	Total

Surat berharga yang diterbitkan sesuai dengan jatuh temponya sebagai berikut:

Securities issued based on maturity profile, are as follows:

	31 Desember/ December 2018	31 Desember/ December 2017	
<u>Tahun</u>			<u>Year</u>
2018	-	825.000	2018
2019	1.120.000	1.120.000	2019
2020	710.000	710.000	2020
2021 dan sesudahnya	1.020.000	1.020.000	2021 and there after
	<u>2.850.000</u>	<u>3.675.000</u>	

Obligasi Berkelanjutan I

Continuing Bonds I

Obligasi Berkelanjutan I Mandiri Tunas Finance Tahap II Tahun 2014

Mandiri Tunas Finance Continuing Bonds I Phase II Year 2014

Pada tanggal 23 Mei 2014, Perseroan telah menerbitkan Obligasi Berkelanjutan I Mandiri Tunas Finance Tahap II Tahun 2014 ("Obligasi Berkelanjutan I Tahap II") dengan nilai nominal Rp600.000 yang terdiri atas dua seri sebagai berikut:

On 23 May 2014, the Company issued Mandiri Tunas Finance Continuing Bonds I Phase II Year 2014 ("Continuing Bonds I Phase II") with a nominal value of Rp600,000 which consists of two series as follows:

<u>Obligasi/ Bonds</u>	<u>Nilai nominal/ Nominal value</u>	<u>Tingkat bunga tetap per tahun/ Fixed interest rate per annum</u>	<u>Jatuh tempo/ Due date</u>	<u>Cicilan pokok Obligasi/ Bonds principal installment</u>
Seri/Series A	425.000	10,70%	23 Mei/May 2017	Pembayaran penuh pada saat jatuh tempo/ <i>Bullet payment on due date</i>
Seri/Series B	175.000	10,85%	23 Mei/May 2018	Pembayaran penuh pada saat jatuh tempo/ <i>Bullet payment on due date</i>

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**17. SURAT BERTAHAP YANG DITERBITKAN
(lanjutan)**

Obligasi Berkelanjutan I (lanjutan)

Obligasi Berkelanjutan I Mandiri Tunas Finance
Tahap II Tahun 2014 (lanjutan)

Obligasi tersebut dijamin dengan piutang pembiayaan konsumen Perseroan sebesar minimal 60% untuk Obligasi Berkelanjutan I Tahap II dari pokok obligasi terutang. Pada tanggal 31 Desember 2017, piutang pembiayaan konsumen yang dijamin adalah sejumlah Rp104.854 dan piutang sewa pembiayaan sejumlah Rp146 (lihat Catatan 5 dan 6). Jika jumlah piutang pembiayaan konsumen dan piutang sewa pembiayaan kurang dari yang dipersyaratkan, maka akan dipenuhi dari uang tunai yang ditempatkan pada rekening penampungan atas nama Perseroan yang ditunjuk oleh PT Bank Mega Tbk selaku wali amanat untuk Obligasi Berkelanjutan I Tahap II.

Dalam pemantauan tahunan PT Pefindo melalui suratnya No. 1240/PEF-Dir/VII/2016 tanggal 28 Juli 2016 telah menaikkan peringkat dari idAA (Double A) menjadi idAA+ (Double A Plus) untuk Obligasi Berkelanjutan I Tahap II untuk periode 28 Juli 2016 sampai dengan 1 Juli 2017.

Dalam pemantauan tahunan PT Pefindo melalui suratnya No. RC-584/PEF-DIR/VII/2017 tanggal 12 Juli 2017 telah menetapkan kembali peringkat idAA+ (Double A Plus) untuk Obligasi Berkelanjutan I Tahap II untuk periode 11 Juli 2017 sampai dengan 1 Juli 2018.

Perseroan telah melunasi utang Obligasi Berkelanjutan I Tahap II Seri A sebesar Rp425.000 pada tanggal 22 Mei 2017.

Perseroan telah melunasi utang Obligasi Berkelanjutan I Tahap II Seri B sebesar Rp175.000 pada tanggal 21 Mei 2018.

Obligasi Berkelanjutan I Mandiri Tunas Finance
Tahap III Tahun 2015

Pada tanggal 9 Juni 2015, Perseroan telah menerbitkan Obligasi Berkelanjutan I Mandiri Tunas Finance Tahap III Tahun 2015 ("Obligasi Berkelanjutan I Tahap III") dengan rincian sebagai berikut:

Obligasi/ Bonds	Nilai nominal/ Nominal value	Tingkat bunga tetap per tahun/ Fixed interest rate per annum	Jatuh tempo/ Due date	Cicilan pokok Obligasi/ Bonds principal installment
Obligasi Berkelanjutan I Tahap III/Continuing Bonds I Phase III	150.000	9,75%	9 Juni/June 2018	Pembayaran penuh pada saat jatuh tempo/Bullet payment on due date

17. SECURITIES ISSUED (continued)

Continuing Bonds I (continued)

Mandiri Tunas Finance Continuing Bonds I Phase II
Year 2014 (continued)

These bonds are secured by the Company's consumer financing receivables for a minimum amount of 60% of the nominal value of Continuing Bonds I Phase II. As of 31 December 2017, the amount of consumer financing receivables that were pledged as security for bonds payable are Rp104,854 and finance lease receivables Rp146 (refer to Notes 5 and 6), respectively. If the amount of consumer financing receivables and finance lease receivables is less than the requirement, the Company has to place sufficient cash into an escrow account established by PT Bank Mega Tbk as trustee for Continuing Bonds I Phase II.

In the Annual Monitoring, PT Pefindo through letter No. 1240/PEF-Dir/VII/2016 dated 28 July 2016 has raised its rating from idAA (Double A) to idAA+ (Double A Plus) for the Continuing Bonds I Phase II for the period 28 July 2016 until 1 July 2017.

In the Annual Monitoring, PT Pefindo through letter No. RC-584/PEF-DIR/VII/2017 dated 12 July 2017 has rated the Continuing Bonds I Phase II as idAA+ (Double A plus) for the period 11 July 2017 until 1 July 2018.

The Company has settled the Continuing Bonds I Phase II Series A amounting to Rp425,000 on 22 May 2017.

The company has settled the Continuing Bonds I Phase II Series B amounting to Rp175,000 on 21 May 2018.

Mandiri Tunas Finance Continuing Bonds I Phase III Year 2015

On 9 June 2015, the Company issued Mandiri Tunas Finance Continuing Bonds I Phase III Year 2015 ("Continuing Bonds I Phase III") with details as follows:

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17. SURAT BERHARGA YANG DITERBITKAN
(lanjutan)

Obligasi Berkelanjutan I (lanjutan)

Obligasi Berkelanjutan I Mandiri Tunas Finance
Tahap III Tahun 2015 (lanjutan)

Obligasi tersebut dijamin dengan piutang pembiayaan konsumen Perseroan sebesar minimal 60% untuk Obligasi Berkelanjutan I Tahap III dari pokok obligasi terutang. Pada tanggal 31 Desember 2017, piutang pembiayaan konsumen yang dijamin adalah sejumlah Rp35.938 dan piutang sewa pembiayaan sejumlah Rp54.062 (lihat Catatan 5 dan 6). Jika jumlah piutang pembiayaan konsumen dan piutang sewa pembiayaan kurang dari yang dipersyaratkan, maka akan dipenuhi dari uang tunai yang ditempatkan pada rekening penampungan atas nama Perseroan yang ditunjuk oleh PT Bank Mega Tbk. selaku wali amanat untuk Obligasi Berkelanjutan I Tahap III.

PT Pefindo melalui suratnya No. 769/PEF-Dir/V/2015 tanggal 19 Mei 2015 telah menetapkan kembali peringkat idAA (*Double A*) untuk Obligasi Berkelanjutan I Tahap III untuk periode 6 Maret 2015 sampai dengan 1 Maret 2016.

Dalam pemantauan tahunan PT Pefindo melalui suratnya No. 1244/PEF-Dir/IX/2015 tanggal 30 September 2015 telah menetapkan kembali peringkat idAA (*Double A*) untuk Obligasi Berkelanjutan I Tahap III untuk periode 30 September 2015 sampai dengan 1 September 2016.

Dalam pemantauan tahunan PT Pefindo melalui suratnya No. 1240/PEF-Dir/VII/2016 tanggal 28 Juli 2016 telah menaikkan peringkat dari idAA (*Double A*) menjadi idAA+ (*Double A Plus*) untuk Obligasi Berkelanjutan I Tahap III untuk periode 28 Juli 2016 sampai dengan 1 Juli 2017.

Dalam pemantauan tahunan PT Pefindo melalui suratnya No. RC-584/PEF-DIR/VII/2017 tanggal 12 Juli 2017 telah menetapkan kembali peringkat idAA+ (*Double A Plus*) untuk Obligasi Berkelanjutan I Tahap III untuk periode 11 Juli 2017 sampai dengan 1 Juli 2018.

Perseroan telah melunasi utang Obligasi Berkelanjutan I Tahap III sebesar Rp150.000 pada tanggal 7 Juni 2018.

17. SECURITIES ISSUED (continued)

Continuing Bonds I (continued)

Mandiri Tunas Finance Continuing Bonds I Phase
III Year 2015 (continued)

These bonds are secured by the Company's consumer financing receivables for a minimum amount of 60% of the nominal value of Continuing Bonds I Phase III. As of 31 December 2017, the amount of consumer financing receivables that were pledged as security for bonds payable are Rp35,938 and finance lease receivables amounting to Rp54,062 (refer to Notes 5 and 6), respectively. If the amount of consumer financing receivables and finance lease receivables is less than the requirement, the Company has to place sufficient cash into an escrow account established by PT Bank Mega Tbk as trustee for Continuing Bonds I Phase III.

PT Pefindo through letter No. 769/PEF-Dir/V/2015 dated 19 May 2015 has rated the Continuing Bonds I Phase III as idAA (*Double A*) for the period 6 March 2015 until 1 March 2016.

In the Annual Monitoring, PT Pefindo through letter No. 1244/PEF-Dir/IX/2015 dated 30 September 2015 has rated the Continuing Bonds I Phase III as idAA (*Double A*) for the period 30 September 2015 until 1 September 2016.

In the Annual Monitoring, PT Pefindo through letter No. 1240/PEF-Dir/VII/2016 dated 28 July 2016 has raised its rating from idAA (*Double A*) to idAA+ (*Double A Plus*) for the Continuing Bonds I Phase III for the period 28 July 2016 until 1 July 2017.

In the Annual Monitoring, PT Pefindo through letter No. RC-584/PEF-DIR/VII/2017 dated 12 July 2017 has rated the Continuing Bonds I Phase III as idAA+ (*Double A plus*) for the period 11 July 2017 until 1 July 2018.

The company has settled the Continuing Bonds I Phase III amounting to Rp150,000 on 7 June 2018.

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**17. SURAT BERHARGA YANG DITERBITKAN
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17. SECURITIES ISSUED (continued)

Obligasi Berkelanjutan II

Continuing Bonds II

Obligasi Berkelanjutan II Mandiri Tunas Finance
Tahap I Tahun 2015

Mandiri Tunas Finance Continuing Bonds II Phase
I Year 2015

Pada tanggal 11 Desember 2015, Perseroan telah memperoleh persyaratan efektif dari Otoritas Jasa Keuangan melalui surat No. S-596/D.04/2015 dalam rangka penawaran umum Obligasi Berkelanjutan II Mandiri Tunas Finance Tahap I Tahun 2015 ("Obligasi Berkelanjutan II") dengan nilai nominal Rp600.000 yang terdiri atas dua seri sebagai berikut:

On 11 December 2015, the Company received the effective notification from the Financial Services Authority through its letter No. S-596/D.04/2015 in conjunction with continuing public offering of Mandiri Tunas Finance continuing Bonds II Phase I Year 2015 ("continuing Bonds II") with a nominal value of Rp600,000 which consists of two series as follows:

Obligasi/ Bonds	Nilai nominal/ Nominal value	Tingkat bunga tetap per tahun/ Fixed interest rate per annum	Jatuh tempo/ Due date	Cicilan pokok Obligasi/ Bonds principal installment
Seri/Series A	500.000	10,20%	18 Desember/ December 2018	Pembayaran penuh pada saat jatuh tempo/Bullet payment on due date
Seri/Series B	100.000	10,80%	18 Desember/ December 2020	Pembayaran penuh pada saat jatuh tempo/Bullet payment on due date

Obligasi tersebut dijamin dengan piutang pembiayaan konsumen Perseroan sebesar minimum 60% untuk Obligasi Berkelanjutan II Tahap I dari pokok obligasi terutang. Pada tanggal 31 Desember 2018 dan 2017, piutang pembiayaan konsumen yang dijamin adalah sejumlah Rp60.000 dan Rp351.464 dan piutang sewa pembiayaan yang dijamin adalah sejumlah Rp nihil dan Rp8.536 (lihat Catatan 5 dan 6). Jika jumlah piutang pembiayaan konsumen kurang dari yang dipersyaratkan, maka akan dipenuhi dari uang tunai yang ditempatkan pada rekening penampungan atas nama Perseroan yang ditunjuk oleh PT Bank Mega Tbk selaku wali amanat untuk Obligasi Berkelanjutan II Tahap I.

These bonds are secured by the Company's consumer financing receivables for a minimum amount of 60% of the nominal value of Continuing Bonds II Phase I. As of 31 December 2018 and 2017, the amount of consumer financing receivables that was pledged as security for bonds payable are Rp60,000 and Rp351,464, respectively and finance lease receivables that was pledged are Rp nil and Rp8,536 (refer to Notes 5 and 6), respectively. If the amount of consumer financing receivables is less than the requirement, the Company has to place sufficient cash into an escrow account established by PT Bank Mega Tbk as trustee for Continuing Bonds II Phase I.

Dalam perjanjian perwaliamanatan juga diatur beberapa pembatasan yang harus dipenuhi oleh Perseroan, antara lain memberikan jaminan fidusia berupa piutang pembiayaan konsumen dan rasio jumlah pinjaman terhadap ekuitas tidak melebihi rasio 10:1. Selain itu, selama pokok obligasi belum dilunasi, Perseroan tidak diperkenankan, antara lain melakukan penggabungan usaha kecuali dilakukan pada bidang usaha yang sama serta menjual atau mengalihkan lebih dari 50% aset Perseroan kecuali untuk kegiatan usaha Perseroan sehari-hari.

The trustee agreement provides several negative covenants to the Company, among others are collateral with fiduciary transfer of consumer financing receivables and debt to equity ratio not to exceed 10:1. Moreover, during the year that the bonds principals are still outstanding, the Company is not allowed to, among others, merge unless performed on the same business and to sell or assign more than 50% of the Company's asset, except for Company's normal business transactions.

Perseroan telah memenuhi batasan-batasan yang diwajibkan dalam perjanjian tersebut diatas.

The Company has complied with the covenants on the trustee agreements.

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**17. SURAT BERTAHAP YANG DITERBITKAN
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17. SECURITIES ISSUED (continued)

Obligasi Berkelanjutan II (lanjutan)

Continuing Bonds II (continued)

Obligasi Berkelanjutan II Mandiri Tunas Finance
Tahap I Tahun 2015 (lanjutan)

Mandiri Tunas Finance Continuing Bonds II Phase
I Year 2015 (continued)

Dalam pemantauan tahunan PT Pefindo melalui suratnya No. RC-584/PEF-DIR/VII/2017 tanggal 12 Juli 2017 telah menetapkan kembali peringkat idAA+ (Double A Plus) untuk Obligasi Berkelanjutan II Tahap I untuk periode 11 Juli 2017 sampai dengan 1 Juli 2018.

In the Annual Monitoring, PT Pefindo through letter No. RC-584/PEF-DIR/VII/2017 dated 12 July 2017 has rated the Continuing Bonds II Phase I as idAA+ (Double A plus) for the period 11 July 2017 until 1 July 2018.

Dalam pemantauan tahunan PT Pefindo melalui suratnya No.RC-747/PEF-DIR/VII/2018 tanggal 11 Juli 2018 telah menetapkan kembali peringkat idAA+ (Double A Plus) untuk Obligasi Berkelanjutan II Tahap I untuk periode 10 Juli 2018 sampai dengan 1 Juli 2019.

In the Annual Monitoring, PT Pefindo through letter No.RC-747/PEF-DIR/VII/2018 dated 11 July 2018 has rated the Continuing Bonds II Phase I as idAA+ (Double A plus) for the period 10 July 2018 until 1 July 2019.

Perseroan telah melunasi utang Obligasi Berkelanjutan II Tahap I Seri A sebesar Rp500.000 pada tanggal 17 Desember 2018

The Company has settled the Continuing Bonds I Phase III amounting to Rp500,000 on 17 December 2018.

Obligasi Berkelanjutan II Mandiri Tunas Finance
Tahap II Tahun 2016

Mandiri Tunas Finance Continuing Bonds II Phase
II Year 2016

Pada tanggal 1 Juni 2016, Perseroan telah menerbitkan Obligasi Berkelanjutan II Mandiri Tunas Finance Tahap II Tahun 2016 ("Obligasi Berkelanjutan II Tahap II") dengan rincian sebagai berikut:

On 1 June 2016, the Company issued Mandiri Tunas Finance Continuing Bonds II Phase II Year 2016 ("Continuing Bonds II Phase II") with details as follows:

Obligasi/ Bonds	Nilai nominal/ Nominal value	Tingkat bunga tetap per tahun/ Fixed interest rate per annum	Jatuh tempo/ Due date	Cicilan pokok Obligasi/ Bonds principal installment
Seri/Series A	720.000	8,95%	1 Juni/June 2019	Pembayaran penuh pada saat jatuh tempo/Bullet payment on due date
Seri/Series B	680.000	9,25%	1 Juni/June 2021	Pembayaran penuh pada saat jatuh tempo/Bullet payment on due date

Obligasi tersebut dijamin dengan piutang pembiayaan konsumen Perseroan sebesar minimum 60% untuk Obligasi Berkelanjutan II Tahap II dari pokok obligasi terutang. Pada tanggal 31 Desember 2018 dan 2017, piutang pembiayaan konsumen yang dijamin adalah sejumlah Rp786.932 dan Rp751.903 dan piutang sewa pembiayaan yang dijamin adalah sejumlah Rp53.068 dan Rp88.097 (lihat Catatan 5 dan 6). Jika jumlah piutang pembiayaan konsumen kurang dari yang dipersyaratkan, maka akan dipenuhi dari uang tunai yang ditempatkan pada rekening penampungan atas nama Perseroan yang ditunjuk oleh PT Bank Mega Tbk selaku wali amanat untuk Obligasi Berkelanjutan II Tahap II.

These bonds are secured by the Company's consumer financing receivables for a minimum amount of 60% of the nominal value of Continuing Bonds II Phase II. As of 31 Desember 2018 and 2017, the amount of consumer financing receivables that was pledged as security for bonds payable are Rp786,932 and Rp751,903, respectively and finance lease receivables that was pledged are Rp53,068 and Rp88,097 (refer to Notes 5 and 6), respectively. If the amount of consumer financing receivables is less than the requirement, the Company has to place sufficient cash into an escrow account established by PT Bank Mega Tbk as trustee for Continuing Bonds II Phase II.

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**17. SURAT BERTAGIH YANG DITERBITKAN
(lanjutan)**

Obligasi Berkelanjutan II (lanjutan)

Obligasi Berkelanjutan II Mandiri Tunas Finance
Tahap II Tahun 2016 (lanjutan)

Dalam perjanjian perwalianamanatan juga diatur beberapa pembatasan yang harus dipenuhi oleh Perseroan, antara lain memberikan jaminan fidusia berupa piutang pembiayaan konsumen dan rasio jumlah pinjaman terhadap ekuitas tidak melebihi rasio 10:1. Selain itu, selama pokok obligasi belum dilunasi, Perseroan tidak diperkenankan, antara lain melakukan penggabungan usaha kecuali dilakukan pada bidang usaha yang sama serta menjual atau mengalihkan lebih dari 50% aset Perseroan kecuali untuk kegiatan usaha Perseroan sehari-hari.

Perseroan telah memenuhi batasan-batasan yang diwajibkan dalam perjanjian tersebut diatas.

Dalam pemantauan tahunan PT Pefindo melalui suratnya No. 1240/PEF-Dir/VII/2016 tanggal 28 Juli 2016 telah menaikkan peringkat dari idAA (*Double A*) menjadi idAA+ (*Double A Plus*) untuk Obligasi Berkelanjutan II Tahap II untuk periode 28 Juli 2016 sampai dengan 1 Juli 2017.

Dalam pemantauan tahunan PT Pefindo melalui suratnya No. RC-584/PEF-DIR/VII/2017 tanggal 12 Juli 2017 telah menetapkan kembali peringkat idAA+ (*Double A Plus*) untuk Obligasi Berkelanjutan II Tahap II untuk periode 11 Juli 2017 sampai dengan 1 Juli 2018.

