

PT Bank Pembangunan Daerah Jawa Timur, Tbk  
 Capital & Risk Exposure Disclosure Report  
 30 June 2021

Key Metric

(in millions of rupiah)

No	Description	T	T-1	T-2	T-3	T-4
		30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20
<b>Available capital (amounts)</b>						
1	Common Equity Tier 1 (CET1)	8,398,204	8,954,464	8,411,757	7,920,211	7,623,970
2	Tier 1	8,398,204	8,954,464	8,411,757	7,920,211	7,623,970
3	Total Capital	8,819,776	9,359,291	8,825,829	8,311,606	8,002,501
<b>Risk Weighted Assets (amounts)</b>						
4	Total Risk Weighted Assets (RWA)	41,794,902	40,478,122	40,776,010	38,981,987	37,954,233
<b>Risk-based Capital Ratios In percentage of RWA</b>						
5	CET1 ratio (%)	20.09%	22.12%	20.63%	20.32%	20.09%
6	Tier 1 ratio (%)	20.09%	22.12%	20.63%	20.32%	20.09%
7	Total capital ratio (%)	21.10%	23.12%	21.64%	21.32%	21.08%
<b>Additional CET1 Buffer requirements as a percentage of RWA</b>						
8	Capital Conservation Buffer (2.5% from RWA) (%)	2.5%	2.5%	0%	0%	0.00%
9	Countercyclical Buffer (0 - 2.5% from RWA) (%)	0%	0%	0%	0%	0%
10	Bank G-SIB and/or D-SIB additional (1% - 2.5%) (%)	0%	0%	0%	0%	0%
11	Total CET1 as buffer (%) (Line 8 + Line 9 + Line 10)	2.50%	2.50%	0.00%	0.00%	0.00%
12	<b>CET1 available after meeting the bank's minimum capital requirements (%)</b>	<b>10.83%</b>	<b>12.86%</b>	<b>11.41%</b>	<b>11.10%</b>	<b>10.83%</b>
<b>Leverage Ratio according to Basel III</b>						
13	Total exposure	95,539,240	89,691,846	83,710,131	96,923,210	88,172,567
14	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	9.23%	9.98%	10.05%	8.18%	9.18%
14b	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	9.23%	9.98%	10.05%	8.18%	9.18%
14c	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	9.23%	9.98%	10.05%	8.18%	9.18%
14d	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	-	-	-	-	-
<b>Liquidity Coverage Ratio (LCR)</b>						
15	Total High Quality Liquid Assets (HOLA)	41,464,397	37,860,894	38,088,289	32,991,216	27,246,809
16	Total Net Cash Outflow	14,597,071	13,845,218	13,970,548	12,414,512	11,337,373
17	LCR ratio (%)	284.06%	273.46%	272.63%	265.75%	240.33%
<b>Net Stable Funding Ratio (NSFR)</b>						
18	Total Available Stable Funding	69,642,622	67,689,053	63,585,403	60,878,974	55,575,480
19	Total Required Stable Funding	40,353,090	40,038,145	39,658,510	38,122,301	37,093,800
20	NSFR ratio (%)	172.58%	169.06%	160.33%	159.69%	149.82%

Qualitative Analysis

The total capital of Bank Jatim in the position of June 2021 (T) is Rp. 8.8 trillion, a decrease of 5.76% from the position in March 2021 (T-1). This decrease was mainly due to a decrease in the adding factor in the capital calculation component, namely the distribution of dividends in May 2021 of Rp. 733.5 billion and an increase in deduction factors such as the difference between PPA & allowance for impairment losses on productive assets of Rp. 36.8 billion and an increase in the Allowance for Asset Losses (PPA) for non-productive assets that must be calculated where this component is also one of the deduction factors in the calculation of Bank Capital, thus encouraging the growth of the Capital Adequacy Ratio (CAR) from the position in March 2021 of 23.12% experiencing decreased to 21.10% in the position of June 2021.

Bank Jatim's leverage ratio in the position of June 2021 (T) is 9.23%, a decrease of 0.75% from the position of March 2021 (T-1). This decrease was mainly due to a decrease in the value of the Securities Financing Transaction (SFT) Exposure, where the gross carrying value of SFT assets compared to the position in March 2021 (T-1) decreased by Rp. 14.4 Trillion. In general, the Bank's Leverage Ratio in June 2021 is still above the minimum limit set by the regulator of > 3%.

The Liquidity Adequacy Ratio (LCR) and Net Stable Funding Ratio (NSFR) in the position of June 2021 (T) have increased compared to the previous period in March 2021 (T-1). The LCR ratio increased by 10.60% due to an increase in the ratio component both in terms of the value of High-Quality Liquid Assets (HOLA) and the value of Net Cash Outflow (NCO) so that the ratio formed was greater than the previous period. Meanwhile, the NSFR Ratio increased by 3.52% due to an increase in Available Stable Funding (ASF) which was higher than the increase in Required Stable Funding (RSF).