

AUTHORIZED TRANSLATION

INFORMATION TO SHARESHAREHOLDERS RELATED TO CAPITAL INCREASE WITH PRE-EMPTIVE RIGHTS



PT. BANK SINARMAS Tbk.

Business activities
business of banking

Domiciled in Jakarta, Indonesia

Head Office

Sinar Mas Land Plaza – Menara 1, Lantai 1 dan 2
Jl. M. H. Thamrin No.51
Jakarta 10350 - Indonesia
Telp. (62-21) 3199 0101
Fax (62-21) 3199 0401
Situs: www.banksinarmas.com
Email : corporate.secretary@banksinarmas.com

Branch Office and Cash Office

1 Main Branch Office, 73 Branch Office, 130 Sub Branch Office, 141 Conventional Cash Office, 1 Functional Office
27 Branch Office UUS dan 10 Cash Office UUS, all located in Indonesia

LIMITED PUBLIC OFFERING II ("LPO II") TO SHARESHAREHOLDERS OF THE COMPANY WITH PRE-EMPTIVE RIGHTS ("HMETD")

The company will increase its capital through pre-emptive rights by issuing not more than 1,099,490,445 (one billion ninety nine million four hundred ninety thousand four hundred and forty-five) Common Shares with a nominal value of Rp100.00 (one hundred Rupiah) per share. Common Shares result of exercise of the Rights will be offered at the Offer Price Rp400,00 (four hundred Rupiah) per share so that the whole is worth as much Rp439.796.178.000,00 (four hundred and thirty-nine billion, seven hundred and ninety six million one hundred and seven twenty-eight thousand rupees) and a maximum of 4,397,961,780 (four billion three hundred and ninety-seven million nine hundred and sixty one thousand seven hundred and eighty) warrants series III issued accompanying the Common Shares which is 31.08% (three twenty-one point zero eight percent) of the total issued and paid up capital at the time the registration statement submitted to the OJK. Each shareholders of 13 (thirteen) shares whose names are registered in the Register of Shareholders of the Company on May 11, 2016 at 16:00 pm having 1 (one) HMETD where every 1 (one) HMETD entitles the shareholder to purchase one (1) new share offer Price offered by Rp400,00 (four hundred Rupiah) per share, to be paid in full at the time of subscribing exercise of the HMETD. At every 1 (one) share the results of the implementation of the pre-emptive rights attached to four (4) warrants series III are granted free of charge as an incentive for shareholders of HMETD who exercise their rights. Common Shares and the HMETD will be listed and traded on the Indonesia Stock Exchange (BE) by observing the Indonesian Government Regulation 29 of 1999 on the purchase of shares of Commercial Bank ("Regulation 29/1999"). Rights will be traded and held from May 13 2016 until May 26, 2016. HMETD which if not carried out until the end date of the period is no longer valid. In the event that shareholders have pre-emptive rights in the form of denomination, the right to denomination shares and / or other equity securities in the capital increase to give the pre-emptive rights shall be sold by the Company and the proceeds put into the Company's account.

Warrants Series III are securities that give the shareholder the right to purchase Common Shares that is worth Rp100.00 nominal (one hundred Rupiah) per share with a price Rp625,00 Implementation (six hundred twenty five Rupiah) per share which can be exercised during the period of the implementation of the Warrants Series III, 6 (six) months from the date of allotment booking additional shares up to the anniversary of five (5) from the date of registration of warrants series III on the stock Exchange, beginning on 28 November 2016 until May 12, 2021 in which each shareholder of 1 (one) the warrants series III entitled to purchase one (1) Common Shares. The amount of funds that would be obtained if all Warrants Series III is implemented as much Rp2.748.726.112.500,00 (two trillion seven hundred and forty-eight billion, seven hundred and twenty six million one hundred twelve thousand five hundred Rupiah). Shareholders of warrants series III have no rights as shareholders, including the right to dividend for the warrants series III have not been implemented into shares. When the warrants series III not exercised into shares until it expires, then the warrant series III expired, worthless and void. The exercise period of warrants series III will not be extended.

PT Sinar Mas Multiartha Tbk, the majority shareholder of the Company will exercise its rights in the LPO II. If the shares offered in the HMETD Offering II is not fully subscribed by shareholders of HMETD who has the right, then the rest will be allocated to other shareholders who book more than its rights in proportion to the number of HMETD that have been implemented by the respective shareholders requesting additional shares based on the offer Price. If after such allocation is still a remaining balance of shares offered, then in accordance with the Deed of Undertaking Agreement Purchase Remaining Shares Issue II PT. Bank Sinarmas Tbk. 25 dated March 11, 2016, made before Aryanti Artisari, SH, M.Kn., Notary in Jakarta, PT Sinar Mas Multiartha Tbk has agreed to purchase all remaining shares not subscribed by the shareholders at the Offer Price, amounting Rp400,00 (four hundred Rupiah) per share.

MAJOR BUSINESS RISKS FACED BY THE COMPANY IS THE CREDIT RISK. BUSINESS RISKS OF THE COMPANY COMPLETE SET OUT IN CHAPTER OF THIS PROSPECTUS

IMPORTANT NOTICE

SHARESHAREHOLDERS ARE NOT OLD EXERCISING THEIR RIGHT TO BUY NEW SHARES OFFERED IN ACCORDANCE WITH THIS PUT II RIGHTS WILL HAVE DECREASED ITS OWNERSHIP PERCENTAGE (DILUTION) IN THE AMOUNT OF MATERIAL NAMLY 7,14% AFTER AND MAXIMUM OF 22,22% AFTER SERIES III WARANTS EXECITED ENTIRELY

THE COMPANY DOES NOT ISSUE SHARES OF LIMITED PUBLIC OFFERING OF SECURITIES COLLECTIVE II SHARE, BUT SHARES WILL BE DISTRIBUTED IN THE FORM OF ELECTRONIC ADMINISTERED IN CUSTODY COLLECTIVE "PT KUSTODIAN SENTRAL EFEK INDONESIA" ("KSEI")

JADWAL

Date of EGMS	:	February 29, 2016	Period Shares Distribution Rights Implementation Results	:	May 17-30, 2016
Effective Date	:	April 27, 2016	Last Date for payment order share		
Last Date for share trading with HMETD			Additional	:	May 30, 2016
- regular market and negotiation	:	May 4, 2016	Allotment Date	:	May 31, 2016
- cash market	:	May 11, 2016	Date Return Excess Money Booking		
Date Started Trading Stocks Without HMETD			Additional Shares	:	June 2, 2016
- regular market and negotiation		May 9, 2016	full payment date by standby buyer	:	May 31, 2016
- cash market		May 12, 2016	Trading period of warrant series III		
Last Date for registration to acquire HMETD	:	May 11, 2016	- regular market and negotiation	:	13 May 2016 - 6 May 2021
Distribution date HMETD	:	May 12, 2016	- cash market	:	13 May 2016 - 11 May 2021
Recording date HMETD in BEI	:	May 13, 2016	Exercise period of warrant series III	:	28 November 2016 - 12 May 2021
Period trading and execution of HMETD	:	May 13-26, 2016	The end period of validity warrants series III	:	May 12, 2021

LIMITED PUBLIC OFFERING II

The Company has received approval from as much as 99.9998% (ninety nine point nine nine nine eight percent) of shareholders at the EGM to implement the Rights Issue II by providing on February 29, 2016. In order to allow the implementation of LPO II, the Company has obtained approval to increase its capital base amounted Rp6.000.000.000.000,00 (six trillion rupiah). Both the agreement set forth in the Deed dated 50 Meeting February 29, 2016, which was made in the presence of Aryanti Artisari SH, M.Kn., Notary in Jakarta.

Company hereby undertake LPO II in the framework of the capital increase with pre-emptive rights to the shareholders of the Company by issuing a maximum of 1,099,490,445 (one billion ninety nine million four hundred ninety thousand four hundred and forty-five) Common Shares (" shares ") with a nominal value of Rp100.00 (one hundred Rupiah) per share offered by the offer Price Rp400,00 (four hundred Rupiah) thus totaling a maximum of Rp Rp439.796.178.000,00 (four hundred and thirty-nine billion, seven hundred and ninety six million one hundred and seventy-eight thousand rupees) and a maximum of 4,397,961,780 (four billion three hundred and ninety million nine hundred and sixty one thousand seven hundred and eighty) warrants series III issued Common Shares accompanying result of execution HMETD. Each shareholder of 13 (thirteen) shares registered in the Register of Shareholders of the Company on May 11, 2016 at 16:00 pm is entitled to 1 (one) Right where every 1 (one) Right entitles the shareholder to purchase 1 (one) new share offered in the Rights Offering II with the offer Price of Rp400,00 (four hundred Rupiah) per share, to be paid in full at the subscription of shares. At every 1 (one) share the results of the implementation of the pre-emptive rights attached to four (4) warrants series III are granted free of charge as an incentive for shareholders of HMETD who exercise their rights. HMETD are traded on the Stock Exchange and is held from May 13 2016 until May 26, 2016. The Rights are not exercised until the end date of the period is no longer valid. Shares resulting from exercise of the HMETD have equal rights and equal in all respects including dividend rights with other shares that have been issued and fully paid.

Warrants Series III are securities that give the shareholder the right to purchase Common Shares that is worth Rp100.00 nominal (one hundred Rupiah) per share with a price Rp625,00 Implementation (six hundred twenty five Rupiah) per share with a total value of which will obtained are as many Rp2.748.726.112.500,00 (two trillion seven hundred and forty-eight billion, seven hundred and twenty six million one hundred twelve thousand five hundred Rupiah) which can be exercised during the validity period of the implementation of which began on 28 November 2016 to the May 12, 2021 whereby each one (1) Warrant Series III entitled to purchase one (1) Common Shares. Shareholders of warrants series III have no rights as shareholders, including the right to dividend for the warrants series III have not been implemented into shares. Shares resulting from the implementation of warrants series III have equal rights and equal in all respects including dividend rights with other shares that have been issued and fully paid. When the Warrants series III not exercised into shares until it expires, then the warrants series III expire, worthless and void. The exercise period of warrants series III will not be extended.

PT Sinar Mas Multiartha Tbk, the majority shareholder will exercise its rights in the LPO II. If the shares offered in the Rights Offering II is not fully subscribed by shareholders of evidence of Rights, then the remainder will be allocated to other shareholders who book more than its rights in proportion to the number of Rights that have been implemented by the respective shareholders requesting additional effect based on the offer Price. If after such allocation is still a remaining balance of shares offered, then in accordance with the Deed of Undertaking Agreement Purchase Remaining Shares Issue II PT. Bank Sinarmas Tbk. 25 dated March 11, 2016, made before Aryanti Artisari, SH, M.Kn., Notary in Jakarta, PT Sinar Mas Multiartha Tbk has agreed to purchase all remaining shares not subscribed by the shareholders at a price equal to the offer Price, ie by Rp400,00 (four hundred Rupiah) per share. In the event that shareholders have pre-emptive rights in the form of a denomination, the denomination rights to these securities belong to the Company and will be sold by the Company and the proceeds put into the Company's account. The last date of exercise of the Rights is dated May 26, 2016 in which the rights are not exercised after that date is no longer valid.

