

INFORMATION DISCLOSURE TO THE SHAREHOLDERS
CONCERNING
CAPITAL INCREASE WITHOUT PREEMPTIVE RIGHT PLAN

In order to comply with the Indonesian Financial Services Authority Regulation No. 38/POJK.04/2014, dated 29th December 2014, concerning Capital Increase without Preemptive Right ("**POJK No. 38/POJK.04/2014**").

If you have difficulty in understanding the information contained in this Information Disclosure or are hesitant in making a decision, you should consult with securities broker, investment manager, legal counsel, public accountant or any other professional advisor.

The Information Disclosure as set forth in this announcement is important to be considered by the shareholders of PT Ciputra Development Tbk ("**Company**"), to take a decision in the General Meeting of Shareholders ("**GMS**") in connection with the Company's Capital Increase plan by issue of new shares without Preemptive Right.

Jakarta, April 26, 2018
Translated from Indonesian into English by
Authorized & Sworn Translator
- **FATCHUROZAK** -



PT Ciputra Development Tbk

Domiciled in South Jakarta

("Company")

Primary Business Activities:

Construction, Investment, Trade, Industry, and Services

Head Office:

Ciputra World 1 Jakarta, DBS Bank Tower Lantai 39,
Jl. Prof. DR. Satrio Kav. 3-5, Karet Kuningan, Jakarta Selatan
12940

Information Disclosure as contained in this announcement is made to the shareholders of the Company in connection with the Company's plan to make Capital Increase without Preemptive Right in order to strengthen the capital structure for business development of the Company, with reference to POJK No. 38/POJK.04/2014 and Indonesian Stock Exchange (BEI) Regulation No. I-A concerning Recording of Shares and Equity Securities Other Than Shares Issued by

Listed Companies, Schedule to Decision of BEI Board of Directors No. Kep-00001/BEI/01-2014 dated 20th January 2014 ("**BEI Regulation No. I-A**") and the provision of Article 4 paragraph 6 sub-paragraph b of the Company's Articles of Association. Based on the foregoing, the Board of Directors of the Company makes the Information Disclosure to the shareholders of the Company concerning Capital Increase without Preemptive Right plan as much as 1,853,569,525 (one billion eight hundred fifty-three million five hundred sixty-nine thousand five hundred and twenty-five) shares at the price of at least Rp1,191 (one thousand one hundred and ninety-one rupiahs) per share.

I. Introduction

The information as contained in this Information Disclosure is made by the Board of Directors and the Board of Commissioners of the Company to the shareholders of the Company for the shareholders to be fully informed of the Company's plan for Capital Increase without Preemptive Right ("**CIWPR**") as governed in POJK No. 38/POJK.04/2014.

Based on the prevailing laws and regulations, including POJK No. 38/POJK.04/2014 and the Company's Articles of Association, the increase of the Company's capital as referred to in this Information Disclosure shall first

be approved by a GMS of the Company. The Company conveys the information as contained in this Information Disclosure with a view to providing more complete information and description to the shareholders of the Company concerning the CIWPR plan to be carried out by the Company for the shareholders of the Company to cast their vote in the Company's General Meeting of Shareholders to be convened on Monday, 4th June 2018. Announcement on the Company's GMS Plan shall be made by advertisement on Bisnis Indonesia daily newspaper, BEI's website and the Company's website today, 26th April 2018.

This is not a conflict of interest transaction and/or affiliated transaction as referred to in Bapepam and LK Regulation ("**Bapepam-LK**") No. IX.E.1 concerning Affiliated Transactions and Certain Conflict of Interest Transactions, Schedule to Decision of the Chairman of Bapepam-LK No. Kep-41/BL/2009 dated 25th November 2009 ("**Regulation IX.E.1**"). In the event that the issue of Company's New Shares (as defined below) in terms of CIWPR is purchased by affiliated parties, its implementation shall be conducted in accordance with the provisions of Regulation IX.E.1.