Dalam pemantauan tahunan PT Pefindo melalui suratnya No.RC-747/PEFDIR/ VII/2018 tanggal 11 Juli 2018 telah menetapkan kembali peringkat idAA+ (*Double A Plus*) untuk Obligasi Berkelanjutan II Tahap II untuk periode 10 Juli 2018 sampai dengan 1 Juli 2019.

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17. SECURITIES ISSUED (continued)

Continuing Bonds II (continued)

Mandiri Tunas Finance Continuing Bonds II Phase
II Year 2016 (continued)

The trustee agreement provides several negative covenants to the Company, among others are collateral with fiduciary transfer of consumer financing receivables and debt to equity ratio not to exceed 10:1. Moreover, during the year that the bonds principals are still outstanding, the Company is not allowed to, among others, merge unless performed on the same business and to sell or assign more than 50% of the Company's asset, except for Company's normal business transactions.

The Company has complied with the covenants on the trustee agreements.

In the Annual Monitoring, PT Pefindo through letter No. 1240/PEF-Dir/VII/2016 dated 28 July 2016 has raised its rating from idAA (*Double A*) to idAA+ (*Double A Plus*) for the Continuing Bonds II Phase II for the period 28 July 2016 until 1 July 2017.

In the Annual Monitoring, PT Pefindo through letter No. RC-584/PEF-DIR/VII/2017 dated 12 July 2017 has rated the Continuing Bonds II Phase II as idAA+ (*Double A plus*) for the period 11 July 2017 until 1 July 2018.

In the Annual Monitoring, PT Pefindo through letter No.RC-747/PEF-DIR/VII/2018 dated 11 July 2018 has rated the Continuing Bonds II Phase II as idAA+ (*Double A plus*) for the period 10 July 2018 until 1 July 2019.

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17. SURAT BERTAHAP YANG DITERBITKAN
(lanjutan)

Obligasi Berkelanjutan III

Obligasi Berkelanjutan III Mandiri Tunas Finance
Tahap I Tahun 2016

Pada tanggal 7 Oktober 2016, Perseroan telah memperoleh persyaratan efektif dari Otoritas Jasa Keuangan melalui surat No.S-543/D.04/2016 dalam rangka penawaran umum Obligasi Berkelanjutan III Mandiri Tunas Finance Tahap I Tahun 2016 ("Obligasi Berkelanjutan III") dengan nilai nominal Rp500.000 yang terdiri atas dua seri sebagai berikut:

Obligasi/ Bonds	Nilai nominal/ Nominal value	Tingkat bunga tetap per tahun/ Fixed interest rate per annum
Seri/Series A	400.000	8,20%
Seri/Series B	100.000	8,55%

Obligasi tersebut dijamin dengan piutang pembiayaan konsumen Perseroan sebesar minimum 60% untuk Obligasi Berkelanjutan III Tahap I dari pokok obligasi terutang. Pada tanggal 31 Desember 2018 dan 2017, piutang pembiayaan konsumen yang dijamin adalah sejumlah Rp286.708 dan Rp268.893 dan piutang sewa pembiayaan yang dijamin adalah sejumlah Rp13.292 dan Rp31.107 (lihat Catatan 5 dan 6). Jika jumlah piutang pembiayaan konsumen kurang dari yang dipersyaratkan, maka akan dipenuhi dari uang tunai yang ditempatkan pada rekening penampungan atas nama Perseroan yang ditunjuk oleh PT Bank Mega Tbk selaku wali amanat untuk Obligasi Berkelanjutan III Tahap I.

Dalam perjanjian perwaliamanatan juga diatur beberapa pembatasan yang harus dipenuhi oleh Perseroan, antara lain memberikan jaminan fidusia berupa piutang pembiayaan konsumen dan rasio jumlah pinjaman terhadap ekuitas tidak melebihi rasio 10:1. Selain itu, selama pokok obligasi belum dilunasi, Perseroan tidak diperkenankan, antara lain melakukan penggabungan usaha kecuali dilakukan pada bidang usaha yang sama serta menjual atau mengalihkan lebih dari 50% aset Perseroan kecuali untuk kegiatan usaha Perseroan sehari-hari.

17. SECURITIES ISSUED (continued)

Continuing Bonds III

Mandiri Tunas Finance Continuing Bonds III Phase
I Year 2016

On 7 October 2016, the Company received the effective notification from the Financial Services Authority through its letter No. S-543/D.04/2016 in conjunction with continuing public offering of Mandiri Tunas Finance continuing Bonds III Phase I Year 2016 ("Continuing Bonds III") with a nominal value of Rp500,000 which consists of two series as follows:

Jatuh tempo/ Due date	Cicilan pokok Obligasi/ Bonds principal installment
7 Oktober/ October 2019	Pembayaran penuh pada saat jatuh tempo/Bullet payment on due date
7 Oktober/ October 2021	Pembayaran penuh pada saat jatuh tempo/Bullet payment on due date

These bonds are secured by the Company's consumer financing receivables for a minimum amount of 60% of the nominal value of Continuing Bonds III Phase I. As of 31 December 2018 and 2017, the amount of consumer financing receivables that was pledged as security for bonds payable are Rp286,708 and Rp268,893, respectively and finance lease receivables that was pledged are Rp13,292 and Rp31,107 (refer to Notes 5 and 6), respectively. If the amount of consumer financing receivables is less than the requirement, the Company has to place sufficient cash into an escrow account established by PT Bank Mega Tbk as trustee for Continuing Bonds III Phase I.

The trustee agreement provides several negative covenants to the Company, among others are collateral with fiduciary transfer of consumer financing receivables and debt to equity ratio not to exceed 10:1. Moreover, during the year that the bonds principals are still outstanding, the Company is not allowed to, among others, merge unless performed on the same business and to sell or assign more than 50% of the Company's asset, except for Company's normal business transactions.

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**17. SURAT BERHARGA YANG DITERBITKAN
(lanjutan)**

Obligasi Berkelanjutan III (lanjutan)

Obligasi Berkelanjutan III Mandiri Tunas Finance
Tahap I Tahun 2016 (lanjutan)

Perseroan telah memenuhi batasan-batasan yang diwajibkan dalam perjanjian tersebut diatas.

PT Pefindo telah menetapkan peringkat idAA+ (*Double A plus*) terhadap obligasi berkelanjutan sesuai suratnya No. 1238/PEF-Dir/RC/VII/2016 tanggal 28 Juli 2016 untuk periode 28 Juli 2016 sampai dengan 1 Juli 2017.

Dalam pemantauan tahunan PT Pefindo melalui suratnya No. RC-583/PEF-DIR/VII/2017 tanggal 12 Juli 2017 telah menetapkan kembali peringkat idAA+ (*Double A Plus*) untuk Obligasi Berkelanjutan III Tahap I untuk periode 11 Juli 2017 sampai dengan 1 Juli 2018.

Dalam pemantauan tahunan PT Pefindo melalui suratnya No.RC-747/PEF-DIR/VII/2018 tanggal 11 Juli 2018 telah menetapkan kembali peringkat idAA+ (*Double A Plus*) untuk Obligasi Berkelanjutan III Tahap I untuk periode 10 Juli 2018 sampai dengan 1 Juli 2019.

Obligasi Berkelanjutan III Mandiri Tunas Finance
Tahap II Tahun 2017

Pada tanggal 6 Juni 2017 Perseroan telah menerbitkan Obligasi Berkelanjutan III Mandiri Tunas Finance Tahap II Tahun 2017 ("Obligasi Berkelanjutan III Tahap II") dengan rincian sebagai berikut:

Obligasi/ Bonds	Nilai nominal/ Nominal value	Tingkat bunga tetap per tahun/ Fixed interest rate per annum	Jatuh tempo/ Due date	Cicilan pokok Obligasi/ Bonds principal installment
Seri/Series A	610.000	8,5%	6 Juni /6 June 2020	Pembayaran penuh pada saat jatuh tempo/Bullet payment on due date
Seri/Series B	240.000	8,85%	6 Juni /6 June 2022	Pembayaran penuh pada saat jatuh tempo/Bullet payment on due date

17. SECURITIES ISSUED (continued)

Continuing Bonds III (continued)

Mandiri Tunas Finance Continuing Bonds III Phase
I Year 2016 (continued)

The Company has complied with the covenants on the trustee agreements.

PT Pefindo has rated the Continuing Bonds as idAA+ (*Double A plus*) based on its report No. 1238/PEF-Dir/RC/VII/2016 dated 28 July 2016 for period 28 July 2016 until 1 July 2017.

In the Annual Monitoring, PT Pefindo through letter No. RC-583/PEF-DIR/VII/2017 dated 12 July 2017 has rated the Continuing Bonds III Phase I as idAA+ (*Double A plus*) for the period 11 July 2017 until 1 July 2018.

In the Annual Monitoring, PT Pefindo through letter No.RC-747/PEF-DIR/VII/2018 dated 11 July 2018 has rated the Continuing Bonds III Phase I as idAA+ (*Double A plus*) for the period 10 July 2018 until 1 July 2019.

Mandiri Tunas Finance Continuing Bonds III Phase
II Year 2017

On 6 June 2017, the Company issued Mandiri Tunas Finance Continuing Bonds III Phase II Year 2017 ("Continuing Bonds III Phase II") with details as follows:

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**17. SURAT BERTAHAP YANG DITERBITKAN
(lanjutan)**

Obligasi Berkelanjutan III (lanjutan)

Obligasi Berkelanjutan III Mandiri Tunas Finance
Tahap II Tahun 2017 (lanjutan)

Obligasi tersebut dijamin dengan piutang pembiayaan konsumen Perseroan sebesar minimum 60% untuk Obligasi Berkelanjutan III Tahap II dari pokok obligasi terutang. Pada tanggal 31 Desember 2018 dan 2017, piutang pembiayaan konsumen yang dijamin adalah sejumlah Rp509.557 dan Rp490.249 dan piutang sewa pembiayaan yang dijamin adalah sejumlah Rp443 dan Rp19.751 (lihat Catatan 5 dan 6). Jika jumlah piutang pembiayaan konsumen kurang dari yang dipersyaratkan, maka akan dipenuhi dari uang tunai yang ditempatkan pada rekening penampungan atas nama Perseroan yang ditunjuk oleh PT Bank Mega Tbk selaku wali amanat untuk Obligasi Berkelanjutan III Tahap II.

Dalam perjanjian perwaliamanatan juga diatur beberapa pembatasan yang harus dipenuhi oleh Perseroan, antara lain memberikan jaminan fidusia berupa piutang pembiayaan konsumen dan rasio jumlah pinjaman terhadap ekuitas tidak melebihi rasio 10:1. Selain itu, selama pokok obligasi belum dilunasi, Perseroan tidak diperkenankan, antara lain melakukan penggabungan usaha kecuali dilakukan pada bidang usaha yang sama serta menjual atau mengalihkan lebih dari 50% aset Perseroan kecuali untuk kegiatan usaha Perseroan sehari-hari.

Perseroan telah memenuhi batasan-batasan yang diwajibkan dalam perjanjian tersebut diatas.

Dalam pemantauan tahunan PT Pefindo melalui suratnya No. RC-583/PEF-DIR/VII/2017 tanggal 12 Juli 2017 telah menetapkan peringkat idAA+ (*Double A Plus*) untuk Obligasi Berkelanjutan III Tahap II untuk periode 11 Juli 2017 sampai dengan 1 Juli 2018.

Dalam pemantauan tahunan PT Pefindo melalui suratnya No.RC-747/PEF-DIR/VII/2018 tanggal 11 Juli 2018 telah menetapkan kembali peringkat idAA+ (*Double A Plus*) untuk Obligasi Berkelanjutan III Tahap II untuk periode 10 Juli 2018 sampai dengan 1 Juli 2019.

17. SECURITIES ISSUED (continued)

Continuing Bonds III (continued)

Mandiri Tunas Finance Continuing Bonds III Phase
II Year 2017 (continued)

These bonds are secured by the Company's consumer financing receivables for a minimum amount of 60% of the nominal value of Continuing Bonds III Phase II. As of 31 December 2018 and 2017, the amount of consumer financing receivables that was pledged as security for bonds payable are Rp509,557 and Rp490,249, respectively and finance lease receivables that was pledged are Rp443 and Rp19,751 (refer to Notes 5 and 6), respectively. If the amount of consumer financing receivables is less than the requirement, the Company has to place sufficient cash into an escrow account established by PT Bank Mega Tbk as trustee for Continuing Bonds III Phase II.

The trustee agreement provides several negative covenants to the Company, among others, collateral with fiduciary transfer of consumer financing receivables and debt to equity ratio not to exceed 10:1. Moreover, during the year that the bonds principals are still outstanding, the Company is not allowed to, among others, merge unless performed on the same business and to sell or assign more than 50% of the Company's asset, except for Company's normal business transactions.

The Company has complied with the covenants on the trustee agreements.

In the Annual Monitoring, PT Pefindo through letter No. RC-583/PEF-DIR/VII/2017 dated 12 July 2017 has rated the Continuing Bonds III Phase II as idAA+ (*Double A plus*) for the period 11 July 2017 until 1 July 2018.

In the Annual Monitoring, PT Pefindo through letter No.RC-747/PEF-DIR/VII/2018 dated 11 July 2018 has rated the Continuing Bonds III Phase II as idAA+ (*Double A plus*) for the period 10 July 2018 until 1 July 2019.

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18. LIABILITAS IMBALAN KERJA KARYAWAN

Jumlah yang diakui dalam laporan laba rugi dan penghasilan komprehensif lain adalah sebagai berikut:

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Biaya jasa kini	10.989	8.367	Current service costs
Biaya bunga	5.312	4.160	Interest costs
Biaya jasa lalu	291	470	Past service costs
	16.592	12.997	
Biaya pesangon pemutusan hubungan kerja	1.750	1.445	Termination
Total	18.342	14.442	Total

18. EMPLOYEE BENEFITS OBLIGATION

The amounts recognized in the statement of profit or loss and other comprehensive income, are as follows:

Mutasi liabilitas imbalan kerja karyawan pada laporan posisi keuangan adalah sebagai berikut:

The movements in employee benefits obligation in the statement of financial position are as follows:

	31 Desember/ December 2018	31 Desember/ December 2017	
Saldo awal	73.845	50.135	Beginning balance
Penyisihan pada laba rugi	18.342	14.442	Provision in profit or loss
Penyisihan pada penghasilan komprehensif lain	(6.730)	13.162	Provision in other comprehensive income
Pembayaran tahun berjalan	(5.433)	(3.894)	Payment during the year
Saldo akhir	80.024	73.845	Ending balance

Mutasi nilai kini kewajiban imbalan kerja karyawan yang diakui pada laporan posisi keuangan adalah sebagai berikut:

The movements of present value of employee benefit obligation presented in the statement of financial position, are as follows:

	31 Desember/ December 2018	31 Desember/ December 2017	
Saldo awal	73.845	50.135	Beginning balance
Biaya jasa kini	10.989	8.367	Current service costs
Biaya bunga	5.312	4.160	Interest costs
Biaya jasa lalu	291	470	Past service cost
Pembayaran tahun berjalan	(5.433)	(3.894)	Payments during the year
Biaya pesangon pemutusan hubungan kerja	1.750	1.445	Termination
(Keuntungan)/kerugian pada kewajiban aktuarial:			Actuarial (gains)/losses on obligation:
Perbedaan historis	5.403	4.443	Experience adjustment
Asumsi keuangan	(12.133)	8.719	Financial assumption
Saldo akhir	80.024	73.845	Ending balance

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18. LIABILITAS IMBALAN KERJA KARYAWAN
(lanjutan)

Mutasi kerugian aktuarial yang diakui sebagai penghasilan komprehensif lain, bruto pajak tangguhan sebagai berikut:

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Saldo awal	32.755	19.593	Beginning balance
Kerugian aktuarial yang diakui sebagai penghasilan komprehensif lain	(6.730)	13.162	Actuarial losses charged to other comprehensive income
Saldo akhir	26.025	32.755	Ending balance

The movements in the balance of actuarial loss charged to other comprehensive income, gross deferred tax, are as follows:

Liabilitas imbalan kerja karyawan pada tanggal 31 Desember 2018 dan 2017 didasarkan atas estimasi perhitungan aktuarial yang tercantum pada laporan PT Dayamandiri Dharmakonsilindo dengan menggunakan metode *projected unit credit* dalam laporan aktuariannya tanggal 2 Januari 2019 dan 2 Januari 2018. Asumsi-asumsi dasar yang digunakan aktuaris independen adalah sebagai berikut:

The employee benefits obligation as of 31 December 2018 and 2017 are based on the estimated actuarial calculation of PT Dayamandiri Dharmakonsilindo using the projected unit credit method in its report dated 2 January 2019 and 2 January 2018, respectively. The principal actuarial assumptions used by the independent actuary were as follows:

	31 Desember/ December 2018	31 Desember/ December 2017	
Tingkat diskonto	8,4% per tahun/per annum	7,4% per tahun/per annum	Discount rate
Tingkat kenaikan gaji	7% per tahun/per annum	7% per tahun/per annum	Salary increment rate
Tingkat kematian	TMI 3	TMI 3	Rate of mortality
Tingkat cacat	10% dari/from TMI 3	10% dari/from TMI 3	Rate of disability
Tingkat pengunduran diri	7% per tahun pada usia sampai dengan 40 tahun dan berkurang hingga 0,00% pada usia 55 tahun/ 7% per annum up to 40 years old and decrease linearly up to 0.00% at 55 years old	7% per tahun pada usia sampai dengan 40 tahun dan berkurang hingga 0,00% pada usia 55 tahun/ 7% per annum up to 40 years old and decrease linearly up to 0.00% at 55 years old	Rate of resignations
Tingkat pensiun	100,00% usia pensiun normal/ 100,00% at normal retirement age	100,00% usia pensiun normal/ 100,00% at normal retirement age	Rate of retirements

Tabel berikut menunjukkan sensitivitas atas kemungkinan perubahan tingkat diskonto dan tingkat kenaikan gaji sebesar 1%, dengan variabel lain dianggap tetap, terhadap nilai kini kewajiban imbalan kerja karyawan: (tidak diaudit)

The following table demonstrates the sensitivity to a reasonably possible change in discount rates and salary increment rate of 1%, with all other variables held constant, of the present value of employee benefits obligation: (unaudited)

	31 Desember/December 2018				
	Tingkat diskonto/ Discount rate		Tingkat kenaikan gaji/ Salary increment rate		
	Kenaikan/ Increase	Penurunan/ Decrease	Kenaikan/ Increase	Penurunan/ Decrease	
Dampak pada nilai kini kewajiban imbalan kerja karyawan	(7.226)	8.337	8.851	(7.796)	Effect on present value of employee benefit obligation

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**18. LIABILITAS IMBALAN KERJA KARYAWAN
(lanjutan)**

Tabel berikut menunjukkan sensitivitas atas kemungkinan perubahan tingkat diskonto dan tingkat kenaikan gaji sebesar 1%, dengan variabel lain dianggap tetap, terhadap nilai kini kewajiban imbalan kerja karyawan: (tidak diaudit) (lanjutan)

**18. EMPLOYEE BENEFITS OBLIGATION
(continued)**

The following table demonstrates the sensitivity to a reasonably possible change in discount rates and salary increment rate of 1%, with all other variables held constant, of the present value of employee benefits obligation: (unaudited) (continued)

	31 Desember/December 2017				
	Tingkat diskonto/ Discount rate		Tingkat kenaikan gaji/ Salary increment rate		
	Kenaikan/ Increase	Penurunan/ Decrease	Kenaikan/ Increase	Penurunan/ Decrease	
Dampak pada nilai kini kewajiban imbalan kerja karyawan	(7.106)	8.282	8.470	(7.404)	Effect on present value of employee benefit obligation

Analisa profil jatuh tempo pembayaran imbalan kerja karyawan pada tanggal 31 Desember 2018 dan 2017:

The maturity profile analysis of the employee benefits payments as of 31 December 2018 and 2017, are as follows:

	31 Desember/ December 2018	31 Desember/ December 2017	
1 tahun	5.582	4.132	1 years
2 - 5 tahun	16.516	14.039	2 - 5 years
Lebih dari 5 tahun	168.894	179.888	More than 5 years
Saldo akhir	190.992	198.059	Ending balance

Durasi rata-rata tertimbang dari nilai kini kewajiban imbalan kerja karyawan diakhir periode pelaporan tanggal 31 Desember 2018 dan 2017 masing-masing adalah 13,68 dan 14,87 tahun.

The weighted average duration of the present value of employee benefits obligation at the end of reporting period as of 31 December 2018 and 2017 is 13.68 and 14.87 years, respectively.

