

**PT BANK MANDIRI (PERSERO) Tbk. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**35. OTHER LIABILITIES (continued)**

Payable to costumers mostly consist of debts arising from securities transactions of PT Mandiri Sekuritas (Subsidiary).

Liabilities associated with ATM and credit card transactions consists of liabilities on ATM transactions within ATM Bersama, ATM links and ATM Prima and liabilities to Visa and Master Card for credit card transactions.

Liabilities related to unit link represents unit-linked liabilities to third parties and unit-linked policyholders' fund liabilities of a subsidiary (AXA Mandiri Financial Services).

The guarantee deposit is a guarantee of cash deposited by customers from export, import transaction and issuance of bank guarantees.

Directly attributed unearned income consists of income from provisions/commissions of loans which directly attributable to unamortized loan.

Unearned income which is not directly attributed consists of deferred fees/commissions that are not directly related to the unamortized loan.

Purchase of securities accrued arising from the purchase of securities which was fully paid respectively on January 5, 2016 and January 5, 2015 as of December 31, 2015 and 2014.

Other liabilities on UPAS transaction is a liability to the payer bank in foreign currency related with bill of UPAS to importers.

Others mainly consist of interoffice accounts and liabilities related to trade transactions, deposit and transaction remains to be settled in the form of transfer payment transactions of customers.

**36. FUND BORROWINGS**

	<b>December 31, 2015</b>	<b>December 31, 2014</b>
Rupiah:		
Related parties (Note 55)		
(f) Others	25,178	202,609
Third parties		
(a) Ministry of Public Work and Housing (Kemenpupera)	132,948	137,570
(b) Direct off-shore loans	300,000	300,000
(e) Repo to maturity	494,301	494,301
(f) Others	4,237,157	3,221,252
	<u>5,164,406</u>	<u>4,153,123</u>
Total	<u>5,189,584</u>	<u>4,355,732</u>

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**36. FUND BORROWINGS (continued)**

	December 31, 2015	December 31, 2014
Foreign currencies:		
Related parties (Note 55)		
(d) Trade financing facilities	-	49,540
Third parties		
(b) Direct off-shore loans	18,730,838	10,500,576
(c) Bilateral loans	6,891,192	6,190,452
(d) Trade financing facilities	2,953,057	3,130,804
	28,575,087	19,821,832
Total (Note 61B.(v))	28,575,087	19,871,372
	<b>33,764,671</b>	<b>24,227,104</b>

(a) Ministry of Public Work and Housing (Kemenpupera)

This account represents a Liquidity Facility of House Financing (FLPP) with sharing financing of 70.00% from Ministry of Public Work and Housing's fund and 30.00% from Bank Mandiri's fund, in accordance with the Memorandum of Understanding between the Ministry of Public Housing No. 07/SKB/M/2012 and PT Bank Mandiri (Persero) Tbk. No. DIR.MOU/003/2012 dated February 15, 2012 regarding the Amendment of Memorandum of Understanding between the Ministry of Public Housing No. 13/SKB/DP/2011 and PT Bank Mandiri (Persero) Tbk. No. DIR.MOU/015/2011 regarding the Funding Distribution of Liquidity Facility of House Financing (FLPP) in the framework of the housing procurement through the Welfare House Ownership Loan. The agreement was followed by Operational Cooperation Agreement between Public Service Center of House Financing Agency of the Ministry of Public Housing of the Republic of Indonesia No. 02/SK.9/HK.02.04/2/2012 with PT Bank Mandiri (Persero) Tbk. No. DIR.PKO/010/2012 dated February 15, 2012 regarding the Funding Distribution of Liquidity Facility of House Financing (FLPP) in the framework of the housing procurement through the Welfare House Ownership Loan.

The outstanding loan balance as of December 31, 2015 and 2014 was amounted to Rp132,948 and Rp137,570. The facility bears interest at 0.50% per annum. The loan has a payment schedule of maximum 240 months (20 years) with the first installment start at the following month (for the fund disbursed from date of 1 until 10) and start the next two months (for the fund disbursed from date of 11 until the end of the month). The repayment (principal and interest) to Kemenpupera will be made not later than the date of 10 for each month.

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**36. FUND BORROWINGS (continued)**

(b) Direct off-shore loans

The details of direct off-shore loans are as follows:

	December 31, 2015	December 31, 2014
Rupiah:		
Bank of America, Singapore	300,000	300,000
Foreign currencies:		
China Development Bank, China		
- Tranche A	9,624,789	-
- Tranche B	4,040,859	-
Nomura International Plc, London	2,732,021	2,442,369
Bank of America, Hong Kong	1,585,275	1,424,275
Agence Française de Développement, France	541,559	690,577
Asian Development Bank		
- Tranche A	206,335	370,105
Standard Chartered Bank, Singapore	-	3,096,250
Deutsche Bank AG, Singapore	-	2,477,000
Total	18,730,838	10,500,576
	<b>19,030,838</b>	<b>10,800,576</b>

**Bank of America, Singapore**

December 31, 2015 and 2014						
Type	Arranger	Maturity date	Tenor (months)	Interest rate per annum	Nominal amount	
					USD (full amount)	Rupiah equivalent
Bilateral loan	Bank of America, Singapore	November 3, 2017	36	Fixed 9%	-	<u><b>300,000</b></u>

On October 31, 2014, Bank Mandiri obtained an unsecured loan facility from Bank of America, Singapore amounting to Rp300,000 with a fixed interest rate of 9% per year.

The loan facility has a tenor of 3 (three) years and will be matured on November 3, 2017. Bank Mandiri has drawdown on the loan facility amounting to Rp300,000 on November 5, 2014.

