

PT Bumi Serpong Damai Tbk

Report of the execution in respect of the Company's capital increase without pre-emptive rights and affiliated transaction

Refer to our letter No.046/IR-MA/BSD/IV/2014 dated 21 April 2014 in respect of Schedule Notification of the Company's plan on capital increase without pre-emptive rights, hereby we submit report of the execution on 28 April 2014 as follows:

- | | |
|---|--|
| 1. Number of New Shares | : 874.849.800 shares |
| 2. Nominal Value | : Rp.100 per share |
| 3. Exercise Price | : Rp. 1.820,- per share |
| 4. Total Issued and Paid Up shares before capital increase without pre-emptive rights | : 17.496.996.592 |
| 5. Total Issued and Paid Up shares after capital increase without pre-emptive rights | : 18.371.846.392 |
| 6. Recording Date in Indonesia Stock Change | : 16 May 2014 |
| 7. Subscriber | : |
| | - 437.424.900 shares by PT Paraga Artamida (affiliated); and |
| | - 437.424.900 shares by PT Ekacentra Usahamaju (affiliated). |

This letter is to comply with (i) point 4.d Bapepam-LK Rule No.IX.D.4 Attachment to the Decree of Chairman of Bapepam-LK Rule No.Kep-429/BL/2009, dated 9 December 2009 Regarding Capital Increase without Pre-emptive Rights (ii) point 2.a Bapepam-LK Rule No.IX.E.1 Attachment to the Decree of Chairman of Bapepam-LK No.Kep-412/BL/2009 dated 25 November 2009 regarding Affiliation Transactions and Certain Conflict of Interest Transactions. We submit the proof of advertisement in respect of Information Disclosure published in Investor Daily dated 30 April 2014.

DISCLOSURE INFORMATION TO THE PUBLIC WITH REGARDS TO THE AFFILIATED PARTY TRANSACTION OF PT BUMI SERPONG DAMAI TBK ("COMPANY") PURSUANT TO BAPEPAM-LK RULE NO. IX.E.1 ATTACHMENT TO THE DECREE OF CHAIRMAN OF BAPEPAM-LK NO. KEP-412/BL/2009 DATED 25 NOVEMBER 2009 REGARDING AFFILIATION TRANSACTIONS AND CERTAIN CONFLICT OF INTEREST TRANSACTIONS ("RULE NO. IX.E.1"), IN RELATION TO THE EXECUTION OF CAPITAL INCREASE WITHOUT PRE-EMPTIVE RIGHTS PURSUANT TO BAPEPAM-LK RULE NO. IX.D.4 ATTACHMENT TO THE DECREE OF CHAIRMAN OF BAPEPAM-LK RULE NO. KEP-429/BL/2009, DATED 9 DECEMBER 2009 REGARDING CAPITAL INCREASE WITHOUT PRE-EMPTIVE RIGHTS ("RULE NO. IX.D.4")



PT Bumi Serpong Damai Tbk

Domiciled in Kabupaten Tangerang, Indonesia

Business Activities

Developing an integrated city including real estate and its supporting facilities, and conducting business in services and trade.

Head Office

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BSD City, Tangerang 15345 - Indonesia
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THIS DISCLOSURE INFORMATION IS PREPARED IN RELATION TO THE AFFILIATED PARTY TRANSACTION IN CONNECTION TO CAPITAL INCREASE CONDUCTED BY PT PARAGA ARTAMIDA AND PT EKACENTRA USAHAMAJU PURSUANT TO RULE NO. IX.D.4 ("TRANSACTION")

The Board of Commissioners and Board of Directors of the Company accept full responsibility for the accuracy of all information contained in this Disclosure, and having made all reasonable inquiries, confirm that the information contained in this announcement is accurate and there are no other important and relevant information which have been omitted, which would make the information contained in this Disclosure either untrue or misleading.

DEFINITION

The terms used in this Disclosure have the following meanings:

BAPEPAM-LK	: The Capital Markets and Financial Institutions Agency, as defined in Capital Market Regulations, with the Latest organizational chart based on Minister of Finance of the Republic of Indonesia Decree No. KMK 606/KMK.01/2005 dated 30 December 2005 regarding the Organization and Operation of the Capital Market and Financial Institution Supervisory Agency, previously known as <i>Badan Pengawas Pasar Modal / Bapepam</i> (Capital Market Supervisory Agency) as set forth under Article 3 paragraph (1) of UUPM or any successor and reipient of rights and obligations.
IDX	: the Indonesian Stock Exchange
Disclosure Information	: This Disclosure Information consists of relevant and material information regarding Transaction.
<i>Otoritas Jasa Keuangan/</i> Financial Service Authority (OJK)	: An independent institution, free of interventions from other parties, which has functions; duties; also regulatory, supervision, inspection, and investigation authorities as regulated under Law of the Republic of Indonesia No 21 of 2011 concerning Financial Services Authority/ OJK (Law no. 21 in 2011). As of 31-12-2012 (thirty first of December two thousand and twelve), OJK has the functions, duties, and authority to regulate and supervise financial services activities in the capital market sector, formerly authorized to Bapepam-LK, pursuant to Article 55 Law No. 21 year 2011. OJK is the successor and recipient of the rights and obligations of Bapepam-LK.
PAM	: PT Paraga Artamida, a limited liability company established under the laws of indonesia, and domiciled in West Jakarta with address at Jl. Kalibesar Barat No. 8.
ECUM	: PT Ekacentra Usahamaju, a limited liabilty company established under laws of Indonesia, domiciled in North Jakarta with address at Gedung ITC Mangga Dua, 7th and 8th Floor, Jl. Mangga Dua Raya.
Value of Transaction	: Value of the participation of shares transaction conducted by PAM and ECUM i.e is in the amount of IDR [*] 1,820 per share or in the total amount of IDR 1,592,226,636,000.
Independent Appraiser	: KJPP Rengganis, Hamid & Rekan, independent appraiser registered at Bapepam-LK which appraised both fixed assets and shares, and issued the fairness opinion on the Purchase and Participation of Shares Transaction.
Settlement	: Settlement of Transaction.
PMTHMETD	: Capital Increase Without Pre-Emptive Rights as defined under Rule No. IX.D.4.

IDR	:	Rupiah, the official currency in Indonesia.
Transaction	:	Transaction of PMTHMETD as defined in the Part I – Overview.
New Shares	:	Amounting to 874,849,800 (eight hundred seventy four million, eight hundred forty nine thousand, and eight hundred) New Shares with a nominal value of IDR 100 per share or representing 5% of the paid up and issued capital of the Company with valid voting rights.
UUPM	:	Law No. 8 of 1995 regarding Capital Market.
UUPT	:	Law No. 40 of 2007 regarding Limited Liability Company.

I. OVERVIEW

This Disclosure Information herein is prepared in relation to the Company's action in conducting PMTHMETD as published in Investor Daily newspaper on 15 May 2013 with Additional Information published on 28 May 2013; and has been approved by Extraordinary General Meeting of Shareholders of the Company held on 30 May 2013. Company has informed if the prospective investor who will acquire shares offered by Company affiliated party of Company, therefore the issuance of Company's new shares shall follow the Rule No. IX.E.1.

This Disclosure Information herein is prepared to give explanation to the shareholders of the Company in connection with the PMTHMETD plan performed by PAM and ECUM as the majority shareholders to execute the participation of shares in each deposit (Portepel) of the Company, with the total shares issuance amounting to 5% of the paid-up and issued capital of the Company or **874,849,800** (eight hundred seventy four million, eight hundred forty nine thousand, and eight hundred) shares, with each of PAM and ECUM taking **437,424,900** (four hundred thirty seven million, four hundred twenty four thousand, and nine hundred) New Shares with a nominal value of IDR 100 per share or respectively representing 2.5% of the paid-up and issued capital of the Company with valid voting rights on 28 April 2014 ("**Transaction**").

Company, PAM, and ECUM are affiliated parties, as defined under Bapepam-LK Rule No. IX.E.1, due to the fact that PAM and ECUM are the majority shareholders of the Company, where PAM owns 4,422,720,330 (four billion four hundred twenty two million seven hundred twenty thousand three hundred thirty) shares or representing 25.28% of the company's paid-up and issued capital; and ECUM owns 4,404,400,000 (four billion four hundred four million four hundred thousand) shares or representing 25.17% of the company's paid-up and issued capital. After the completion of this participation of shares, PAM owns 4,860,145,230 shares or representing 26.45% of the paid-up and issued capital of the Company, and ECUM owns 4,841,825,400 shares or representing 26.35% of the paid-up and issued capital of the Company.

This Transaction is a fair transaction, and does not conceive economic conflicts of interest as defined under Rule No. IX.E.1, as can be seen from The Transaction Value, which is a fair value based on the result of the evaluation by the independent appraiser. Therefore, this Transaction does not require the independent shareholder's approval. Nonetheless, this Transaction shall be reported to OJK as regulated under Rule No. IX.E.1.

II. DESCRIPTION OF THE COMPANY

A. GENERAL

The Company was incorporated by the Deed of Incorporation of PT Bumi Serpong Damai No. 50 dated 16 January 1984; in conjunction with Deed of Amendment No 149 dated 27 October 1984; and Amendment Deed No. 82 dated 23 April 1985; all drawn up before Benny Kristianto, SH, Notary in Jakarta. The Deed of Incorporation, together with the amendments thereto, have been ratified by the Minister of Justice of the Republic of Indonesia by Decree No. C2-5710.HT.01.01.Th.85, dated 10 September 1985; registered at West Jakarta District Court Office No. 1008/1985, No. 1007/1985 and No. 1006/1985, all dated 25 September 1985; and announced in the State Gazette of the Republic of Indonesia No. 67, dated 22 August 1986, Supplement No. 1016.

