

LIQUIDITY COVERAGE RATIO (LCR) REPORT

Bank Name : PT BANK MAYAPADA INTERNATIONAL Tbk
Position : Quarter 1 2018

(In Million IDR)

Num	Component	Amount	Final amount after haircut, run-off or rate inflow rate
1	The number of points used in the LCR calculation		62 Days
HIGH QUALITY LIQUID ASSET (HQLA)			
2	Total High Quality Liquid Asset (HQLA)		16,442,286
ARUS KAS KELUAR (CASH OUTFLOW)			
3	Retail deposit and Unsecured wholesale funding	26,196,129	2,621,373
	a. Stable deposits	-	1,760
	b. Less stable deposits	26,196,129	2,619,613
4	Corporates funding	13,381,406	5,800,871
	a. Operational deposits	2,493,450	518,916
	b. Non-operational deposits	10,887,956	5,281,955
	c. Unsecured debt issuance due in 30 days	933,726	933,726
5	Secured funding		-
6	Additional requirement	423,791	43,424
	a. Net known derivatives payables	-	-
	b. Undrawn committed liquidity facilities to other financial institutions including securities firms, insurance companies, fiduciaries, and beneficiaries	-	-
	c. loss of funding on structured financing activities	-	-
	d. Currently undrawn committed credit and liquidity facilities	423,791	43,424
	e. Other contractual obligations to extend funds to	-	-
	f. Other contingent funding obligations	-	-
	g. Any other contractual cash outflows	-	-
7	TOTAL CASH OUTFLOW		8,465,668
8	Reverse repo and securities borrowing	-	-
9	Contractual inflows by counterparty	561,793	282,411
10	Other contractual cash inflows	-	-
11	TOTAL CASH INFLOW	561,793	282,411
		TOTAL ADJUSTED VALUE ¹	
12	TOTAL HQLA		16,442,286
13	TOTAL NET CASH OUTFLOWS		8,183,256
14	LCR (%)		200.93%

Notes:

¹Adjusted value is calculated after the subtraction of haircut, run-off rate, and inflow rate as well as the maximum limit of HQLA components, such as the HQLA Level 2B and HQLA Level 2 maximum limits and the maximum cash flow limit calculated in the LCR.

QUALITATIVE ASSESSMENT OF LIQUIDITY CONDITION (QUARTERLY)

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Analysis

Based on calculation, Bank Mayapada *Liquidity Coverage Ratio* (LCR) as of Quarter 1 2018 decreased by 10.11% from previous position (Quarter 4 2017) from 211.04% to 200.93%. The ratio is above minimum POJK requirement, which is minimum 90% LCR ratio for BUKU 3 since December 31th 2017.

LCR Assessment Component:

LCR Bank as of Quarter 1 2018 is from the comparison of *High Quality Liquid Asset* (HQLA) with *Net Cash Outflow* projection with the following details:

1. Bank Mayapada Total HQLA as of Quarter 1 2018 increased by 9.11% comparing to Quarter 4 2017 from 15.07 trillion IDR to 16.44 trillion IDR. Bank HQLA composition still dominated by HQLA Level 1 with the biggest composition from placement BI with amounted after *haircut* is 11.46 trillion IDR (69.69% from the total of HQLA Level 1) that increased by 7.42% comparing to Quarter 4 2017 from 10.67 trillion IDR. Bank Mayapada HQLA Level 1 consist of FTK (Fine Tune Contraction) Rupiah, FTK Foreign Exchange, Central Bank (BI) Facility, and Central Bank (BI) Current Account.
In Quarter 1 2018, Bank does not have any liquidity reserve in HQLA Level 2A and 2B because the securities exposures that Bank Mayapada owned is Financial Institution, which is not included in requirements component of HQLA Level 2A and Level 2B. This condition same as with previous position LCR Report (Quarter 4 2017).
2. Bank Mayapada *Net Cash Outflow* as of Quarter 1 2018 increased by 14.60% Quarter 4 2017 from 7.14 trillion IDR to 8.18 trillion IDR. The value of *net cash outflow* projection that bank owned from subtraction between *cash outflow* and resulted *cash inflow* estimation.
3. Bank Mayapada *cash outflow* estimation as of Quarter 1 2018 increased by

12.17% comparing to Quarter 4 2017 from 7.55 trillion IDR to 8.47 trillion IDR, and *cash inflow* estimation decreased by 30.49% comparing to Quarter 4 2017 from 406.32 billion IDR to 282.41 billion IDR.

In Quarter 1 2018, the *cash outflow* projection is estimated to occur over next 30 days after *run off rate* calculated consists of the following components:

1. Retail Deposit and Unsecured Wholesale Funding increased from previous position (Quarter 4 2017) from 2.26 trillion IDR to 2.62 trillion IDR.
2. Corporates Funding increased from previous position (Quarter 4 2017) from 5.12 trillion IDR to 5.80 trillion IDR
3. Currently Undrawn Committed Credit Facilities decreased from previous position (Quarter 4 2017) from 168.80 billion IDR to 43.42 billion IDR.

From data above can be concluded that the funding source is still dominated by same source from previous position (Quarter 4 2017) that from Corporates Funding that increased from previous position (Quarter 4 2017) by 0.65% from 67.87% to 68.52% from total *cash outflow*. The funding source composition from Retail Deposit and Unsecured Wholesale Funding increased from previous position (Quarter 4 2017) by 1.07% from 29.89% to 30.96% from total *cash outflow*. The lowest funding source composition come from Currently Undrawn Committed Credit Facilities that increased from previous position (Quarter 4 2017) by 1.73% from 2.24% to 0.51% from total *cash outflow*.

Whereas for *cash inflow* projection of Quarter 1st 2018 that estimated for the next 30 days after the *inflow rate* calculation only from Contractual Inflows by Counterparty that dominate by Non-Financial Institution Customers of 259.10 billion IDR or decreased by 30.64% from previous position (Quarter 4 2017) amounted to 373.58 billion IDR .

Bank Liquidity Management

In Quarter 1 2018, Bank has met the LCR level in accordance with minimum requirements that indicating that the management of Bank Mayapada liquidity is adequately managed.

Generally, Bank liquidity risk is still the same as previous position (Quarter 4 2017) that dominated with withdrawal by Corporates Funding, whereas for the derivatives exposure component does not exist both in cash outflow and cash inflow because Bank Mayapada product's and transaction are categorized as *plain vanilla*, so Bank has not had that type of exposures.

In order to maintain and manage the liquidity, Bank identifies, measures, monitorize and controlling the liquidity risk with adequately that supported by supervision of the liquidity related divisions towards Bank Mayapada liquidity condition through daily money market report, securities, maturity gap, liquidity gap, liquidity report and monthly ALCO meeting. With all of reports and the information, the board of Commissioners and Directors can monitorize the dynamics of Bank liquidity condition and maintain the quality of liquidity risk above the minimum requirements.

Bank Mayapada has prepared strategic steps to mitigate liquidity risk with policies and procedures that regulate Bank liquidity which part of risk management policies such as Liquidity Management Guidelines, ALMA Guidelines, and Bank *Contingency Funding Plan Policy*.