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**36. FUND BORROWINGS (continued)**

(b) Direct off-shore loans (continued)

**China Development Bank, China**

December 31, 2015						
Type	Arranger	Maturity date	Tenor (months)	Interest rate per annum	Nominal amount	
					Original currency (full amount)	Rupiah equivalent
Tranche A (USD Currency)	China Development Bank, China	September 16, 2025	120	LIBOR (6 months) + certain margin	700,000,000	9,649,500
Less:						
Unamortised issuance costs					(1,792,643)	(24,711)
					<b>698,207,357</b>	<b>9,624,789</b>
Tranche B (CNY Currency)	China Development Bank, China	September 16, 2025	120	SHIBOR (6 months) + certain margin	1,908,420,000	4,051,289
Less:						
Unamortised issuance costs					(4,913,289)	(10,430)
					<b>1,903,506,711</b>	<b>4,040,859</b>

On September 16, 2015, Bank Mandiri signed a long-term loan facility without collateral credit agreement with China Development Bank (CDB).

The loan consists of 2 (two) facilities, which Tranche A Facility is a direct loan from CDB denominated in USD with a total facility of USD700,000,000 (full amount) and will be matured in 10 (ten) years after agreement date with an interest rate of LIBOR 6 (six) monthly plus a certain margin and Tranche B is a direct loans denominated in CNY with a total facility of CNY1,908,420,000 (full amount) maturing 10 (ten) years after the agreement date with SHIBOR interest rate of six (6) months plus a certain margin. The loan was withdrawn on November 13, 2015, December 3, 2015, December 11, 2015, December 18, 2015, December 23, 2015 and December 28, 2015.

**Nomura International Plc, London**

December 31, 2015						
Type	Arranger	Maturity date	Tenor (months)	Interest rate per annum	Nominal amount	
					USD (full amount)	Rupiah equivalent
Bilateral loan	Nomura International Plc, London	October 17, 2017	36	LIBOR (3 months) + certain margin	200,000,000	2,757,000
Less:						
Unamortised issuance costs					(1,812,028)	(24,979)
					<b>198,187,972</b>	<b>2,732,021</b>

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**36. FUND BORROWINGS (continued)**

(b) Direct off-shore loans (continued)

**Nomura International Plc, London (continued)**

December 31, 2014						
Type	Arranger	Maturity date	Tenor (months)	Interest rate per annum	Nominal amount USD (full amount)	Rupiah equivalent
Bilateral loan	Nomura International Plc, London	October 17, 2017	36	LIBOR (3 months) + certain margin	200,000,000	2,477,000
Less:						
Unamortised issuance costs					(2,796,169)	(34,631)
					<b>197,203,831</b>	<b>2,442,369</b>

On October 8, 2014, Bank Mandiri obtained a loan facility from Nomura International Plc, London amounting to USD200,000,000 (full amount) with an interest rate at 3-months LIBOR plus a certain margin.

This loan facility has a tenor of 3 (three) years and will be matured on October 17, 2017. Bank Mandiri has drawdown of this loan facility amounting to USD200,000,000 (full amount) on October 17, 2014.

This loan facility is secured with as follows (Note 8c) :

	Nominal amount (USD full amount)	
	December 31, 2015	December 31, 2014
ROI 16	12,230,000	12,230,000
ROI 17	98,498,000	98,498,000
ROI 18	46,106,000	46,106,000
ROI 19	61,500,000	61,500,000
ROI 20	6,000,000	6,000,000
ROI 21	6,800,000	-

**Bank of America, Hong Kong**

December 31, 2015						
Type	Arranger	Maturity date	Tenor (months)	Interest rate per annum	Nominal amount USD (full amount)	Rupiah equivalent
Bilateral loan	Bank of America Hong Kong	November 13, 2017	36	LIBOR (6 months) + certain margin	115,000,000	1,585,275

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**36. FUND BORROWINGS (continued)**

(b) Direct off-shore loans (continued)

**Bank of America, Hong Kong (continued)**

December 31, 2014						
Type	Arranger	Maturity date	Tenor (months)	Interest rate per annum	Nominal amount USD (full amount)	Rupiah equivalent
Bilateral loan	Bank of America Hong Kong	November 13, 2017	36	LIBOR (6 months) + certain margin	115,000,000	<b>1,424,275</b>

On October 30, 2014, Bank Mandiri obtained a loan facility from Bank Of America, Hongkong amounting of USD115,000,000 (full amount) with interest rate at 6-months LIBOR plus a certain margin.

This loan facility has a tenor of 3 (three) years and will be matured on November 13, 2017. Bank Mandiri has drawdown on the loan facility amounting to USD115,000,000 (full amount) on November 12, 2014. As of December 31, 2015, this loan facility was secured by government bonds series VR0028 with a nominal value of Rp2,150,000 (December 31, 2014: Rp2,150,000) and ROI 19 series USD9,471,000 (full amount) (December 31, 2014: Nil) (Note 8c).

**Agence Française de Développement, France**

December 31, 2015						
Type	Arranger	Maturity date	Interest rate per annum	Nominal amount USD (full amount)	Rupiah equivalent	
Bilateral loan	Agence Française de Développement	March 31, 2016	LIBOR (6 months) + certain margin	2,727,273	37,595	
Less:						
Unamortised issuance costs				(1,014)	(14)	
				<b>2,726,259</b>	<b>37,581</b>	
Bilateral loan	Agence Française de Développement	September 30, 2018	LIBOR (6 months) + certain margin	6,857,143	94,526	
Less:						
Unamortised issuance costs				(12,074)	(166)	
				<b>6,845,069</b>	<b>94,360</b>	
Bilateral loan	Agence Française de Développement	September 30, 2017	LIBOR (6 months) + certain margin	14,545,455	200,509	
Less:						
Unamortised issuance costs				(21,915)	(302)	
				<b>14,523,540</b>	<b>200,207</b>	
Bilateral loan	Agence Française de Développement	March 31, 2019	LIBOR (6 months) + certain margin	5,500,000	75,817	
Less:						
Unamortised issuance costs				(11,466)	(158)	
				<b>5,488,534</b>	<b>75,659</b>	
Bilateral loan	Agence Française de Développement	September 30, 2023	LIBOR (6 months) + certain margin	10,000,000	137,850	
Less:						
Unamortised issuance costs				(297,259)	(4,098)	
				<b>9,702,741</b>	<b>133,752</b>	
				<b>39,286,143</b>	<b>541,559</b>	