The Company's Articles of Association has been severally amended, and the latest amendment was made based on The Resolution of the Extraordinary General Meeting of Shareholders as recorded on Deed of Minutes of Extraordinary General Meeting of Shareholders No. 11, dated 10 June 2011, drawn up by Pahala Sutrisno Amijoyo Tampubolon, S.H., Mkn, Notary in Jakarta. This deed has obtained approval from Minister of Law and Human Rights of the Republic of Indonesia pursuant to Decree No.AHU-32617.AH.01.02. Year 2011, dated 30 June 2011; and registered in the Company Registry managed by the Ministry of Law and Human Rights of the Republic of Indonesia with No. AHU-0052864.AH.01.09. Year 2011, dated 30 June 2011, announced in the State Gazette of the Republic of Indonesia No. 77, dated 25 September 2012, Supplement No. 53567.

The Company has listed all of its shares in the IDX since 6 June 2008.

B. BUSINESS ACTIVITIES

Based on Company's Articles of Association, the purposes and objectives of the company are to carry out business in the construction (real estate) sector, along with its supporting facilities; as well as in services and trading. In order to carry out the foregoing purposes and objectives, the Company may carry out the following business activities:

Core Business Activities:

1. Establishing and operating companies and business activities in the construction sector including building housing facilities, offices and trade centers, hotels, industrial areas, sport centers, along with the supporting facilities.
2. Obtaining lands to be matured for buildings (by way of purchasing the land rights, leasing the lands, or any other manners), transferring the rights over the matured lands to any other parties with or without buildings (by way of selling the lands or any other manners), or giving certain rights to other parties to occupy the matured lands with or without buildings (by way of leasing the lands or any other manners);
3. Establishing and operating companies and business activities in the sectors of planning, developing, as well as maintenance of housing facilities, including but not limited to golf fields, clubs, restaurants, and any other amusement venues including the supporting facilities;
4. Establishing and operating companies and business activities in the housing agency sector; and conducting the activities commonly carried out by a housing

agent; constructing and operating housing facilities, as well as providing the access roads, bridges, buildings, water, including works on measuring, excavating, and stockpiling the lands; installing the electrical, drinking water, gas, and telecommunication facilities; as well as providing services on building maintenance and treatment; and any other relevant works, and also interior works;

5. Establishing and operating companies for trading business including leasing buildings, also office and store spaces along with the supporting facilities.

Supporting business activities:

1. Establishing business in services sector, such as transportation, security services, cleaning services, along with other related businesses (except legal and tax services);
2. Establishing and operating business in trading for export/import activities in inter-island/regional and local areas; conducting agency business, becoming a representative and distributor for either local or foreign companies; and also providing the intermediary works

C. CAPITALIZATION AND SHAREHOLDERS COMPOSITION

Based on the Deed of Statement of Meeting Resolution No. 28, dated 28 December 2010, drawn up before Charlon Situmeang, SH, the substitute for P. Sutrisno A. Tampubolon, SH, Notary in Jakarta, has obtained approval from Minister of Law and Human Rights of the Republic of Indonesia pursuant to Decree No. AHU-03029.AH.01.02 Year 2011, dated 19 January 2011, registered in the Company Registry maintained by the Minister of Law and Human Rights under No. AHU-0005024.AH.01.09 Year 2011, dated 19 January 2011; and announced in the State Gazette of the Republic of Indonesia No. 57, dated 17 July 2012, Supplement No. 23764, the Company's capital structure is as follows:

Authorized Capital	: IDR 4,000,000,000,000
Issued Capital	: IDR 1,749,699,659,200
Paid-Up Capital	: IDR 1,749,699,659,200

The Authorized Capital consists of 40,000,000,000 shares with the nominal value of each share IDR 100.

The composition of the Company's Shareholders based on the Shareholders Register dated 31 March 2014 issued by PT Sinartama Gunita is as follows:

Remarks	Nominal Value is IDR 100,- per share		
	Nominal Value (IDR)	Number of Shares	%
Authorized Capital	4,000,000,000,000	40,000,000,000	
Shareholders:			
- PT Paraga Artamida	442,272,033,000	4,422,720,330	25.28
- PT Ekacentra Usahamaju	440,440,050,000	4,404,400,000	25.17
- PT Serasi Niaga Sakti	59,839,609,000	598,396,090	3.42
- PT Metropolitan Transcities Indonesia	50,292,313,000	502,923,130	2.87
- PT Simas Tunggal Centre	37,594,147,000	375,941,470	2.15
- PT Pembangunan Jaya	17,550,031,000	175,500,310	1.00
- PT Aneka Karya Amarta	30,921,223,000	309,212,230	1.77
- PT Apta Citra Universal	8,261,654,000	82,616,540	0.47

Remarks	Nominal Value is IDR 100,- per share		
	Nominal Value (IDR)	Number of Shares	%
- PT Dian Swastatika Sentosa Tbk	7,033,384,000	70,333,840	0.40
- PT Bhineka Karya Pratama	4,327,101,000	43,271,010	0.25
- PT Nirmala Indah Sakti	3,000,000,000	30,000,000	0.17
- PT Anangga Pertiwi Megah	3,000,000,000	30,000,000	0.17
- Public	645,168,114,200	6,451,681,142	36.88
Issued and Paid-Up Capital	1,749,699,659,200	17,496,996,592	100.00
Portepel	2,250,300,340,800	22,503,003,408	