II. Company Profile

The Company was incorporated in Jakarta under the name PT Citra Habitat Indonesia according to Deed of Incorporation No. 22, dated 22nd October 1981, made before Hobropoerwanto, Bachelor of Laws, Notary in Jakarta. The deed has been approved by the Minister of Justice of the Republic of Indonesia by Decree no. Y.A.5/417/9, dated 4th June 1982, and registered with the Central Jakarta District Court, dated 7th August 1982, under No. 2749, and published in the State Gazette of the Republic of Indonesia No. 72, dated 7th September 1982, Supplement No. 1131 (hereinafter referred to as "**Deed of Incorporation**").

The entire Articles of Association have been amended and adjusted to Law No. 40/2007 on Limited Liability Company and have been published in the State Gazette of the Republic of Indonesia No. 101 dated 16th December 2008, Supplement No. 27735, subsequently amended and published in the State Gazette of the Republic of Indonesia No. 95 dated 27th November 2015, Supplement No. 846/L. The latest amendment to the Articles of Association was published in the State Gazette of the Republic of Indonesia No. 67 dated 22nd August 2017, Supplement No. 34442 ("**BNRI No. 67/2017**").

According to BNRI No. 67/2017 and pursuant to the Register of Shareholders of the Registrar ("**BAE**") of the Company, PT Electronic Data Interchange Indonesia ("**EDII**"), as per 31st March 2018, the capital structure and shareholding structure of the Company shall be as follows:

Description	Total Shares	Total Nominal Value (Rp250 per share)	%
Authorized Capital (AC)	36,000,000,000	Rp9,000,000,000,000	
Issued and Paid-up Capital (IC/PC)			
PT Sang Pelopor	8,716,333,730	Rp2,179,083,432,500	46.96%
Public	9,819,361,525	Rp2,454,840,381,250	52.91%
The Company (Treasury Shares)	24,608,142	Rp6,152,035,500	0.13%
Total IC/PC	18,560,303,397	Rp4,640,075,849,250	51.56%
Total Shares in Portfolio	17,439,696,603	Rp4,359,924,150,750	

According to BNRI No. 67/2017, the Composition of the Board of Commissioners and the Board of Directors of the Company shall be as follows:

Board of Commissioners

President Commissioner : DR. Ir. Ciputra

Commissioner : Dian Sumeler

Commissioner : Rina Ciputra Sastrawinata

Commissioner : Junita Ciputra
Commissioner : Sandra Hendharto
Independent Commissioner : Kodradi
Independent Commissioner : Henk Wangitan
Independent Commissioner : Thomas Bambang

Board of Directors

President Director : Candra Ciputra
Director : Cakra Ciputra
Director : Budiarsa Sastrawinata
Director : Harun Hajadi
Director : Agussurja Widjaja
Director : Marius Ignatius Meiko Handoyo
Lukmantara
Director : Nanik Joeliawati Santoso
Director : Sutoto Yakobus
Director : Artadinata Djangkar
Director : Bing Sugiarto Chandra
Director : Tanan Herwandi Antonius
Independent Director: Tulus Santoso

III. Information on CIWPR Plan

A. Reasons and Benefits

In order to carry out the Company's business activities, whether by itself or its subsidiaries, it

is deemed necessary to strengthen the Company's capital structure in terms of expanding the Company's business. In relation thereto, the Company shall issue the Company's new shares and upon approval of the Company's GMS and compliance with all requirements under the prevailing laws and regulations, all of the Company's new shares shall be listed with the BEI.

The benefits obtained by implementing CIWPR shall be:

- a. The Company shall receive additional funds that will strengthen the Company's capital structure in terms of expanding the Company's business.
- b. The number of outstanding shares of the Company will increase as expected to increase the Company's share trading liquidity.

B. Issue of New Shares

The Company intends to perform CIWPR at the maximum of 10% (ten per cent) of the Issued and Paid-up Capital, in relation thereto after deducting the amount of Treasury Shares up to the date hereof as much as 24,608,142 (twenty four million six hundred eight thousand one hundred and forty-two) shares, with an estimate issue of new shares being as much as 1,853,569,525 (one billion eight hundred fifty-three

million five hundred sixty-nine thousand five hundred and twenty-five) shares ("**New Shares**"). This CIWPR may be carried out simultaneously or gradually within a period of 2 (two) years from the date of approval by the Company's GMS to be convened on Monday, 4th June 2018.