19. MODAL SAHAM

Komposisi pemegang saham Perseroan pada tanggal 31 Desember 2018 dan 2017 adalah sebagai berikut:

19. SHARE CAPITAL

The composition of the Company's shareholders as of 31 December 2018 and 2017, are as follows:

Pemegang saham	Jumlah saham/ Number of shares	Nilai/ Value	Persentase kepemilikan/ Percentage of ownership (%)	Shareholders
PT Bank Mandiri (Persero) Tbk	1.275.000.000	127.500	51,00	PT Bank Mandiri (Persero) Tbk
PT Tunas Ridean Tbk	1.225.000.000	122.500	49,00	PT Tunas Ridean Tbk
	2.500.000.000	250.000	100,00	

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20. PENGGUNAAN LABA

Cadangan wajib telah dibentuk sesuai dengan Undang-undang No. 40/2007 mengenai Perseroan Terbatas, yang mengharuskan perseroan Indonesia untuk membuat penyisihan cadangan wajib untuk ditentukan penggunaannya sebesar sekurang-kurangnya 20,00% dari jumlah modal Perseroan yang ditempatkan dan disetor penuh. Undang-undang tersebut tidak mengatur jangka waktu untuk mencapai cadangan wajib minimum tersebut. Saldo cadangan wajib pada tanggal 31 Desember 2018 dan 2017 adalah Rp50.000.

Rapat Umum Pemegang Saham Tahunan tanggal 9 Maret 2018 memutuskan untuk menyetujui pembagian dividen final tahun 2017 sejumlah Rp35.024 dari laba neto tahun 2017.

Rapat Umum Pemegang Saham Tahunan tanggal 10 April 2017 memutuskan untuk menyetujui pembagian dividen final tahun 2016 sejumlah Rp33.537 dari laba neto tahun 2016.

21. PENDAPATAN

a. Pembiayaan konsumen

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December	
	2018	2017
Pihak ketiga		
Realisasi pendapatan pembiayaan konsumen	1.072.092	874.342
Amortisasi biaya transaksi dan <i>yield enhancing income</i>	198.844	133.908
Pendapatan dari piutang yang mengalami penurunan nilai	7.409	7.230
Pendapatan administrasi dari pembiayaan bersama	657.588	813.935
	<u>1.935.933</u>	<u>1.829.415</u>
Pihak berelasi		
Realisasi pendapatan pembiayaan konsumen	786	1.009
	<u>1.936.719</u>	<u>1.830.424</u>

Lihat Catatan 26c untuk rincian saldo dan transaksi pihak berelasi.

20. PROFIT DISTRIBUTIONS

A general reserve has been established in accordance with the Indonesian Limited Company Law No. 40/2007 which requires Indonesian companies to set up a general reserve amounting to at least 20.00% of the Company's issued and paid up share capital. There is no set period of time over which this amount should be accumulated. The balance of the general reserve as of 31 December 2018 and 2017 is Rp50,000.

The Annual General Shareholders Meeting on 9 March 2018 resolved to approve the declaration of 2017 final dividends amounting to Rp35,024 from the 2017 net income.

The Annual General Shareholders Meeting on 10 April 2017 resolved to approve the declaration of 2016 final dividends amounting to Rp33,537 from the 2016 net income.

21. REVENUE

a. Consumer financing

Third parties
Realized consumer financing income
Amortization of transaction cost and yield enhancing income
Income from impaired asset
Administration income from joint income
Related parties
Realized consumer financing income

Refer to Note 26c for details of balances and transactions with related parties.

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21. PENDAPATAN (lanjutan)

21. REVENUE (continued)

b. Sewa pembiayaan

b. Finance lease

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Pihak ketiga			Third parties
Realisasi pendapatan sewa pembiayaan	356.589	176.879	Realized financial lease income
Amortisasi biaya transaksi dan yield enhancing income	10.671	2.104	Amortization of transaction cost and yield enhancing income
Pendapatan administrasi dari pembiayaan bersama	19.042	-	Administration income from joint financing
	386.302	178.983	

c. Anjak piutang

c. Factoring

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Pihak ketiga			Third parties
Realisasi pendapatan anjak piutang	96	-	Realized financial factoring income

d. Bunga

d. Interest

	Tahun yang berakhir pada tanggal 31 Desember/ For the ended 31 December		
	2018	2017	
Pihak ketiga			Third parties
Deposito berjangka dan rekening koran	3.017	2.281	Time deposits and current accounts
Pihak berelasi			Related parties
Deposito berjangka dan rekening koran	9.099	6.755	Time deposits and current accounts
	12.116	9.036	

Lihat Catatan 26c untuk rincian saldo dan transaksi dengan pihak berelasi.

Refer to Note 26c for details of balances and transactions with related parties.

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21. PENDAPATAN (lanjutan)

21. REVENUE (continued)

e. Lain-lain - neto

e. Others - net

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Pihak ketiga			Third parties
Komisi asuransi	235.876	233.753	Insurance commissions
Pendapatan akseptasi klaim	226.772	178.038	Acceptance claim income
Pendapatan penagihan	72.158	71.715	Collection income
Pendapatan penalti	58.007	47.844	Penalty income
Lain-lain	71.503	73.318	Others
	664.316	604.668	
Pihak berelasi			Related parties
Pendapatan akseptasi klaim	90.675	110.893	Acceptance claim income
Pendapatan jasa pengurusan pembiayaan	29.968	4.360	Financing management services income
	120.643	115.253	
	784.959	719.921	

Komisi asuransi merupakan pendapatan premi asuransi yang diterima oleh Perseroan sehubungan dengan kegiatan pembiayaan konsumen. Pendapatan akseptasi klaim merupakan pendapatan yang diterima Perseroan sehubungan dengan kepengurusan administrasi penerimaan asuransi. Utang kepada perusahaan asuransi dicatat sebagai utang usaha di laporan posisi keuangan (lihat Catatan 12).

Insurance commissions represents insurance premiums income received by the Company in relation to consumer financing activities. Acceptance claim income represents income received by the Company in relation to handling the administrative insurance acceptance. The related payables to insurance companies are recorded as trade payables in the statement of financial position (refer to Note 12).

Lihat Catatan 26c untuk rincian saldo dan transaksi dengan pihak berelasi.

Refer to Note 26c for details of balances and transactions with related parties.

22. BEBAN KEUANGAN

22. FINANCE CHARGES

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Pihak ketiga			Third parties
Bunga pinjaman bank	776.020	550.788	Interest on bank loans
Bunga surat berharga yang diterbitkan			Securities issued interest:
Utang obligasi	315.882	326.103	Bonds payable
Administrasi bank	4.673	3.789	Bank administration
Rugi selisih kurs	17.853	3.124	Forex loss
Amortisasi biaya emisi surat berharga yang diterbitkan:			Amortization of securities issuance cost:
Utang obligasi (lihat Catatan 17)	6.310	3.249	Bonds payable (refer to Note 17)
Lain-lain	1.578	3.069	Others
	1.122.316	890.122	
Pihak berelasi			Related parties
Bunga pinjaman bank	137.694	145.320	Interest on bank loans
	1.260.010	1.035.442	

Lihat Catatan 26d untuk rincian saldo dan transaksi pihak berelasi.

Refer to Note 26d for details of balances and transactions with related parties.

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23. BEBAN GAJI DAN TUNJANGAN

23. SALARIES AND BENEFITS EXPENSES

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Pihak ketiga			Third parties
Gaji dan tunjangan	476.640	403.773	Salaries and allowances
Imbalan pasca kerja karyawan	12.909	10.548	Post employment benefits
Biaya pesangon	6.324	2.888	Termination
	495.873	417.209	
Pihak berelasi			Related parties
Gaji dan tunjangan	16.537	14.507	Salaries and allowances
Tantiem	6.570	6.096	Tantiem
	23.107	20.603	
	518.980	437.812	

Lihat Catatan 26d untuk rincian saldo dan transaksi pihak berelasi.

Refer to Note 26d for details of balances and transactions with related parties.

24. BEBAN UMUM DAN ADMINISTRASI

24. GENERAL AND ADMINISTRATIVE EXPENSES

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Pihak ketiga			Third parties
Biaya penagihan	152.072	171.328	Collection fee
Penyusutan aset tetap (lihat Catatan 10)	34.574	25.346	Depreciation of fixed assets (refer to Note 10)
Sewa	24.275	26.884	Rent
Cadangan atas tagihan kelebihan pajak	22.000	-	Allowance for claims for tax refund
Jasa pihak ketiga	18.620	11.255	Third parties service
Perjalanan dinas	17.829	13.781	Travelling
Perbaikan dan pemeliharaan	14.221	12.217	Repairs and maintenance
Komunikasi	13.955	13.325	Communications
Keamanan	11.955	11.293	Security
Rekrutmen dan pelatihan	9.137	7.707	Recruitment and training
Jasa profesional	8.475	3.734	Professional fees
Iuran OJK	8.134	6.122	OJK fees
Listrik dan air	6.577	6.197	Utilities
Alat tulis dan cetakan	5.864	5.501	Stationaries and printings
Jamuan bisnis	5.512	4.577	Corporate entertainment
Lain-lain	31.967	24.798	Others
	385.167	344.065	
Pihak berelasi			Related parties
Sewa	13.388	9.998	Rent
	398.555	354.063	

Lain-lain merupakan beban legal, perijinan, piknik perayaan, iklan, marketing, asuransi, sumbangan, publikasi, koran, ekspedisi dan majalah.

Others represent legal, corporate event, advertising, marketing, insurance expenses, donation, publication, newspaper, expedition and magazine.

Lihat Catatan 26d untuk rincian saldo dan transaksi pihak berelasi.

Refer to Note 26d for details of balances and transactions with related parties.

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25. LABA PER SAHAM

25. EARNINGS PER SHARE

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Laba tahun berjalan	403.320	350.242	Income for the year
Jumlah saham biasa yang beredar (dalam ribuan) (lihat Catatan 19)	2.500.000	2.500.000	Number of ordinary shares outstanding (in thousands) (refer to Note 19)
Laba per saham dasar (nilai penuh)	161	140	Basic earnings per share (full amount)

26. SALDO DAN TRANSAKSI DENGAN PIHAK BERELASI

26. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Sifat hubungan dengan pihak berelasi adalah sebagai berikut:

The nature of relationships with related parties are as follows:

Pihak berelasi/Related parties	Sifat hubungan dengan pihak berelasi/ Nature of relationship with the related parties
PT Bank Mandiri (Persero) Tbk.	Pemegang saham mayoritas/Controlling shareholder
PT Tunas Ridean Tbk.	Pemegang saham minoritas/Minority shareholder
PT Bumi Daya Plaza	Mayoritas dimiliki oleh PT Bank Mandiri (Persero) Tbk./ Majority owned by PT Bank Mandiri (Persero) Tbk.
PT Bank Mandiri Taspen (dahulu/formerly PT Bank Mandiri Taspen Pos)	Mayoritas dimiliki oleh PT Bank Mandiri (Persero) Tbk./ Majority owned by PT Bank Mandiri (Persero) Tbk.
PT AXA Mandiri Financial Service	Mayoritas dimiliki oleh PT Bank Mandiri (Persero) Tbk./ Majority owned by PT Bank Mandiri (Persero) Tbk.
PT Mandiri AXA General Insurance	Mayoritas dimiliki oleh PT Bank Mandiri (Persero) Tbk./ Majority owned by PT Bank Mandiri (Persero) Tbk.
PT Mandiri Sekuritas	Mayoritas dimiliki oleh PT Bank Mandiri (Persero) Tbk./ Majority owned by PT Bank Mandiri (Persero) Tbk.
PT Bank Syariah Mandiri	Mayoritas dimiliki oleh PT Bank Mandiri (Persero) Tbk./ Majority owned by PT Bank Mandiri (Persero) Tbk.
Dana Pensiun Bank Mandiri	Bank Mandiri sebagai pendiri/Bank Mandiri as founder
DPLK Bank Mandiri	Bank Mandiri sebagai pendiri/Bank Mandiri as founder
PT Bank Rakyat Indonesia (Persero) Tbk.	Badan usaha milik negara/State-owned company
PT Bank Negara Indonesia (Persero) Tbk.	Badan usaha milik negara/State-owned company
PT Bank Tabungan Negara (Persero) Tbk.	Badan usaha milik negara/State-owned company
PT Adhi Karya	Badan usaha milik negara/State-owned company
PT Taspen (Persero)	Badan usaha milik negara/State-owned company
PT Asuransi Jasa Indonesia (Persero)	Badan usaha milik negara/State-owned company
PT Asuransi Jasa Raharja Putera	Badan usaha milik negara/State-owned company
PT Perikanan Nusantara	Badan usaha milik negara/State-owned company
PT Jamkrindo	Badan usaha milik negara/State-owned company
PT Berdikari (Persero)	Badan usaha milik negara/State-owned company
PT Balai Pustaka (Persero)	Badan usaha milik negara/State-owned company
PT Wahana Optima Permai	Badan usaha milik negara/State-owned company
Personil manajemen kunci Grup	Dikendalikan oleh Dana Pensiun Bank Mandiri/Controlled by Bank Mandiri's Pension Fund Personil manajemen kunci Group Bank Mandiri/ Key management personnel of Bank Mandiri Group

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**26. SALDO DAN TRANSAKSI DENGAN PIHAK
BERELASI (lanjutan)**

Dalam kegiatan normal usaha, Perseroan melakukan transaksi dengan pihak berelasi karena hubungan kepemilikan dan/atau kepengurusan. Transaksi dengan pihak berelasi tersebut dilaksanakan dengan syarat dan kondisi yang sama sebagaimana dilakukan dengan pihak tidak berelasi. Perseroan mendapatkan suku bunga yang serupa untuk fasilitas pinjaman bank dengan pihak berelasi dan pihak ketiga. Perseroan juga menggunakan suku bunga yang serupa antara pihak berelasi dan pihak ketiga dalam rangka pemberian piutang pembiayaan konsumen.

Saldo dan transaksi dengan pihak berelasi adalah sebagai berikut:

a. Aset

	31 Desember/ December 2018	31 Desember/ December 2017
Kas dan setara kas		
Kas pada bank (lihat Catatan 4)		
PT Bank Mandiri (Persero) Tbk	85.763	79.640
PT Bank Rakyat Indonesia (Persero) Tbk	384	1.734
PT Bank Mandiri Taspen	7	7
PT Bank Negara Indonesia (Persero) Tbk	-	27
	<u>86.154</u>	<u>81.408</u>
Deposito berjangka		
PT Bank Mandiri Taspen	50.000	50.000
Piutang pembiayaan konsumen		
Personel manajemen kunci Grup	5.775	7.953
PT Balai Pustaka	43	-
PT Perikanan Nusantara	4	4
	<u>5.822</u>	<u>7.957</u>
Piutang lain-lain (lihat Catatan 8)		
PT Bank Mandiri (Persero) Tbk	555.645	502.570
PT Jamkrindo	50.598	7.309
PT Asuransi Jasa Indonesia (Persero)	13.352	53.632
PT Tunas Ridean Tbk	620	620
	<u>620.215</u>	<u>564.131</u>

**26. BALANCES AND TRANSACTIONS WITH
RELATED PARTIES (continued)**

In normal course of business, the Company enters into certain transactions with parties which are related to the management and/or owned by the same ultimate shareholder. Transactions with related parties were conducted under terms and conditions similar to those granted to third parties. The Company obtained similar interest rate for bank loan facilities from related parties and third parties. The Company also used similar interest rate between related parties and third parties for the consumer financing receivables.

Balances and transactions with related parties are as follows:

a. Assets

Cash and cash equivalents
Cash in banks (refer to Note 4)
PT Bank Mandiri (Persero) Tbk
PT Bank Rakyat Indonesia (Persero) Tbk
PT Bank Mandiri Taspen
PT Bank Negara Indonesia (Persero) Tbk
Time deposits
PT Bank Mandiri Taspen
Consumer financing receivable
Group's key management personnel
PT Balai Pustaka
PT Perikanan Nusantara
Other receivables (refer to Note 8)
PT Bank Mandiri (Persero) Tbk
PT Jamkrindo
PT Asuransi Jasa Indonesia (Persero)
PT Tunas Ridean Tbk

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26. SALDO DAN TRANSAKSI DENGAN PIHAK BERELASI (lanjutan)

Saldo dan transaksi dengan pihak berelasi adalah sebagai berikut: (lanjutan)

a. Aset (lanjutan)

	31 Desember/ December 2018	31 Desember/ December 2017
Sewa dibayar di muka (lihat Catatan 11)		
PT Bumi Daya Plaza	2.227	1.337
PT Wahana Optima Permai	-	9
	<u>2.227</u>	<u>1.346</u>
Total aset kepada pihak berelasi	<u>764.418</u>	<u>704.842</u>
Persentase terhadap total aset	4,37%	4,78%

Piutang lain-lain kepada pihak berelasi kepada PT Tunas Ridean Tbk, PT Jamkrindo, dan PT Asuransi Jasa Indonesia (Persero) terutama berhubungan dengan transaksi usaha.

Piutang lain-lain kepada pihak berelasi kepada PT Bank Mandiri (Persero) Tbk merupakan pembayaran ke dealer untuk porsi pembiayaan bersama yang dibayarkan terlebih dahulu oleh Perseroan.

b. Liabilitas

	31 Desember/ December 2018	31 Desember/ December 2017
Utang lain-lain (lihat Catatan 13)		
PT Bank Mandiri (Persero) Tbk	84.498	30.104
PT Tunas Ridean Tbk	240	240
	<u>84.738</u>	<u>30.344</u>
Beban yang masih harus dibayar (lihat Catatan 14)		
PT Bank Mandiri (Persero) Tbk	1.828	1.227
Pinjaman bank (lihat Catatan 15)		
PT Bank Mandiri (Persero) Tbk	1.379.632	1.602.605

26. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (continued)

Balances and transactions with related parties are as follows: (continued)

a. Assets (continued)

	31 Desember/ December 2017
Prepaid rent (refer to Note 11)	
PT Bumi Daya Plaza	1.337
PT Wahana Optima Permai	9
	<u>1.346</u>
Total assets associated with related parties	<u>704.842</u>
Persentase terhadap total aset	4,78%

Other receivables from related parties to PT Tunas Ridean Tbk, PT Jamkrindo, and PT Asuransi Jasa Indonesia (Persero) are in respect of trade activities.

Other receivables from related party to PT Bank Mandiri (Persero) Tbk represent payments to dealers for joint financing portion which was paid in advance by the Company.

b. Liabilities

	31 Desember/ December 2017
Other payables (refer to Note 13)	
PT Bank Mandiri (Persero) Tbk	30.104
PT Tunas Ridean Tbk	240
	<u>30.344</u>
Accrued expenses (refer to Note 14)	
PT Bank Mandiri (Persero) Tbk	1.227
Bank loans (refer to Note 15)	
PT Bank Mandiri (Persero) Tbk	1.602.605

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**26. SALDO DAN TRANSAKSI DENGAN PIHAK
BERELASI (lanjutan)**

**26. BALANCES AND TRANSACTIONS WITH
RELATED PARTIES (continued)**

b. Liabilitas (lanjutan)

b. Liabilities (continued)

	31 Desember/ December 2018	31 Desember/ December 2017	
Surat berharga yang diterbitkan (lihat Catatan 17)			Securities issued (refer to Note 17)
PT Taspen (Persero)	694.000	794.000	PT Taspen (Persero)
PT Bank Rakyat Indonesia (Persero) Tbk	183.700	273.700	PT Bank Rakyat Indonesia (Persero) Tbk
Dana Pensiun Bank Mandiri	108.000	133.000	Dana Pensiun Bank Mandiri
PT AXA Mandiri Financial Service	24.000	24.000	PT AXA Mandiri Financial Service
PT Asuransi Jasa Indonesia (Persero)	3.000	3.000	PT Asuransi Jasa Indonesia (Persero)
PT Bumi Daya Plaza	2.000	2.000	PT Bumi Daya Plaza
PT Mandiri AXA General Insurance	-	2.000	PT Mandiri AXA General Insurance
	1.014.700	1.231.700	
Total liabilitas kepada pihak berelasi	2.480.898	2.865.876	Total liabilities associated with related parties
Persentase terhadap total liabilitas	16,15%	22,09%	Percentage to total liabilities

Utang lain-lain kepada pihak berelasi terutama berhubungan dengan utang angsuran pokok termasuk bunga kepada pemberi pembiayaan bersama.