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**36. FUND BORROWINGS (continued)**

(b) Direct off-shore loans (continued)

**Agence Française de Développement, France (continued)**

December 31, 2014					
Type	Arranger	Maturity date	Interest rate per annum	Nominal amount USD (full amount)	Rupiah equivalent
Bilateral loan	Agence Française de Développement	March 31, 2016	LIBOR (6 months) + certain margin	8,181,818	101,332
Less:					
Unamortised issuance costs				(9,380)	(116)
				<b>8,172,438</b>	<b>101,216</b>
Bilateral loan	Agence Française de Développement	September 30, 2018	LIBOR (6 months) + certain margin	9,142,857	113,234
Less:					
Unamortised issuance costs				(21,224)	(263)
				<b>9,121,633</b>	<b>112,971</b>
Bilateral loan	Agence Française de Développement	September 30, 2017	LIBOR (6 months) + certain margin	21,818,182	270,218
Less:					
Unamortised issuance costs				(48,744)	(604)
				<b>21,769,438</b>	<b>269,614</b>
Bilateral loan	Agence Française de Développement	March 31, 2019	LIBOR (6 months) + certain margin	7,071,429	87,580
Less:					
Unamortised issuance costs				(18,746)	(232)
				<b>7,052,683</b>	<b>87,348</b>
Bilateral loan	Agence Française de Développement	September 30, 2023	LIBOR (6 months) + certain margin	10,000,000	123,850
Less:					
Unamortised issuance costs				(357,065)	(4,422)
				<b>9,642,935</b>	<b>119,428</b>
				<b>55,759,127</b>	<b>690,577</b>

On June 17, 2010, Bank Mandiri signed a loan facility agreement with Agence Française de Développement (AFD) of USD100,000,000 (full amount) to assist the financing for projects related to climate change and energy efficiency.

This long term facility has a tenor of 5 to 10 years (including grace period) with an interest rate at 6-months LIBOR plus a certain margin and will be used to finance the projects that related to the carbon emission reduction.

As part of the above loan agreement, Bank Mandiri and AFD will finance the training programs aimed to develop the Bank Mandiri's capacity, especially in relation to climate change and energy efficiency.

On December 15, 2010, the Bank drawdown the borrowing from AFD amounting to USD30,000,000 (full amount), which will be matured on March 31, 2016.

On February 16, 2012, May 30, 2012 and May 31, 2012, the Bank drawdown the borrowing amounting to USD16,000,000 (full amount), USD40,000,000 (full amount) and USD11,000,000 (full amount), respectively, which will be matured on September 30, 2018, September 30, 2017 and March 31, 2019, respectively.

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**36. FUND BORROWINGS (continued)**

(b) Direct off-shore loans (continued)

**Agence Française de Développement, France (continued)**

The drawdown of the above facilities are intended to fulfill the fund requirement to finance the environmental friendly projects in Bank Mandiri.

On November 8, 2013, Bank Mandiri signed a second new loan facility agreement or second line of credit with AFD amounting to USD100,000,000 (full amount) to assist the financing for projects related to climate change and energy efficiency. This long term facility has a tenor of 5 to 10 years (including grace period) with an interest rate at 6-months LIBOR plus a certain margin. On March 25, 2014, the Bank has drawdown the loan amounting to USD10,000,000 (full amount), which will be matured on September 30, 2023.

**Asian Development Bank**

December 31, 2015						
Type	Arranger	Maturity date	Tenor (months)	Interest rate per annum	Nominal amount USD (full amount)	Rupiah equivalent
Tranche A	Asian Development Bank	October 31, 2016	84	LIBOR (6 months) + certain margin	15,000,000	206,775
Less:						
Unamortised issuance costs					(31,935)	(440)
					<b>14,968,065</b>	<b>206,335</b>

December 31, 2014						
Type	Arranger	Maturity date	Tenor (months)	Interest rate per annum	Nominal amount USD (full amount)	Rupiah equivalent
Tranche A	Asian Development Bank	October 31, 2016	84	LIBOR (6 months) + certain margin	30,000,000	371,550
Less:						
Unamortised issuance costs					(116,720)	(1,445)
					<b>29,883,280</b>	<b>370,105</b>

On October 30, 2009, as further amended and restated on November 13, 2009, Bank Mandiri signed a long-term credit agreement with Asian Development Bank (ADB) with a total facility amounting to USD105,000,000 (full amount).

The loan consists of 2 (two) facilities, where Tranche A Facility is a direct loan from ADB with total facility amounting to USD75,000,000 (full amount) and will be matured in 7 (seven) years after the agreement date, and Tranche B from ADB as Lender of Record is funded by commercial banks through the Participation Agreements between ADB and the commercial banks with a total facility amounting to USD30,000,000 (full amount) and will be matured in 5 (five) years after the agreement date. The loan was withdrawn on January 28, 2010. As of December 31, 2015, the Bank has repaid this loan amounting to USD90,000,000 (full amount). Tranche B Facility was repaid at maturity. As of December 31, 2015, the credit facility is secured by Government Bonds VR0031 series with a nominal value of Rp444,045 (2014: Rp1,286,663) (Note 8c).