Assuming taken throughout the new shares offered in the Rights Offering II, the old shareholders implement all the rights, then the capital structure and shareholding structure of the Company before and after LPO II proforma basis are as follows:

Information	Before LPO II			After LPO II		
	Nominal Value Rp100,00 per share			Nominal Value Rp100,00 per share		
	Total Shares	Total Nominal Value		Total Shares	Total Nominal Value	
(Rp)		(%)	(Rp)		(%)	
A. Authorized Capital	60.000.000.00			60.000.000.00		
B. Modal Ditempatkan dan Disetor Penuh	0	6.000.000.000.000		0	6.000.000.000.000	
1 PT Sinar Mas Multiartha Tbk	7.498.835.150	749.883.515.000	52,47	8.075.668.623	807.566.862.300	52,47
2 PT Shinta Utama	363.136.372	36.313.637.200	2,54	391.069.939	39.106.993.900	2,54
3 Public	6.292.215.307	629.221.530.700	44,02	6.776.231.869	677.623.186.900	44,02
Jumlah Modal Ditempatkan dan Disetor Penuh	14.154.186.82			15.242.970.43		
	9	1.415.418.682.900	99,03	1	1.524.297.043.100	99,03
4 Potensi Waran Seri II	139.188.957	13.918.895.700	0,97	149.895.799	14.989.579.900	0,97
Potensi Jumlah Modal Ditempatkan dan Disetor Penuh	14.293.375.78		100,0	15.392.866.23		100,0
	6	1.429.337.578.600	0	0	1.539.286.623.000	100,00
C. The number of shares in the portfolio	45.706.624.21			44.607.133.77		
	4	4.570.662.421.400		0	4.460.713.377.000	

With the assumption that all of the HMETD are offered in order LPO II implemented by existing shareholders and if all Warrants Series III obtained shareholders have undertaken entirely for the new shares in the Company, then the capital structure and shareholding structure of the Company before and after the implementation of the Warrants Series III proforma is as follows:

Information	Before Exercise Warrant Series III			After Exercise Warrant Series III		
	Total Nominal Value			Total Nominal Value		
	Total Shares	(Rp)	(%)	Total Shares	(Rp)	(%)
A. Authorized Capital	60.000.000.00			60.000.000.00		
B. Modal Ditempatkan dan Disetor Penuh	0	6.000.000.000.000		0	6.000.000.000.000	
				10.383.002.51		
1 PT Sinar Mas Multiartha Tbk	8.075.668.623	807.566.862.300	52,47	5	1.038.300.251.500	52,47
2 PT Shinta Utama	391.069.939	39.106.993.900	2,54	502.804.207	50.280.420.700	2,54
3 Public	6.776.231.869	677.623.186.900	44,02	8.712.298.117	871.229.811.700	44,02
Jumlah Modal Ditempatkan dan Disetor Penuh	15.242.970.43			19.598.104.83		
	1	1.524.297.043.100	99,03	9	1.959.810.483.900	99,03
4 Potensi Waran Seri II	149.895.799	14.989.579.900	0,97	192.723.539	19.272.353.900	0,97
Potensi Jumlah Modal Ditempatkan dan Disetor Penuh	15.392.866.23		100,0	19.790.828.37		100,00
	0	1.539.286.623.000	0	8	1.979.082.837.800	100,00
C. The number of shares in the portfolio	44.607.133.77			40.209.171.62		
	0	4.460.713.377.000		2	4.020.917.162.200	

If the Company's shareholders do not exercise their rights to buy new shares offered in proportion to their shares, the proportion of shareholding in the Company will decrease (diluted) up to a maximum of 7.14% after the pre-emptive rights held and the maximum 22.22% after the implementation of the Warrant Series III.

Assuming not taken the entire new shares offered in the Rights Offering II by existing shareholders, then PT Sinar Mas Multiartha Tbk as the standby buyer will carry out its obligations, thus the capital structure and shareholding structure of the Company before and after LPO II proforma basis are as follows:

Information	Before LPO II			After LPO II		
	Nominal Value Rp100,00 per share			Nominal Value Rp100,00 per share		
	Total Share	Total Nominal Value (Rp)	(%)	Total Share	Total Nominal Value (Rp)	(%)
A. Authorized Capital	60.000.000.000			60.000.000.000		
B. Modal Ditempatkan dan Disetor Penuh	0	6.000.000.000.000		0	6.000.000.000.000	
1						
. PT Sinar Mas Multiartha Tbk	7.498.835.150	749.883.515.000	52,47	8.598.325.595	859.832.559.500	55,86
2						
. PT Shinta Utama	363.136.372	36.313.637.200	2,54	363.136.372	36.313.637.200	2,36
3						
. Public	6.292.215.307	629.221.530.700	44,02	6.292.215.307	629.221.530.700	40,88
Jumlah Modal Ditempatkan dan Disetor Penuh	14.154.186.829	1.415.418.682.900	99,03	15.253.677.274	1.525.367.727.400	99,10
4						
. Potensi Waran Seri II	139.188.157	13.918.895.700	0,97	139.188.957	13.918.895.700	0,90
Potensi Jumlah Modal Ditempatkan dan Disetor Penuh	14.293.375.786	1.429.337.578.600	100,00	15.392.866.231	1.539.286.623.100	100,00
C. The number of shares in the portfolio	45.706.624.214	4.570.662.421.400		44.607.133.769	4.460.713.376.900	

Assuming not taken the entire new shares offered in the Rights Offering II by existing shareholders, then PT Sinar Mas Multiartha Tbk as the standby buyer will carry out its obligations, and warrants series III executed entirely by PT Sinar Mas Multiartha Tbk, thus the capital structure and shareholding structure of the Company before and after the implementation of the Warrants Series III proforma basis are as follows:

Keterangan	before exercise warrants series III			after exercise warrants series III		
	Nominal Value Rp100,00 per share			Nominal Value Rp100,00 per share		
	Total shares	Total Nominal Value (Rp)	(%)	Total shares	Total Nominal Value (Rp)	(%)
A. Authorized Capital	60.000.000.000			60.000.000.000		
B. Modal Ditempatkan dan Disetor Penuh	0	6.000.000.000.000		0	6.000.000.000.000	
1				12.996.287.375		
. PT Sinar Mas Multiartha Tbk	8.598.325.595	859.832.559.500	55,86	5	1.299.628.737.500	65,67
2						
. PT Shinta Utama	363.136.372	36.313.637.200	2,36	363.136.372	36.313.637.200	1,83
3						
. Public	6.292.215.307	629.221.530.700	40,88	6.292.215.307	629.221.530.700	31,79
Jumlah Modal Ditempatkan dan Disetor Penuh	15.253.677.274	1.525.367.727.400	99,10	19.651.639.051	1.965.163.905.400	99,30
4						
. Potensi Waran Seri II	139.188.957	13.918.895.700	0,90	139.188.957	13.918.895.700	0,70
Potensi Jumlah Modal Ditempatkan dan Disetor Penuh	15.392.866.231	1.539.286.623.100	100,00	19.790.828.011	1.979.082.801.100	100,00
C. The number of shares in the portfolio	44.607.133.769	4.460.713.376.900		40.209.171.989	4.020.917.198.900	

INFORMATION ABOUT HMETD AND WARRANTS SERIES III

A. INFORMATION ABOUT HMETD

Securities offered in the Rights Offering II is published by the Rights can be traded during a specified trading period and is one of the requirements of the purchase of securities. The results of the implementation of the New Shares offered in the Rights Issue II can be traded during the trading period.

Some of the conditions that must be considered in the Rights are:

1. right Eligible Recipients

Shareholders of the Company whose names are registered legally in the DPS of the Company on May 11, 2016 until 16:00 pm entitled to a pre-emptive rights to buy new shares offered in the Rights Offering II provided that each shareholder of thirteen (13) old shares have 1 (one) HMETD, which every 1 (one) HMETD entitled to purchase 1 (one) new shares in the Rights Offering at the offering price II Rp400,00 (four hundred Rupiah) per share be paid in full at the time of share subscription

2. The Legal Rights Shareholders

- Shareholders of the Company whose names are registered legally in the DPS of the Company on May 11, 2016 until 16:00 pm and their rights are not for sale until the end of the trading period of the Rights; or
- The buyer / shareholder of Certificate of Rights last name is listed in the column endorsement of Rights Certificates until the end of the trading period of the Rights ; or
- Rights shareholders whose names are recorded in collective custody in KSEI until the date of the last trading period of the Rights

3. Types of HMETD

For shareholders whose shares have not been included in the system of collective custody in KSEI, the Company will issue a Certificate of Rights which includes the name and address of the shareholder of rights, number of shares held and the number of Rights that can be used to buy stocks and column number of shares to be purchased, the number of the price paid and the number of additional shares reservations, columns endorsements and other necessary information.

For shareholders whose shares are in collective custody in KSEI system, the Company will not issue a Certificate of Rights, but will do crediting of pre-emptive rights to securities accounts on behalf of the custodian bank or securities company appointed each shareholder in KSEI

4. Distribution HMETD

HMETD in electronic form will be distributed to the securities account in KSEI or distributed to shareholders through KSEI Account Shareholders no later than 1 (one) working day after the date of the DPS shall be entitled (record date), ie on May 12, 2016. Certificate of Rights for shareholders whose shares have not been put in a collective custody in KSEI will be distributed directly by BAE to shareholders no later than 1 (one) working day after the date of the DPS shall be entitled (recording date), ie on May 12, 2016

5. Trading and Implementation HMETD

HMETD shareholder can trade and carry out its pre-emptive rights during the trading period and the exercise of the Rights that began on May 13, 2016 until the date of May 26, 2016.

Trading of HMETD must consider the statutory provisions applicable in the territory of the Republic of Indonesia, including but not limited to tax provisions and provisions in the Capital Market including Exchange rules where pre-emptive rights are traded, the Stock Exchange, as well as the regulations of KSEI. If the shareholder of the HMETD experiencing hesitations in making a decision, you should consult with an investment advisor, or other professional advisors.

Rights that are in collective custody in KSEI traded on the Stock Exchange in the form of HMETD while the Certificate of Rights can only be traded outside the stock exchange. HMETD trade settlement conducted through the stock exchange will be implemented by way of book-entry securities accounts on behalf of on behalf of the Custodian Bank or the Securities Company in KSEI. All costs and taxes that may arise as a result of the trade and transfer of pre-emptive rights is the responsibility and burden of HMETD shareholder or potential shareholder of the HMETD.

Based on the Decree of BEI No.SK. KEP-00071 / BEI / 11-2013, the trading unit of HMETD was set at 100 HMETD. Rights trading is done on a daily exchange of 09.00 to 12.00 except Fridays from 09:00 until 11:30. Settlement of stock exchange transactions on the HMETD carried out on the same day the stock exchange with the transaction (T + 0) no later than at 16:15 pm.

Trades that do not meet the pre-emptive rights trading unit performed at Market Negotiations based on the price of the HMETD is formed.

6. Application troubleshooting Certificate of HMETD

For shareholder of Certificate of Rights who wish to sell or assign any of the amounts listed in the Certificate of Rights has, then the shareholder of Rights concerned may make a written request solving Certificate of Rights and submitted to the Registrar to obtain fractions Certificate of Rights with the denomination Rights desired , Rights shareholders can split the Certificate of Rights began on May 13, 2016 until May 26, 2016

7. Value HMETD

Value of HMETD offered by the legitimate shareholder of HMETD that will be different from the shareholder of HMETD to each other, based on demand and supply existing markets.