Other payables to related parties are mainly in respect of payables related with installments including interest to joint financing principals providers.

c. Pendapatan

c. Revenue

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Pembiayaan konsumen (lihat Catatan 21a)			Consumer financing (refer to Note 21a)
Personil manajemen kunci Grup	758	1.005	Group's key management personnel
PT Balai Pustaka	25	-	PT Adhi Karya (Persero) Tbk
PT Perikanan Nusantara	3	4	PT Perikanan Nusantara
	786	1.009	
Bunga (lihat Catatan 21d)			Interest (refer to Note 21d)
PT Bank Mandiri (Persero) Tbk	5.651	2.631	PT Bank Mandiri (Persero) Tbk
PT Bank Mandiri Taspen	3.438	4.106	PT Bank Mandiri Taspen
PT Bank Rakyat Indonesia (Persero) Tbk	10	18	PT Bank Rakyat Indonesia (Persero) Tbk
	9.099	6.755	

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26. SALDO DAN TRANSAKSI DENGAN PIHAK
BERELASI (lanjutan)

26. BALANCES AND TRANSACTIONS WITH
RELATED PARTIES (continued)

c. Pendapatan (lanjutan)

c. Revenue (continued)

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Lain-lain (lihat Catatan 21e)			Others (refer to Note 21e)
PT Asuransi Jasa			PT Asuransi Jasa
Indonesia (Persero)	83.619	102.053	Indonesia (Persero)
PT Bank Syariah Mandiri	29.968	4.360	PT Bank Syariah Mandiri
PT Mandiri AXA			PT Mandiri AXA
General Insurance	5.010	8.175	General Insurance
PT Jamkrindo	2.046	665	PT Jamkrindo
	120.643	115.253	
Total pendapatan dari			Total revenue associated
pihak berelasi	130.528	123.017	with related parties
Persentase terhadap total pendapatan	4,18%	4,49%	Percentage to total revenue

Pendapatan bunga berkaitan dengan penempatan dana kepada pihak berelasi dengan tingkat bunga 0,00% - 6,75% pada tahun 2018 (2017: 0,00% - 8,50%).

Interest income relates to funds placement to related parties with interest rates ranging from 0.00% - 6.75% in 2018 (2017: 0.00% - 8.50%).

d. Beban

d. Expenses

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Beban keuangan (lihat Catatan 22)			Financial charges (refer to Note 22)
PT Bank Mandiri (Persero) Tbk	137.694	145.320	PT Bank Mandiri (Persero) Tbk
Beban gaji dan tunjangan (lihat Catatan 23)			Salaries and benefits (refer to Note 23)
Kompensasi Dewan			Boards of Commissioners and
Komisaris dan Direksi			Directors compensation
Dewan Komisaris			Board of Commissioners
Imbalan kerja jangka pendek:			Short-term employee benefits:
Gaji dan tunjangan	3.628	3.471	Salaries and allowances
Tantiem	1.553	1.509	Tantiem
Direksi			Directors
Imbalan kerja jangka pendek:			Short-term employee benefits:
Gaji dan tunjangan	12.909	11.036	Salaries and allowances
Tantiem	5.017	4.587	Tantiem
	23.107	20.603	

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**26. SALDO DAN TRANSAKSI DENGAN PIHAK
BERELASI (lanjutan)**

**26. BALANCES AND TRANSACTIONS WITH
RELATED PARTIES (continued)**

d. Beban (lanjutan)

d. Expenses (continued)

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Beban umum dan administrasi (lihat Catatan 24)			General and administrative (refer to Note 24)
Beban sewa gedung			Building rental
PT Bumi Daya Plaza	13.378	9.880	PT Bumi Daya Plaza
PT Wahana Optima Permai	10	118	PT Wahana Optima Permai
	13.388	9.998	
Total beban kepada pihak berelasi	174.189	175.921	Total expenses associated with related parties
Persentase terhadap total beban	6,75%	7,75%	Percentage to total expenses

27. MANAJEMEN RISIKO KEUANGAN

27. FINANCIAL RISK MANAGEMENT

Pendahuluan dan gambaran umum

Introduction and overview

Perseroan memiliki eksposur terhadap risiko-risiko sebagai berikut:

The Company has exposure to the following risks:

- Risiko pasar
- Risiko kredit
- Risiko likuiditas
- Risiko operasional

- Market risk
- Credit risk
- Liquidity risk
- Operational risk

Kerangka manajemen risiko

Risk management framework

Konsep manajemen risiko Perseroan adalah mengacu dari konsep *Enterprise Risk Management* (ERM) yang digunakan oleh induk entitas Perseroan yaitu PT Bank Mandiri (Persero) Tbk yang disesuaikan dengan kebutuhan bisnis dan operasional Perseroan. ERM adalah sebuah proses pengelolaan risiko yang melekat dalam proses bisnis Perseroan, artinya pengelolaan risiko menjadi bagian yang menyatu dalam pengambilan keputusan bisnis Perseroan sehari-hari. Dengan ERM, Perseroan akan memiliki kerangka kerja pengelolaan risiko yang sistematis dan menyeluruh (risiko kredit, risiko pasar dan risiko operasional) dengan menghubungkan pengelolaan modal dan proses bisnis dengan risiko yang dihadapi secara utuh. Tahun ini merupakan kelanjutan dari tahun-tahun sebelumnya terkait dengan "Penerapan Manajemen Risiko secara Konsolidasi bagi Bank yang Melakukan Pengendalian terhadap Entitas Anak", yang dilaksanakan Perseroan dalam kapasitasnya sebagai Entitas Anak dari PT Bank Mandiri (Persero) Tbk, pemegang saham pengendali Perseroan.

The concept of risk management of the Company refers to *Enterprise Risk Management* (ERM) implemented by PT Bank Mandiri (Persero) Tbk (parent company) which were adopted to the needs of business and operations of the Company. ERM is an inherent business risk management process in the Company's business process, which means, risk management becomes part of daily business decision making. By using ERM, the Company will have systematic and comprehensive framework for risk management (credit risk, market risk and operational risk) by connecting capital management and business risk encountered as whole. This year is a continuation from previous years in terms of "Implementation Of Consolidated Risk Management For Bank's Controlling Subsidiary Companies", which is implemented by the Company in its capacity as the Subsidiary of PT Bank Mandiri (Persero) Tbk, the controlling shareholder of the Company.

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27. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Kerangka manajemen risiko (lanjutan)

Kerangka pengelolaan risiko ini mengacu pada Peraturan Bank Indonesia (PBI) No. 5/8/PBI/2003 tanggal 19 Mei 2003 tentang Penerapan Manajemen Risiko bagi Bank Umum, sebagaimana telah diubah dengan PBI No. 11/25/PBI/2009 tanggal 1 Juli 2009 tentang Perubahan atas Peraturan Bank Indonesia Nomor 5/8/PBI/2003 tentang Penerapan Manajemen Risiko bagi Bank Umum.

Kerangka ini tercantum dalam Kebijakan Manajemen Risiko Bank Mandiri (KMRBM) agar sejalan dengan rencana penerapan Basel II Accord secara bertahap di Indonesia. Dalam kerangka pengelolaan risiko tersebut diatur berbagai kebijakan agar manajemen risiko berfungsi sebagai *business enabler* sehingga bisnis dapat tetap tumbuh dalam koridor prinsip kehati-hatian dengan menerapkan proses manajemen risiko yang ideal (identifikasi - pengukuran - pemantauan - pengendalian risiko) pada semua level organisasi.

Lebih lanjut, kemitraan antara Perseroan dengan Entitas Induk merupakan hal yang sangat penting, mengingat keduanya menghadapi tantangan regional dan global yang sama dalam mengelola pertumbuhan bisnis yang cepat dan dalam suasana kompetisi yang ketat, namun pada saat yang bersamaan Perseroan harus tetap mampu menyelenggarakan praktik bisnis tersebut berdasarkan dan mengacu kepada prinsip kehati-hatian.

Sebagai perusahaan yang bergerak di bidang pembiayaan, manajemen Perseroan memiliki komitmen penuh untuk menerapkan manajemen risiko secara komprehensif yang secara esensi mencakup kecukupan kebijakan, prosedur dan metodologi pengelolaan risiko sehingga kegiatan usaha Perseroan tetap dapat terarah dan terkendali pada batasan risiko yang dapat diterima, serta tetap menguntungkan Perseroan. Divisi Manajemen Risiko yang berperan secara aktif dalam mengkoordinasikan tindakan-tindakan pencegahan, proaktif dan responsif dengan seluruh karyawan dari berbagai tingkatan yang ada di dalam Perseroan untuk mendukung penerapan manajemen risiko ini, karena semua bagian di dalam Perseroan masing-masing akan memainkan peranan penting.

Dalam penerapan manajemen risiko, Perseroan menyadari pentingnya untuk memiliki sebuah mekanisme yang memadai dalam mengakomodasi risiko-risiko yang dihadapi oleh Perseroan. Perseroan memiliki suatu mekanisme yang bertumpu pada 4 (empat) pilar manajemen risiko, yang dapat diuraikan sebagai berikut:

27. FINANCIAL RISK MANAGEMENT (continued)

Risk management framework (continued)

This risk management framework refers to Bank Indonesia regulation (PBI) No 5/8/PBI/2003 dated 19 May 2003 concerning the Application of Risk Management for Commercial Bank as amended by PBI No.11/25/PBI/2009 dated on 1 July 2009 concerning the Amendment on Bank Indonesia Regulation No. 5/8/PBI/2003 concerning the Application of Risk Management for Commercial Bank.

This framework is included in the Risk Management Policy of Bank Mandiri (KMRBM) in line with the plan to apply Basel II Accord gradually in Indonesia. Within this risk management framework, the Company set up a range of policies in order for risk management to function as a business enabler so that business can still grow within the corridor of prudential principle by applying the ideal risk management process (risk identification - measurement - monitoring - management risk) at all levels of the organization.

Further, the partnership between the Company and the parent company is a very important thing considering both have to face the same regional and global challenge in managing fast business growth and strict competition, but at the same time the Company must implement such of business practices based on prudential principle.

As a company engaging in financing activities, the Company's management is fully committed to implement risk management comprehensively, which essentially covers the adequacy of policies, procedures and risk management methodology, hence, the Company's business activities could remain be directed and controlled at an acceptable risk limit, at the same time the Company can still be profitable. Risk Management Division is playing an active role in coordinating preventive, proactive and responsive actions with all employees from various levels within the Company in order to support the implementation of risk management, because all divisions of the Company will play their respective important roles.

In the implementation of risk management, the Company realizes the importance of having an adequate mechanism to accommodate the risks faced by the Company. The Company has a mechanism that is based upon 4 (four) risk management pillars, which could be described as follows:

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27. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Kerangka manajemen risiko (lanjutan)

Pilar 1: Pengawasan Aktif Dewan Komisaris dan Direksi

Pengawasan aktif tersebut tercermin sejak perencanaan bisnis tahunan, yang mencakup:

- Menyetujui dan melakukan evaluasi kebijakan manajemen risiko secara berkala;
- Melakukan evaluasi dan menyetujui aktivitas yang memerlukan persetujuan dari Dewan Komisaris atau Direksi;
- Menetapkan kebijakan dan strategi manajemen risiko termasuk penetapan otoritas dalam pemberian batasan serta tinjauan atas kualitas portofolio secara berkala;
- Terdapatnya Komite Audit dan sebagai organ Dewan Komisaris dalam melaksanakan fungsi pengawasannya; dan melalui Surat Edaran No. 030/SE/MTF/VI/2012 membentuk *Forum Enterprise Risk Management* dengan dikoordinir oleh Direktorat Risk Management PT Bank Mandiri (Persero) Tbk sebagai bentuk konsolidasi manajemen risiko.

Kerangka konsolidasi manajemen risiko dengan Entitas Induk dibentuk dengan menempatkan wakil dari Entitas Induk sebagai Kepala Divisi yang membawahi fungsi manajemen risiko Perseroan. Kerangka tersebut juga dilaksanakan melalui pemeriksaan kinerja secara berkala oleh Entitas Induk terhadap Perseroan, menyangkut kinerja keuangan, pengawasan sistem informasi akuntansi, serta tingkat kesehatan dan profil risiko dari piutang pembiayaan konsumen.

Pilar 2: Kebijakan dan Penerapan Batasan

Perseroan menyusun kebijakan-kebijakan manajemen risiko yang diperiksa secara berkala dan selalu disesuaikan dengan keadaan usaha terkini. Kebijakan tersebut diterjemahkan ke dalam Prosedur Operasi Standar dan Memo Internal yang disosialisasikan kepada seluruh karyawan. Perseroan juga memiliki kebijakan-kebijakan mengenai batasan persetujuan/otorisasi untuk transaksi kredit maupun yang bukan transaksi kredit.

27. FINANCIAL RISK MANAGEMENT (continued)

Risk management framework (continued)

Pillar 1: Active Supervision by Boards of Commissioners and Directors

Active supervision is reflected since annual business planning, which includes:

- Approving and evaluating risk management policies on a regular basis;
- Evaluating and approving activities that require approval from the Board of Commissioners or Directors;
- Establishing risk management policies and strategies, which include determining the authorization in limits and reviewing the quality of portfolio on a regular basis;
- The presence of the Audit Committee as an organ of the Board of Commissioners in carrying out their supervisory functions; and through Circular Letter No. 030/SE/MTF/VI/2012 established *Enterprise Risk Management Forum* coordinated by PT Bank Mandiri (Persero) Tbk Risk Management Directorate in term of implementation of consolidated risk management.

The consolidated risk management framework with Parent Company is established through assigning representatives from Parent Company as Division Head of Risk Management. The framework is also implemented through regular performance assessment by the Parent Company on the Company, concerning the financial performance, monitoring on accounting information system, as well as the level of soundness and risk profile of the Company's consumer financing receivables.

Pillar 2: Policy and Implementation of Limits

The Company develops policies related to risk management, which are assessed periodically and aligned constantly to fit the most recent business situation. The policy is translated into Standard Operating Procedures and Internal Memo, which are being socialized to all employees. The Company also has policies regarding limitation on approval/authorization for both credit and non-credit transactions.

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27. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Pilar 2: Kebijakan dan Penerapan Batasan (lanjutan)

Salah satu contoh kemitraan dalam pengelolaan manajemen risiko antara Perseroan dan Entitas Induk adalah perjanjian kerjasama pemberian kredit dimana Perseroan bertindak sebagai agen untuk kegiatan seleksi konsumen, penagihan dan pengurusan dokumen administrasi berdasarkan batasan produk ataupun kriteria yang telah ditentukan sebelumnya oleh Entitas Induk. Kebijakan penyisihan kerugian penurunan nilai piutang Perseroan juga mengikuti kebijakan penyisihan pada Entitas Induk yang sejalan dan patuh terhadap Standar Akuntansi Keuangan di Indonesia.

Pilar 3: Identifikasi, Pengukuran, Pengawasan dan Sistem Informasi Manajemen

Perseroan memiliki perangkat untuk mengidentifikasi, mengukur dan mengawasi risiko terutama risiko kredit dan risiko operasional melalui mekanisme pelaporan dan sistem informasi manajemen yang ada serta melalui pertemuan berkala Forum Enterprise Risk Management (FERMA) dengan Entitas induk. Selain itu, sistem teknologi informasi utama Perseroan mampu menyediakan data/informasi secara cepat dan akurat kepada pihak manajemen, Entitas Induk atau pihak ketiga yang terkait lainnya.

Kerangka konsolidasi manajemen risiko dengan Entitas Induk terlaksana melalui penyampaian paparan risiko Perseroan yang ada secara berkala kepada Komite Manajemen Risiko Entitas Induk, termasuk penyampaian laporan berkala terkait aspek kepatuhan, hukum dan lainnya kepada Entitas Induk.

Pilar 4: Pengendalian Internal

Perseroan memiliki Divisi Audit Internal yang secara independen melaporkan proses dan hasil pemeriksaannya kepada Direktur Utama dan melakukan koordinasi dengan Komite Audit secara rutin setiap bulan. Akuntabilitas dari Divisi Audit Internal mencakup:

- Menyediakan penilaian atas kecukupan dan efektivitas dari semua proses yang ada di dalam Perseroan;
- Melaporkan masalah-masalah penting yang terkait dengan proses pengendalian aktivitas-aktivitas didalam Perseroan, termasuk perbaikan yang potensial terhadap proses-proses tersebut; dan
- Koordinasi dengan fungsi pengendali dan pengawasan lainnya (manajemen risiko, kepatuhan, hukum dan audit eksternal).

27. FINANCIAL RISK MANAGEMENT (continued)

Pillar 2: Policy and Implementation of Limits (continued)

An example of partnership between the Company and Parent Company in managing risk is joint financing agreement where the Company acts as an agent to underwrite, collect and administer consumer financing based on limitation of product or pre-determined criteria established by Parent Company. The Company's policy in relation with allowance for impairment losses on receivables also comply with the Parent Company's policy, which is in line and in compliance with Indonesian Financial Accounting Standards.

Pillar 3: Identification, Measurement, Monitoring and Management Information System

The Company has a set of tools to identify, measure and monitor risks, especially credit risk and operational risk through the existing reporting and management information system mechanism, as well as through the regular meetings of the Company's Enterprise Risk Management Forum (FERMA) with Parent Company. In addition, the Company's major information technology system is capable of providing instant and accurate data/information to the management, Parent Company or other related third parties.

The consolidated risk management framework with Parent Company is conducted through the reporting of the Company's risk exposure periodically to Parent Company's Risk Management Committee, including the periodic reporting in relation to the compliance, legal and other aspects to the Parent Company.

Pillar 4: Internal Control

The Company has an Internal Audit Division which independently reports on the process and assessment result to the President Director and regularly coordinate with Audit Committee monthly. The accountability of the Internal Audit Division includes:

- Providing assessment on the adequacy and effectiveness of all existing processes within the Company;
- Reporting on important issues related to the control process of activities within the Company, including potential improvements to these processes; and
- Coordinating with other controlling and supervisory functions (risk management, compliance, legal and external audit).

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27. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Pilar 4: Pengendalian Internal (lanjutan)

Kerangka konsolidasi manajemen risiko dengan Entitas Induk juga dicerminkan dengan dilaksanakannya audit reguler/audit teknologi informasi/audit terintegrasi atas unit-unit di Perseroan oleh Satuan Kerja Audit Internal (SKAI) Entitas Induk.

Guna penguatan pengendalian internal dan proses konsolidasi antara Entitas Induk dengan Entitas Anak, Kepala Divisi Internal Audit perseroan diseleksi dan ditetapkan oleh Entitas Induk sebelum ditempatkan di Perseroan.

Risiko pasar

Risiko pasar merupakan risiko yang terutama disebabkan karena perubahan tingkat suku bunga, nilai tukar mata uang Rupiah, harga komoditas dan harga modal atau pinjaman, yang dapat membawa risiko bagi Perseroan. Dalam perencanaan usaha Perseroan, risiko pasar yang memiliki dampak langsung kepada Perseroan adalah dalam hal pengelolaan tingkat bunga.

Perubahan tingkat bunga acuan akan menjadi risiko pada saat perubahannya, terutama ketika tingkat bunga dinaikkan, yang menyebabkan kerugian bagi Perseroan sehingga dapat menyebabkan risiko kredit Perseroan meningkat. Untuk itu, Perseroan menerapkan pengelolaan tingkat bunga tetap secara konsisten dengan menyesuaikan tingkat bunga kredit terhadap tingkat bunga pinjaman dan beban dana.

Sumber pendanaan Perseroan yang terbesar berasal dari skema pembiayaan bersama dengan PT Bank Mandiri (Persero) Tbk dengan tingkat bunga tetap dan jangka waktu yang sama dengan piutang pembiayaan konsumen.

Perseroan juga menerbitkan obligasi dan *medium-term notes* yang sebagian besar mempunyai jangka waktu yang panjang, yaitu 3 (tiga) - 5 (lima) tahun dengan tingkat bunga tetap serta sejumlah kecil pinjaman dari bank swasta nasional dan asing dengan tingkat bunga tetap dan mengambang.

Dengan pola aktivitas usaha yang dijalankan Perseroan saat ini, risiko pasar Perseroan adalah minimal. Perseroan tidak mempunyai kegiatan usaha pembiayaan konsumen dalam mata uang asing.

27. FINANCIAL RISK MANAGEMENT (continued)

Pillar 4: Internal Control (continued)

The consolidated risk management framework with Parent Company is also reflected in the implementation of regular audit/information technology audit/integrated audit on the business units in the Company by Parent Company's Internal Audit Unit (SKAI).

For the purpose of strengthening Internal Control and consolidation process between Parent Company and Subsidiary Company, the Head of Internal Audit Division is selected and determined by Parent Company before being assigned in the Company.

Market risk

Market risk is the risk which is primarily caused by the changes in interest rates, exchange rate of Rupiah currency, commodity prices and the price of capital or loans, in which the Company may be exposed to. In the Company's business planning, market risk with direct impact to the Company is in terms of interest rates management.

Changes in interest rates would become a risk at the point of change, especially when the interest rate increases, which would cause losses to the Company, hence resulting in increased Company's credit risk. Therefore, the Company consistently implements fixed interest rate management by making adjustments on lending interest rate and cost of funds.

The largest source of funding for the Company comes from a joint financing scheme with PT Bank Mandiri (Persero) Tbk with fixed interest rate and same period with the consumer financing receivables.

The Company's source of funding is also derived from the issuance of bonds and medium-term notes mostly for long-term, i.e. for 3 (three) - 5 (five) years, with fixed interest rates and as well as a small number of loans from the national and foreign private banks with fixed and floating interest rates.

With the pattern of business activity currently operated by the Company, the market risk of the Company is minimal. The Company does not have consumer financing business in foreign currency.