As for the determination of the strike price for the Company's New Shares shall refer to Regulation No. I-A, which is at least equal to the average closing price of the Company's shares during the period of 25 (twenty-five) consecutive trading days in the regular market before the Company makes an announcement concerning the notice to the Company's GMS for CIWPR approval.

No.	Date	Share Closing Price		No.	Date	Share Closing Price
1	25 th April 2018	1,155		14	6 th April 2018	1,180
2	24 th April 2018	1,180		15	5 th April 2018	1,170
3	23 rd April 2018	1,215		16	4 th April 2018	1,160
4	20 th April 2018	1,230		17	3 rd April 2018	1,160
5	19 th April 2018	1,235		18	2 nd April 2018	1,190

6	18 th April 2018	1,240		19	29 th March 2018	1,175
7	17 th April 2018	1,245		20	28 th March 2018	1,145
8	16 th April 2018	1,245		21	27 th March 2018	1,145
9	13 th April 2018	1,240		22	26 th March 2018	1,135
10	12 th April 2018	1,240		23	23 rd March 2018	1,115
11	11 th April 2018	1,235		24	22 nd March 2018	1,145
12	10 th April 2018	1,215		25	21 st March 2018	1,195
13	9 th April 2018	1,195			Average Price	1,191

Based on the foregoing, the strike price of Company's New Shares shall be at least Rp1,191 (one thousand one hundred and ninety-one rupiahs) per share.

This Capital Increase Plan is an anticipation of the increasing funding needs over the next 2 (two) years. In the event that the Company has obtained the commitment of the prospective investor, from its Affiliated Parties, Principal Shareholders and/or third parties, the Company shall announce to the public and notify the Indonesian Financial Services Authority ("**OJK**") concerning the implementation of CIWPR no later than 5 (five) business days prior to its implementation in 1 (one) Indonesian national-

language daily newspaper or BEI's website and the Company's website as required in Article 14 POJK No. 38/POJK.04/2014.

The New Shares to be issued shall have the same rights and obligations as the shares of the Company which have been issued by and paid-up to the Company. As such, they shall have equal rights in all respects, including but not limited to receiving dividends, casting a vote in every GMS and other corporate actions carried out by the Company.

In accordance with Bapepam Circular Letter No. S-406/PM/2000 dated 3rd March 2000, concerning Immobilization of Shares, the Company's New Shares will be issued by the Company in a non-certified form and shall be listed with the same Stock Exchange using share codes and market pricing mechanisms similar to those of the Company issued to date.

All of the Company's New Shares shall be listed with the BEI and in accordance with BEI Regulation No. I-A, the Company's New Shares cannot be traded for at least 1 (one) year as of BEI enlisting with the aim of protecting the interests of non-controlling shareholders.

IV. Financial Pro Forma and Management Analysis and Discussion

- **Financial Pro Forma**

The consolidated financial pro forma before and after the implementation of CIWPR shall be based on the following key assumptions:

- Implementation of CIWPR has been done;
- Strike price of Rp1,191 (one thousand one hundred and ninety-one rupiahs) per share;
- Number of Company's New Shares issued as much as 1,853,569,525 (one billion eight hundred fifty-three million five hundred sixty-nine thousand five hundred and twenty-five) shares;
- Funds received from the results of this CIWPR shall be Rp2,208,342,732,085 (two trillion two hundred eight billion three hundred forty-two million seven hundred thirty-two thousand and eighty-five rupiahs);
- All CIWPR proceeds after deducting fees to strengthen the capital structure in order to develop Company's business;
- Total Issued and Paid-up Capital in the position of the financial statements of 31st December 2017 shall be Rp4,640,075,849,250 (four trillion six hundred forty billion seventy-five million eight hundred forty-nine thousand and two hundred fifty rupiahs);

- Total Issued and Paid-up Capital after CIWPR has increased to Rp5,103,468,230,500 (five trillion one hundred three billion four hundred sixty-eight million two hundred thirty thousand and five hundred rupiahs) / Rp5,097,931,398,500 (five trillion ninety-seven billion nine hundred thirty-one million three hundred ninety-eight thousand five hundred rupiahs).