Value HMETD calculation below is one way to calculate the theoretical value of rights, but does not guarantee that the results obtained by calculating the value of HMETD is the real value of pre-emptive rights prevailing in the market. The description below is expected to provide a general overview to calculate the value of the HMETD

Asumsi:

the market price of share	: Rp a
the share price offered in LPO I	: Rp r
outstanding share before LPO I	: A
the number of shares offered in LPO I	: R
outstanding shares after LPO I	: A + R
the theoretical value of the new shares ex-HMETD	:

$$\frac{(Rp a \times A) + (Rp r \times R)}{(A + R)} = Rp X$$

the value of the right issue = Rp X – Rp r

8. Use of Certificate of HMETD

Certificate of Rights is proof of the rights granted the Company the shareholder to subscribe for new shares in the name of the Company offered in the Rights Offering II. Certificate of Rights will only be issued to shareholders whose shares have not been entered in the system KSEI collective custody. Certificate of Rights can not be exchanged for cash or anything on the Company and may not be traded in the form of photocopies. Proof of ownership of Rights to shareholders of Rights in KSEI collective custody will be provided by KSEI through the Securities Exchange Member or custodian bank

9. Denomination HMETD

Based on Regulation No.32 / POJK.04 / 2015 dated December 16, 2015 on Capital Increase With Open Company Provides Preemptive Rights that in the event the shareholders have pre-emptive rights in the form of fractions, the right to fractional shares and / or other equity instruments in capital increase to give the pre-emptive rights shall be sold by the Company and the proceeds put into the Company's account

10. Others

Terms and conditions of the HMETD are located and subject to the laws in force in the Republic of Indonesia. All costs incurred in the transfer of the HMETD to be a burden borne by the HMETD shareholders Rights shareholders or candidates.

B. INFORMATION ABOUT WARRANTS SERIES III

Description of the Warrants Series III below are the main points of the Deed of Warrant Issuance of Series III PT. Bank Sinarmas Tbk. 26 made before Aryanti Artisan, SH, M.Kn, ("Warrant Issuance of Series III") and its attachments in the form of the Terms and Conditions of Warrants Series III PT. Bank Sinarmas Tbk. ("Terms and Conditions") but is not a full copy of all the terms and conditions stated in the deed. More copies can be obtained or read at the Company's office and the office of Administrative Management Warrants series III issued on a daily basis and working hours

- **Rights Warrants Series III**

Each shareholder of 1 (one) new share results of the implementation of the Rights in the Rights Offering II is attached to 4 (four) The warrants series III granted freely, and each shareholder of 1 (one) Warrant Series III is registered in the Register of shareholders of warrants series III entitled to purchase 1 (one) new share of the Company by way of execution of the implementation of the price paid by Rp625,00 (six hundred twenty five Rupiah) or the exercise price of a new one if the adjustments.

Warrants Series III are warrants issued in the name registered in the Register of Shareholders of Warrants series III, and can be traded on the Stock Exchange for trading Warrants Series III, namely from the listing date of Warrants series III on the Exchange in accordance with applicable regulations.

- **Types and Denomination**

The Company may issue warrants of Series III in 2 (two) forms, namely:

- a. For shareholders who are entitled are already doing custody shares collectively in KSEI, the Company will not issue certificates Collective Warrants series III, but will be distributed electronically by crediting the Warrants Series III to the Securities Account in the name of the Custodian Bank or the Company's securities be appointed Shareholders of Warrants series III in KSEI and evidenced by the Confirmation Letter Warrants series III;
- b. For shareholders who are entitled are not made care shares collectively in KSEI, the Warrants series III will be issued in a form of a Collective Warrants Series III which includes the name and address of the shareholder of Warrants series III, the number of Warrants series III owned and consecutively numbered and signed in accordance with the provisions in the articles of association of the Company or the other with regard to Capital Markets Regulation.

After passing Implementation Period Warrants, each Warrant Series III that have not been implemented expire, worthless and no longer valid for the purposes of any and shareholder of Warrants series III can not claim damages or compensation in any amount and for any reason to the Company ,

Shareholders of Warrants series III do not have voting rights at the General Meeting of Shareholders, have no right to bonus shares arising from additional paid and dividend shares through capitalization of earnings thus have no rights issue which will be published by the Company in the future along warrants Series III has not yet implemented.

- **Right to Purchase Shares**

- a. Each shareholder of Warrants series III can do the implementation of the Warrants series III in the following manner: Shareholders of Warrants series III for the warrants in the system in KSEI collective custody for the implementation of the right to purchase New Shares Warrants series III Results Implementation done by giving instructions through the securities company and / or custodian bank is appointed as manager of the effect to KSEI.
- b. For shareholders of Warrants series III in the form of paper / Letter Collective Warrants series III for the realization of the New Shares Implementation Results Warrants Warrants series III Administration is done through business Series III

- **Term of Warrants Series III**

Warrants series III time period is 5 (five) years from the date of registration of the Warrants series III on the Stock Exchange which is the date of May 13, 2016 until May 12, 2021

- **Notification of the change statement Warrants Series III**

Having regard to the legislation in force, the Company may change the Warrant Issuance of Series III, except to change the Implementation Period, under the following conditions:

- a. Approval of Warrant Shareholders of Series III that has more than 50% (fifty percent) of the outstanding Warrants series III
- b. The Company shall announce the planned changes Warrant Issuance of Series III in 1 (one) Indonesian language daily newspaper circulation is extensive and one of them circulating in the domicile of the Company. If within 14 (fourteen) calendar days after the announcement, shareholders of Warrants series III which have more than 50% (fifty percent) of the number of Warrants series III outstanding are not raised objections in writing or does not respond in writing, then Shareholders of Warrants series III deemed to have agreed to the proposed changes.
- c. Any changes to the issuance of the Warrants series III must be made by deed that shall be notarized and the changes will bind the Company and the shareholders of Warrants series III since the deed of the changes made.

- **Period Trading Warrants Series III**

Warrants series III trading period is every day of the exchange, after the date of registration of the Warrants series III on the Stock Exchange of up to one (day) Trading Days prior to the end of the validity period of the Warrants Series III

- **Validity Period of implementation**

The validity period is the implementation of each trading day, accounting for 6 (six) months from the date of allotment of additional shares reservations, which since November 28, 2016 to the date of May 12, 2021.

Shareholders of Warrants series III have the right to redeem some or all warrants into new shares. If the market price of shares of the Company to be lower than the exercise price, the warrant shareholder is entitled to not redeem warrants into new shares because theoretically, Warrants series III issued by the Company to be invaluable. After exceed the validity period of implementation, each Warrant Series III that have not been implemented becomes worthless and does not apply for any purpose and the Company no longer has an obligation to issue new shares, as well as the shareholder of Warrants series III can not claim damages or compensation of any kind from the Company.

- **Procedures Implementation Warrants Series III**

- a. For the Warrants series III in the form of paper (outside the collective custody)
At work hours generally valid for Implementation Period, each shareholder of Warrants Series III can perform Implementation Warrants series III into new shares based on the terms and conditions contained in the Deed of Issuance of Warrants Series III.
- b. Implementation of the Warrants series III can be done at the administrative headquarters business Warrants Series III.
- c. On the Implementation Date, the Series III Warrant Shareholders who intends to carry out its Warrants series III into new shares, are required to submit the following documents ("Implementation Document") to business administration Warrants Series III consisting of:
 - i. Implementation Form attached to each letter Collective Warrants series III.
 - ii. Proof of Payment Execution price, as evidence has been paid by the Shareholder Price Implementation Warrants series III issued to the Company. Implementation Document on the transfer, business administration Warrants Series III shall submit proof of receipt of Implementation Document (hereinafter called "Implementation Document Receipt").
- d. Implementation Document which has been accepted by the business administration Warrants Series III can not be canceled and withdrawn.
- e. Shareholders of Warrants series III did not submit during the implementation Implementation Document no longer entitled to carry out the Warrants series III into shares.
- f. Within a period of one (1) business day after the business received the Administrative Warrant Series III Implementation Document, business administration Warrants Series III will conduct research on the completeness and correctness of the Implementation Document Shareholders of Warrants series III registered in the Register of Shareholders of Warrants series III.

On the next working day, business administration Warrants Series III asked for confirmation from the bank where the Company opened a special account of the payment of the price Implementation has been well received (in good funds) and ask for approval of the Company regarding whether or not the Warrants series III executed and the Company on the Business Day the next must have agreed to the business administration Warrants Series III of the things mentioned above.

Within 3 (three) Business Days after the date of receipt of the Implementation Documents, business administration Warrants Series III will provide confirmation to the Warrants series III Shareholders regarding acceptance or rejection of the request to undertake the implementation.

No later than 4 (four) business days after the business administration Warrants Series III received the approval of the Company, the shareholder of Warrants series III can redeem Receipt Document Implementation of the Shares from the Implementation of the business administration Warrant Series III and business administration Warrants Series III shall submit Stocks Results implementation of the Series III Warrant shareholders concerned.

- g. For the purposes of the acceptance of payment Price Execution and other costs in connection with implementation of the Warrants, the Company opened a special account and in case of changes in the special account, the Company through business Administration Warrant

Series III will notify the Shareholder of Warrants series III issued in accordance with the provisions set forth in the Terms and conditions in the case of notice to shareholders of Warrants Series III.

- h. In terms of the implementation of the most number of Warrants Warrants series III represented in the Collective Letter Series III, it must first be held the solution to the certificate of the certificate, the solution becomes cost Warrant Shareholders of Series III is concerned. Business administration Warrants Warrants series III Collective subsequently issuing new Series III on behalf of shareholders of Warrants series III in an amount corresponding to the Warrants series III that have not been or are not carried out under the provisions of the Terms and Conditions of Warrants Series III Implementation procedures.
- i. Implementation Results stocks owned by the legitimate shareholder has the same rights and equal with other shares that have been issued by the Company.
- j. The Company is obliged to bear all costs associated with the implementation of Warrants series III into new shares and listing on the Implementation of the Shares from the Stock Exchange.
- k. If the adjustments to the ratio of Execution Warrant Series III as set forth in the Terms and Conditions Price Adjustment of Implementation and the number of Warrants series III, the Company shall immediately notify in writing to business administration Warrants Series III regarding the ratio of Execution Warrant Series III (following a brief statement of the facts so that the need for such adjustments). This notification shall be submitted within a period of not more than thirty (30) calendar days after receipt of the facts that led to such adjustment, the adjustment referred to took effect in accordance with the Terms and Conditions Notice To Shareholders of Warrants series III
- l. After the Maturity Date Execution Warrants Series III, Warrants series III if it is not already executed the Warrant Shareholders of the Series III can not exercise their rights to demand compensation or any form of compensation to the Company.