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27. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Risiko pasar (lanjutan)

Tabel berikut menggambarkan rincian aset dan liabilitas keuangan Perseroan yang dikelompokkan menurut mana yang lebih awal antara tanggal repricing atau tanggal jatuh kontraktual untuk melihat dampak perubahan tingkat suku bunga (bruto):

		31 Desember/December 2018							
		Tingkat bunga tetap/Fixed interest rate							
	Bunga mengambang <3 bulan/ Floating Rate < 3 months	Kurang dari 1 bulan/Less than 1 month	1 bulan sampai 3 bulan/ 1 month to 3 months	Lebih dari 3 bulan sampai 1 tahun/Over 3 months to 1 year	Lebih dari 1 tahun sampai 2 tahun/Over 1 year to 2 years	Lebih dari 2 tahun/Over 2 years	Tidak dikenakan bunga/No interest rate charges	Jumlah/ Total	
Aset keuangan									Financial assets
Kas dan setara kas	242.077	-	-	-	-	-	12.863	254.940	Cash and cash equivalents
Piutang pembiayaan konsumen	-	378.440	933.859	2.990.114	6.470.998	2.159.953	-	12.933.364	Consumer financing receivables
Piutang sewa pembiayaan	-	129.212	259.022	1.131.498	1.209.887	598.770	-	3.328.389	Finance lease receivables
Anjak piutang	-	-	11.416	-	-	-	-	11.416	Factoring receivables
Piutang lain lain	-	-	-	-	-	-	735.408	735.408	Other receivables
Piutang derivatif	-	-	-	-	-	138.333	-	138.333	Derivative receivables
Aset lain-lain	-	-	-	-	-	-	65.874	65.874	Other assets
Jumlah aset keuangan	242.077	507.652	1.204.297	4.121.612	7.680.885	2.897.056	814.145	17.467.724	Total financial assets
Liabilitas keuangan									Financial liabilities
Utang usaha	-	-	-	-	-	-	649.630	649.630	Trade payables
Utang lain-lain	-	-	-	-	-	-	223.804	223.804	Other payables
Beban bunga yang masih harus dibayar	-	-	100.582	-	-	-	-	100.582	Accrued interest expenses
Pinjaman bank	-	1.577.799	946.613	3.631.743	3.738.560	1.293.409	-	11.188.124	Bank loans
Utang derivatif	-	-	-	-	-	-	-	89.788	Derivative payables
Surat berharga yang diterbitkan	-	-	-	1.118.756	708.423	1.017.537	-	2.844.716	Securities issued
Jumlah liabilitas keuangan	-	1.577.799	1.047.195	4.750.499	4.446.983	2.400.734	873.434	15.096.644	Total financial liabilities
Jumlah selisih penilaian bunga	242.077	(1.070.147)	157.102	(628.887)	3.233.902	496.322	(59.289)	2.371.080	Total interest repricing gap
		31 Desember/December 2017							
		Tingkat bunga tetap/Fixed interest rate							
	Bunga mengambang <3 bulan/ Floating Rate < 3 months	Kurang dari 1 bulan/Less than 1 month	1 bulan sampai 3 bulan/ 1 month to 3 months	Lebih dari 3 bulan sampai 1 tahun/Over 3 months to 1 year	Lebih dari 1 tahun sampai 2 tahun/Over 1 year to 2 years	Lebih dari 2 tahun/Over 2 years	Tidak dikenakan bunga/No interest rate charges	Jumlah/ Total	
Aset keuangan									Financial assets
Kas dan setara kas	140.352	-	-	-	-	-	20.198	160.550	Cash and cash equivalents
Piutang pembiayaan konsumen	-	324.806	641.025	2.666.672	3.263.760	4.556.248	-	11.452.511	Consumer financing receivables
Piutang sewa pembiayaan	-	84.708	170.599	735.722	829.833	543.767	-	2.364.629	Finance lease receivables
Piutang lain lain	-	-	-	-	-	-	668.271	668.271	Other receivables
Piutang derivatif	-	-	-	-	-	23.202	-	23.202	Derivative receivables
Aset lain-lain	-	-	-	-	-	-	42.268	42.268	Other assets
Jumlah aset keuangan	140.352	409.514	811.624	3.402.394	4.093.593	5.123.217	730.737	14.711.431	Total financial assets
Liabilitas keuangan									Financial liabilities
Utang usaha	-	-	-	-	-	-	606.513	606.513	Trade payables
Utang lain-lain	-	-	-	-	-	-	134.799	134.799	Other payables
Beban bunga yang masih harus dibayar	-	-	54.455	-	-	-	-	54.455	Accrued interest expenses
Pinjaman bank	-	279.238	667.994	2.795.126	2.850.228	1.617.844	-	8.210.430	Bank loans
Utang derivatif	-	-	-	-	-	-	-	19.540	Derivative payables
Surat berharga yang diterbitkan	-	-	-	823.374	1.117.148	1.724.729	-	3.665.251	Securities issued
Jumlah liabilitas keuangan	-	279.238	722.449	3.618.500	3.967.376	3.362.113	741.312	12.690.988	Total financial liabilities
Jumlah selisih penilaian bunga	140.352	130.276	89.175	(216.106)	126.217	1.761.104	(10.575)	2.020.443	Total interest repricing gap

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27. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Risiko kredit

Pengelolaan risiko kredit perseroan diarahkan untuk meningkatkan keseimbangan antara ekspansi kredit yang sehat dengan pengelolaan kredit secara *prudent* agar terhindar dari penurunan kualitas atau menjadi *Non Performing Loan (NPL)*, serta mengelola penggunaan modal untuk memperoleh return yang optimal. Dimulai dari proses awal penerimaan aplikasi kredit yang selektif dan ditangani dengan prinsip kehati-hatian, yang mana aplikasi kredit akan melalui proses survey dan analisa kredit sebelum disetujui oleh Komite Kredit. Perseroan juga menerapkan Pedoman Penerapan Prinsip Mengenal Nasabah yang diatur oleh Peraturan Menteri Keuangan No.30/PMK.010/2010 tentang Penerapan Prinsip Mengenal Nasabah bagi Lembaga Keuangan Non Bank dan Peraturan Ketua Bapepam-LK No.PER-05/BL/2011 tentang Pedoman Penerapan Prinsip Mengenal Nasabah bagi Perseroan Pembiayaan.

Tahun 2012, Perseroan juga telah menjalankan aturan uang muka kendaraan sesuai dengan Peraturan Menteri Keuangan No.43/PMK.010/2012 tentang Uang Muka Pembiayaan Konsumen untuk kendaraan Bermotor Pada Perusahaan Pembiayaan serta Surat Edaran BI No.14/10/DPNP tanggal 15 Maret 2012 tentang Penerapan Manajemen Risiko pada Bank yang Melakukan Pemberian Kredit Pemilikan Rumah dan Kredit Kendaraan Bermotor yang diberlakukan sejak 15 Juni 2012.

Untuk setiap kategori aset keuangan, Perseroan harus mengungkapkan eksposur maksimum terhadap risiko kredit dan analisa konsentrasi risiko kredit.

i. Eksposur maksimum terhadap risiko kredit

Nilai tercatat dari aset keuangan Perseroan selain piutang sewa pembiayaan dan piutang pembiayaan konsumen menggambarkan eksposur maksimum atas risiko tersebut. Dalam hal piutang pembiayaan konsumen dan sewa pembiayaan, Perseroan menggunakan agunan untuk meminimalkan risiko kredit. Perseroan menetapkan jenis dan nilai agunan yang diterima antara lain tanah, bangunan dan Bukti Pemilikan Kendaraan Bermotor (BPKB) atas kendaraan yang dibiayai Perseroan. Apabila terjadi *default* (gagal bayar), Perseroan akan menggunakan agunan tersebut sebagai pilihan terakhir untuk pemenuhan kewajiban *counterparty*.

27. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

The Company's credit risk management is directed to improve the balance between healthy credit expansion with a prudent credit management to avoid from the decline in the quality or being *Non Performing Loan (NPL)*, as well as, capital management to earn optimal return. It starts from the process of receiving credit applications selectively and handling them with prudence principle, where by the credit application would go through survey and credit analysis process before being approved by the Credit Committee. The Company also implemented the Manual for Implementation of Know Your Customer Principles as regulated in the Ministry of Finance Regulation No.30/PMK.010/2010 regarding the Implementation of Know Your Customer Principles for Non-Banking Financial Institutions and the Chairman of the Capital Market and Financial Institution Supervisory Board (Bapepam-LK) Regulation No.PER-05/BL/2011 regarding the Manual for Implementation of Know Your Customer Principles for Multifinance Companies.

In 2012, the Company also has implemented down payment regulation as regulated in the Ministry of Finance Regulation No.43/PMK.010/2012 concerning Down Payment for Consumer Financing, and Bank Indonesia Circular Letter No.14/10/DPNP dated 15 March 2012 concerning The Application of Bank's Risk Management on Mortgages and Motor Vehicle Credit effective 15 June 2012.

For each financial asset category, the Company should disclose maximum exposure to credit risk and concentration of credit risk analysis.

i. Maximum exposure to credit risk

The carrying amount of the Company's financial assets other than finance lease receivables and consumer financing receivables represent the maximum exposure of credit. In case of consumer financing and finance lease receivables, the Company uses the collateral to minimize the credit risk. The Company determined the type and value of collaterals accepted such as land, buildings, and Certificate of Ownership of the vehicles financed by the Company. In times of default, the Company will use the collateral as the last resort in recovering the obligation of the counterparty.

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27. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Risiko kredit (lanjutan)

ii. Analisis konsentrasi risiko kredit

Konsentrasi risiko kredit timbul ketika sejumlah pelanggan bergerak dalam aktivitas usaha yang sama atau aktivitas dalam wilayah geografis yang sama, atau ketika mereka memiliki karakteristik yang sejenis yang akan menyebabkan kemampuan untuk memenuhi kewajiban kontraktualnya sama-sama dipengaruhi oleh perubahan kondisi ekonomi atau yang lainnya.

Perseroan bergerak di bidang usaha pembiayaan konsumen yang pelanggannya kebanyakan adalah individu dan tidak terkonsentrasi pada wilayah geografis tertentu.

Tabel berikut menggambarkan jumlah risiko kredit dan konsentrasi risiko aset keuangan konsumen yang dimiliki Perseroan (bruto):

a. Sektor geografis

31 Desember/December 2018							
	Jawa Bali	Sumatera	Kalimantan	Sulawesi	Lainnya/ Others	Jumlah/ Total	
Kas dan setara kas	240.024	1.409	206	320	118	242.077	Cash and cash equivalents
Piutang pembiayaan konsumen:							Consumer financing receivables:
perorangan	8.038.840	2.241.862	1.113.003	1.496.656	43.003	12.933.364	individual
Piutang sewa pembiayaan:							corporate
korporasi	3.258.109	43.280	18.419	6.883	1.698	3.328.389	Finance lease receivables:
Anjak piutang	11.416	-	-	-	-	11.416	factoring receivables
Piutang lain-lain	79.464	20.414	5.728	7.915	621.887	735.408	other receivables
Piutang derivatif	138.333	-	-	-	-	138.333	Derivative receivables
Aset lain-lain	2.393	166	83	61	63.171	65.874	Other assets
	11.768.579	2.307.131	1.137.439	1.511.835	729.877	17.454.861	

31 Desember/December 2017							
	Jawa Bali	Sumatera	Kalimantan	Sulawesi	Lainnya/ Others	Jumlah/ Total	
Kas dan setara kas	139.556	375	183	205	33	140.352	Cash and cash equivalents
Piutang pembiayaan konsumen:							Consumer financing receivables:
perorangan	7.352.207	2.029.396	860.746	1.184.658	25.504	11.452.511	individual
Piutang sewa pembiayaan:							corporate
korporasi	2.332.438	4.116	2.146	25.929	-	2.364.629	Finance lease receivables:
Piutang lain-lain	19.544	5.382	2.238	2.269	638.838	668.271	other receivables
Piutang derivatif	23.202	-	-	-	-	23.202	Derivative receivables
Aset lain-lain	484	(40)	6	7	41.811	42.268	Other assets
	9.867.431	2.039.229	865.319	1.213.068	706.186	14.691.233	

27. FINANCIAL RISK MANAGEMENT (continued)

Credit risk (continued)

ii. Concentration of credit risk analysis

Concentrations of credit risk arise when a number of customers are engaged in similar business activities or activities within the same geographic region, or when they have similar characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

The Company is currently engaged in consumer financing business in which the customers are mainly individuals and they are not concentrated in the specific geographic region.

The following tables set out the total credit risk and risk concentration of financial assets of the Company (gross):

a. Geographical sector

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27. MANAJEMEN RISIKO KEUANGAN (lanjutan)

27. FINANCIAL RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

Credit risk (continued)

ii. Analisis konsentrasi risiko kredit (lanjutan)

ii. Concentration of credit risk analysis (continued)

b. Sektor industri

b. Industry sector

31 Desember/December 2018

	Lembaga Keuangan/ Financial Institution	Konsumen/ Customers	Lain-lain/ Others	Jumlah/ Total	
Kas dan setara kas	242.077	-	-	242.077	Cash and cash equivalents
Piutang pembiayaan konsumen:					Consumer financing receivables:
perorangan	-	12.933.364	-	12.933.364	individual
Piutang sewa pembiayaan:					Finance lease receivables:
korporasi	-	3.328.389	-	3.328.389	corporate
Anjak Piutang	-	11.416	-	11.416	Factoring receivables
Piutang lain-lain	-	-	735.408	735.408	Other receivables
Piutang derivatif	138.333	-	-	138.333	Derivative receivables
Aset lain-lain	-	-	65.874	65.874	Other assets
	380.410	16.273.169	801.282	17.454.861	

31 Desember/December 2017

	Lembaga Keuangan/ Financial Institution	Konsumen/ Customers	Lain-lain/ Others	Jumlah/ Total	
Kas dan setara kas	140.352	-	-	140.352	Cash and cash equivalents
Piutang pembiayaan konsumen:					Consumer financing receivables:
perorangan	-	11.452.511	-	11.452.511	individual
Piutang sewa pembiayaan:					Finance lease receivables:
korporasi	-	2.364.629	-	2.364.629	corporate
Piutang lain-lain	-	-	668.271	668.271	Other receivables
Piutang derivatif	23.202	-	-	23.202	Derivative receivables
Aset lain-lain	-	-	42.268	42.268	Other assets
	163.554	13.817.140	710.539	14.691.233	

c. Berdasarkan kualitas kredit dari aset keuangan

c. Based on quality of financial assets

Pada tanggal 31 Desember 2018 dan 2017 eksposur risiko kredit atas aset keuangan terbagi atas:

As of 31 December 2018 and 2017, credit risk exposure of financial assets is divided into:

31 Desember/December 2018

	Belum jatuh tempo dan tidak mengalami penurunan nilai/ Neither past due nor impaired		Jatuh tempo dan tidak mengalami penurunan nilai/Past due but not impaired	Mengalami penurunan nilai/ Impaired	Cadangan kerugian penurunan nilai/ Allowance for impairment losses	Jumlah/ Total	
	High grade	Standard grade					
Kas dan setara kas	242.077	-	-	-	-	242.077	Cash and cash equivalents
Piutang pembiayaan konsumen:							Consumer financing receivables:
perorangan	5.138.800	6.766.515	871.965	156.084	(303.884)	12.629.480	individual
Piutang sewa pembiayaan:							Finance lease receivables:
korporasi	1.876.988	1.259.383	167.720	24.298	(9.286)	3.319.103	corporate
Anjak Piutang	11.416	-	-	-	(113)	11.303	Factoring receivables
Piutang lain-lain	735.408	-	-	-	(6.007)	729.401	Other receivables
Piutang derivatif	138.333	-	-	-	-	138.333	Derivative receivables
Aset lain-lain	65.874	-	-	-	-	65.874	Other assets
	8.208.896	8.025.898	1.039.685	180.382	(319.290)	17.135.571	

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27. MANAJEMEN RISIKO KEUANGAN (lanjutan)

27. FINANCIAL RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

Credit risk (continued)

ii. Analisis konsentrasi risiko kredit (lanjutan)

ii. Concentration of credit risk analysis (continued)

c. Berdasarkan kualitas kredit dari aset keuangan (lanjutan)

c. Based on quality of financial assets (continued)

Pada tanggal 31 Desember 2018 dan 2017 eksposur risiko kredit atas aset keuangan terbagi atas: (lanjutan)

As of 31 December 2018 and 2017, credit risk exposure of financial assets is divided into: (continued)

31 Desember/December 2017

	Belum jatuh tempo dan tidak mengalami penurunan nilai/ Neither past due nor impaired		Jatuh tempo dan tidak mengalami penurunan nilai/Past due but not impaired	Mengalami penurunan nilai/ Impaired	Cadangan kerugian penurunan nilai/ Allowance for impairment losses	Jumlah/ Total	
	High grade	Standard grade					
Kas dan setara kas	140.352	-	-	-	-	140.352	Cash and cash equivalents
Piutang pembiayaan konsumen:							Consumer financing receivables:
perorangan	4.195.304	6.424.858	693.163	139.186	(271.205)	11.181.306	individual
Piutang sewa pembiayaan:							Finance lease receivables:
korporasi	1.559.415	755.726	38.815	10.673	(7.739)	2.356.890	corporate
Piutang lain-lain	668.271	-	-	-	(2.896)	665.375	Other receivables
Piutang derivatif	23.202	-	-	-	-	23.202	Derivative receivables
Aset lain-lain	42.268	-	-	-	-	42.268	Other assets
	6.628.812	7.180.584	731.978	149.859	(281.840)	14.409.393	

Penjelasan pembagian kualitas kredit yang diberikan yang belum jatuh tempo dan tidak mengalami penurunan nilai:

- *High grade*, yaitu tidak pernah mengalami tunggakan sebelumnya.
- *Standard grade*, yaitu pernah mengalami tunggakan sebelumnya, namun sampai saat ini belum terdapat keterlambatan dalam pembayaran cicilan pokok dan bunga.

Piutang pembiayaan konsumen dan piutang sewa pembiayaan yang pembayaran angsurannya menunggak lebih dari 90 hari diklasifikasikan sebagai aset keuangan yang mengalami penurunan nilai.

The explanation of loan under quality "neither past due nor impaired" were as follows:

- *High grade*, which never have past due in the past.
- *Standard grade*, which have past due in the past but until now there has not been overdue in payment of principal and interest.

Consumer financing and finance lease receivables which installments are overdue for more than 90 days are classified as impaired financial assets.

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27. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Risiko kredit (lanjutan)

ii. Analisis konsentrasi risiko kredit (lanjutan)

c. Berdasarkan kualitas kredit dari aset keuangan (lanjutan)

Sebagai jaminan atas piutang pembiayaan konsumen yang diberikan, Perseroan menerima jaminan dari konsumen berupa Bukti Pemilikan Kendaraan Bermotor ("BPKB") atas kendaraan bermotor yang dibiayai Perseroan, jaminan perusahaan dan jaminan pribadi.

Tabel berikut menunjukkan *aging analysis* terhadap piutang pembiayaan konsumen dan piutang sewa pembiayaan yang telah jatuh tempo tetapi tidak mengalami penurunan nilai.

27. FINANCIAL RISK MANAGEMENT (continued)

Credit risk (continued)

ii. Concentration of credit risk analysis (continued)

c. Based on quality of financial assets (continued)

As collateral to the consumer financing receivables, the Company receives the Certificates of Ownership ("BPKB") of the motor vehicles financed by the Company, corporate guarantee, and personal guarantee.

The following table summarizes the aging analysis of consumer financing receivables and finance lease receivables which are past due but not impaired.

		31 Desember/December 2018				
		1-30 hari/days	31-60 hari/days	61-90 hari/days	Jumlah/ Total	
Piutang pembiayaan konsumen: perorangan		567.109	183.692	121.164	871.965	Consumer financing receivables: individual
Piutang sewa pembiayaan: korporasi		54.071	11.237	102.412	167.720	Finance lease receivables: corporate
		621.180	194.929	223.576	1.039.685	
		31 Desember/December 2017				
		1-30 hari/days	31-60 hari/days	61-90 hari/days	Jumlah/ Total	
Piutang pembiayaan konsumen: perorangan		443.837	154.881	94.445	693.163	Consumer financing receivables: individual
Piutang sewa pembiayaan: korporasi		19.148	6.300	13.367	38.815	Finance lease receivables: corporate
		462.985	161.181	107.812	731.978	

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27. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Risiko likuiditas

Risiko likuiditas merupakan risiko, yang mana Perseroan tidak memiliki sumber keuangan yang mencukupi untuk memenuhi kewajibannya yang telah jatuh tempo. Mengingat Perseroan memperoleh dukungan keuangan yang kuat dari Entitas Induk melalui skema pembiayaan bersama, maka risiko ini dapat dikelola dengan baik.