D. COMPOSITION OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

Based on the Deed of Statement of Meeting Resolution No. 31 dated 30 May, 2013, drawn up before Pahala Sutrisno Amijoyo Tampubolon, SH, Notary in Jakarta, received by the Minister of Law and Human Rights and recorded in the System Administration Legal Entity database, as evidenced by Letter No AHU-AH.01.10-24769 dated 19 June 2013 and registered in the Company Registry maintained by the Ministry of Law and Human Rights under No AHU 0058011.AH.01.09 Tahun 2013, dated 19 June 2013, the composition of the Company's Board of Directors and Commissioners is as follows

Board of Directors:

President Director	: Franciscus Xaverius Ridwan Darmali
Vice President Director	: Michael Jackson Purwanto Widjaja
Director	: Petrus Kusuma
Director	: Syukur Lawigena
Director	: Hermawan Wijaya
Director	: <u>Lie Jani Harjanto</u>
Director	: HongkyJeffry Nantung
Director	: Liauw Herry Hendarta
Unaffiliated Director	: Monik William

Board of Commissioners:

President Commissioner	: Muktar Widjaja
Vice President Commissioner	: Franky Oesman Widjaja
Commissioner	: Benny Setiawan Santoso
Commissioner	: Teky Mailoa
Commissioner	: Welly Setiawan Prawoko
Affiliated Director	: Teddy Pawitra
Independent Commissioner	: Susiyati Bambang Hirawan
Independent Commissioner	: Edwin Hidayat

III. DESCRIPTION OF THE TRANSACTION AND ITS IMPACT ON THE FINANCIAL CONDITION OF THE COMPANY

A. TRANSACTION

1. Reasons and Background

In order to develop the business activities of the Company and its Subsidiaries, there are the necessities to strengthen the Company's capital structure and increase the liquidity of shares on the IDX. In connection with this matter, the Company plans to execute PMTHMETD.

To achieve this matter, the Board of Directors have issued shares amounting to 5% (five percent) of the paid-up and issued capital of the Company or amounting to **874,849,800** (eight hundred seventy four million eight hundred forty nine thousand eight hundred) shares, with each of PAM and ECUM taking **437,424,900** (four hundred thirty seven million, four hundred twenty four thousand, and nine hundred) New Shares with a nominal value of IDR 100 per share or respectively representing 2.5% of the paid-up and issued capital of the Company with valid voting rights on 28 April 2014

2. Benefit of the Transaction

The Company will receive additional funds that will strengthen the capital structure and business development of the Company and its Subsidiaries, with the increased number of circulated shares of the Company, causing the increase of the trading liquidity of the Company's shares. Dilution experienced by the Shareholders will be relatively small, and therefore, the dilution at the market prices will not harm the current shareholders.

3. Brief Description on the Participation of Shares Transaction

(a) Transaction

(i) Object of the Participation of Shares Transaction

The Company has issued shares amounting to 5% of the paid-up and issued capital of the Company or in the total amount of 874,849,800 (eight hundred seventy four million, eight hundred forty nine thousand, and eight hundred) shares, with each of PAM and ECUM taking 437,424,900 (four hundred thirty seven million, four hundred twenty four thousand, and nine hundred) New Shares with a nominal value of IDR 100 per share or respectively representing 2.5% of paid-up and issued capital of Company with valid voting rights on 28 April 2014.

The Transaction is not an acquisition transaction as defined under Bapepam-LK Rule. IX.H.1 attachment to the Decree of Chairman of Bapepam-LK. Kep-259/BL/2008 dated 30 June 2008 regarding Acquisition of Public Company ("**Rule No. IX.H.1**"). This is because PAM is the majority shareholder of the Company; therefore, the Transaction does not change the control in PLIN.

The information on PAM and ECUM is as follows:

1. PT Paraga Artamida ("PAM")

Brief Account

PAM is a limited liability company, incorporated under the laws of the Republic of Indonesia based on Deed of Establishment No. 17, dated 27 January 1989, as amended by Deed of Participation as Founder and Amendment No. 24, dated 26 April 1989, and Deed of Amendment No. 2, dated 4 January 1991, all drawn up before Milly Karmila Sareal, SH, Notary in Jakarta, ratified by Minister of Justice of the Republic of Indonesia No. C2-6710 HT.01.01.TH.91, dated 15 November 1991, registered on Registry Office of West Jakarta District Court under Nos. 1148/1991, 1149/1991, and 1150/1991, dated 7 December 1991, and published in State Gazette of the Republic of Indonesia No. 8, dated 28 January 1992, Supplement No. 383.