For warrants in electronic form (in the collective custody of collective KSEI KSEI)

- a. Shareholders of Warrants series III can apply participants channeled through the exercise of warrants (KSEI account shareholder) to KSEI by providing funds and warrants owned at the account / sub-account at the time of submission of application execution to KSEI.
- b. On the same day by the time the application is submitted, KSEI will perform the implementation requirements and incorporate the funds into a bank account in KSEI uses.
- c. On the next day after the petition is filed, KSEI will transfer funds from the account of KSEI to the Company's account by using the RTGS facility (the funds will be effective on the same day).
- d. On the same day when KSEI to transfer funds to the account of the Company, KSEI will deliver to the Registrar:
 - List the details of the instruction execution KSEI received 1 (one) Exchange Day before, following attachment complete data (identification number, name, address, citizenship, and domicile) warrant shareholders exercising warrants its own;
 - Letter or proof of funds transfer to the account of the Company with the RTGS facility by KSEI;
 - Instructions of shares resulting from the implementation of the deposit into a special account that has been provided by KSEI.
- e. BAE will conduct an examination of the implementation of the documents and evidence received KSEI transfer by the Company of a bank checking account appointed by the Company. A reconciliation of funds from the checking account provided by KSEI.
- f. BAE to report to the Company on the request for the exercise of warrants.
- g. No later than 2 (two) Exchange Days after the request is received from KSEI and the funds have been effective in the account of the Company, the Registrar will issue / depositing of shares resulting from the exercise of warrants to the special account has been set up KSEI as the letter "d" above and KSEI will directly distribute the shares through C-BEST system

• **Payment Execution Warrant Series III**

Shareholders of Warrants Series III Warrants series III will carry into shares can make payments Price Implementation by check, bank draft, bank transfer, transfer or cash deposit (in good funds) to the bank account of the Company:

:

BANK SINARMAS
 KC Utama Thamrin - Jakarta
 A/C No. 0002836009
A/N PT BANK SINARMAS QQ Waran

In this case, all bank charges incurred in connection with the implementation of a dependent Warrant Shareholders of Series III Warrants series III

• **Implimentation of Price Adjustment Total Warrant Series III**

If the Company undertake actions that result in changes in the amount of capital, Price Execution and the number of Warrants series III, so the Warrants series III are subject to change where Price Implementation of the new and the number of Warrants series III can only be a fraction, in this case, the Company will perform rounding under. Implementation of the price adjustment and the number of Warrants series III will be made in connection with the matters below:

- a. Changes in the nominal value of shares of the Company due to the merger or consolidation of the Company, merger of the nominal value (reverse stock) or the par value (stock split), then:

New Execution Price	=	<u>Harga Nominal Baru setiap saham</u>	X	A
		Harga Nominal Lama setiap saham		
Number of new warrant series III	=	<u>Harga Nominal Baru setiap saham</u>	X	B
		Harga Nominal Lama setiap saham		

A = Harga Pelaksanaan Waran Seri III yang lama

B = Jumlah awal Waran Seri III yang beredar

Such adjustment shall take effect at the time of announcement of the results of the EGM in relation to the incorporation of the nominal value (reverse stock) or solution (stock split) within 1 (one) Indonesian language daily newspaper that has wide circulation.

b. Distribution of bonus shares or stock dividends, then:

$$\text{New Execution Price} = \frac{A}{(A + B)} \times X$$

$$\text{Number of new warrant series III} = \frac{A}{(A + B)} \times Y$$

A = Jumlah saham yang disetor penuh dan beredar sebelum pembagian saham bonus, saham dividen

B = Jumlah saham baru yang disetor penuh dan beredar yang merupakan hasil pembagian saham bonus atau saham dividen.

X = Harga Pelaksanaan Waran Seri III yang lama

Y = Jumlah awal Waran Seri III yang beredar

Such adjustment shall take effect at the time of bonus shares or stock dividend becomes effective that will be announced within 1 (one) Indonesian language daily newspaper that has wide circulation

Issuance of new shares or other securities that are convertible into shares by way of public offering

a. (PUT).

$$\text{the price of the new warrants series III} = \frac{(C - D)}{C} \times X$$

$$\text{Total of the new warrants series III} = \frac{C}{(C - D)} \times Y$$

C = The market price of the stock prior to the announcement expenditure LPO

X = The price of execution warrants series III which is old

Y = The initial amount of Warrants series III circulate

D = The theoretical price of Right for 1 (one) share is calculated by a formula

$$D = \frac{(C - F)}{(G + 1)}$$

F = The purchase price of 1 (one) share based rights issue (right)

G = The number of shares required to order additional 1 (one) share with the capital increase with pre-emptive rights (right)

If the theoretical price of the stock after the issuance of new shares with the capital increase with pre-emptive rights is lower than the nominal value, then the implementation of the new price is equal to the nominal value of shares to be issued as a result of the implementation of the Warrants Series III.

This adjustment is effective 1 (one) working day after the date of allotment the buyer shares in the Public Offering Limited.

11. Warrants Series III Status

Holders of Warrants Series III do not have voting rights at the General Meeting of Shareholders of the Company and receive dividends in any form, is not entitled to the bonus shares arising from additional paid and dividend shares through capitalization of profit, as well as other rights related to common shares of the Company along its Warrants Series III have not been implemented into shares.

12. Status of Shares of Implementation Warrants Series II Result

Shares of the implementation result issued from Portepel Company to implementation of Warrants Series III is shares of fully paid and is part of the capital shares of the company. Thus, the shareholders of results implementation of the authorized will have the same rights and equal to the shareholders of other company. Listing of shares resulting from the implementation of Series III warrants in the Register of Shareholders conducted on the Implementation Date.

13. Warrants Holder List

Manager administration of Warrants Series III has been appointed by the Company to perform recording of list holder of Warrants Series III which inside it listed letter number collective warrants series III, the name and address holders of warrants series III as well as other matters that are considered necessary.

Manager administration of Warrants Series III also tasked to carry out the administrative management of warrants series III in relation with trade transaction of warrants series III in the Stock Exchange which including diversion and recording of transaction result including the implementation of Warrants Series III for the interest of the company

14. Manager of Administration Warrants Series III

The company has appointed Manager Administration of Warrants Series III, namely :

PT SINARTAMA GUNITA
Sinar Mas Land Plaza, Menara 1, Lantai 9
Jl. M. H. Thamrin No. 51
Jakarta 10350
Telepon : 021 – 392 2332
Fax : 021 – 392 3003

In this case , Manager Administration of Warrants Series III also tasked to carry out the administrative management of warrants series III in connection with trade transaction of warrants series III in the Stock Exchange which including diversion and recording of transaction result including the implementation of Warrants Series III for the interest of the company

15. Transition the Rights on Warrants Series III

Holders of Warrants Series III can divert rights on Warrants Series III with doing buy and sell on the Stock Exchange, every person can obtain the rights on Warrants Series III, and could be registered as the holder of Warrants Series III with submit the evidence legitimate about its rights obtained with regard to laws regulations in force in Republic of Indonesia.

Every person who obtain the rights on Warrants Series III because the grant or inheritance due to the death of holder of Warrants Series III or other causes which resulted the ownership diversion of warrants Series III according to law, can apply for recording diversion in writing by using diversion form to the company through administrative manager of Warrants Series III which will be act for and on behalf of the company, to register themselves as holder of Warrants Series III by submit the evidences in connection with its rights on Warrants Series III and with pay the administrative fees and other fees incurred for transition of Warrants Series III. The submission of documents that is still less must be completed not later than 3 (three) working days from the date of application, having regard to the applicable capital market regulation.

If happen the rights diversion on Warrants Series III due to the things mentioned above which resulted in the ownership of Warrants Series III by some persons and/or entities so person or persons or legal entities which have together is obliged to appoint in writing one of them as their representative together and only the name of the representative who will be included in list of holder of Warrants Series III and this representative will be considered as the legitimate holder from Warrants Series III is concerned and entitled to carry out and use all the rights granted to holders of Warrants Series III.

Manager administrative of Warrants Series III may submit only at the list holders of Warrants Series III if it has receive the supporting documents well and approved by the Company with due regard to the applicable Capital Market regulations

Registration of rights diversion on Warrants Series III can only be made by the company through manager administration of Warrants Series III that will be act for an on behalf of the company with provide a record about rights diversion in holder list of warrants series III based on deed of grant which signed by both parties or based on the other letters are enough to prove the existence of rights diversion on all of Warrants Series III with due regard the laws regulations applicable in Indonesia.

Transfer of rights on the Series III Warrants should be properly recorded in the List of Holders of Series III Warrants or the Series III Warrants Collective letter in question and can only take effect after the registration of the switchover are listed on the List of Holders of Series III warrants concerned

16. Collective Letter Replacement Warrant Series II

If the letter Collective Series III warrants were damaged or because of other matters specified by the Company and by business administration Warrants Series III declared unusable, holder Letter Collective Warrants Series III shall submit a written request to the Company or the business administration Warrants series III.

The Company, through business administration Warrants Series III, will provide reimbursement Collective Letter Series III Warrants that have been rendered unusable by a new one, which the Collective Letter Series III warrants that the original must be returned to the Company through business Series III Warrants Administration before they are demolished.

If the Letter of Collective Warrants Series III is lost or destroyed, Surat Collective Series III warrants that will be issued by first submit evidence that is valid and by providing guarantees deemed necessary by business administration Warrant Series III and announced on the Stock Exchange with regard Capital Market regulations.

Administration of the Company and or business Series III Warrants is entitled to determine and ask for the guarantees in connection with the restitution of evidence and the person requesting the replacement of the Collective Letter Series III warrants and other matters as may be necessary to prevent losses that would be suffered by the Company.

The Company is obliged to provide written notice to the FSA and the Stock Exchange with respect to expenditure Collective Letter Series III Warrants are missing or damaged. In this case, all costs associated with the issuance, replacement Collective Letter Series III Warrants are missing or damaged borne by those who apply for the replacement of the Collective Letter of the Series III Warrants

17. Merger, Consolidation and Liquidation

If during the term of the Implementation of Series III warrants of the Company undertake a merger or consolidation with another company, then the surviving company of the Company or a company that is the result of amalgamation with the Company's obligation to be responsible and subject to the terms and conditions of the Warrants Series III applicable. If the Company's liquidation or dissolved, the Series III Warrant Holders who have not made the Implementation of the Series III Warrants will be given the opportunity to perform Implementation Series III Warrants until the date specified later by the Company.

18. The Applicable Law

The entire agreement with respect to the Series III Warrants are located and regulated by the laws in force in the Republic of Indonesia.

19. Factors Affecting Liquidity Warrants

Fluctuations in the price of shares traded on the Stock Exchange is a factor that affects the trading liquidity of the Series III Warrants, in addition to corporate actions or performance of the Company in the future.

C. OTHERS

In accordance with Regulation No. 29/1999 regulated, among others:

- a. Total holdings of bank shares by foreign citizens or foreign legal entity which is acquired through purchase directly or through the Stock Exchange is as much as 99% (ninety percent) of the total number of shares of the bank concerned (Article 3);
- b. Purchases by foreign citizens and / or foreign legal entity through the Stock Exchange may reach 100% (one hundred percent) of the total number of shares of banks listed on the Stock Exchange (Article 4, paragraph 1);
- c. Banks may only be listed on the Stock Exchange a maximum of 99% (ninety percent) of the total number of shares of the bank concerned (Article 4 paragraph 2);
- d. At least 1% (one percent) of the bank's shares as referred to in Article 4 paragraph 2 are not listed on the Stock Exchange must still owned by Indonesian citizen or Indonesian legal entity (Article 4 paragraph 3).

