

APPENDIX I
CIRCULAR LETTER OF BANK INDONESIA
NUMBER 14 / 37 /DPNP DATED JANUARY 27, 2012
REGARDING
MINIMUM CAPITAL REQUIREMENT BASED ON
RISK PROFILE AND FULFILLMENT OF *CAPITAL
EQUIVALENCY MAINTAINED ASSETS* (CEMA)

REPORT OF CAR CALCULATION BASED ON RISK PROFILE

Report of CAR calculation based on risk profile shall at least include:

I. STRATEGY OF CAPITAL MANAGEMENT

This chapter shall at least describe:

- (i) composition of Bank capital; and
- (ii) strategy of capital management which includes capital source and capital planning to fulfill CAR based on risk profile and to support Bank's business plan and strategy in the future.

II. IDENTIFICATION AND MEASUREMENT OF MATERIAL RISK

This chapter shall at least describe:

- (i) identification and measurement of risk which is considered material by Bank; and
- (ii) methods and assumptions used

Type of risks and factors considered in assessing each risk shall at least referred to provision of Bank Indonesia concerning assessment of Commercial Bank's soundness.

III. ASSESSMENT OF CAPITAL ADEQUACY

This chapter shall at least describe the method and process in assessing capital adequacy by associating risk level with the required capital level to absorb potential losses of the defined risk.

IV. MINIMUM CAPITAL BASED ON RISK PROFILE

This chapter shall at least describe executive summary for the result of self-assessment on risk profile and the result of minimum capital calculation based on the risk profile.

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