The Articles of Association of PAM has been severally amended; the latest amendment was made based on the Deed of Minutes of Extraordinary General Meeting of Shareholders No. 34, dated 27 November 2008, drawn up by P. Sutrisno A. Tampublon, SH, Notary in Jakarta. This Deed has been approved by Minister of Law and Human Rights based on Decree Letter No. AHU-99747.AH.01.02.Tahun 2008, dated 24 December 2008, and registered on the Company Registry maintained by Ministry of Law and Human Rights under No. AHU-0125482.AH.01.09.Tahun 2008, dated 24 December 2008, and published in State Gazette of the Republic of Indonesia No. 21, dated 13 March 2009, Supplement No. 7478 ("**Deed No. 34/2008**").

PAM is domiciled in West Jakarta at Jl. Kalibesar Barat No. 8, Kelurahan Roa Malaka, Kecamatan Tambora; Phone: 021-6908684; Fax: 021-6907632.

Based on Article 3 of the Articles of Association of PAM, the purposes and objectives of PAM are engaging in business activities related to real estate development, services, general trading, industry, mining, forestry, agriculture, and fisheries. In order to carry out the foregoing purposes and objectives, PAM may engage in several business activities, as follows:

- a. (1) establishing and operating companies and business activities in the development/construction sectors, i.e. developing lands for residential areas, offices, shop-houses, shopping centers, including their supporting facilities;
- (2) establishing and operating companies and business activities in selling and leasing properties, offices, and store spaces including their facilities;
- (3) establishing and operating companies and business activities in the sectors of planning, developing, as well as maintenance of housing

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- facilities, including but not limited to golf fields, clubs, restaurants, and any other amusement venues including their supporting facilities;
 - (4) establishing and operating companies and business activities in providing, constructing, as well as operating and developing the facilities and infrastructures for industry areas;
 - (5) establishing and operating companies and business activities in housing agency sector, and conducting activities commonly carried out by a housing agent, including constructing and operating as well as providing the access roads, bridges, buildings, water facilities; also works on land measuring, excavating, and stockpiling; installing the electrical, drinking water, gas, and telecommunication facilities; as well as providing services for building maintenance and treatment, and any other relevant works, also including the interior works;
 - (6) obtaining lands to be matured for buildings (by way of purchasing the land rights, leasing the lands, or any other manners); transferring the rights over the matured lands to any other parties with or without buildings (by way of selling the lands or any other manners), or granting certain rights to other parties for occupying the matured lands with or without buildings (by way of leasing the lands or any other manners);
 - b. establishing and operating companies and business activities in providing services as engineering consultants, contractor consultants, management consultants and any other general services (excluding tax and law services);
 - c. establishing and operating business activities in export/import trading in both of inter-island and local areas, providing agency, representative, and distributor services for either local or foreign companies, and also conducting intermediary works;
 - d. establishing and operating companies and business activities in industry sector, including factories producing goods and crafts; and also marketing the products;
 - e. establishing and operating companies and business activities in general mining sector; and
 - f. establishing and operating companies and business activities in forestry sector, i.e. plantation, agriculture, and inland/marine fisheries

Capitalization and Shareholders Structure

Based on the Deed No. 34/2008, the capital structure is as follows:

Authorized Capital : IDR 1,000,000,000,000
 Issued Capital : IDR 889,386,488,000
 Paid-up Capital : IDR 889,386,488,000

The Authorized Capital consists of 1,000,000,000 shares, each with a nominal value of IDR 1,000.

The shareholders composition of PAM is as follows:

No.	Shareholders	Number of Shares	Nominal Value (IDR)	%
1.	PT Sinar Mas Tunggal	13,100,500	13,100,500,000	1.47
2.	PT Sinarindo Gerbangmas	125,899,500	125,899,500,000	14.16
3.	Sinarmas Land Limited (d/h Asia Food & Properties Ltd.)	750,386,488	750,386,488,000	84.37
Total		889,386,488	889,386,488,000	100.00

Management and Supervision

Based on the Deed of Statement of Meeting Resolution of PAM No. 2, dated 3 February 2014, drawn up before Hannywati Susilo, S.H., MKn Notary in South Tangerang, which has been notified to the Minister of Law and Human Rights based on Letter of Notification on the Acceptance of Amendment with the Company Registry No. AHU-AH.01.10-11810, dated 19 March 2014, and registered in the Company Registry maintained by Ministry of Law and Human Rights AHU-0023449.AH.01.09 Year 2014 dated 19 March 2014; the compositions of the Company's Board of Commissioners and Board of Directors are as follows:

Board of Commissioners

President Commissioner : Michael Jackson Purwanto Widjaja

Commissioner : Franky Oesman Widjaja

Board of Directors

President Director : Franciscus Xaverius Ridwan Darma

Director : Teky Mailoa

Director : Hermawan Wijaya

2. PT Ekacentra Usahamaju

Profile Summary

ECUM is a limited liability company incorporated under the laws of the Republic of Indonesia based on Deed of

Incorporation No. 302, dated 31 March 1992, drawn up before Benny Kristianto, S.H., Notary in Jakarta. This Deed has been ratified by Minister of Justice of the Republic of Indonesia by Decree Letter No.C2-13140 HT.01.01.TH.93, dated 6 December 1993, registered at the Registry Office of West Jakarta District Court under No. 60/1994, dated 3 January 1994, and published in State Gazette of the Republic of Indonesia No. 62, dated 5 August 1994, Supplement No.5112.