In accordance with the announcement of the Jakarta Stock Exchange No. Peng-10 / BEJ-DAG / U / 05 1999 dated May 20, 1999 regarding Portion Ownership Banking by Foreign Investors, assigned ownership banking shares listed on the Stock Exchange by Foreign Investors, capped at 99% (ninety nine percent) (" Regulation of the JSE / 1999 "), which the Company will continue to comply with these regulations. PT Sinar Mas Multiartha Tbk is the owner of the shares are not listed on the Exchange.

At this time up to a period of twelve (12) months after the Registration Statement become effective, the Company does not plan to issue and or record new shares or securities other equity that can be converted into shares and will not hold a distribution of bonus shares and the issuance of new shares of the other, unless the new shares issued in the Rights Offering II, Series III Warrants implementation and execution of warrants of Series II

USE OF FUNDS

The Company plans the funds obtained from the PUT II was net of share issuance costs shall be allocated as follows:

- About 88.27% (eighty eight point two seven percent) to meet the shortage of core capital allocation over existing office network
- The remaining funds will be used for working capital of the Company are placed in liquid financial instruments, such as SBI or any other securities.

While the funds obtained from the implementation of the Company's Series III Warrants, will be fully used to strengthen the Company's capital (Capital Adequacy Ratio) in relation to increasing the Company's working capital.

MANAGEMENT DISCUSSION AND ANALYSIS

The Company started commercial operations on February 16, 1990 in accordance with the business license issued by the Minister of Finance of the Republic of Indonesia in Decree 156 / KMK.013 / 1990 dated February 16, 1990. In accordance with the Decree of Bank Indonesia No.27 / 156 / KEP / DIR dated March 22, 1995, the Company obtained a Foreign Exchange Bank.

Along with Indonesia's economic growth is slowing, the Company managed to achieve improved financial performance was satisfactory. As of December 31, 2015, the Company's total assets amounted to Rp27.868.688 million, the amount of gross loans granted by Rp17.506.570 million and total deposits amounted Rp22.357.131 million. Total gross loans granted compared with total deposits and deposits from other banks amounted to 74.59% of the Company is, it indicates the intermediation function is already well underway

A. Grow of Assets, Liabilities and Equity

Asset Growth

In 2 (two) years, the Company's assets showed a growth trend that is quite satisfactory. Total assets on December 31, 2015 amounted Rp27.868.688 million, which increased by Rp6.609.139 million or 31.09% compared to total assets on December 31, 2014 amounted to Rp21.259.549 million. The increase in the Company's assets was mainly due to increased lending amounted to 21.83% or increased by Rp3.104.405 million, and an increase in net securities increased by 81.39% or Rp1.186.175 million.

Total assets of the Company on December 31, 2014 amounted Rp21.259.549 million, which increased by Rp3.812.094 million or 21.85% compared to total assets on December 31, 2013 amounted to Rp17.447.455 million. The increase in assets was primarily due to the Company's outstanding loans increased 30.37% or increased by Rp3.313.619 million.

Liabilities Growth

The growth in the liabilities of the Company due to the increase in total deposits and deposits from other banks. Total liabilities at the date of December 31, 2015 amounted Rp24.199.077 million, an increase of Rp6.103.642 million or 33.73% compared to total liabilities as at 31 December 2014 amounted to Rp18.095.435 million. This is mainly due to an increase in deposits amounted to 31.93% or increased by Rp5.410.900 million. Of the overall existing deposits, demand deposits experienced the highest increase in the amount of 71.56% or increased by Rp2.282.429 million, followed by an increase in savings of 27.52% or increased by Rp1.444.289 million, and deposits amounted to 19.79% or increased by Rp1.684.182 million. At the end of 2015, the percentage of current and savings accounts (CASA) to total deposits was 54.41%, an increase compared to the end of 2014 which amounted to 49.79%. Total liabilities of the Company on December 31, 2014 amounted Rp18.095.435 million, an increase of Rp3.401.424 million or 23.15% compared with total liabilities at December 31, 2013 which amounted Rp14.694.011 million. In 2014, the Company deposits increased by 22.63% or increased by Rp3.127.170 million. Deposit growth mostly contributed by the increase in deposits, which amounted to 76.89% or increased by Rp3.698.596 million. Savings also increased by 0.21% or increased by Rp11.195 million. While demand deposits decreased by 15.44% or decreased by USD 582 621 million. At the end of 2014, the percentage of CASA to total deposits was 49.79%.

Equity Growth

Total equity on December 31, 2015 amounted Rp3.669.611 million, an increase of Rp505.497 million or 15.98% compared to the amount of equity on December 31, 2014 amounted to Rp3.164.114 million. This increase was mainly due to increases in the issued and fully paid as a result of the implementation of the Warrants Series I and II by the warrant holder, additional paid-in capital net of USD 7,710 million, an increase in other equity component amounted to Rp307.436 million and increased retained earnings derived from net income the company in 2015. Total equity of the Company on December 31, 2014 amounted Rp3.164.114 million, an increase of Rp410.670 million or 14.91% compared with the amount of equity at the end of 2013 which amounted Rp2.753.444 million. The increase in equity is due to the exercise of warrants series I and II as well as the addition of retained earnings during 2014. In addition, in October and November 2014, the Company has additional capital through the issuance of new shares without Preemptive Rights (Non-Right)

B. Growth in Rvenues, Expenses and Profits

Interest Income and Profit Sharing and Interest Expense and Revenue Sharing

Interest income and revenue shares of the Company continued to show a positive trend, due to lending growth. Interest income and revenue shares on December 31, 2015 amounted Rp2.379.676 million, an increase of Rp585.170 million or 32.61% compared to the year 2014 amounted to Rp1.794.506 million. Increased interest income and profit was mainly contributed by the increase in interest income from loans, which amounted to 34.44% or as much as Rp550.432 million, in line with the increase in the volume of outstanding loans. In addition, interest income from placements with other banks and Bank Indonesia also contributed to the increase of interest with an increase of 37.00% or as much as Rp35.392 million. Interest income and revenue shares of the Company in 2014 amounted to Rp1.794.506 million increased by Rp404.359 million or 29.09% compared to the year 2013 by Rp1.390.147 million. Increased interest and profit sharing income was mainly as a result of increased interest income from loans in the amount of 30.97% or as much as Rp377.873 million which is in line with the increase in the volume of outstanding loans is 30.37%. Interest income on placements with other banks and Bank Indonesia also experienced an increase in the amount of 21.83% or as much as Rp17.138 million contributed to the increase in interest income and profit sharing.

Growth in deposits significantly pushed the interest expense and the revenue share of the Company continued to increase from year to year. Interest expense and revenue shares of the Company on December 31, 2015 amounted Rp1.048.493 million, an increase of Rp241.612 million or 29.94% when compared to December 31, 2014 at Rp806.881 million. This increase was caused by increased interest expense on deposits amounted to 38.62% or Rp161.992 million. In addition, interest expense of deposits from other banks also increased by 153.93% or Rp47.085 million. Interest expense and revenue shares of the Company in 2014 increased significantly by Rp243.094 million or 43.12% from Rp563.787 million in 2013 amounted to Rp806.881 million in 2014. This increase was caused mainly by the increase in deposits collected amounted to 76.89% or as much as Rp3.698.596 million thus pushing up the interest expense on deposits amounted to 60.26% or Rp157.707 million. The increase in deposits is due in 2014, the Company increased deposit rates amid higher interest rates on deposits of national banks, with the aim to ensure liquidity is maintained.

Interest Income and Profit Sharing -Net

Interest income and the net result of the Company on December 31, 2015 increased by Rp343.558 or 34.79% from Rp987.625 million in 2014 amounted Rp1.331.183 million in 2015. This was driven by increased interest income by 32, 61%, greater than the increase in interest expense amounted to 29.94%.

Interest income and the net result of the Company in 2014 increased by Rp161.265 million or increased by 19.52% from Rp826.360 million in 2013 amounted to Rp987.625 million in 2014. The increase in interest income and the net result was caused due to interest income increased quite significantly by 29.09%.

Other Operating Revenue

Other operating revenue of the Company on December 31, 2015 has increased significantly by 77.71% or increased by Rp195.131 million to Rp446.237 million of 2014 which amounted to Rp251.106 million. This increase was mainly contributed by the increase in fees and commissions apart from loans increased 89.22% or increased by Rp202.485 million.

Other operating income of the Company in 2014 decreased by Rp24.124 million or 8.77% from Rp275.230 million in 2013 amounted to Rp251.106 million in 2014. This is due to the decreased fees and commissions apart from the credit of 7.17% or less Rp17.537 million which is mainly due to a decline in the bancassurance commissions and revenue from forex transactions.

Other Operating Expenses

Other operating expenses of the Company on December 31, 2015 amounted Rp1.538.467 million, an increase of 48.24% or Rp500.631 million from 2014 which amounted Rp1.037.836 million. This increase is due to the increasing number of general and administrative expenses increased 44.07% or increased Rp259.498 million. In addition there is also an increase in labor cost amounted to 26.09% or as much as Rp87.889 million and an increase in impairment losses on financial assets amounted to 338.11% or as much as Rp132.659 million.

Other operating expenses of the Company in 2014 increased by Rp222.346 million or 27.27% from Rp815.490 million in 2013 amounted Rp1.037.836 million in 2014. This was caused by the increasing number of general and administrative expenses amounted to 25.50 % or increased Rp119.634 million. Personnel expense increased 19.46% or Rp54.867 million. In addition, in 2014 there were losses of financial assets amounted to Rp39.236 million.

Income Before Tax

Income before tax of the Company on December 31, 2015 amounted to Rp238.953 million, an increase of 18.94% or Rp38.058 million of 2014 which amounted to Rp200.895 million. This increase was driven by the increase in net interest income of the Company amounted to 34.79% and is supported by other operating income increased 77.71%.

Profit before tax in 2014 decreased significantly by Rp85.205 million or 29.78% from Rp286.100 million in 2013 amounted to Rp200.895 million in 2014. The decline in profit before tax due to the increase in operating expenses amounted to 48.24 %.

Net Profit

On December 31, 2015 net income amounted to Rp185.153 million, an increase of 19.51% or Rp30.221 million of 2014 which amounted to Rp154.932 million driven by the increase in net interest income and an increase in other operating income.

In 2014 the Company's net profit amounted to Rp154.932 million, decreased by Rp66.168 million or 29.93% from Rp221.100 million in 2013. The decrease in net profit is due to the increase in operating expenses and a decrease in other operating income.

Comprehensive Income

Comprehensive income of the Company on December 31, 2015 has increased significantly by 196.58% or increased by Rp322.532 million to Rp486.604 million of 2014 which amounted to Rp164.072 million. This increase is due to the Company revalued its fixed assets with a surplus of Rp307.436 million that does not exist in the previous year.

While, on December 31, 2014, comprehensive income for the company amounted to Rp164.072 million, down 25.81% or as much as Rp57.084 million from the year 2013, which amounted to Rp221.156 million. This decrease was due to a lower profit of the company in line with the decrease in other operating income and increased operating expenses of the Company.

C. Important Ratios Company

Financial analysis is done by looking at some of the financial ratios that determine the soundness of a bank. Some ratios are equal to the ratios used by BI in assessing the soundness of a bank, namely: capital adequacy ratio (CAR = capital adequacy ratio), asset quality (asset quality), management, earnings and liquidity continuity.