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**36. FUND BORROWINGS (continued)**

(b) Direct off-shore loans (continued)

**Standard Chartered Bank, Singapore**

December 31, 2014						
Type	Arranger	Maturity date	Tenor (months)	Interest rate per annum	Nominal amount USD (full amount)	Rupiah equivalent
Bilateral loan	Standard Chartered Bank, Singapore	July 9, 2015	36	LIBOR (6 months) + certain margin	250,000,000	<u>3,096,250</u>

On June 28, 2012, Bank Mandiri obtained a loan facility from Standard Chartered Bank, Singapore amounting to USD250,000,000 (full amount) with an interest rate at 6-months LIBOR plus a certain margin.

This loan facility has 3 (three) years of tenor and will be matured on July 9, 2015. Bank Mandiri has drawdown on the loan facility amounting to USD250,000,000 (full amount) on July 9, 2012. This loan has been fully paid at maturity date.

As of December 31, 2015, this loan was fully paid at maturity date July 9, 2015, so there was no government bonds has been secured. As of December 31, 2014, this loan facility was secured by government bonds VR0030 series with nominal value of Rp3,460,000 and VR0031 series with nominal value of Rp843,746 (Note 8c).

**Deutsche Bank AG, Singapore**

December 31, 2014						
Type	Arranger	Maturity date	Tenor (months)	Interest rate per annum	Nominal amount USD (full amount)	Rupiah equivalent
Standby loan	Deutsche Bank AG, Singapore	June 23, 2016	60	LIBOR (6 months) + certain margin	200,000,000	<u>2,477,000</u>

On June 16, 2011, Bank Mandiri obtained a loan facility from Deutsche Bank AG, Singapore. The agreement has amended by latest addendum of agreement dated July 31, 2013 whereby the Bank has been provided borrowing amounting to USD300,000,000 (full amount) with an interest rate at 6-months LIBOR plus a certain margin.

This loan facility has a tenor of 5 (five) years and will be matured on June 23, 2016. During the tenor of the loan facility, Bank Mandiri could drawdown and repay the outstanding loan at any time. On June 27, 2011, Bank Mandiri exercised the first drawdown on this loan facility amounting to USD100,000,000 (full amount) and subsequently on September 28, 2011, the Bank exercised the second drawdown amounting to USD200,000,000 (full amount). Those outstanding loans were repaid on September 24, 2014.

On December 31, 2014, Bank Mandiri exercised another drawdown amounting to USD200,000,000 (full amount). Based on the withdrawal, it was fully paid on March 6, 2015.

As of December 31, 2015, this loan facility has been fully paid on March 6, 2015 so there was no government bonds pledged (December 31, 2014 this loan facility was secured by government bonds VR0031 series with a nominal value of Rp4,000,000) (Note 8c).

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**36. FUND BORROWINGS (continued)**

(c) Bilateral loans

The details of bilateral loans are as follows:

	December 31, 2015	December 31, 2014
JP Morgan, Jakarta	5,512,692	4,951,952
Standard Chartered Bank, Jakarta	1,378,500	1,238,500
	<b>6,891,192</b>	<b>6,190,452</b>

**JP Morgan, Jakarta**

**December 31, 2015**

Type	Arranger	Maturity date	Tenor (months)	Interest rate per annum	Nominal amount USD (full amount)	Rupiah equivalent
Bilateral loan	JP Morgan, Jakarta	November 21, 2016	36	LIBOR (3 months) + certain margin	150,000,000	2,067,750
Less:						
Unamortised issuance costs					(33,732)	(465)
					<b>149,966,268</b>	<b>2,067,285</b>
Bilateral loan	JP Morgan, Jakarta	September 5, 2017	36	LIBOR (3 months) + certain margin	250,000,000	3,446,250
Less:						
Unamortised issuance costs					(61,123)	(843)
					<b>249,938,877</b>	<b>3,445,407</b>
					<b>399,905,145</b>	<b>5,512,692</b>

**December 31, 2014**

Type	Arranger	Maturity date	Tenor (months)	Interest rate per annum	Nominal amount USD (full amount)	Rupiah equivalent
Bilateral loan	JP Morgan, Jakarta	November 21, 2016	36	LIBOR (3 months) + certain margin	150,000,000	1,857,750
Less:						
Unamortised issuance costs					(69,562)	(862)
					<b>149,930,438</b>	<b>1,856,888</b>
Bilateral loan	JP Morgan, Jakarta	September 5, 2017	36	LIBOR (3 months) + certain margin	250,000,000	3,096,250
Less:						
Unamortised issuance costs					(95,768)	(1,186)
					<b>249,904,232</b>	<b>3,095,064</b>
					<b>399,834,670</b>	<b>4,951,952</b>

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**36. FUND BORROWINGS (continued)**

(c) Bilateral loans (continued)

**JP Morgan, Jakarta (continued)**

On November 15, 2013, the Bank obtained a loan facility from JP Morgan, Jakarta amounting to USD150,000,000 (full amount) with an interest rate at 3 months LIBOR plus a certain margin.

This loan facility has a tenor of 3 (three) years and will be matured on November 21, 2016. Bank Mandiri has drawdown this credit facility amounting to USD150,000,000 (full amount) on November 21, 2013.

This loan was secured by (Note 8c):

	Nominal amount	
	December 31, 2015	December 31, 2014
ORI 011*)	288,276	-
ORI 009*)	-	288,276
ROI 23**)	17,500,000	17,500,000
ROI 21**)	36,500,000	-
ROI 15**)	-	40,000,000
ROI 16**)	48,000,000	48,000,000
INDOIS 22**)	60,000,000	60,000,000

\*) In million rupiah

\*\*) In USD (full amount)

This loan facility was secured by placement with others bank USD5,488,263 (full amount) (Note 6d).