Tabel berikut menggambarkan profil perbedaan jatuh tempo atas aset dan liabilitas keuangan Perseroan pada tanggal 31 Desember 2018 dan 2017:

27. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

Liquidity risk is the risk whereby the Company does not have sufficient financial resources to discharge its matured liabilities. As the Company receives strong financial support from Parent Company through joint financing scheme, this risk could be managed properly.

The following table summarizes the maturity gap profile of the Company's financial assets and liabilities as of 31 December 2018 and 2017:

31 Desember/December 2018						
	Kurang dari satu bulan/ Less than one month	1-6 bulan/ months	Lebih dari 6 bulan sampai 1 tahun/ Over than 6 months up to 1 year	Lebih dari 1 tahun/ Over than 1 year	Tidak mempunyai kontrak jatuh tempo/ No contractual maturity	Nilai tercatat/ Carrying value
ASET						ASSETS
Kas dan setara kas	242.077	-	-	-	12.863	254.940
Piutang pembiayaan konsumen	378.440	1.957.380	1.966.593	8.630.951	-	12.933.364
Piutang sewa pembiayaan	127.648	636.053	737.637	1.827.051	-	3.328.389
Anjak piutang	-	11.416	-	-	-	11.416
Piutang lain-lain	735.408	-	-	-	-	735.408
Piutang derivatif	-	-	-	138.333	-	138.333
Aset lain-lain	65.874	-	-	-	-	65.874
Total aset	1.549.447	2.604.849	2.704.230	10.596.335	12.863	17.467.724
LIABILITAS						LIABILITIES
Utang usaha	649.630	-	-	-	-	649.630
Utang lain-lain	223.804	-	-	-	-	223.804
Beban bunga yang masih harus dibayar	-	100.582	-	-	-	100.582
Pinjaman bank	1.577.799	2.223.184	2.355.172	5.031.969	-	11.188.124
Utang derivatif	-	-	-	89.788	-	89.788
Surat berharga yang diterbitkan	-	719.470	399.285	1.725.961	-	2.844.716
Total liabilitas	2.451.233	3.043.236	2.754.457	6.847.718	-	15.096.644
Total perbedaan jatuh tempo	(901.786)	(438.387)	(50.227)	3.748.617	12.863	2.371.080
31 Desember/December 2017						
	Kurang dari satu bulan/ Less than one month	1-6 bulan/ months	Lebih dari 6 bulan sampai 1 tahun/ Over than 6 months up to 1 year	Lebih dari 1 tahun/ Over than 1 year	Tidak mempunyai kontrak jatuh tempo/ No contractual maturity	Nilai tercatat/ Carrying value
ASET						ASSETS
Kas dan setara kas	140.352	-	-	-	20.198	160.550
Piutang pembiayaan konsumen	324.805	1.530.512	1.777.185	7.820.009	-	11.452.511
Piutang sewa pembiayaan	84.708	419.289	487.033	1.373.599	-	2.364.629
Piutang lain-lain	668.271	-	-	-	-	668.271
Piutang derivatif	-	-	-	23.202	-	23.202
Aset lain-lain	42.268	-	-	-	-	42.268
Total aset	1.260.404	1.949.801	2.264.218	9.216.810	20.198	14.711.431
LIABILITAS						LIABILITIES
Utang usaha	606.513	-	-	-	-	606.513
Utang lain-lain	134.799	-	-	-	-	134.799
Beban bunga yang masih harus dibayar	-	54.455	-	-	-	54.455
Pinjaman bank	279.238	1.663.342	1.799.779	4.468.071	-	8.210.430
Utang derivatif	-	-	-	19.540	-	19.540
Surat berharga yang diterbitkan	-	324.830	498.543	2.841.878	-	3.665.251
Total liabilitas	1.020.550	2.042.627	2.298.322	7.329.489	-	12.690.988
Total perbedaan jatuh tempo	239.854	(92.826)	(34.104)	1.887.321	20.198	2.020.443

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27. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Risiko likuiditas (lanjutan)

Tabel di bawah ini menunjukkan sisa jatuh tempo kontraktual dari liabilitas keuangan berdasarkan pada *undiscounted cash flows* pada tanggal 31 Desember 2018 dan 2017:

31 Desember/December 2018						
	Kurang dari satu bulan/ <i>Less than one month</i>	1-6 bulan/ <i>months</i>	Lebih dari 6 sampai 1 tahun/ <i>Over than 6 months up to 1 year</i>	Lebih dari 1 tahun/ <i>Over than 1 year</i>	Nilai tercatat/ <i>Carrying value</i>	
LIABILITAS						LIABILITIES
Utang usaha	649.630	-	-	-	649.630	Trade payables
Utang lain-lain	223.804	-	-	-	223.804	Other payables
Beban bunga yang masih harus dibayar	-	100.582	-	-	100.582	Accrued interest expenses
Pinjaman bank	2.143.440	2.297.153	2.505.930	5.078.171	12.024.694	Bank loans
Utang derivatif	-	-	-	89.788	89.788	Derivative payables
Surat berharga yang diterbitkan	-	845.760	493.356	1.927.236	3.266.352	Securities issued
Total	3.016.874	3.243.495	2.999.286	7.095.195	16.354.850	Total
31 Desember/December 2017						
	Kurang dari satu bulan/ <i>Less than one month</i>	1-6 bulan/ <i>months</i>	Lebih dari 6 sampai 1 tahun/ <i>Over than 6 months up to 1 year</i>	Lebih dari 1 tahun/ <i>Over than 1 year</i>	Nilai tercatat/ <i>Carrying value</i>	
LIABILITAS						LIABILITIES
Utang usaha	606.513	-	-	-	606.513	Trade payables
Utang lain-lain	134.799	-	-	-	134.799	Other payables
Beban bunga yang masih harus dibayar	-	54.455	-	-	54.455	Accrued interest expenses
Pinjaman bank	325.035	1.952.123	2.045.158	4.806.835	9.129.151	Bank loans
Utang derivatif	-	-	-	19.540	19.540	Derivative payables
Surat berharga yang diterbitkan	-	493.426	650.333	3.263.513	4.407.272	Securities issued
Total	1.066.347	2.500.004	2.695.491	8.089.888	14.351.730	Total

27. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk (continued)

The tables below show the remaining contractual maturities of financial liabilities based on *undiscounted cash flows* as of 31 December 2018 and 2017:

Risiko operasional

Perseroan juga sangat peduli terhadap risiko operasional, karena permasalahan yang timbul sehubungan dengan risiko ini dapat berdampak dan berpengaruh luas terhadap kinerja Perseroan secara keseluruhan. Secara umum, risiko operasional merupakan risiko yang disebabkan karena kekurangan dan kegagalan proses internal, kesalahan manusia, kegagalan *system* ataupun permasalahan-permasalahan yang berdampak pada operasi Perseroan. Penanganan risiko operasional dalam Perseroan dilakukan dengan 3 (tiga) langkah, yaitu:

- Pengidentifikasi risiko
- Pengukuran risiko
- Manajemen, pengawasan dan pengendalian risiko

Ketiga langkah di atas merupakan satu kesatuan proses yang tidak terpisahkan. Langkah di atas telah diterjemahkan Perseroan dalam mekanisme manajemen risiko operasional sebagai berikut:

Operational risk

The Company is also very concerned about the operational risk, because the problems arising from this risk could bring significant impact and affect the Company's overall performance. In general, operational risk is the risk caused by shortcomings and failures of internal processes, human errors, system failures or problems that could bring impact to the Company's operations. The operational risks in the Company are handled through 3 (three) steps as follows:

- Risk identification
- Risk measurement
- Risk management, supervision and control

The three steps above are inseparable unified process. These have been converted to the Company's operational risk management mechanism as follows:

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27. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Risiko operasional (lanjutan)

Operational Risk Management System (ORMS)

ORMS merupakan implementasi dari kewajiban Perseroan sebagai Perseroan Anak dari PT Bank Mandiri (Persero) Tbk untuk melakukan pengendalian risiko operasional dengan cara melakukan pencatatan kejadian berisiko pada saat terjadinya kejadian berisiko tersebut, seperti yang diatur di dalam Peraturan Bank Indonesia No. 8/6/PBI/2006 tertanggal 30 Januari 2006 perihal "Penerapan Manajemen Risiko secara Konsolidasi bagi Bank yang Melakukan Pengendalian terhadap Perseroan Anak".

ORMS adalah sebuah aplikasi intranet berbasis web yang digunakan sebagai alat bantu pengelola risiko operasional yang dirancang agar pencatatan kejadian berisiko dapat dilakukan pada saat terjadinya kejadian berisiko tersebut dan direkam ke dalam *database*. Laporan yang terekam melalui menu laporan tersebut kemudian akan dipindahkan ke dalam aplikasi ORMS Entitas Induk sebagai bentuk dari perwujudan konsolidasi Laporan Risiko Operasional Bank.

Manajemen permodalan

Tujuan Perseroan dalam mengelola permodalannya adalah menjaga kelangsungan usaha Perseroan untuk dapat memberikan hasil kepada pemegang saham dan manfaat kepada pemangku kepentingan lainnya, dan memelihara optimalisasi struktur permodalan untuk mengurangi biaya modal.

Dalam rangka memelihara atau menyesuaikan struktur permodalan, Perseroan dapat menyesuaikan jumlah dividen yang dibayarkan kepada pemegang saham, imbalan hasil modal kepada pemegang saham atau menerbitkan saham baru untuk mengurangi pinjaman.

Konsisten dengan pelaku industri lainnya, Perseroan memonitor permodalan berdasarkan *gearing ratio*. Rasio ini dihitung dari nilai bersih pinjaman (termasuk obligasi dan *medium-term notes*) dibagi dengan jumlah modal. Jumlah modal diambil dari ekuitas yang tercantum dalam laporan posisi keuangan.

27. FINANCIAL RISK MANAGEMENT (continued)

Operational risk (continued)

Operational Risk Management System (ORMS)

ORMS is an implementation of the obligation of the Company as a Subsidiary of PT Bank Mandiri (Persero) Tbk to carry out operational risk control by recording risk event at the time this risk event occurred, as regulated in Bank Indonesia Regulation No. 8/6/PBI/2006 dated 30 January 2006 regarding "Implementation of Consolidated Risk Management for Banks Performing Control on Subsidiary Companies".

ORMS is a web-based intranet application that is used as an operational risk management tool and is designed for recording the operational risk event at the time of occurrence of this risk event and stored into database. The report stored through the reporting menu would then be transferred to Parent Company's ORMS application as the form of the consolidated Bank's Operational Risk Report.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares to reduce debt.

Consistent with other players in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt (including bonds payable and medium-term notes) divided by total capital. Total capital is calculated as equity shown in the statements of financial position.

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27. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Manajemen permodalan (lanjutan)

Dalam mengelola permodalan, Perseroan melakukan analisa secara bulanan untuk memastikan bahwa Perseroan tetap mengikuti POJK No. 29/POJK.05/2014 tanggal 19 November 2014 tentang Penyelenggaraan Usaha Perusahaan Pembiayaan yang diantaranya mengatur ketentuan sebagai berikut:

- Modal disetor Perseroan minimum sebesar Rp100.000;
- Ekuitas Perseroan minimum sebesar 50,00% dari modal disetor;
- Jumlah pinjaman yang dimiliki Perseroan dibandingkan modal sendiri dan utang subordinasi dikurangi penyertaan (gearing ratio) ditetapkan setinggi-tingginya 10 kali, baik untuk pinjaman luar negeri maupun dalam negeri.

	31 Desember/ December 2018	31 Desember/ December 2017	
Pinjaman			Debt
Pinjaman yang diterima - neto	11.188.124	8.210.430	<i>Borrowings - net</i>
Obligasi	2.844.716	3.665.251	<i>Bonds payable</i>
Total pinjaman	14.032.840	11.875.681	<i>Total debt</i>
Jumlah modal	2.120.915	1.768.342	<i>Total capital</i>
<i>Gearing ratio</i>	6,62	6,72	<i>Gearing ratio</i>

Perseroan senantiasa menjaga jumlah maksimum *gearing ratio* lebih kecil dari ketentuan yang ditetapkan melalui analisa alternatif pembiayaan baik melalui pinjaman bank, penerbitan obligasi ataupun optimalisasi dana *joint financing*. Perseroan juga menghitung biaya dana dari alternatif pembiayaan yang dipilih untuk memastikan biaya dana tersebut dapat menghasilkan pendapatan maksimum bagi Perseroan.

27. FINANCIAL RISK MANAGEMENT (continued)

Capital management (continued)

In managing capital, the Company conducts monthly analysis to ensure that the Company complies with the POJK No. 29/POJK.05/2014 dated November 19, 2014 regarding Finance Companies which have some provisions as follows:

- The Company's paid-up capital of minimum Rp100,000;
- The Company's equity amounting to minimum 50.00% of paid-up capital;
- The amount of the Company's loan to equity and subordinated loan deducted by investment (gearing ratio) is maximum 10 times, both for off-shore and on-shore domestic loans.

The Company always maintains the maximum amount of *gearing ratio* at lower level than the applicable regulation by performing an analysis to determine financing alternative whether through the bank loans, bonds issuance or joint financing fund optimization. The Company also calculates the cost of fund of each financing alternative selected by the Company to ensure it could generate a maximum income for the Company.

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27. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Manajemen permodalan (lanjutan)

Informasi lainnya

Berdasarkan Peraturan Otoritas Jasa Keuangan No.29/POJK.05/2014 tentang "Penyelenggaraan Usaha Perusahaan Pembiayaan", pada tanggal 31 Desember 2018 Perseroan telah memenuhi jumlah minimal ekuitas dan Batas Maksimum Pemberian Pembiayaan. Perusahaan telah menghitung beberapa rasio antara lain:

	31 Desember/ December 2018
Rasio permodalan (tidak diaudit)	20,36%
Rasio ekuitas terhadap modal disetor	848,37%
Rasio <i>Non-Performing Finance</i> - neto	0,86%
Rasio <i>Non-Performing Finance</i> - gross	1,11%
Rasio piutang pembiayaan terhadap total aset	91,29%

27. FINANCIAL RISK MANAGEMENT (continued)

Capital management (continued)

Other information

Based on POJK No. 29/POJK.05/2014 regarding "The Business Operation of a Multifinance Company", as of 31 December 2018, the Company has complied the minimum amount of equity and Limits for Giving Financing. The Company has calculated ratio as follows:

<i>Capital ratio (unaudited)</i>
<i>Equity to fully paid capital ratio</i>
<i>Non-Performing Finance - net</i>
<i>Non-Performing Finance - gross</i>
<i>Financing to asset ratio</i>

28. NILAI WAJAR ASET DAN LIABILITAS KEUANGAN

Pada tanggal 31 Desember 2018 dan 2017, nilai tercatat dari aset dan liabilitas keuangan Perseroan memiliki nilai yang hampir sama dengan nilai wajarnya kecuali untuk instrumen berikut:

28. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

As of 31 December 2018 and 2017, the carrying value of the Company's financial assets and liabilities approximates their fair value except for the following financial instruments:

31 Desember/December 2018

	Pinjaman yang diberikan dan piutang/Loans and receivables	Biaya perolehan diamortisasi lainnya/ Other amortized cost	Derivatif lindung nilai/ Hedging derivatives	Nilai tercatat/ Carrying value	Nilai wajar/ Fair value	
ASET KEUANGAN						FINANCIAL ASSETS
Piutang pembiayaan konsumen	12.629.480	-	-	12.629.480	13.298.946	Consumer financing receivables
Piutang sewa pembiayaan	3.319.103	-	-	3.319.103	3.858.711	Finance lease receivables
Anjak piutang	11.303	-	-	11.303	11.152	Factoring receivables
Piutang derivatif	-	-	138.333	138.333	138.333	Derivative receivables
Total aset keuangan	15.959.886	-	138.333	16.098.219	17.307.142	Total financial assets
LIABILITAS KEUANGAN						FINANCIAL LIABILITIES
Pinjaman bank	-	11.188.124	-	11.188.124	11.089.493	Bank loans
Surat berharga yang diterbitkan	-	2.844.716	-	2.844.716	2.840.557	Securities issued
Utang derivatif	-	-	89.788	89.788	89.788	Derivative payables
Total liabilitas keuangan	-	14.032.840	89.788	14.122.628	14.019.838	Total financial liabilities

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**28. NILAI WAJAR ASET DAN LIABILITAS
KEUANGAN (lanjutan)**

**28. FAIR VALUE OF FINANCIAL ASSETS AND
LIABILITIES (continued)**

31 Desember/December 2017

	Pinjaman yang diberikan dan piutang/Loans and receivables	Biaya perolehan diamortisasi lainnya/ Other amortized cost	Derivatif lindung nilai/ Hedging derivatives	Nilai tercatat/ Carrying value	Nilai wajar/ Fair value	
ASET KEUANGAN						FINANCIAL ASSETS
Piutang pembiayaan konsumen	11.181.306	-	-	11.181.306	11.935.962	Consumer financing receivables
Piutang sewa pembiayaan	2.356.890	-	-	2.356.890	2.571.662	Finance lease receivables
Piutang derivatif	-	-	23.202	23.202	23.202	Derivative receivables
Total aset keuangan	13.538.196	-	23.202	13.561.398	14.530.826	Total financial assets
LIABILITAS KEUANGAN						FINANCIAL LIABILITIES
Pinjaman bank	-	8.210.430	-	8.210.430	8.209.363	Bank loans
Surat berharga yang diterbitkan	-	3.665.251	-	3.665.251	3.635.760	Securities issued
Utang derivatif	-	-	19.540	19.540	19.540	Derivative payables
Total liabilitas keuangan	-	11.875.681	19.540	11.895.221	11.864.663	Total financial liabilities

Tabel di bawah ini menyajikan analisa atas instrumen keuangan tersebut sesuai dengan masing-masing tingkat dalam hirarki nilai wajar:

The tables below present the analysis of the above financial instruments by the level in the fair value hierarchy:

31 Desember/December 2018

	Nilai tercatat/ Carrying value	Tingkat 1/ Level 1	Tingkat 2/ Level 2	Tingkat 3/ Level 3	Total	
ASET KEUANGAN						FINANCIAL ASSETS
Piutang pembiayaan konsumen	12.629.480	-	13.298.946	-	13.298.946	Consumer financing receivables
Piutang sewa pembiayaan	3.319.103	-	3.858.711	-	3.858.711	Finance lease receivables
Anjak piutang	11.303	-	11.152	-	11.152	Factoring receivables
Piutang derivatif	138.333	-	138.333	-	138.333	Derivative receivables
Total aset keuangan	16.098.219	-	17.307.142	-	17.307.142	Total
LIABILITAS KEUANGAN						FINANCIAL LIABILITIES
Pinjaman bank	11.188.124	-	11.089.493	-	11.089.493	Bank loans
Surat berharga yang diterbitkan	2.844.716	-	2.840.557	-	2.840.557	Securities issued
Utang derivatif	89.788	-	89.788	-	89.788	Derivative payables
Total liabilitas keuangan	14.122.628	-	14.019.838	-	14.019.838	Total

31 Desember/December 2017

	Nilai tercatat/ Carrying value	Tingkat 1/ Level 1	Tingkat 2/ Level 2	Tingkat 3/ Level 3	Total	
ASET KEUANGAN						FINANCIAL ASSETS
Piutang pembiayaan konsumen	11.181.306	-	11.935.962	-	11.935.962	Consumer financing receivables
Piutang sewa pembiayaan	2.356.890	-	2.571.662	-	2.571.662	Finance lease receivables
Piutang derivatif	23.202	-	23.202	-	23.202	Derivative receivables
Total	13.561.398	-	14.530.826	-	14.530.826	Total
LIABILITAS KEUANGAN						FINANCIAL LIABILITIES
Pinjaman bank	8.210.430	-	8.209.363	-	8.209.363	Bank loans
Surat berharga yang diterbitkan	3.665.251	-	3.635.760	-	3.635.760	Securities issued
Utang derivatif	19.540	-	19.540	-	19.540	Derivative payables
Total	11.895.221	-	11.864.663	-	11.864.663	Total

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28. NILAI WAJAR ASET DAN LIABILITAS KEUANGAN (lanjutan)

Metode dan asumsi yang digunakan untuk estimasi nilai wajar adalah sebagai berikut:

Nilai wajar kas dan setara kas, piutang lain-lain, aset lain-lain, utang usaha, beban bunga yang masih harus dibayar dan utang lain-lain mendekati nilai tercatat karena jangka waktu jatuh tempo yang singkat atas instrumen keuangan tersebut.

Nilai wajar piutang pembiayaan konsumen, piutang sewa pembiayaan, anjak piutang, piutang derivatif, utang derivatif, pinjaman bank dan surat berharga yang diterbitkan dinilai menggunakan diskonto arus kas berdasarkan tingkat suku bunga pasar pada tanggal 31 Desember 2018 dan 2017.

29. PERJANJIAN KERJASAMA

Pembiayaan bersama

Perseroan mempunyai perjanjian kerjasama pembiayaan Bersama dengan PT Bank Mandiri (Persero) Tbk. Perseroan bertindak sebagai agen untuk kegiatan seleksi konsumen, penagihan dan pengurusan dokumen administrasi.