Capital Adequacy

Capital is one of the most important elements in the banking business. The higher the capital, the Bank's ability to conduct its operations will be more powerful and provide greater flexibility in developing their productive assets. The higher the capital, the capital adequacy ratio (CAR = capital adequacy ratio) will be higher.

Position with a capital adequacy ratio of credit risk on the date of December 31, 2015, 2014, and 2013 respectively by 16.52%, 20.83% and 25.40%. The capital adequacy ratio per December 31, 2015, 2014, and 2013 are calculated in accordance with Bank Indonesia Regulation

Earning Assets

On December 8, 2009, Bank Indonesia issued Circular No. 11/33 / DPNP governing collective estimate of impairment of loans with limited experience of specific losses. For banks that do not have sufficient historical loss data to determine the amount of impairment on loans collectively in accordance with the requirements of SFAS No. 55 (Revised 2006) and PAPI (2008), the establishment of reserves for impairment losses may use the provisions of Bank Indonesia regulations on "Asset Quality Rating for Commercial Banks".

Determining the quality of assets and impairment losses refer to Bank Indonesia Regulation No. 7/2 / PBI / 2005 dated January 20, 2005 with the latest changes on Bank Indonesia Circular Letter No.15 / 28 / DPNP dated July 31, 2013 on "Asset Quality Ratings Commercial Bank "through Bank Indonesia Regulation No.14 / 15 / PBI / 2012 dated October 24, 2012.

Bank Indonesia Regulation above require the Company calculates Allowance for Impairment Losses according denagn applicable accounting standards, namely IAS 55 (Revised 2014) concerning "Financial Instruments: Recognition and Measurement". The Company has implemented the calculation of reserves for impairment losses, both individually and collectively since January 1, 2012.

Credit quality of the Company on December 31, 2015, 2014 and 2013 based on collectibility set by Bank Indonesia is as follows:

(jumlah dalam jutaan Rupiah)

Kredit Yang Diberikan	31 Desember					
	2015		2014		2013	
	Jumlah	%	Jumlah	%	Jumlah	%
Lancar	14.365.695	82,06	12.465.968	87,18	9.474.993	86,40
Dalam Perhatian Khusus	2.487.520	14,21	1.429.401	10,00	1.214.516	11,08
Kurang Lancar	215.936	1,23	187.613	1,31	186.398	1,70
Diragukan	120.274	0,69	18.780	0,13	16.873	0,15
Macet	317.145	1,81	196.673	1,38	73.291	0,67
Jumlah Bruto	17.506.570	100,00	14.298.435	100,00	10.966.071	100,00
Dikurangi : Cadangan kerugian penurunan nilai	178.808		75.078		56.333	
Jumlah Kredit yang diberikan- bersih	17.327.762		14.223.357		10.909.738	

The following table Earning Assets Developments:

(dalam jutaan Rupiah)

Information	31 Desember		
	2015	2014	2013
Demand Deposits with Other Banks	1.010.895	379.910	247.772
Placements with Other Banks and Bank Indonesia	2.272.655	1.693.348	1.510.764
Net Securites	2.643.505	1.457.330	1.355.092
Efek yang dibeli dengan janji jual kembali - bersih	-	-	139.212
Loan	17.327.762	14.223.357	10.909.738
Total Earning Assets	23.254.817	17.753.945	14.162.578

The following table Earning Troubled Asset Development

(dalam jutaan Rupiah)

Kredit Yang Diberikan	31 Desember		
	2015	2014	2013
Sub Standard	215.936	187.613	186.398
Doubtful	120.274	18.780	16.873
Loss	317.145	196.673	73.291
Total	653.355	403.066	276.562

The following table Developments Earning Assets Ratio

Rasio	31 Desember		
	2015	2014	2013
Aset Produktif Yang Diklasifikasikan Terhadap Total Aset Produktif	3,65%	2,33%	1,88%
Rasio NPL Netto	2,99%	2,56%	2,12%

Batas Maksimum Pemberian Kredit (BMPK)

In terms of BMPK, the Company always strives to keep BMPK Company always in accordance with the provisions of BI. On December 31, 2015, 2014 and 2013 there was no provision of funds to related parties and third parties that exceeded the BMPK. Below is a table BMPK Company from the date of December 31, 2015, 2014 and 2013 to related parties are as follows:

(in million rupiah)

	31 Desember		
	2015	2014	2013
Penyediaan dana kepada pihak berelasi	518.141.494.174,00	1.096.126.677.879,00	1.178.823.048.444.83
Penyediaan dana kepada pihak berelasi yang diperhitungkan dalam BMPK	222.146.494.174,00	222.339.177.879,00	232.646.125.031.08
Persentase BMPK pihak berelasi (%)	6,53%	7,38%	8,76%
Ketentuan BMPK dari BI (%)	10%	10%	10%

Dengan rasio-rasio tersebut di atas, maka penilaian atas unsur BMPK adalah SEHAT.

Giro Wajib Minimum (GWM)

BI stipulates that banks in Indonesia are required to maintain the position GWM were placed in an account at Bank Indonesia amounting to 8.0% of the amount of public funds collected from other liabilities to third parties both in rupiah and foreign currencies.

GWM in Indonesian Rupiah Company on December 31, 2015 for Primary and Secondary GWM respectively amounted Rp1.281.577 million and Rp625.576 million, while on December 31, 2014 for primary and secondary reserve requirement of each Rp1.078.761 million and amounted to Rp517.237 million and on December 31, 2013 for Primary and Secondary GWM respectively amounted to Rp793.580 million and Rp387.219 million. The Company reserve requirement for foreign currency on December 31, 2015, 2014 and 2013 respectively amounted to Rp470.901 million equivalent, Rp358.449 million, and Rp417.270 million.

During this time the Company always meet the reserve requirement on deposits collected by the Company:

Earning Sustainability

i. continuity of Income

The Company's main income is from interest income, as well as the continuity of interest income and the level of efficiency in the acquisition of the interest income also reflected in net interest income will depend on the quality of the productive assets of the Company. The survival rate can be reflected on the income ratios: Return on Equity and Return on Assets.

ii. Return on Equity

Return on equity reflects the Company's ability to generate net income of equity invested. The calculation of equity yields obtained from dividing the net income by the average amount of equity. Return on equity for the financial statements for the years ended December 31, 2015, 2014, and 2013 respectively amounted to 6.46%, 5.72% and 9.23%.

iii. Return on Assets

Return on assets (ROA) is the Company's ability to generate profits from its assets. ROA is calculated by dividing the Company's profit before tax by an average of assets. Return on assets for the financial statements for the years ended December 31, 2015, 2014 and 2013 respectively are 0.95%, 1.02% and 1.71%

iv. Net Interest Margin (NIM)

Net Interest Income Ratio of The Company for the years ended December 31, 2015, 2014, and 2013 respectively amounted to 5.77%, 5.87% and 5.23%. The Company is determined to increase the ratio of NIM with improves the composition / structure of third party funds..

v. **Operating Cost to Operating Revenue (BOPO)**

Operating Cost to Operating Revenue (BOPO) Ratio is a ratio to measures the level of efficiency achieved. BOPO of the Company for the years ended December 31, 2015, 2014, and 2013 respectively amounted to 91.67%, 94.54% and 88.50%. The company plans to lower this ratio to more efficiently levels with due regard to principle of caution.

Liquidity

Liquidity reflects ability of the Company's to meet obligations to customers. This is performed by keeping the mandatory savings in accordance with the requirements set by Bank Indonesia, as well as monitoring liquidity on a daily basis.

The Company always make optimal efforts to maintaining liquidity to improve services to all customers and having relationships with other banks or non-bank financial institutions. Improved customer service is performed by maintaining the quality of services and developing existing products. The Company also do various promotional programs and education that not only focused on the acquisition of new customers but also increase the amount of funds (customer deepening), waking up the costumers or less active (reactivation program) and increase customer loyalty by offering products financial useful in future financial planning (cross selling).

Efforts of the Company that relating to customers retention and raising new customer, are as follows ::

- Increase the growth of new customers in the upper middle segment with launching a promotional program of acquisition of new customers and the provision of rental facilities SDB (safe deposit box) free of charge for the amount of certain funds, so that in the future to do cross-selling of new products more particularly wealth management products.
- Establish up selling and cross selling program to raise the potential funds development and the potential other product sales from existing customers so as to increase product holdings every costumers.
- Cooperating and services to customers in the banking business segments such as: payroll, virtual accounts, and Internet banking that will improve customer growth, funding, and transactions for the Company.
- Develop cooperation ATM/Debit card co-branding to boost customer acquisition growth from members of the community or his follower
- Develop a banking agent services to improve access to banking services easily accessible by customers either through cooperation with individuals and corporate agents
- Develop a joint promotion program between the facilities owned by the Company at this time as : SDB (safe deposit box), mobile services and internet banking, ATM / BRM with funds under manage by customers to increase : the number of transactions, product ownership, and ease of access to transactions for customers

A common ratio used for the measurement of liquidity in the banking industry is the ratio of loans to deposits (LDR). LDR ratio on December 31, 2015, 2014, and 2013 respectively amounted to 78.04%, 83.88% and 78.72%

D. Cash Flows

For the year ended December 31, 2015, the Company's net cash flow for operating activities is primarily intended for the payment of interest and operating expenses and the increase in loans. During this period, net cash used in investing activities primarily for the acquisition of fixed assets. Meanwhile, net cash provided by financing activities comes from additional paid-in capital, the proceeds from the exercise of warrants

For the year ended December 31, 2014, the Company's net cash flow for operating activities is primarily intended for the payment of interest and operating expenses and the increase of loans. During this period, net cash used in investing activities primarily for the acquisition of fixed assets. Meanwhile, net cash provided by financing activities comes from the addition of paid-up capital which the Company do right issue without HMETD

For the year ended December 31, 2013, the Company's net cash flow for operating activities is primarily intended for the payment of interest and operating expenses and the increase in loans. During this period, net cash used in investing activities primarily for the acquisition of fixed assets. Meanwhile, net cash provided by financing activities comes from additional paid-in capital, the proceeds from the exercise of warrants.

E. Capital Expenditure/CAPEX

Sources of funds of the Company regarding the purchase of capital goods CAPEX came from the Company's equity including paid-up capital and the profit from operating activities of the Company. Capital expenditures at this time no significant impact on the Company's performance. Purchases typically use currency IDR and USD which is paid in stages and once paid. The Company has not made hedging transactions using foreign currency.