The Articles of Association of ECUM has been severally amended; the latest amendment was made based on the Deed of Minutes of General Meeting of Shareholders No.53 , dated 16 August 2013, drawn up by Yulia, S.H., Notary in South Jakarta. This Deed has been approved by Minister of Law and Human Rights based on Decree No. AHU-57080.AH.01.02 Year 2013, dated 8 November 2013, and registered in the Company Registry maintained by Ministry of Law and Human Rights No. AHU-0104473.AH.01.09 Year 2013, dated 8 November 2013 ("**Deed No. 53/2013**").

ECUM is domiciled in North Jakarta at Gedung ITC Mangga Dua 7th and 8th Floors, Jl. Mangga Dua Raya, Kelurahan Ancol, Kecamatan Pademangan, Phone 021- 6019788; Fax 021-6017039.

Based on Article 3 of the Articles of Association of ECUM, the purposes and objectives of ECUM are engaging in business activities related to real estate development, services, general trading, industry, mining and forestry, and agriculture and fisheries. In order to carry out the foregoing purposes and objectives, ECUM may engage in several business activities, as follows:

- a.
 - (1) establishing and operating companies and business activities in the development/construction sectors, i.e. developing lands for residential areas, offices, shop-houses, shopping centers, including their supporting facilities;
 - (2) establishing and operating companies and business activities in selling and leasing properties, offices, and store spaces including their facilities;
 - (3) establishing and operating companies and business activities in the sectors of planning, developing, as well as maintenance of housing facilities, including but not limited to golf fields, clubs, restaurants, and any other amusement venues including their supporting facilities;
 - (4) establishing and operating companies and business activities in providing, constructing, as well as operating and developing the facilities and infrastructures for industry areas;
 - (5) establishing and operating companies and business activities in housing agency sector, and conducting activities commonly carried out

- by a housing agent, including constructing and operating as well as providing the access roads, bridges, buildings, water facilities; also works on land measuring, excavating, and stockpiling; installing the electrical, drinking water, gas, and telecommunication facilities; as well as providing services for building maintenance and treatment, and any other relevant works, also including the interior works;
- (6) obtaining lands to be matured for buildings (by way of purchasing the land rights, leasing the lands, or any other manners); transferring the rights over the matured lands to any other parties with or without buildings (by way of selling the lands or any other manners), or granting certain rights to other parties for occupying the matured lands with or without buildings (by way of leasing the lands or any other manners);
- b. establishing and operating companies and business activities in providing services as engineering consultants, contractor consultants, management consultants and any other general services (excluding tax and law services);
- c. establishing and operating business activities in export/import trading in both inter-island and local areas; providing agency, representative, and distributor services for either local or foreign companies; and also conducting intermediary works;
- d. establishing and operating companies and business activities in industry sector, including operating factories producing goods and crafts; and also marketing the products;
- e. establishing and operating companies and business activities in general mining sector, excluding oil and gas sector;
- f. establishing and operating companies and business activities in forestry sector, i.e. plantation, agriculture, and inland/marine fisheries

Capitalization and Shareholders Structure

Based on the Deed No. 53/2013, the capital structure is as follows:

Authorized Capital	:	IDR 2,000,000,000,000
Issued Capital	:	IDR 1,836,000,000,000
Paid-Up Capital	:	IDR 1,836,000,000,000

The Authorized Capital consists of 2,000,000,000 shares, each with a nominal value of IDR 1,000

The shareholders composition is as follows:

No.	Shareholders	Number of Shares	Nominal Value (IDR)	%
1.	PT Paraga Artamida	1,835,999,999	1,835,999,999,000	99.999
2.	PT Sinar Mas Tunggal	1	1,000	0.001
Total		889,386,488	889,386,488,000	100.000

Management and Supervision

Based on the Deed of Statement of Meeting Resolution of No. 13 dated 17 December 2013, drawn up before Hannywati Susilo, S.H., MKn Notary in South Tangerang, which has been notified to the Minister of Law and Human Rights based on Letter of Notification on the Acceptance of Amendment with the Company Registry No. AHU-AH.01.10-03488, dated 6 February 2014, and registered in the Company Registry AHU-0008623.AH.01.09 Year 2014 dated 6 February 2014; the composition of the Company's Board of Commissioners and Directors is as follows:

Board of Commissioners

President Commissioner : Michael Jackson Purwanto
Widjaja
Commissioner : Franky Oesman Widjaja

Board of Directors

President Director : Franciscus Xaverius Ridwan
Darmali
Director : Teky Mailoa
Director : Hermawan Wijaya

(ii) The Value of Transaction

Value of the Transaction is in the amount of IDR 1,820 per share or in the total amount of IDR 1,592,226,636,000.