On August 20, 2014, Bank Mandiri obtained a loan facility from JP Morgan, Jakarta amounting to USD250,000,000 (full amount) with interest rate at LIBOR 3 (three) months plus a certain margin.

The loan facility has a tenor of 3 (three) years and will be matured on September 5, 2017. The Bank has drawdown on the loan facility amounting to USD250,000,000 (full amount) on September 2, 2014.

This loan was secured by (Note 7k and 8c):

	Nominal amount	
	December 31, 2015	December 31, 2014
ORI 011*)	669,000	-
ORI 009*)	-	669,000
ROI 23**)	37,000,000	37,000,000
ROI 19**)	27,295,000	27,295,000
ROI 18**)	29,100,000	29,100,000
INDOIS 22**)	98,500,000	98,500,000
PERTAMINA 23**)	65,000,000	65,000,000

\*) In million rupiah

\*\*) In USD (full amount)

This loan facility is also secured by placement with others bank USD10,997,811 (full amount) (Note 6d).

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**36. FUND BORROWINGS (continued)**

(c) Bilateral loans (continued)

**Standard Chartered Bank, Jakarta**

December 31, 2015						
Type	Arranger	Maturity date	Tenor (months)	Interest rate per annum	Nominal amount USD (full amount)	Rupiah equivalent
Bilateral loan	Standard Chartered Bank, Jakarta	July 11, 2016	60	LIBOR (3 months) + certain margin	100,000,000	<u>1,378,500</u>

December 31, 2014						
Type	Arranger	Maturity date	Tenor (months)	Interest rate per annum	Nominal amount USD (full amount)	Rupiah equivalent
Bilateral loan	Standard Chartered Bank, Jakarta	July 11, 2016	60	LIBOR (3 months) + certain margin	100,000,000	<u>1,238,500</u>

On July 4, 2011, Bank Mandiri obtained a loan facility from Standard Chartered Bank, Jakarta as amount to USD100,000,000 (full amount) with an interest rate at 3-months LIBOR plus a certain margin.

This loan facility has a tenor of 5 (five) years and will be matured on July 11, 2016. On July 11, 2011, Bank Mandiri has drawdown this loan facility as amount to USD100,000,000 (full amount). As of December 31, 2015, this loan facility was secured by Government Bonds VR0031 series with a nominal value of Rp1,074,788 (December 31, 2014: Rp1,074,788) (Note 8c).

(d) Trade financing facilities (bankers acceptance)

Trade financing facilities represent short-term borrowings with tenors ranging between 90 days to 365 days and bear interest at LIBOR or SIBOR plus a certain margin. These borrowings are guaranteed by letters of credit issued or received by Bank Mandiri. The balance as of December 31, 2015 and 2014 are as follows:

	December 31, 2015	December 31, 2014
Wells Fargo Bank NA, United States of America	689,250	743,100
Wells Fargo Bank NA, United Kingdom	689,250	-
Bank of America NA, Singapore	441,120	-
Bank of New York, Mellon, Singapore	344,625	-
Westpac Banking Corporation, Singapore	275,700	-
Standard Chartered Bank, New York	206,775	421,090
CTBC Bank Co.Ltd, Singapore	137,850	743,100
Citibank NA, Hong Kong	99,562	-
Hongkong and Shanghai Banking Corp, Hong Kong	68,925	-
Bank of New York Mellon, Cayman Island	-	371,550
Bank of Montreal, Canada	-	307,024
Bank of New York Mellon, Jakarta	-	247,700
Bank of America NA, Hong Kong	-	123,850
Bank of New York Mellon, Hong Kong	-	111,465
Hongkong and Shanghai Banking Corp, Jakarta	-	61,925
PT Bank Negara Indonesia (Persero), New York	-	49,540
	<u>2,953,057</u>	<u>3,180,344</u>

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**36. FUND BORROWINGS (continued)**

(e) Repo to Maturity

On October 31, 2014, Bank Mandiri signed a loan agreement amounting to Rp600,000 with the scheme of repo to maturity with Bank of America Singapore Limited (BOA). In this transaction, Bank Mandiri transferred Government Bonds VR0031 to BOA. The amount received by Bank Mandiri related to the repo transaction represents the present value of the loan after taking into account the interest expense of the loan and interest income of the VR0031 during repo period, which is amount Rp494,301. For the transfer of Government Bonds VR0031, Bank Mandiri recognises receivable amounting cash value of VR0031 to BOA. The loan facility has a tenor of 6 (six) years and will be matured on July 25, 2020, which match with the maturity date of VR0031. On the maturity date, the transaction settlement will be made net of loan and receivable between Bank Mandiri and BOA.

On November 19, 2014, BOA sent "Transfer Notice" which stated that BOA had transferred all its rights and obligations related to loan facility under the scheme of repo to maturity to PT Asuransi Jiwa Adisarana Wanaartha.

(f) Others

	<b>December 31, 2015</b>	<b>December 31, 2014</b>
PT Bank Pan Indonesia Tbk.	2,504,667	1,607,830
PT Bank Jabar Banten Tbk.	518,560	308,216
PT Bank Central Asia Tbk.	426,100	585,661
PT Bank KEB Hana Indonesia	355,988	-
PT Bank DKI	296,078	238,041
PT Bank Chinatrust Indonesia	66,549	99,751
PT Bank Commonwealth	47,090	113,291
PT Bank Negara Indonesia (Persero) Tbk.	25,178	52,609
Standard Chartered Bank, Jakarta	20,000	-
Bank of China, Jakarta	2,125	116,245
PT Bank Tabungan Pensiunan Nasional Tbk.	-	150,000
PT Sarana Multigriya Finansial (Persero)	-	150,000
PT Bank OCBC NISP Tbk.	-	2,217
	<b>4,262,335</b>	<b>3,423,861</b>

**PT Bank Pan Indonesia Tbk.**

On February 16, 2011, August 8, 2011 and latest amended on September 30, 2015, the Subsidiary (PT Mandiri Tunas Finance) and PT Bank Pan Indonesia Tbk. (Panin) signed a loan agreement whereby Panin provide some non revolving term loan facilities with a total limit of Rp4,331,000 and bear a fixed interest rate. These facilities have various maturity, which ranging from January 2016 until November 2019.