Company is planning capital purchases for 2016 is around 195.487 million. The Company will use the proceeds from PUT II to finance part of the purchase of capital goods, the remainder will be taken from the internal funds of the Company

BUSINESS RISKS

In running business activities, fund-raising, lending and providing other banking services. The Company is not out of business risks. The implementation of this business can give a negative impact for the continuity of the Company's business. All risks affecting the Company's business in general and has been prepared based on the weight of the impact of each risk on the financial performance of the Company are as follows

- I. Business Risk
 1. Credit Risk
 2. Operational Risk
 3. Liquidity Risk
 4. Market Risk
 5. Compliance Risk
 6. Strategic Risk
 7. Legal Risk
 8. Reputation Risk
- II. General risk
 1. Economic Conditions in Macro and Global
 2. Changes in Foreign Exchange
 3. Regulatory Compliance Banking

MANAGEMENT OF THE COMPANY HAS DISCLOSED THE ENTIRE RISK FACED BY THE COMPANY. RISKS THAT HAVE BEEN PREPARED BASED ON THE WEIGHT OF RISKS THAT BE FACED BY THE COMPANY

INFORMATION ABOUT STANDBY BUYER

After the allocation of the remaining shares are still offered, then the standby buyer, PT Sinar Mas Multiartha Tbk based on Deed of Ability Agreement Purchase PUT II PT. Bank Sinarmas Tbk. No.25 dated March 11th, 2016, made in front of Aryanti Artisari, SH, M.Kn, Notary in Jakarta, has agreed to buy the remaining shares not subscribed by the shareholders at the Offer Price, that is by Rp 400,00 (four hundred Rupiah) every shares.

The SMMA address as follows:

PT Sinar Mas Multiartha Tbk

Sinar Mas Land Plaza, Menara 1 Lantai 9
Jl. M.H. Thamrin No.51
Jakarta 10350 – Indonesia
Telepon : (021) 392 5660
Faksimili : (021) 392 5778
E-mail : multiartha@sinarmas.com

History

PT. Sinar Mas Multiartha Tbk. (SMMA) was established in Jakarta under the name PT. Internas Arta Leasing Company as set forth in the Deed of Establishment No. 60 dated October 21th, 1982 jo. Deed No. 48 September 10th, 1983, both made in front of Benny Kristianto, SH, Notary in Jakarta, which has received approval from the Minister of Justice of the Republic of Indonesia in accordance with Decree No. C2-6537.HT.01.01.TH.83

September 30rd, 1983 and has been registered at the West Jakarta District Court under No. 488/1984 and 489/1984 dated May 17th, 1984, as well and was published in Supplement No. 1039 Official Gazette of the Republic of Indonesia No. 69 dated August 29th, 1986.

In order to change the status of being a public company through a public offering (go public), SMMA has adjusted the Articles of Association as set forth in the Deed of Minutes of Meeting PT. Internas Arta Finance Company No. 218 jo. Deed of Amendment No. 315 dated April 26th 1995 that both made in front of Veronica Lily Dharma, SH., Notary in Jakarta and was published in Supplement No. 5385 Official Gazette of the Republic of Indonesia No. 51 dated June 27th, 1995.

SMMA Articles of Association have been amended several times, most recently Deed of Amendment to Articles of Incorporation "PT. Sinar Mas Multiartha Tbk" No.35 dated June 12th, 2015, made in front of Aryanti Artisari, SH, M.Kn., Notary in Jakarta, which has been received and recorded in the database of Legal Entity Administration System Ministry of Justice and Human Rights of the Republic of Indonesia under No. AHU- AH.01.03-0941442 dated June 15th, 2015 and was registered in the Company Register No. AHU- 3518980.AH.01.11. 2015 dated June 15th, 2015 ("**Deed No.35/2015**"). SMMA is the majority shareholder of the Company. Description of the SMMA about a brief history, business activities, capital, management and supervision of the arrangement can be found in Chapter VIII, section Brief Description Concerning the Founding Shareholders of the Company and the Shareholders of the Company in the Form of Legal Entity.

Business activities

SMMA business activities as stated in the Deed No. 35/2015, the intent and purpose of SMMA is to engage in trade, services and construction.

Management and Supervision

As stated in the Deed Amendment PT. Sinar Mas Multiartha Tbk. No. 43 dated June 13rd, 2014, made in front of Aryanti Artisari, SH, M.Kn., Notary in Jakarta, which has been accepted and recorded in the database of Legal Entity Administration System Ministry of Justice and Human Rights of the Republic of Indonesia under No. AHU-19124.40.22.2014 dated July 11th, 2014 and was registered in the Company Register No. AHU-0071056.40.80.2014 dated July 11th, 2014 jo. Deed "PT. Sinar Mas Multiartha Tbk." No. 52 dated 20th November 2015 made in front of Aryanti Artisari, SH, M.Kn., Notary in Jakarta, which has been accepted and recorded in the database of Legal Entity Administration System Ministry of Justice and Human Rights of the Republic of Indonesia under No. AHU-AH.01.03-0987203 dated December 11th, 2015 and was registered in the Register PerseroanNo.AHU-3591601.AH.01.11.TAHUN 2015 dated December 11th, 2015, the Board of Commissioners and Directors are as follows:

- :
- Dewan Komisaris**
 - President commissioner : Indra Widjaja
 - Commissioner : Howen Widjaja
 - Commissioner : Fuganto Widjaja
 - Independent Commissioner : Robinson Simbolon
 - Direksi**
 - President Director : Doddy Susanto
 - Director : Kurniawan Udjaja
 - Director : Dani Lihardja
 - Independent Director : Agus Leman Gunawan

Source of funds

The SMMA has internal cash funds that will be used to purchase Remaining New Shares that Offered in PUT II if not taken by the old shareholders.

Capitalization

As stated in the Deed No.35/2015 jo. DPS issued by PT Sinartama Gunita (securities administration) in February 29th, 2016, SMMA share capital structure is as follows :

INFORMATIONS	NUMBER OF SHARES	RUPIAH	%
Authorized capital :			
- Shares of Series A (Nominal Rp5.000,00)	142.474.368	712.371.840.000	
- Shares of Series B (Nominal Rp100,00)	21.371.155.200	2.137.115.520.000	
Total Authorized capital	21.513.629.568	2.849.487.360.000	
Capital Issued and Fully Paid :			
- Shares of Series A (Nominal Rp5.000,00)	142.474.368	712.371.840.000	2,24
- Shares of Series B (Nominal Rp100,00)	6.215.190.349	621.519.034.900	97,76
Total Capital Issued and Fully Paid	6.357.664.717	1.333.890.874.900	100,00
Shareholders			
- Bank of Singapore Limited	3.255.000.000		51,20
- JBC International Finance (MAU) Limited	495.000.000	*)	7,78
- Public (Under 5%)	2.607.664.717		41,02

Total	6.357.664.717	1.333.890.874.900	100,00
Shares in Portepel			
- Shares of Series A (Nominal Rp5.000,00)			
- Shares of Series B (Nominal Rp100,00)	15.155.964.851	1.515.596.485.100	

*) Number of shares above the nominal value of shares owned by shareholders is not known because there have been engaging shares of series A and series B

Financial Highlights

This table illustrates the SMMA financial highlights based on the SMMA consolidated financial statements and the subsidiaries for the years ended December 31st, 2014 and 2013 audited by KAP Mulyamin Sensi Suryanto & Lianny with the opinions Fair Without Exceptions.

(dalam jutaan Rupiah)

Keterangan	2014	2013
Total Assets	53.820.063	47.780.692
Total Liabilities	34.998.947	30.654.540
Total Equity	18.821.116	17.126.152
Total Interest	14.815.874	17.050.212
Income Before Tax	1.314.083	1.497.806
Total Comprehensive Income	1.454.602	715.848

The main points of the Deed of Undertaking Agreement Purchase Remaining Shares

The Company and SMMA has signed a Agreement of Ability to Purchase Remaining Shares in the PUT II where SMMA act as standby buyer in the PUT II. Here are the main points of the Deed of Agreement of Ability to Purchase Remaining Shares:

- If the shares offered in PUT II was not fully subscribed by holders of HMETD, then the remaining shares will be allocated to the shareholders of the other Company who booked more than their rights as stated in the Certificate of HMETD (Rights) based on the rights that have been implemented. If, after the allocation of the remaining shares are still there, then the Standby Purchasers agreed to take the remaining shares that are not subscribed by the shareholders at a price equal to the Offer Price is Rp 400,00 (four hundred Rupiah) per share with a total value of a maximum Rp 439.796.178.000,00 (four hundred and thirty nine billion, seven hundred and ninety six million, one hundred and seventy eight thousand Rupiah).
- Standby Purchasers obligation to take part or to buy all the remaining shares that are not subscribed by the shareholders of the Company based on the agreement depends on compliance with the provisions below :
 - PUT II and the issuance of shares in the portepel in PUT II were approved at the AGM of the Company
 - The Company has announced the information in PUT II to the shareholders on the Company's Web BEI and The Company
 - The Company's Registration Statement submitted to the OJK in PUT II has been declared effective by the legislation in Indonesia
- Allotment of the remaining shares not taken up by shareholders or holders of HMETD Certificates made after the closing date of the HMETD Certificates and the allotment made by the Company together with PT Sinartama Gunita as Securities Administration(BAE) .
- The Company through the Securities Administration shall notify in writing to the Standby Purchasers about the remaining number of shares to be purchased by the Standby Purchasers based on the agreement or provide confirmation to the Standby Purchasers that there are no remaining shares to be purchased by the Standby Purchasers.
- Implementation of the purchase of the remaining shares held after the implementation of allotment additional bookings and after being advised by the Company through the Securities Administration to the Standby Purchasers about the remaining number of shares to be purchased by the Standby Purchasers by the Company through the Registrar to the Standby Purchasers of the remaining number of shares to be purchased by the Standby Purchases.

PROCEDURE ORDER STOCK

The company has appointed PT Sinartama Gunita implementing business as Administrative Shares (BAE) and as an Executive Agency, as stated in the Deed of Shares Administration and Management Agreement Implementation Agencies PUT II PT. Bank Sinarmas Tbk. No. 24 dated March 11th, 2016 were made in front of Aryanti Artisari, SH., MKn., Notary in Jakarta.

The following are the requirements and procedures for purchase of shares :

1. Buyers that have the rights

Shareholders whose names are registered in the Register of Shareholders ("DPS") of the Company on May 11th, 2016 at 16:00 pm entitled to make reservations new shares and/or in the PUT II provided that each holder of 13 (thirteen) Stock longer entitled on 1 (one) HMETD, where every 1 (one) HMETD has the right to purchase 1 (one) new shares with a nominal value of Rp 100,00 (one hundred Rupiah) per Share at the offer Price Rp 400,00 (four hundred Rupiah) per share. The whole must be paid in full at the time of order to purchase of shares.

2. HMETD Distribution

Shareholders who have shares in the system Collective Custody at KSEI, HMETD will be distributed electronically through a securities account Exchange Member or Custodian Bank respectively on KSEI by no later than 1 (one) Business Day after the date of listing on the Register of Shareholders (DPS) who shall be entitled on HMETD, on 12nd May 2016. Final Prospectus, Supplementary Share Subscription form ("FPPS") and other forms will be distributed by the Company to the Company of Securities Administration.

For shareholders whose shares are not included in collective custody in KSEI, the Company will issue a Certificate of HMETD on behalf of shareholders, which may be taken by the entitled shareholders or their proxies at the Securities Administration appointed by the Company on a daily basis and working hours starting on May 12nd, 2016 by presenting a valid identification card (ID card/passport/Permits/ photocopying Statutes) and submit a copy and the original proxy letter for those who can not take myself with a copy of the identity of the giver and authority of the receiver.

3. Registration/Implementation HMETD

The holders of HMETD in KSEI collective custody will exercise their HMETD shall apply for implementation through the Stock Exchange Member/Custodian Bank is appointed as manager of the effect. Then Exchange Member/Custodian Bank did request or instruction execution (exercise) through C -Best system in accordance with the procedures specified by KSEI. In doing instruction execution, Stock Exchange Member/Custodian Banks must meet the following requirements :

- a. HMETD holders should provide funding exercise of the HMETD upon submitting the request;
- b. Adequacy of HMETD and payment of funds for the implementation of the HMETD shall be available in a securities account holders of HMETD who do the implementation.