Dalam perjanjian kerjasama dengan PT Bank Mandiri (Persero) Tbk, porsi fasilitas pembiayaan yang akan diberikan untuk konsumen dari masing-masing pihak adalah minimal 5,00% dari Perseroan dan maksimal 95,00% dari pemberi pembiayaan bersama. Sejak tanggal 20 Desember 2013, porsi fasilitas pembiayaan yang akan diberikan untuk konsumen dari masing-masing pihak adalah minimal 1,00% dari Perseroan dan maksimal 99,00% dari pemberi pembiayaan bersama.

Pada tanggal 6 Februari 2009, Perseroan dan PT Bank Mandiri (Persero) Tbk menandatangani Perjanjian Kerjasama Pembiayaan Kendaraan Bermotor dengan total fasilitas pembiayaan bersama sebesar Rp2.000.000, dimana Perseroan menanggung risiko (*risk*) kredit dan menerima imbalan (*rewards*) sesuai dengan porsi pembiayaannya.

Pada tanggal 29 Agustus 2013, Perseroan dan PT Bank Mandiri (Persero) Tbk menandatangani Perjanjian Kerjasama Pengambilalihan Piutang Pembiayaan dengan total fasilitas pembiayaan sebesar Rp1.100.000, dimana Perseroan menanggung risiko (*risk*) kredit dan menerima imbalan (*rewards*) sesuai dengan porsi pembiayaannya.

28. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

The following methods and assumptions are used to estimate the fair values:

The fair value of cash and cash equivalents, other receivables, other assets, trade payables, accrued interest expenses and other payables approximate their carrying amounts largely due to short-term maturities of these instruments.

The fair value of consumer financing receivables, finance lease receivables, factoring receivables, derivative receivables, derivative payables, bank loans and securities issued are determined by discounting cash flows using market interest rate as of 31 December 2018 and 2017.

29. COOPERATION AGREEMENTS

Joint financing

The Company entered into a joint financing agreement with PT Bank Mandiri (Persero) Tbk. The Company acts as an agent to underwrite, collect and administer consumer financing.

Based on the agreements with PT Bank Mandiri (Persero) Tbk, the amount of funds to be financed by each party is a minimum of 5.00% from the Company and a maximum of 95.00% from joint financing providers. Since 20 December 2013, the amount of funds to be financed by each party is a minimum of 1.00% from the Company and a maximum of 99.00% from joint financing providers.

On 6 February 2009, the Company and PT Bank Mandiri (Persero) Tbk signed a Joint Financing Agreement with the total joint financing facility amounting to Rp2,000,000, whereby the Company bears the credit risk and receives rewards in accordance with its financing portion.

On 29 August 2013, the Company and PT Bank Mandiri (Persero) Tbk signed a Customer Asset Purchase Agreement with the total facility amounting to Rp1,100,000, whereby the Company bears the credit risk and receives rewards in accordance with its financing portion.

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29. PERJANJIAN KERJASAMA (lanjutan)

Pembiayaan bersama (lanjutan)

Perjanjian ini telah mengalami beberapa kali perubahan. Perubahan terakhir melalui amandemen Perjanjian Kerjasama Kendaraan Bermotor antara PT Mandiri Tunas Finance dan PT Bank Mandiri (Persero) Tbk tertanggal 4 Desember 2014, yang menaikkan fasilitas pembiayaan bersama menjadi sebesar Rp20.500.000 dengan porsi fasilitas pembiayaan bersama sebesar minimal 1,00% dari Perseroan dan maksimal 99,00% dari pemberi pembiayaan bersama.

Perjanjian Kerjasama Kendaraan Bermotor antara PT Mandiri Tunas Finance dan PT Bank Mandiri (Persero) Tbk diamandemen pada tanggal 15 Maret 2017, yang menaikkan fasilitas pembiayaan bersama dan fasilitas pengambilalihan piutang pembiayaan menjadi sebesar Rp23.500.000 dengan porsi fasilitas pembiayaan bersama sebesar minimal 1,00% dari Perseroan dan maksimal 99,00% dari pemberi pembiayaan bersama. Perjanjian ini telah diperpanjang sampai dengan tanggal 28 Februari 2018.

Perjanjian Kerjasama Kendaraan Bermotor antara PT Mandiri Tunas Finance dan PT Bank Mandiri (Persero) Tbk diamandemen pada tanggal 17 April 2018, yang menaikkan fasilitas pembiayaan bersama dan fasilitas pengambilalihan piutang pembiayaan menjadi sebesar Rp24.000.000 dengan porsi fasilitas pembiayaan bersama sebesar minimal 1,00% dari Perseroan dan maksimal 99,00% dari pemberi pembiayaan bersama. Perjanjian ini telah diperpanjang sampai dengan tanggal 23 Februari 2019.

Perjanjian Kerjasama Kendaraan Bermotor antara PT Mandiri Tunas Finance dan PT Bank Mandiri (Persero) Tbk diamandemen pada tanggal 31 Oktober 2018, yang menaikkan fasilitas pembiayaan bersama dan fasilitas pengambilalihan piutang pembiayaan menjadi sebesar Rp28.000.000 dengan porsi fasilitas pembiayaan bersama sebesar minimal 1,00% dari Perseroan dan maksimal 99,00% dari pemberi pembiayaan bersama. Perjanjian ini berlaku sampai dengan tanggal 23 Februari 2019.

Pada tanggal 31 Mei 2018 dan 26 Juni 2018, Perseroan dan PT Bank Mandiri (Persero) Tbk menandatangani Perjanjian Kerjasama Pengambilalihan Piutang Sewa Pembiayaan No. RB6.SB6/PKS.01/2018 dan No. RB6.SB6/PKS.02/2018 dengan total fasilitas pembiayaan bersama akan ditetapkan dari waktu ke waktu berdasarkan keputusan pemegang kewenangan di PT Bank Mandiri (Persero) Tbk, dimana Perseroan menanggung risiko (*risk*) kredit dan menerima imbalan (*rewards*) sesuai dengan porsi pembiayaannya.

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29. COOPERATION AGREEMENTS (continued)

Joint financing (continued)

The agreement was amended several times. The latest of which is the amendment of the Joint Financing agreement between PT Mandiri Tunas Finance and PT Bank Mandiri (Persero) Tbk dated 4 December 2014, which increased the total joint financing facility to Rp20,500,000 with the portion of joint financing facility minimum of 1.00% from the Company and a maximum of 99.00% from joint financing providers.

The Joint Financing agreement between PT Mandiri Tunas Finance and PT Bank Mandiri (Persero) Tbk was amended on 15 March 2017, which increased the total joint financing and Customer Asset Purchase Agreement facility to Rp23,500,000 with the portion of joint financing facility minimum of 1.00% from the Company and a maximum of 99.00% from joint financing providers. The agreement was extended up to 28 February 2018.

The Joint Financing agreement between PT Mandiri Tunas Finance and PT Bank Mandiri (Persero) Tbk was amended on 17 April 2018, which increased the total joint financing and Customer Asset Purchase Agreement facility to Rp24,000,000 with the portion of joint financing facility minimum of 1.00% from the Company and a maximum of 99.00% from joint financing providers. The agreement was extended up to 23 February 2019.

The Joint Financing agreement between PT Mandiri Tunas Finance and PT Bank Mandiri (Persero) Tbk was amended on 31 October 2018, which increased the total joint financing and Customer Asset Purchase Agreement facility to Rp28,000,000 with the portion of joint financing facility minimum of 1.00% from the Company and a maximum of 99.00% from joint financing providers. The agreement is valid up to 23 February 2019.

On May 31, 2018 and June 26, 2018, the Company and PT Bank Mandiri (Persero) Tbk entered into a Cooperation Agreement for Acquisition of Finance Lease Receivables No. RB6.SB6/PKS.01/2018 and No. RB6.SB6/PKS.02/2018, with the total joint financing facility to be determined from time to time based on the decision of the authority holder at PT Bank Mandiri (Persero) Tbk whereby the Company bears the credit risk and receives rewards in accordance with its financing portion.

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29. PERJANJIAN KERJASAMA (lanjutan)

Pembiayaan bersama (lanjutan)

Jumlah pembiayaan bersama dengan PT Bank Mandiri (Persero) Tbk yang dikelola oleh Perseroan pada tanggal 31 Desember 2018 dan 2017:

	31 Desember/ December 2018
Piutang pembiayaan konsumen	26.077.092
Piutang sewa pembiayaan	1.139.971
Rata - rata jangka pembiayaan (tahun)	3-4

Asuransi

Dalam menjalankan usahanya, Perseroan bekerja sama dengan PT Asuransi Jasa Indonesia, PT Asuransi Sinar Mas, PT Asuransi Cakrawala Proteksi Indonesia, PT Asuransi Central Asia, PT Asuransi Bina Dana Arta Tbk, PT Asuransi Adira, PT AXA Mandiri Financial Services, PT Mandiri AXA General Insurance (MAGI), PT Asuransi Wahana Tata, PT Asuransi Artarindo, PT MNC Asuransi Indonesia, PT Bess Central Insurance, PT Asuransi Kresna Mitra Tbk, PT Pan Pacific Insurance, PT Jasindo Life, PT Asuransi Raksa Pratikara, PT Asuransi Jiwa InHealth Indonesia, PT Asuransi Mitra Pelindung Mustika (MPM), PT Chubb General Insurance Indonesia, PT Asuransi Ramayana, Perum Jamkrindo, PT Sampo Insurance Indonesia, Asuransi Mega Pratama, PT Asuransi Ciputra Indonesia, dan PT Asuransi Tugu Pratama Indonesia Tbk.

Sewa gedung

Pada tanggal 31 Agustus 2009, Perseroan menandatangani perjanjian sewa ruangan kantor dengan PT Bumi Daya Plaza yang tidak dapat dibatalkan untuk periode lima tahun. Perjanjian tersebut akan berakhir pada tahun 2014 dengan ketentuan pembayaran di muka sebesar Rp507 untuk setiap jangka waktu 3 bulan dan akan ditinjau kembali setiap satu tahun sekali dengan kenaikan tarif maksimal sebesar 5,00% per tahun.

Pada tanggal 21 Agustus 2014, Perseroan menandatangani pembaruan perjanjian sewa ruangan kantor dengan PT Bumi Daya Plaza yang tidak dapat dibatalkan untuk periode lima tahun. Perjanjian tersebut akan berakhir pada tahun 2019 dengan ketentuan pembayaran di muka sebesar Rp882 untuk setiap jangka waktu 3 bulan pada tahun pertama, Rp988 untuk setiap jangka waktu 3 bulan pada tahun kedua, Rp1.106 untuk setiap jangka waktu 3 bulan pada tahun ketiga, Rp1.239 untuk setiap jangka waktu 3 bulan pada tahun keempat, dan Rp1.388 untuk setiap jangka waktu 3 bulan pada tahun kelima.

29. COOPERATION AGREEMENTS (continued)

Joint financing (continued)

Total joint financing amount with PT Bank Mandiri (Persero) Tbk managed by the Company as of 31 December 2018 and 2017, are as follows:

	31 Desember/ December 2017	
	23.032.176	Consumer financing receivables
	-	Finance lease receivables
Rata - rata jangka pembiayaan (tahun)	3	Average of financing period (years)

Insurance

In the course of business, the Company entered into insurance agreements with PT Asuransi Jasa Indonesia, PT Asuransi Sinar Mas, PT Asuransi Cakrawala Proteksi Indonesia, PT Asuransi Central Asia, PT Asuransi Bina Dana Arta Tbk, PT Asuransi Adira, PT AXA Mandiri Financial Services, PT Mandiri AXA General Insurance (MAGI), PT Asuransi Wahana Tata, PT Asuransi Artarindo, PT MNC Asuransi Indonesia, PT Bess Central Insurance, PT Asuransi Kresna Mitra Tbk, PT Pan Pacific Insurance, PT Jasindo Life, PT Asuransi Raksa Pratikara, PT Asuransi Jiwa InHealth Indonesia, PT Asuransi Mitra Pelindung Mustika (MPM), PT Chubb General Insurance Indonesia, PT Asuransi Ramayana, Perum Jamkrindo, PT Sampo Insurance Indonesia, Asuransi Mega Pratama, PT Asuransi Ciputra Indonesia and PT Asuransi Tugu Pratama Indonesia Tbk.

Building rental

On 31 August 2009, the Company signed an office space rental agreement with PT Bumi Daya Plaza which is non-cancellable for the period of five years and will expire in 2014. The Company is required to pay in advance of Rp507 for each quarter. The tariff will be reviewed on annual basis with a maximum tariff increase of 5.00% per annum.

On 21 August 2014, the Company signed a renewal of the office space rental agreement with PT Bumi Daya Plaza which is non-cancellable for the period of five years and will expire in 2019, in which the Company is required to pay in advance an amount of Rp882 for each quarter in the first year, Rp988 for each quarter in the second year, Rp1,106 for each quarter in the third year, Rp1,239 for each quarter in the fourth year, and Rp1,388 for each quarter in the fifth year.

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29. PERJANJIAN KERJASAMA (lanjutan)

Sewa gedung (lanjutan)

Selama periode yang berakhir pada tanggal 31 Desember 2018 dan 2017, Perseroan mencatat beban sewa masing-masing sebesar Rp5.155 dan Rp4.692 dari sewa ruangan kantor ini.

Pada 31 Desember 2018 dan 2017, pembayaran sewa minimum masa depan dalam perjanjian sewa operasi yang tidak dapat dibatalkan adalah sebagai berikut:

	31 Desember/ December 2018
Sampai dengan satu tahun	2.776
Lebih dari satu tahun sampai lima tahun	-
Total	2.776

29. COOPERATION AGREEMENTS (continued)

Building rental (continued)

During years ended 31 December 2018 and 2017, the Company recorded rental expense of Rp5,155 and Rp4,692, respectively from this office space rental.

As of 31 December 2018 and 2017, the future minimum rental payments under this non-cancellable operating lease agreement, are as follows:

	31 Desember/ December 2017		Total
	5.255	Within one year	
	2.776	After one year but not more than five years	
	8.031		8.031

30. SEGMENT OPERASI

Segmen operasi Perseroan dibagi berdasarkan kelompok nasabah utama dan produk yang disebut, *Fleet* dan *Retail*. Dalam menentukan hasil segmen, beberapa akun aset dan liabilitas serta pendapatan dan biaya yang terkait diatribusikan ke masing-masing segmen berdasarkan kebijakan pelaporan internal manajemen.

Ringkasan berikut menjelaskan operasi masing-masing segmen dalam pelaporan segmen Perseroan:

- *Fleet*
Termasuk dalam pelaporan segmen *fleet* adalah seluruh indikator penilaian segmen operasi yang secara nyata dapat diatribusikan sebagai bagian dari pembiayaan untuk nasabah korporasi.
- *Retail*
Termasuk dalam pelaporan segmen *retail* adalah seluruh indikator penilaian segmen operasi yang secara nyata dapat diatribusikan sebagai bagian dari pembiayaan konsumen untuk nasabah individu di Regional I dan II (Sumatera), Regional III dan IV (Jabodetabek), Regional V (Jawa Barat), Regional VI (Jawa Tengah, Yogyakarta), Regional VII (Jawa Timur), Regional VIII (Kalimantan) dan Regional IX (Sulawesi).
- Lain-lain
Termasuk dalam pelaporan segmen lain-lain adalah informasi pelaporan segmen operasi terkait dengan aktivitas treasury dan kantor pusat seperti pendapatan bunga bank dan beban umum dan administrasi yang tidak dapat dialokasikan.

30. OPERATING SEGMENT

The Company's operating segments represent the Company's key customer and product groups namely, *Fleet* and *Retail*. In determining the segment results, certain assets and liabilities items and related revenues and expenses are attributed to each segment based on internal management reporting policies.

The following summary describes the operations in each of the Company's reportable segments:

- *Fleet*
Included in the fleet segment reporting are operating segments assessment indicators that can be actually be attributed as part of financing to corporate customers.
- *Retail*
Included in the retail segment reporting are operating segments assessment indicators that can be actually be attributed as part of consumer financing to individual customers at Region I and II (Sumatera), Region III and IV (Jabodetabek), Region V (Jawa Barat), Region VI (Jawa Tengah, Yogyakarta), Region VII (Jawa Timur), Region VIII (Kalimantan), and Region IX (Sulawesi).
- *Others*
Included in the other segment reporting is reporting segment information associated with treasury and head office activities such as bank interest income and general and administrative expenses that can not be allocated.

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30. SEGMENT OPERASI (lanjutan)

Informasi mengenai hasil dari masing-masing bisnis segmen disajikan di bawah ini. Kinerja diukur berdasarkan laba segmen sebelum pajak penghasilan, sebagaimana dilaporkan dalam laporan internal manajemen yang ditelaah oleh manajemen Perseroan. Keuntungan segmen digunakan untuk mengukur kinerja dimana manajemen berkeyakinan bahwa informasi tersebut paling relevan dalam mengevaluasi hasil segmen tersebut relatif terhadap entitas lain yang beroperasi dalam industri tersebut.

30. OPERATING SEGMENT (continued)

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Company's management. Segment profit is used to measure performance of that business segment as management believes that such information is the most relevant in evaluating the results of those segments relative to other entities that operate within these industries.

31 Desember/December 2018

Informasi segmen usaha	Retail		Fleet		Lain-lain/ Others	Jumlah/ Total	Information by business segments
	Mobil/ Car	Motor/ Motorcycle	Mobil/ Car	Motor/ Motorcycle			
Pendapatan							Revenue
Pembiayaan konsumen	1.725.709	49.933	159.874	1.203	-	1.936.719	Consumer financing
Sewa pembiayaan	10.501	170	375.631	-	-	386.302	Financial lease
Anjak piutang	-	-	96	-	-	96	Factoring
Bunga	9.429	261	2.422	4	-	12.116	Interest
Lain-lain - neto	731.659	23.423	29.822	55	-	784.959	Others - net
Total pendapatan	2.477.298	73.787	567.845	1.262	-	3.120.192	Total revenue
Beban							Expenses
Beban keuangan	(893.121)	(25.564)	(340.747)	(578)	-	(1.260.010)	Financial charges
Beban gaji dan tunjangan	(460.205)	(24.400)	(34.375)	-	-	(518.980)	Salaries and benefits
Beban umum dan administrasi	(363.654)	(14.206)	(20.695)	-	-	(398.555)	General and administration
Penyisihan kerugian penurunan nilai	(375.199)	(7.929)	(19.664)	(12)	-	(402.804)	Provision for impairment losses
Total beban	(2.092.179)	(72.099)	(415.481)	(590)	-	(2.580.349)	Total expenses
Laba sebelum beban pajak final dan pajak penghasilan	385.119	1.688	152.364	672	-	539.843	Income before final tax and income tax expense
Total aset	11.270.507	199.851	4.724.849	9.920	1.276.717	17.481.844	Total assets
Total liabilitas	796.432	17.131	125.682	310	14.421.374	15.360.929	Total liabilities

31 Desember/December 2017

Informasi segmen usaha	Retail		Fleet		Lain-lain/ Others	Jumlah/ Total	Information by business segments
	Mobil/ Car	Motor/ Motorcycle	Mobil/ Car	Motor/ Motorcycle			
Pendapatan							Revenue
Pembiayaan konsumen	1.640.512	50.531	138.328	1.053	-	1.830.424	Consumer financing
Sewa pembiayaan	8.171	-	170.812	-	-	178.983	Finance lease
Bunga	7.732	194	1.107	3	-	9.036	Interest
Lain-lain - neto	670.977	24.128	24.704	112	-	719.921	Others - net
Total pendapatan	2.327.392	74.853	334.951	1.168	-	2.738.364	Total revenue
Beban							Expenses
Beban keuangan	(795.078)	(23.493)	(216.687)	(184)	-	(1.035.442)	Finance charges
Beban gaji dan tunjangan	(387.069)	(25.981)	(24.762)	-	-	(437.812)	Salaries and benefits
Beban umum dan administrasi	(326.947)	(13.589)	(13.527)	-	-	(354.063)	General and administration
Penyisihan kerugian penurunan nilai	(423.328)	(6.824)	(12.470)	(47)	-	(442.669)	Provision for impairment losses
Total beban	(1.932.422)	(69.887)	(267.446)	(231)	-	(2.269.986)	Total expenses
Laba sebelum beban pajak final dan pajak penghasilan	394.970	4.966	67.505	937	-	468.378	Income before final tax and income tax expense
Total aset	10.185.814	200.944	3.277.540	8.269	1.066.891	14.739.458	Total assets
Total liabilitas	753.452	13.750	69.030	210	12.134.674	12.971.116	Total liabilities

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30. SEGMENT OPERASI (lanjutan)

30. OPERATING SEGMENT (continued)

Informasi wilayah geografis adalah sebagai berikut:

Geographical information is as follows:

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Pendapatan			Revenue
Regional I (Sumatera)	168.809	156.732	Region I (Sumatera)
Regional II (Sumatera)	343.578	317.029	Region II (Sumatera)
Regional III (Jabodetabek)	372.747	358.636	Region III (Jabodetabek)
Regional IV (Jabodetabek)	355.703	371.169	Region IV (Jabodetabek)
Regional V (Jawa Barat)	219.365	219.492	Region V (Jawa Barat)
Regional VI (Jawa Tengah, Yogyakarta)	239.611	222.022	Region VI (Jawa Tengah, Yogyakarta)
Regional VII (Jawa Timur)	288.924	292.476	Region VII (Jawa Timur)
Regional VIII (Kalimantan)	265.531	211.322	Region VIII (Kalimantan)
Regional IX (Sulawesi)	296.817	253.367	Region IX (Sulawesi)
Fleet	569.107	336.119	Fleet
Total pendapatan	3.120.192	2.738.364	Total revenue
Beban			Expenses
Regional I (Sumatera)	(135.079)	(127.138)	Region I (Sumatera)
Regional II (Sumatera)	(310.581)	(271.127)	Region II (Sumatera)
Regional III (Jabodetabek)	(324.550)	(331.532)	Region III (Jabodetabek)
Regional IV (Jabodetabek)	(303.103)	(320.127)	Region IV (Jabodetabek)
Regional V (Jawa Barat)	(191.758)	(170.208)	Region V (Jawa Barat)
Regional VI (Jawa Tengah, Yogyakarta)	(233.183)	(202.011)	Region VI (Jawa Tengah, Yogyakarta)
Regional VII (Jawa Timur)	(235.033)	(220.569)	Region VII (Jawa Timur)
Regional VIII (Kalimantan)	(188.262)	(169.239)	Region VIII (Kalimantan)
Regional IX (Sulawesi)	(242.729)	(190.358)	Region IX (Sulawesi)
Fleet	(416.071)	(267.677)	Fleet
Total beban	(2.580.349)	(2.269.986)	Total expenses
Laba sebelum beban pajak final dan pajak penghasilan	539.843	468.378	Income before final tax and income tax expense
Aset			Assets
Regional I (Sumatera)	731.732	715.218	Region I (Sumatera)
Regional II (Sumatera)	1.596.698	1.279.157	Region II (Sumatera)
Regional III (Jabodetabek)	1.644.161	1.548.810	Region III (Jabodetabek)
Regional IV (Jabodetabek)	1.429.179	1.626.548	Region IV (Jabodetabek)
Regional V (Jawa Barat)	892.935	1.008.700	Region V (Jawa Barat)
Regional VI (Jawa Tengah, Yogyakarta)	1.311.402	1.044.953	Region VI (Jawa Tengah, Yogyakarta)
Regional VII (Jawa Timur)	1.206.088	1.093.190	Region VII (Jawa Timur)
Regional VIII (Kalimantan)	1.126.001	847.869	Region VIII (Kalimantan)
Regional IX (Sulawesi)	1.532.162	1.222.313	Region IX (Sulawesi)
Fleet	4.734.769	3.285.809	Fleet
Lain-lain	1.276.717	1.066.891	Others
Total aset	17.481.844	14.739.458	Total assets

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30. SEGMENT OPERASI (lanjutan)

Informasi wilayah geografis adalah sebagai berikut:
(lanjutan)

30. OPERATING SEGMENT (continued)

Geographical information is as follows: (continued)

	Tahun yang berakhir pada tanggal 31 Desember/ Year ended 31 December		
	2018	2017	
Liabilitas			Liabilities
Regional I (Sumatera)	70.348	83.088	Region I (Sumatera)
Regional II (Sumatera)	87.699	67.406	Region II (Sumatera)
Regional III (Jabodetabek)	106.768	133.107	Region III (Jabodetabek)
Regional IV (Jabodetabek)	102.051	92.960	Region IV (Jabodetabek)
Regional V (Jawa Barat)	76.262	101.676	Region V (Jawa Barat)
Regional VI (Jawa Tengah, Yogyakarta)	100.279	65.569	Region VI (Jawa Tengah, Yogyakarta)
Regional VII (Jawa Timur)	110.670	105.006	Region VII (Jawa Timur)
Regional VIII (Kalimantan)	76.959	32.793	Region VIII (Kalimantan)
Regional IX (Sulawesi)	82.527	85.597	Region IX (Sulawesi)
Fleet	125.992	69.240	Fleet
Lain-lain	14.421.374	12.134.674	Others
Total liabilitas	15.360.929	12.971.116	Total liabilities

31. LIABILITAS KONTINJENSI

Pada tanggal 31 Desember 2018 dan 2017 Perseroan tidak mempunyai liabilitas kontinjensi yang signifikan.

31. CONTINGENT LIABILITIES

The Company does not have any significant contingent liabilities as of 31 December 2018 and 2017.

32. TAMBAHAN INFORMASI ARUS KAS

Rekonsiliasi liabilitas yang timbul dari aktivitas pendanaan adalah sebagai berikut:

32. SUPPLEMENTARY CASH FLOW INFORMATION

The reconciliation of liabilities that arised from financing activities are as follows:

	1 Januari/ 1 January 2018	Arus Kas/ Cash Flows	Perubahan nonkas - pergerakan valuta asing/ Non-cash activities - movement of foreign currency	31 Desember/ 31 December 2018	
	Pinjaman bank	8.244.582	2.950.457	27.696	
Surat berharga yang diterbitkan	3.675.000	(825.000)	-	2.850.000	Securities issued
Total liabilitas dari aktivitas pendanaan	11.919.582	2.125.457	27.696	14.072.735	Total liabilities from financing activities
	1 Januari/ 1 January 2017	Arus Kas/ Cash Flows	Perubahan nonkas - pergerakan valuta asing/ Non-cash activities - movement of foreign currency	31 Desember/ 31 December 2017	
	Pinjaman bank	5.621.492	2.610.471	12.619	
Surat berharga yang diterbitkan	3.325.000	350.000	-	3.675.000	Securities issued
Total liabilitas dari aktivitas pendanaan	8.946.492	2.960.471	12.619	11.919.582	Total liabilities from financing activities

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**33. PERISTIWA SETELAH AKHIR PERIODE
PELAPORAN**

**33. EVENTS AFTER THE END OF REPORTING
PERIOD**

A. SURAT BERHARGA YANG DITERBITKAN

A. SECURITIES ISSUED

Obligasi Berkelanjutan IV

Continuing Bonds IV

Obligasi Berkelanjutan IV Mandiri Tunas Finance
Tahap I Tahun 2019

Mandiri Tunas Finance Continuing Bonds IV
Phase I Year 2019

Pada tanggal 8 Januari 2019, Perseroan telah menerbitkan Obligasi Berkelanjutan IV Mandiri Tunas Finance Tahap I Tahun 2019 ("Obligasi Berkelanjutan IV Tahap I") dengan nilai nominal Rp1.000.000 yang terdiri atas dua seri sebagai berikut:

On 8 January 2019, the Company issued Mandiri Tunas Finance Continuing Bonds IV Phase I Year 2019 ("Continuing Bonds IV Phase I") with a nominal value of Rp1,000,000 which consists of two series as follows:

Obligasi/ Bonds	Nilai nominal/ Nominal value	Tingkat bunga tetap per tahun/ Fixed interest rate per annum	Jatuh tempo/ Due date	Cicilan pokok Obligasi/ Bonds principal installment
Seri/Series A	800.000	9,40%	8 Januari/ January 2022	Pembayaran penuh pada saat jatuh tempo/Bullet payment on due date
Seri/Series B	200.000	9,75%	8 Januari/ January 2024	Pembayaran penuh pada saat jatuh tempo/Bullet payment on due date

Obligasi tersebut dijamin dengan piutang pembiayaan konsumen Perseroan sebesar minimum 60% untuk Obligasi Berkelanjutan IV Tahap I dari pokok obligasi terutang. Jika jumlah piutang pembiayaan konsumen kurang dari yang dipersyaratkan, maka akan dipenuhi dari uang tunai yang ditempatkan pada rekening penampungan atas nama Perseroan yang ditunjuk oleh PT Bank Rakyat Indonesia (Persero) Tbk selaku wali amanat untuk Obligasi Berkelanjutan IV Tahap I.

These bonds are secured by the Company's consumer financing receivables for a minimum amount of 60% of the nominal value of Continuing Bonds IV Phase I. If the amount of consumer financing receivables is less than the requirement, the Company has to place sufficient cash into an escrow account established by PT Bank Rakyat Indonesia (Persero) Tbk as trustee for Continuing Bonds IV Phase I.

B. PERJANJIAN KERJASAMA

B. COOPERATION AGREEMENT

Pada tanggal 11 Januari 2019, Perseroan melakukan penandatanganan perjanjian kerjasama dengan PT Bank Mandiri Taspen untuk program *referral* pengajuan pembiayaan kendaraan bermotor atau multiguna. Perseroan bertindak sebagai penyedia dana sekaligus pemutus permohonan pembiayaan, sedangkan PT Bank Mandiri Taspen bertindak sebagai agen pemasaran. Perjanjian ini berlaku sampai tanggal 10 Januari 2020 dan dapat diperpanjang.

On 11 January 2019, the Company entered into a referral cooperation agreement with PT Bank Mandiri Taspen for motor vehicle financing or multipurpose financing. The Company acts as a provider of funds and breaker for financing application, while PT Bank Mandiri Taspen acts as a marketing agent. This agreement is valid until 10 January 2020 and may be extended.

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34. STANDAR AKUNTANSI YANG TELAH DISAHKAN
NAMUN BELUM BERLAKU EFEKTIF

Berikut ini adalah beberapa Standar Akuntansi Keuangan dan Interpretasi Standar Akuntansi Keuangan yang telah disahkan oleh Dewan Standar Akuntansi Keuangan (DSAK) yang dipandang relevan terhadap pelaporan keuangan Perseroan namun belum berlaku efektif untuk laporan keuangan tahun 2018:

- ISAK No. 33: Transaksi Valuta Asing dan Imbalan di Muka, berlaku efektif setelah 1 Januari 2019.

ISAK ini mengklarifikasi penggunaan tanggal transaksi untuk menentukan kurs yang digunakan pada pengakuan awal aset, beban atau penghasilan terkait pada saat entitas telah menerima atau membayar imbalan di muka dalam valuta asing.

- ISAK No. 34: Ketidakpastian dalam Perlakuan Pajak Penghasilan, berlaku efektif setelah 1 Januari 2019.

ISAK ini mengklarifikasi dan memberikan panduan dalam merefleksikan ketidakpastian perlakuan pajak penghasilan dalam laporan keuangan.

- Amandemen PSAK 24 (2018) – Imbalan Kerja tentang Amendemen, kurtailmen, atau Penyelesaian Program, berlaku efektif 1 Januari 2019 dengan penerapan dini diperkenankan.

Amendemen ini memberikan panduan yang lebih jelas bagi entitas dalam mengakui biaya jasa lalu, keuntungan dan kerugian penyelesaian, biaya jasa kini dan bunga neto setelah adanya amendemen, kurtailmen, atau penyelesaian program karena menggunakan asumsi aktuarial terbaru (sebelumnya menggunakan asumsi aktuarial pada awal periode pelaporan tahunan). Selain itu, Amendemen PSAK 24 juga mengklarifikasi bagaimana persyaratan akuntansi untuk amendemen, kurtailmen, atau penyelesaian program dapat mempengaruhi persyaratan batas atas aset yang terlihat dari pengurangan surplus yang menyebabkan dampak batas atas aset berubah.

34. ACCOUNTING STANDARDS ISSUED BUT NOT
YET EFFECTIVE

The following are several Financial Accounting Standards and Interpretations of Financial Accounting Standards issued by the Indonesian Financial Accounting Standards Board (DSAK) that are considered relevant to the financial reporting of the Company but are not yet effective for 2018 financial statements:

- IFAS No. 33: Foreign Currency Transactions and Advance Consideration, effective after 1 January 2019.

This IFAS clarifies the use of transaction date to determine the exchange rate used in the initial recognition of assets, expenses or corresponding revenues when the entity has accepted or paid advance considerations in foreign currencies.

- IFAS No. 34, "Uncertainty of Income Tax Treatment, effective after 1 January 2019.

This IFAS clarifies and provides guidance to reflect the uncertainty of income tax treatments in the financial statements.

- Amendments to PSAK 24 (2018) – Employee Benefits on the Plan Amendment, Curtailment or Settlement, effective 1 January 2019 with early application is permitted.

This amendment provides clearer guidance for entities in recognizing past service costs, settlement gains and losses, current service costs and net interest after plan amendment, curtailment or settlement because they use the new actuarial assumptions (previously using actuary assumptions at the beginning of the period of annual report). In addition, Amendment to PSAK 24 also clarifies how the accounting requirements for plan amendment, curtailment or settlement can affect the upper limit of asset requirements which can be seen from the reduction in surplus which causes the impact of the asset's upper limit to change.

The original financial statements included herein are in the Indonesian language.

**PT MANDIRI TUNAS FINANCE
CATATAN ATAS LAPORAN KEUANGAN
Tanggal 31 Desember 2018 dan Untuk Tahun
yang Berakhir Pada Tanggal Tersebut
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)**

**PT MANDIRI TUNAS FINANCE
NOTES TO THE FINANCIAL STATEMENTS
As of 31 December 2018 and
for the Year Then Ended
(Expressed in millions of Rupiah,
unless otherwise stated)**

**34. STANDAR AKUNTANSI YANG TELAH DISAHKAN
NAMUN BELUM BERLAKU EFEKTIF (lanjutan)**

Berikut ini adalah beberapa Standar Akuntansi Keuangan dan Interpretasi Standar Akuntansi Keuangan yang telah disahkan oleh Dewan Standar Akuntansi Keuangan (DSAK) yang dipandang relevan terhadap pelaporan keuangan Perseroan namun belum berlaku efektif untuk laporan keuangan tahun 2018: (lanjutan)

- Penyesuaian 2018 PSAK 46 - Pajak Penghasilan, berlaku efektif 1 Januari 2019 dengan penerapan dini diperkenankan.

Penyesuaian ini menegaskan mengenai konsekuensi pajak penghasilan atas dividen (sebagaimana didefinisikan dalam PSAK 71: Instrumen Keuangan) timbul ketika entitas mengakui liabilitas untuk membayar dividen. Konsekuensi pajak penghasilan tersebut lebih terkait secara langsung dengan transaksi atau peristiwa masa lalu yang menghasilkan laba yang dapat didistribusikan daripada dengan distribusi kepada pemilik. Oleh karena itu, entitas mengakui konsekuensi pajak penghasilan tersebut dalam laba rugi, penghasilan komprehensif lain atau ekuitas sesuai dengan pengakuan awal entitas atas transaksi atau peristiwa masa lalu tersebut.

- PSAK 71: Instrumen Keuangan, yang diadopsi dari IFRS 9, berlaku efektif 1 Januari 2020 dengan penerapan dini diperkenankan.

PSAK ini mengatur klasifikasi dan pengukuran instrumen keuangan berdasarkan karakteristik dari arus kas kontraktual dan model bisnis entitas; metode kerugian kredit ekspektasian untuk penurunan nilai yang menghasilkan informasi yang lebih tepat waktu, relevan dan dimengerti oleh pemakai laporan keuangan; akuntansi untuk lindung nilai yang merefleksikan manajemen risiko entitas lebih baik dengan memperkenalkan persyaratan yang lebih umum berdasarkan pertimbangan manajemen.

- PSAK 72: Pendapatan dari Kontrak dengan Pelanggan, yang diadopsi dari IFRS 15, berlaku efektif 1 Januari 2020 dengan penerapan dini diperkenankan.

PSAK ini adalah standar tunggal untuk pengakuan pendapatan yang merupakan hasil dari joint project yang sukses antara *International Accounting Standards Board* dan *Financial Accounting Standards Board*, mengatur model pengakuan pendapatan dari kontrak dengan pelanggan, sehingga entitas diharapkan dapat melakukan analisis sebelum mengakui pendapatan.

**34. ACCOUNTING STANDARDS ISSUED BUT NOT
YET EFFECTIVE (continued)**

The following are several Financial Accounting Standards and Interpretations of Financial Accounting Standards issued by the Indonesian Financial Accounting Standards Board (DSAK) that are considered relevant to the financial reporting of the Company but are not yet effective for 2018 financial statements: (continued)

- 2018 Improvement to PSAK 46 - Income Taxes, effective 1 January 2019 with early application is permitted.

This improvement affirms the consequences of income tax on dividends (as defined in PSAK 71: Financial Instruments) arises when an entity recognizes liabilities to pay dividends. The consequences of the income tax are more directly related to past transactions or events that generate profits that can be distributed rather than distribution to the owner. Therefore, the entity recognizes the consequences of the income tax in profit or loss, other comprehensive income or equity in accordance with the entity's initial recognition of the past transaction or event.

- PSAK 71: Financial Instruments, adopted from IFRS 9, effective 1 January 2020 with earlier application is permitted.

This PSAK provides for classification and measurement of financial instruments based on the characteristics of contractual cash flows and business model of the entity; expected credit loss impairment model that resulting information more timely, relevant and understandable to users of financial statements; accounting for hedging that reflect the entity's risk management better by introduce a more general requirements based on management's judgment.

- PSAK 72: Revenue from Contracts with Customers, adopted from IFRS 15, effective 1 January 2020 with earlier application is permitted.

This PSAK is a single standard that a joint project between the International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB), provides revenue recognition from contracts with customers, and the entity is expected to have analyzing before recognizing the revenue.

The original financial statements included herein are in the Indonesian language.

**PT MANDIRI TUNAS FINANCE
CATATAN ATAS LAPORAN KEUANGAN
Tanggal 31 Desember 2018 dan Untuk Tahun
yang Berakhir Pada Tanggal Tersebut
(Disajikan dalam jutaan Rupiah,
kecuali dinyatakan lain)**

**PT MANDIRI TUNAS FINANCE
NOTES TO THE FINANCIAL STATEMENTS
As of 31 December 2018 and
for the Year Then Ended
(Expressed in millions of Rupiah,
unless otherwise stated)**

**34. STANDAR AKUNTANSI YANG TELAH DISAHKAN
NAMUN BELUM BERLAKU EFEKTIF (lanjutan)**

Berikut ini adalah beberapa Standar Akuntansi Keuangan dan Interpretasi Standar Akuntansi Keuangan yang telah disahkan oleh Dewan Standar Akuntansi Keuangan (DSAK) yang dipandang relevan terhadap pelaporan keuangan Perseroan namun belum berlaku efektif untuk laporan keuangan tahun 2018: (lanjutan)

- PSAK 73: Sewa, yang diadopsi dari IFRS 16, berlaku efektif 1 Januari 2020 dengan penerapan dini diperkenankan untuk entitas yang juga telah menerapkan PSAK 72: Pendapatan dari Kontrak dengan Pelanggan.

PSAK ini menetapkan prinsip pengakuan, pengukuran, penyajian, dan pengungkapan atas sewa dengan memperkenalkan model akuntansi tunggal dengan mensyaratkan untuk mengakui aset hak-guna (*right-of-use assets*) dan liabilitas sewa. Terdapat 2 pengecualian opsional dalam pengakuan aset dan liabilitas sewa, yakni untuk: (i) sewa jangka-pendek dan (ii) sewa yang aset dasarnya (*underlying assets*) bernilai-rendah.

Perseroan sedang mengevaluasi dampak dari standar akuntansi tersebut dan belum menentukan dampaknya terhadap laporan keuangan Perseroan.

35. PENYELESAIAN LAPORAN KEUANGAN

Manajemen Perseroan bertanggung jawab penuh atas penyusunan laporan keuangan ini yang diselesaikan dan disetujui untuk diterbitkan pada tanggal 25 Januari 2019.

**34. ACCOUNTING STANDARDS ISSUED BUT NOT
YET EFFECTIVE (continued)**

The following are several Financial Accounting Standards and Interpretations of Financial Accounting Standards issued by the Indonesian Financial Accounting Standards Board (DSAK) that are considered relevant to the financial reporting of the Company but are not yet effective for 2018 financial statements: (continued)

- *PSAK 73: Leases, adopted from IFRS 16, effective 1 January 2020 with earlier application is permitted, but not before an entity applies PSAK 72: Revenue from Contracts with Customers.*

This PSAK establishes the principles of recognition, measurement, presentation, and disclosure of the lease by introducing a single accounting model, with the requirement to recognize the right-of-use assets and liability of the lease; there are 2 optional exclusions in the recognition of the lease assets and liabilities: (i) short-term lease and (ii) lease with low-value underlying assets.

The Company is presently evaluating and has not yet determined the effects of these accounting standards on its financial statements.

35. COMPLETION OF THE FINANCIAL STATEMENTS

The management of the Company is responsible for the preparation of these financial statements that were completed and authorized to be issued on 25 January 2019.

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ADAPT TO CHANGE

ANNUAL REPORT 2018 PT MANDIRI TUNAS FINANCE

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