On May 12, 2011, the Subsidiary (PT Mandiri Tunas Finance) and Panin also signed loan agreement whereby Panin provide a revolving money market facility with total limit of Rp200,000 and bears a floating interest rate. This agreement had been amended based on latest amendment signed on November 12, 2012 with additional facility up to Rp300,000 and maturity date was extended to May 12, 2016.

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**36. FUND BORROWINGS (continued)**

(f) Others (continued)

On July 11, 2003, the Subsidiary (PT Mandiri Sekuritas) entered into working capital facility agreement with Panin. The agreement has been amended by latest addendum of agreement dated June 25, 2013, whereby Bank Panin granted working capital facility of Rp200,000 cross clearing facility of Rp200,000, forex transaction facility (spot/forward) USD10,000,000 (full amount) and bank gurantee facility of Rp200,000. Based on the terms of the agreement, interest for the working capital is determined based on the annual term lending rate of Bank Panin. This loan has been repaid by the Subsidiary (PT Mandiri Sekuritas).

As of December 31, 2015 and 2014, borrowing from Panin was amounted to Rp2,504,667 and Rp1,607,830.

**PT Bank Jabar Banten Tbk.**

On November 1, 2011, November 30, 2012 and latest amended on Desember 4, 2015 the Subsidiary (PT Mandiri Tunas Finance) and PT Bank Jabar Banten Tbk. (BJB) signed a loan agreement whereby BJB provide some non revolving term loan facilities with a total limit of Rp675,000 and bear a fixed interest rate. These facilities have various maturity, which ranging from Maret 2017 until December 2018.

As of December 31, 2015 and 2014, borrowing from BJB was amounted to Rp518,560 and Rp308,216.

**PT Bank Central Asia Tbk.**

On March 7, 2001, the Subsidiary (PT Mandiri Tunas Finance) and PT Bank Central Asia Tbk. (BCA) signed a loan agreement where BCA provides an overdraft facility and bears a floating interest rate. This agreement had been amended based on latest agreement signed on March 24, 2011 with additional facility up to Rp55,000 and will be matured June 12, 2014. This loan was extended until March 12, 2016.

On March 24, 2011 and the last on March 30, 2015, the Subsidiary (PT Mandiri Tunas Finance) and BCA also entered into several loan agreements where BCA provides some non revolving term loan facilities with a total limit of Rp1,275,000 and bears a fixed interest rate. These facilities have various maturity dates, which ranging between January 2016 until June 2017.

On June 11, 2013 and the last on March 30, 2015, the Subsidiary (PT Mandiri Tunas Finance) and BCA signed a loan agreement whereby the BCA provides revolving money market facility with a limit of Rp100,000 and bears a floating interest rate. The facility matures on March 12, 2016.

On February 25, 2013, the Subsidiary (PT Mandiri Sekuritas) entered into banking facility agreement with BCA, whereby the Subsidiary obtained multifacility banking arrangement with a total of Rp200,000, which consist of money market line facility, bank guarantee facility, and foreign exchange line. The facility will be matured on February 22, 2016. The interest under this facility is determined based on agreed interest rate of the drawdown of the facility. This loan has been repaid by the Subsidiary (PT Mandiri Sekuritas).

As of December 31, 2015 and 2014, borrowing from BCA was amounted to Rp426,100 and Rp585,661.

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**36. FUND BORROWINGS (continued)**

(f) Others (continued)

**PT Bank KEB Hana Indonesia**

On March 19, 2015 and the last on Juli 31, 2015, the Subsidiary (PT Mandiri Tunas Finance) and PT Bank KEB Hana Indonesia (Hana) signed a loan agreement where Hana provides revolving money market facilities with a limit of Rp150,000 and bears a floating interest rate and some non revolving working capital loan facilities with limit of Rp400,000 and bears a fixed interest rate. These facilities have various maturity dates, which ranging between March 2018 until September 2018.

As of December 31, 2015 borrowing from Hana was amounted to Rp355,988.

**PT Bank DKI**

On March 2, 2011 and the latest on December 2, 2015, the Subsidiary (PT Mandiri Tunas Finance) and PT Bank DKI (Bank DKI) signed a loan agreement whereby the Bank DKI provides several non revolving term loan facilities with a total facility of Rp830,000 and bears a fixed interest rate. These facilities have various maturity dates, which ranging between January 2016 until December 2018.

As of December 31, 2015 and 2014, borrowing from Bank DKI was amounted to Rp296,078 and Rp238,041.

**PT Bank Chinatrust Indonesia**

On December 18, 2014, the Subsidiary (PT Mandiri Tunas Finance) and Bank Chinatrust (BCT) signed loan agreement whereby BCT provides several working capital non revolving term loan facilities with total limit of Rp100,000 and bear fixed interest rate. These facilities will be matured on December 2017.

As of December 31, 2015 and 2014, borrowing from BCT was amounted to Rp66,549 and Rp99,751.

**PT Bank Commonwealth**

On March 5, 2013 and the last on March 27, 2014, the Subsidiary (PT Mandiri Tunas Finance) and PT Bank Commonwealth (Commonwealth) signed a loan agreement in which Commonwealth provides several non revolving term loan facilities with total limit of Rp199,000 and bears fixed interest rate. The facility has various maturity dates ranging between March 2016 until June 2017.