One the next day KSEI will deliver HMETD holders list in KSEI collective custody that exercise their rights and deposit the funds Payments Implementation of the HMETD to Bank Account of the Company.

Share the findings of the Implementation of HMETD will be distributed to each Securities Account Holders of HMETD that exercise their rights by KSEI. Implementation of the stock findings will be distributed no more later than 2 (two) business days after request of Implementation received from KSEI and Payment fund has received well in good fund) at the Company account.

HMETD holders in the form of paper/certificate of HMETD that will exercise their HMETD must apply to the exercise of the HMETD to Securities Administration that appointed by the Company to submit the following documents :

- a. The Original Certificate of HMETD that has been signed and fully completed;
- b. The original proof of payment by transfer/entry/giro/check/ cash to the bank accounts of the Company from a deposit payment;
- c. Copy of ID card/passport/Permits valid (for individuals) or a copy of the Articles of Association and the attachment of directors/management (for institutions/legal entity);
- d. The original proxy letter is valid (if authorized) stamped Rp 6.000,00 (six thousand Rupiah) shall be accompanied by a photocopy of ID card/passport/ permits of the proxy giver and the receiver.
- e. If the holders of HMETD requires shares implementation results in electronic form, the request application to the Securities Administration (BAE) must be submitted through the Exchange Member/Custodian Banks designated to submit additional documentation in the form of :
 - Original proxy letter from the holders of HMETD to the Stock Exchange Member/Custodian Bank to apply for the exercise of the HMETD, and to manage the effect on the shares of the exercise of the HMETD in KSEI collective custody on behalf of the authority;
 - Original Securities Deposit Form issued by KSEI that has been completed and signed in;

The Company will issue shares resulting from the exercise of the HMETD in physical form letter Collective Share (SKS) if the holder of the Certificate of Rights does not want to share the results of their implementation included in KSEI collective custody.

Implementation of HMETD do starting on May 13rd, 2016 until the date of May 26th, 2016.

If filling the Certificate of HMETD is not in accordance with the instructions/share subscription terms stated in the Certificate of HMETD and Prospectus, then this may result in rejection of the reservation. HMETD only deemed to have been carried out at the time of the payment has been received well (in good funds) in the accounts of the Company in accordance with the provisions contained in the terms of the purchase.

4. Additional Share Subscription

Shareholders that their HMETD are not sold or buyer/holder of HMETD whose last name is listed in the Certificate of HMETD or the holders of HMETD in collective custody of KSEI can order the additional shares exceeds the rights owned by filling columns subscription of additional shares and/or FPPS Supplement that has been provided.

- a. HMETD holders in the form of paper/Certificate of HMETD which wants allotment shares results in electronic form must apply to the Securities Administration (BAE) of the Company through a Stock Exchange Member/Custodian Bank by submitting the following documents :
 - i. Original Additional FPPS which has been filled out completely and correctly;
 - ii. Original proxy letter from the holder of HMETD to the Stock Exchange Member/Custodian Bank to apply for subscription of additional shares and manages securities on shares allotment in KSEI collective custody and other powers that may be granted in connection with the booking of the additional shares on behalf of the authority;

- iii. Copy of ID card / passport / Permits valid (for individuals) or a copy of the Articles of Association and the attachment of directors / management (for institutions / legal entity);
 - iv. Original proof of payment by transfer / entry / giro / check / cash to the bank accounts of the Company of a deposit payment;
 - v. Original Securities Deposit Form issued KSEI fully completed for the purposes of the distribution of shares resulting from the implementation by BAE
- b. For holders of Rights in KSEI collective custody, fill out and submit the Additional FPPS with the documents as follows:
- i. The original instruction execution (exercise) has been achieved (settled) conducted through C-Best corresponding on behalf of the holders of Rights (specifically for holders of Rights in KSEI collective custody who have exercised their rights through C-Best system);
 - ii. First Securities Deposit Form issued KSEI fully completed for the distribution of shares resulting from the implementation by the Registrar;
 - iii. The original proof of payment by transfer / entry / giro / check / cash to the bank accounts of the Company of a deposit payment.
- c. Rights holders in the form of paper / Certificate of Rights which wants shares penjatahannya results remain in the form of paper / physical SKS, must apply to the Registrar of the Company to submit the following documents:
- i. First Additional FPPS which has been filled out completely and correctly;
 - ii. The original power of attorney is valid (if authorized) stamped Rp6.000,00 (six thousand Rupiah) is attached with a copy of ID card / passport / Permits of the grantor and the proxy;
 - iii. Copy of ID card / passport / Permits valid (for individuals) or a copy of the Articles of Association and the attachment of directors / management (for institutions / legal entity);
 - iv. The original proof of payment by transfer / entry / giro / check / cash to the bank accounts of the Company of a deposit payment.

Payment for additional bookings can be carried out and should have been received in the bank account of the Company at the latest on May 30, 2016 date in good shape (in good funds). Orders that do not meet the user according to the booking conditions may result in rejection of the reservation

5. the Allotment of Additional Share Subscription

Allotment for ordering additional shares will be determined on May 31, 2016 with the following conditions:

- a. When the total shares subscribed, including the booking of additional shares do not exceed the total number of shares offered in the Rights Offering II, then the entire order on the additional shares will be met.
- b. When the total shares subscribed, including ordering additional shares exceeded the total number of shares offered in the Rights Offering II, then to the subscriber who book additional shares will be enforced rationing system proportionally, based on the number of Rights that have been implemented by each shareholder requesting the booking of additional shares.

Allotment Manager will deliver Accountant Examination Report to the FSA regarding the fairness of the implementation of the allotment based on the regulation No. VIII.G.12 On Top Accountant Audit Guidelines By Subscription and Allotment of Securities or Distribution of Bonus Shares and Bapepam No. IX.A.7 on Responsibilities of Underwriters in to Subscriptions and Allotments of Securities in Public Offering no later than 30 days from the date of allotment.

6. Allotment Date

Payment of subscription of shares in the Rights Offering II ordering that the petition submitted directly to the Registrar of the Company must be paid in full (in good funds) denominated in Rupiah at the Company's account below at the time of submission of the booking

BANK SINARMAS

KC Utama Thamrin - Jakarta
No. Rekening : 0037624338

A/N PT. Bank Sinarmas Tbk. PUT II

Payment can be made by cash, check, bank draft or transfer or transfer by stating the number of Rights Certificate or Supplement No. FPPS. All checks and money orders will be disbursed upon receipt. When at the time of disbursement, check or bank draft was rejected by the bank, then the relevant share subscription automatically be canceled. When payment is made by check or transfer or giro, the date of payment is calculated based on the date of receipt of the check / entry / giro which funds are received well (in good funds) in the Company's bank account mentioned above. For booking of the additional shares, payment is made on the day of booking which payment must be received well (in good fund) at the Company's account mentioned above at the latest on May 30, 2016.

All costs that may be incurred in the purchase of shares in the Rights Offering II is a burden on the customer. Booking stocks that do not meet the requirements of the payment will be canceled.

7. Receipt Subscription Shares

Company through the Registrar appointed by the Company accept the subscription of shares shall submit a Share Subscription Receipt stamped signatures. which is evidence at the time to take stock and refunds for bookings that are not fulfilled. For holders of Rights in KSEI collective custody will get a confirmation on the request for exercise of the Rights (exercise) of C-BEST through KSEI Account Holders.

8. Cancellation of Share Subscription

The Company reserves the right to cancel the booking of new shares issued in the Rights Issue II in whole or in part by taking into account the applicable requirements. Notice of cancellation for share subscription will be announced in conjunction with the announcement of the allotment on the reservation.

The things that cause the cancellation of reservations among others:

- a. Charging Certificate of Rights is not in accordance with the instructions / requirements ordering new shares offered in the Rights Offering, which is contained in the Certificate of Rights and Prospectus.
- b. Terms of payment are not met.
- c. Requirements completeness of the application documents are not met.

9. Refund Booking

In the case of non-fulfillment of some or all of the share subscription rights is greater than or in the event of cancellation of share subscription, the refund by the Company will be made no later than two (2) working days after the date of allotment ie on June 2, 2016. In the event of delay in refunds, the amount to be refunded shall include interest by taking into account interest rates giro services the average amount of Bank Sinarmas, calculated from the date of June 3, 2016, unless the delay is caused by force majeure (events beyond the ability and power) or if the delay is caused by the customer who does not take a refund in accordance with the specified time. The refund made in Rupiah with transfer to an account in the name of the buyer. The Company will transfer the money directly into the account in the name of the subscriber or expenditure checks on behalf of Buyer.

10. Delivery of Shares from the Rights Implementation

Shares resulting from exercise of the Rights for subscribers who carry out pre-emptive rights in accordance with their rights through KSEI will be credited to the securities accounts in two (2) working days after the request is received from the exercise of the Rights KSEI and payment funds have been well received in the Company's account.

Shares Rights implementation result in the form of slips to implement according to their rights Rights will receive credits or shares in the form of paper no later than two (2) working days after the application is received by the Registrar and payment funds have been well received by the Company. The share allotment result on the booking of additional shares will be available for pickup SKS her or will be distributed in electronic form in the collective custody of KSEI no later than two (2) working days after the date of allotment. The new SKS result of exercise of the Rights can be taken on any weekday (Monday to Friday, 09.00 to 15.00 pm).

11. Allocation of Rights Against Its Not Implemented

If the shares offered in the Rights Issue II is not entirely subscribed by holders of Rights Certificates, the remaining shares will be allocated to other shareholders who book exceeds his rights as stated in the Certificate of Rights proportionally based on the pre-emptive rights that have been implemented.

If after such allocation is still a remaining shares being offered, the Standby Purchasers, PT Sinar Mas Multiartha Tbk based on Deed of Undertaking Agreement Purchase Remaining Shares Issue II PT. Bank Sinarmas Tbk. 25 dated May 11, 2016, made before Aryanti Artisari, SH, M.Kn., Notary in Jakarta will buy the remaining shares at the Offer Price of Rp400,00 (four hundred Rupiah) per share to be paid in cash

DISTRIBUTION PROSPECTUS, ORDER FORM AND PURCHASE OF SHARES

Prospectus and Certificate of Rights and Forms are available from the date of May 12, 2016 to the Shareholders of the Company are recorded in the Register of Shareholders of the Company dated May 11, 2016 at 16:00:

Biro Administrasi Efek:

PT Sinartama Gunita

Sinar Mas Land Plaza, Tower 1, Lantai 9
Jln. M.H. Thamrim No. 51
Jakarta 10350
Tlp. 021 - 392 2332
Fax. 021 - 392 3003

If you need more information can contact the Corporate Secretary of the Company at

PT. Bank Sinarmas Tbk

Sinar Mas Land Plaza, Tower 1, Lantai 4
Jln. M.H. Thamrim No. 51
Jakarta 10350
Tlp. 021 - 3199 0101
Fax. 021 - 3199 0401
Situs: www.banksinarmas.com
Email: corporate.secretary@banksinarmas.com