(iii) The Parties Involved in the Transaction

A brief description of the parties involved in the transaction:

(1) Perseroan

Description if the Company can be seen in section II above.

(2) PAM

Description of PAM can be seen in section III.A.3 (a) above.

(3) ECUM

Description of ECUM can be seen in section III.A.3 (a) above.

(iv) Shareholding Structure of the Company Prior and Post the Transaction

Prior to the Transaction

Remarks	Nominal Value is IDR 100,- per share		
	Nominal Value (IDR)	Number of Shares	%
Authorized Capital	4,000,000,000,000	40,000,000,000	
Shareholders:			
- PT Paraga Artamida	442,272,033,000	4,422,720,330	25.28
- PT Ekacentra Usahamaju	440,440,050,000	4,404,400,000	25.17
- PT Serasi Niaga Sakti	59,839,609,000	598,396,090	3.42
- PT Metropolitan Transcities Indonesia	50,292,313,000	502,923,130	2.87
- PT Simas Tunggal Centre	37,594,147,000	375,941,470	2.15
- PT Pembangunan Jaya	17,550,031,000	175,500,310	1.00
- PT Aneka Karya Amarta	30,921,223,000	309,212,230	1.77
- PT Apta Citra Universal	8,261,654,000	82,616,540	0.47
- PT Dian Swastatika Sentosa Tbk	7,033,384,000	70,333,840	0.40
- PT Bhineka Karya Pratama	4,327,101,000	43,271,010	0.25
- PT Nirmala Indah Sakti	3,000,000,000	30,000,000	0.17
- PT Anangga Pertiwi Megah	3,000,000,000	30,000,000	0.17
- Public	645,168,114,200	6,451,681,142	36.88
Issued and Paid-up Capital	1,749,699,659,200	17,496,996,592	100.00
Portopel	2,250,300,340,800	22,503,003,408	

Post Transaction

Remarks	Nominal Value is IDR 100,- per share		
	Nominal Value (IDR)	Number of Shares	%
Authorized Capital	4,000,000,000,000	40,000,000,000	
Shareholders:			
- PT Paraga Artamida	486,014,523,000	4,860,145,230	26.45
- PT Ekacentra Usahamaju	484,182,540,000	4,841,825,400	26.35
- PT Serasi Niaga Sakti	59,839,609,000	598,396,090	3.26
- PT Metropolitan Transcities Indonesia	50,292,313,000	502,923,130	2.74
- PT Simas Tunggal Centre	37,594,147,000	375,941,470	2.05
- PT Pembangunan Jaya	17,550,031,000	175,500,310	0.96
- PT Aneka Karya Amarta	30,921,223,000	309,212,230	1.68
- PT Apta Citra Universal	8,261,654,000	82,616,540	0.45
- PT Dian Swastatika Sentosa Tbk	7,033,384,000	70,333,840	0.38
- PT Bhineka Karya Pratama	4,327,101,000	43,271,010	0.24
- PT Nirmala Indah Sakti	3,000,000,000	30,000,000	0.16
- PT Anangga Pertiwi Megah	3,000,000,000	30,000,000	0.16
- Public	645,168,114,200	6,451,681,142	35.12
Issued and Paid-up Capital	1,837,184,639,200	18,371,846,392	100.00
Portepel	2,162,815,360,800	21,628,153,608	

E. Affiliation involving the Company, PAM, and ECUM on the Transaction

(a) From the point of ownership

PAM and ECUM are the majority shareholders of the Company.

(b) From the viewpoint of management

There are management connections involving the Company, PAM, and ECUM, as follows:

- (i) Franciscus Xavier Darmali Ridwan, besides being the President of the Company, is also the President Director of PAM and the President Director of ECUM;
- (ii) Michael Jackson Purwanto Widjaja, besides being the Vice President Director of the Company, is also the President Commissioner of PAM and the President Commissioner of ECUM;
- (iii) Hermawan Wijaya, besides being a Director of the Company, is also Director of PAM and Director of ECUM;
- (iv) Teky Mailoa, besides being a Commissioner of the Company, is also Director of PAM and Director of ECUM; and
- (v) Franky Oesman Widjaja, besides being the Vice President Commissioner of the Company, is also Commissioner of PAM and Commissioner of ECUM

IV. APPOINTED INDEPENDENT PARTIES IN THE TRANSACTION

Independent parties involved in the Transaction have been appointed by the Company. They are as follows:

1. Public Appraiser Firm Rengganis, Hamid and Partners (KJPP-RHR) as the Independent Appraiser which appraised the Proposed Transaction and gave the opinion on the value and fairness of the Proposed Transaction.

V. SUMMARY REPORT AND OPINION OF INDEPENDENT PARTY

Fairness Opinion of Independent Party is compiled by KJPP Rengganis, Hamid and Partners ("KJPP-RHR") based on report No.RHR00R1P041400393 dated 29 April 2014.