As of December 31, 2015 and 2014, borrowing from Commonwealth was amounted to Rp47,090 and Rp113,291.

**PT Bank Negara Indonesia (Persero) Tbk.**

On November 23, 2011, the Subsidiary (PT Mandiri Tunas Finance) and PT Bank Negara Indonesia (Persero) Tbk. (BNI) signed the joint financing agreement where BNI provides several non-revolving joint financing facilities with total limit of Rp277,743 and bear a fixed interest rate. These facilities have various maturity dates, which ranging between February 2016 until November 2016.

As of December 31, 2015 and 2014, borrowing from BNI was amounted to Rp25,178 and Rp52,609.

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**36. FUND BORROWINGS (continued)**

(f) Others (continued)

**Standard Chartered Bank, Jakarta**

On September 8, 2006, the Subsidiary (PT Mandiri Sekuritas) entered into working capital facility agreement with Standard Chartered Bank (SCB). The agreement has been amended by latest addendum of agreement dated November 23, 2015, whereby the Subsidiary (PT Mandiri Sekuritas) has been provided by bank guarantee facility of Rp75,000. The bank guarantee is issued for KPEI as one of factors considered in determining the Subsidiary's (PT Mandiri Sekuritas) limit of shares transaction. The Subsidiary also obtained short-term loan facility amounted to Rp250,000. This facility has been automatically extended for one year. Under the terms of the agreement, interest for this facility is 1 % above the annual term funding rate of SCB. This loan facility has maturity on January 2016.

As of December 31, 2015 and 2014, borrowing from SCB was amounted to Rp20,000 and RpNil.

**Bank Of China, Jakarta**

On November 20, 2013, the Subsidiary (PT Mandiri Tunas Finance) and Bank Of China (BOC) signed loan agreement whereby BOC provides several non revolving term loan facilities with total facility of Rp8,500 and bear fixed interest rate. These facilities will be matured on June 27, 2016.

As of December 31, 2015 and 2014, borrowing from BOC was amounted to Rp2,125 and Rp116,245.

**PT Bank Tabungan Pensiunan Nasional Tbk.**

On January 26, 2011, the Subsidiary (PT Mandiri Sekuritas) entered into money market facility agreement as amount to Rp150,000 with PT Bank Tabungan Pensiunan Nasional Tbk ("BTPN"). The agreement has been amended by latest addendum of agreement dated March 6, 2013 with an increase in facility limit to Rp200,000 and maturity date until January 26, 2014. The agreement has been subsequently extended until January 26, 2016. Under the terms of the agreement, the interest for the funding facility is determined based on the annual lending rate of BTPN. This borrowing was fully repaid by the Subsidiary (PT Mandiri Sekuritas).

As of December 31, 2014, borrowing from BTPN amounted to Rp150,000.

**PT Sarana Multigriya Finansial (Persero)**

On October 3, 2011, the Subsidiary (PT Bank Syariah Mandiri (*Mudharib*) and PT Sarana Multigriya Finansial (SMF) (*Shahibul Mal*) has entered into a *Mudharabah wal Murabahah* financing agreement which will be matured within 3 (three) years from the date of financing, amounting to Rp300,000. The financing is intended to support the *Mudharib's* working capital in mortgage financing to debtors (Pembiayaan Pemilikan Rumah (PPR)) using *Murabahah* or *Musyarakah Mutanaqishah* principles. The agreed revenue sharing is 65.00% for *Shahibul Mal* and 35.00% for the *Mudharib* from gross income received by *Mudharib* before deducted by related costs. Disbursement of financing implemented in two phases, respectively Rp100,000 and Rp200,000 which began in October 2011. Revenue sharing will be paid monthly starting from November 2011.



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**36. FUND BORROWINGS (continued)**

(f) Others (continued)

**PT Sarana Multigriya Finansial (Persero) (continued)**

On December 29, 2011, PT SMF provided additional facility amounting to Rp300,000 for 3 years since the date of financing establishment to provide *Mudharib* working capital for PPR facility by using *Murabahah* or *Musarakah Mutanaqishah* principles. The agreed revenue sharing is 62.00% for Shahibul Mal and 38.00% for *Mudharib* from gross income received by *Mudharib* before deducted by related costs. Disbursement of financing implemented in two phases, each at Rp150,000 on December 29, 2011 and January 30, 2012. Revenue sharing will be paid monthly starting from January 2012. This facility will be due on January 30, 2015. This borrowing was fully repaid by the Subsidiary.

As of December 31, 2014, borrowing SMF was amounted to Rp150,000.

**PT Bank OCBC NISP Tbk.**

On June 27, 2011 and December 16, 2011, the Subsidiary (PT Mandiri Tunas Finance) and PT Bank OCBC NISP Tbk. (OCBC) signed loan agreement whereby OCBC provides several non revolving term loan facilities with total limit of Rp50,000 and bear fixed interest rate. These facilities have various maturity dates ranging between December 2014 until February 2015. This loan was fully repaid by Subsidiary (PT Mandiri Tunas Finance).

As of December 31, 2014, borrowing from OCBC was amounted to Rp2,217.

The loans received by PT Mandiri Tunas Finance was secured by consumer financing receivables amounted Rp3,778,356 as of December 31, 2015 (December 31, 2014: Rp3,088,414) (Note 13f) and receivables from lease financing amounted Rp321,506 as of December 31, 2015 (December 31, 2014: Rp645,197) (Note 14f).

Bank Mandiri and its Subsidiaries have paid all interests for fund borrowings in accordance with the interest payment schedules for the period from January 1, 2015 to December 31, 2015.

During year ended December 31, 2015 and 2014, Bank Mandiri and its Subsidiaries have fulfilled all debt covenants as stipulated in all of the above fund borrowing agreements.

**37. SUBORDINATED LOANS**

By type and currency:

	December 31, 2015	December 31, 2014
Rupiah:		
Related parties (Note 55)		
Subordinated Bond Rupiah Bank Mandiri I	1,687,800	1,909,800
Third parties		
Two-Step Loans (TSL)		
(a) Nordic Investment Bank (NIB)	31,957	53,261
Subordinated Bond Rupiah Bank Mandiri I	1,797,200	1,575,200
	1,829,157	1,628,461
Total	3,516,957	3,538,261

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**37. SUBORDINATED LOANS (continued)**

	December 31, 2015	December 31, 2014
Foreign currencies:		
Third parties		
Two-Step Loans (TSL)		
(b) Asian Development Bank (ADB)	224,710	215,780
	<b>3,741,667</b>	<b>3,754,041</b>
Less: Unamortized issuance costs	(3,964)	(7,467)
<b>Net</b>	<b>3,737,703</b>	<b>3,746,574</b>

**Two-Step Loans (TSL)**

(a) Nordic Investment Bank (NIB)

This account represents a credit facility obtained from Nordic Investment Bank (NIB) to the Government of the Republic of Indonesia, through the Ministry of Finance of the Republic of Indonesia, which relents the proceeds to participating banks to finance several projects in Indonesia. The detail of this facility is as follows:

Credit Facility	Purpose	Repayment Period
Nordic Investment Bank IV	To promote and finance high priority investment projects in Indonesia, primarily in the private sector, or joint Indonesian and Nordic interests.	April 15, 1997 - February 28, 2017 with the 1 <sup>st</sup> installment on August 31, 2002.

The details of credit facilities from NIB are as follow:

	December 31, 2015	December 31, 2014
Nordic Investment Bank IV (NIB IV)	31,957	53,261

The interest rates of NIB IV facility is based on floating interest rates as determined by Bank Indonesia in accordance with the prevailing average interest rates of Bank Indonesia in the last 3 (three) months.

(b) Asian Development Bank (ADB)

This account represents a credit facility from Asian Development Bank (ADB) to the Government of the Republic of Indonesia, through the Ministry of Finance of the Republic of Indonesia, which are relents to participating banks to finance several projects in Indonesia. The detail of this facility is as follows:

Credit Facility	Purpose	Repayment Period
ADB 1327 - INO (SF)	To finance Micro Credit Project (PKM).	January 15, 2005 - July 15, 2029 with 1 <sup>st</sup> installment on January 15, 2005.

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**37. SUBORDINATED LOANS (continued)**

**Two-Step Loans (TSL) (continued)**

(b) Asian Development Bank (ADB) (continued)

The details of credit facilities from ADB are as follow:

	<b>December 31, 2015</b>	<b>December 31, 2014</b>
ADB Loan 1327 - INO (SF)	224,710	215,780

The Minister of Finance through its letter No. S-596/MK.6/2004 dated July 12, 2004, has approved the transfer of management of Micro Credit Project (PKM) of ADB loans No. 1327 - INO (SF) from Bank Indonesia to Bank Mandiri. With that approval, an amendment was made on the channeling loan agreement No. SLA-805/DP3/1995 dated April 27, 1995, which was revised by amendment No. AMA-287/SLA-805/DP3/2003 dated April 22, 2003, between the Republic of Indonesia and Bank Indonesia to the Republic of Indonesia and PT Bank Mandiri (Persero) Tbk., with amendment No. AMA-298/SLA-805/DP3/2004 dated July 16, 2004.

The ADB loans for Micro Credit Projects was granted in SDR (Special Drawing Rights) currency in amount of SDR15,872,600.44 (full amount) which required Bank Mandiri to repay in SDR currency to the Government in 50 (fifty) prorate semi-annual installments every January 15, and July 15, with the first installment paid on January 15, 2005 and will ended on July 15, 2029. The ADB loans are subject to a service charge of 1.50% per annum which is charged on every January 15, and July 15, every year starting from its drawdown.

**Subordinated Bond Rupiah Bank Mandiri I 2009**

In order to strengthen the capital structure and support the loan expansion, on December 14, 2009, Bank Mandiri has issued subordinated bond Rupiah Bank Mandiri I 2009 (subordinated bond) amounting to Rp3,500,000. The proceeds from the issuance of subordinated bond is treated as lower tier 2 capital in accordance with regulation of Bank Indonesia. As of December 31, 2015, the unamortised issuance cost of subordinated bond is amounting to Rp Rp3,964 (December 31, 2014: Rp7,467).

The subordinated bond has obtained an approval from Bank Indonesia through the letter No. 11/III/DPB1/TPB1-1 dated December 14, 2009 and became effective through the letter of Chairman of OJK (formerly Capital Market & Financial Institutions Supervisory Agency (Bapepam and LK)), No. S-10414/BL/2009 dated December 3, 2009.

Bank Mandiri had listed the subordinated bond at the Indonesia Stock Exchange (BEI) on December 14, 2009, based on announcement from BEI on December 11, 2009. The subordinated bond has tenor of 7 (seven) years and will mature on December 11, 2016, issued as scripless trading with a fixed coupon rate of 11.85% per annum. The trustee for the subordinated bond issued is PT Bank Permata Tbk.

The interest on the subordinated bond are payable quarterly, with the first interest payment date on March 11, 2010 and the last payment date including the maturity date of the subordinated bond on December 11, 2016. The Bank has paid the interest of subordinated bond in accordance to the interest payment schedule.

There was no breach to the covenant of trusteeship agreement of subordinated bond during year ended December 31, 2015 and 2014.

As of December 31, 2015 and 2014, the rating of the subordinated bond based on Pefindo was idAA+ (double A Plus).