A. Parties in Transaction

Affiliated Parties:

- PT Bumi Serpong Damai, Tbk ("BSDE");
- PT Paraga Artamida ("PAM")
- PT Ekacentra Usahamaju ("ECUM")

B. Analysis on Fairness Opinion

Fairness of Opinion is compiled for Capital Increase Without Pre-Emptive Rights of 5% (five percent) of total equity of BSDE by PAM and ECUM. ("Proposed Transaction")

C. Objective on Fairness of Opinion

To provide the Summary Report and Fairness Opinion of Independent Party on Proposed Transaction.

Fairness of opinion is regulated through regulation No. IX.E.1 of Bapepam-LK (Indonesia capital market regulator).

D. Assumption of Fairness of Opinion

- KJPP-RHR assume that Proposed Transaction is executed based on management disclosure and be in accordance with correct assumption that are disclose by the management
- KJPP-RHR does not provide any inquiry into legal and taxation of Proposed Transaction
- KJPP-RHR assume that there has not been a significant or material changes on assumption used in preparation of this Fairness Opinion from the publish date to the effective transaction date.
- This Fairness Opinion should be used in accordance with all the information available and failure to incorporate all available information might provide a misconception of Proposed Transaction. Analysis on the Fairness Opinion is prepared through complex processes and using a complete analysis.
- This Fairness Opinion is prepared through appropriate market condition, current financial condition and based on the regulation of Indonesia. Changes into these conditions are out of the company control and could impact on the Fairness Opinion.
- KJPP-RHR is not responsible any subsuquent events that might provide negative or positive effect into calculation of the Fairness Opinion. KJPP-RHR would list subsequent event into its subsequent events list
- This report is not reported for recommendation of shareholder for the Proposed Transaction.

E. Approach for the Fairness Opinion Report

Approach on Proposed Transaction is analyse based on the following methodology:

- Analysis on transaction
- Analysis on quantitative and qualitative
- Analysis on transactional value
- Analysis on related factors

Based on the Company announcement in *Investor Daily* dated 21 April 2014, in pursuant to Proposed Transaction, exercise price is Rp1.820 per shares that is equal to 874.849.800 (eight hundred million seventy four million eight hundred forty nine thousands and eight hundred) shares with nominal value of IDR 100 that is equal to 5,00% of total equity of BSDE.

Based on valuation report No. RHR00R1P041400392 dated 25 April 2014, KJPP-RHR conclude that fair value of 5,00% of total equity of BSDE on 31 Desember 2013 is Rp1.750 per share that is equal to Rp1.530.713.000.000 (one trillion five hundred thirty billion seven hundred and thirteen million Rupiah).

Fairness Opinion report is analyze in comparison of fair value as analyze in this report and transactional value of apital Increase Without Pre-Emptive Rights that are announced in *Investor Daily* dated 21 April 2014.

Benefits of the transaction:

- BSDE would recieved additional capital that would increase/strengthen its capital structure
- BSDE would increase liquidity on trading in the Indonesia Stock Exchange.
- Dilution for shareholder is relatively small and would not influence market price.

F. Conclusion

Based on fair value of the transaction, transactional value are 4,02% higher than fair value which is within the maximum deviation of 7.5% from fair value (Limit of deviation is regulated through Bapepam-LK No. VIII.C.3 Lampiran Keputusan Ketua Bapepam-LK No. Kep-196/BL/2012, dated 19 April 2012 on guidance of capital market for fair value).

G. Fairness Opinion on the Transaction

Fairness Opinion on Proposed Transaction cover factor such as transaction, qualitative and qualitative analysis, analysis on transactional value and analysis on related factors, we / KJPP-RHR conclude that this transaction is based on fair value.

VI. REPRESENTATION FROM THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

The Board of Commissioners and Board of Directors are fully responsible for the accuracy of all information contained herein and confirm, having made all reasonable inquiries and to the best of their knowledge and belief, that all of the information contained herein is accurate; and there is no important and relevant information that has not been disclosed, which could cause the information contained herein either untrue or misleading.

Furthermore, the Board of Directors hereby declares that the Transaction as disclosed under Disclosure information herein is an Affiliated Transaction as defined in Regulation No. IX.E.1. However, the Participation of Shares Transaction is a fair transaction and does not conceive economic conflicts of interest as defined in Regulation No. IX.E.1. As can be seen, the Value of the Transaction is a fair value based on the result evaluation of the Independent Appraiser. Therefore, this Transaction does not require the independent shareholder's approval. Nonetheless, Transaction shall be reported to Baepam-LK as regulated under Rule No. IX.E.1.

VII. ADDITIONAL INFORMATION

If any Shareholder needs any additional information, the shareholder may contact the Company within business hours at the following address:

PT Bumi Serpong Damai Tbk
u/p: Corporate Secretary
Sinar Mas Land Plaza, Wing B 3rd Floor
Jl. Grand Boulevard, BSD Green Office Park
BSD City, Tangerang 15345 - Indonesia
Telepon: (62-21) 50 368 368; Fax: (62-21) 5058 8270