The financial statements pro forma before and after CIWPR shall be as follows:

(in million rupiahs,
unless declared otherwise)

Description	Pro forma as per consolidated financial statements for the year ended on 31 st December 2017	
	Before CIWPR	After CIWPR
Total Assets	31,706,163	33,914,506
Total Equity	15,450,765	17,659,108
Gross Profits	3,019,470	3,019,470
Profits Before Tax	1,298,013	1,298,013
Net Profits	1,018,529	1,018,529
Return on Assets	3.2%	3.0%
Return on Equity	6.6%	5.8%

- **Management Analysis and Discussion**

The following table is the summary financial data of the Company derived from the Company's consolidated financial statements for the year ended on 31st December 2017 audited by KAP Purwantono, Sungkoro and Surja with unqualified opinion.

(in million rupiahs)

Description	31 st December 2017	31 st December 2016
Income	6,442,797	6,739,315
Gross Profits	3,019,470	3,289,704
Net Profits	1,018,529	1,170,706
Total Assets	31,706,163	29,072,250
Total Liabilities	16,255,398	14,774,323
Total Equity	15,450,765	14,297,927

Income

The Company recorded a total income of Rp6.4 trillion in 2017, down 4% from the previous year of Rp6.7 trillion, derived from the decline in property development segment income, while the recurring income segment recorded a growth. Income from property development segment (sales of residential homes, shophouses, lands, apartments and office buildings) declined 8% primarily due to the timing

different of income recognition due to changes in payment schemes for residential homes and shophouses. For the recurring income segment (shopping centers, hotels, office rentals and hospitals), a 7% increase in income derived primarily from hotels and hospitals.

Gross Profits

Gross profits in 2017 was recorded at Rp3 trillion, down Rp270 billion (8%) from Rp3.3 trillion in previous year derived from the property development decline of Rp274 billion, while the recurring income segment contributed as much as Rp4 billion. By margin, the gross profits decline from 49% to 47% derived from the property development and recurring income segments, which decreased from 46% to 44% and 58% to 54%, respectively.

Net Profits

Along with the decline in income, net profits was recorded at Rp1,018 trillion, down Rp152 billion compared to Rp1,170 trillion in 2016. Net profit margin declined from 15% to 14%.

Assets

The Company recorded the total assets in 2017 of Rp31.7 trillion, with the respective current and non-current assets of Rp15.2 trillion (48%) and Rp16.5 trillion (52%). This amount increased by Rp2.6 trillion or 9% from the previous year of Rp29.1 trillion. The increase in the Company's assets mainly derived from inventories, land for development and fixed assets, while on the other hand there was a decrease in cash and bank.

Inventories increased by Rp1.6 trillion from Rp7.9 trillion to Rp9.5 trillion mainly contributed by an increase in land inventories of PT Ciputra Nusantara (CNus) and its subsidiaries amounting to Rp782 billion and apartments in completion process at PT Sarananeka Indahpancar (Ciputra World 2) of Rp507 billion. The remaining was a combined increase in inventories in other subsidiaries amounting to Rp277 billion. This increase was a consequence of business development activities of the Company and its subsidiaries.

The increase in land for development of Rp855 billion was mainly related to land acquisition in Surabaya, Sidoarjo, Makassar, Medan, Bandung, Bandar Lampung, Bogor by CNus and its subsidiaries amounting to Rp754 billion. The remaining Rp101 billion was a combined

acquisition of land by PT Ciputra Residence (CR), PT Ciputra Semarang (CSM), PT Ciputra Adigraha (CAG) and PT Ciputra Adibuana (CAB).

The increase in net assets of Rp104 billion was related to the increase in fixed assets of Ciputra World 1 and Ciputra Hospital CitraRaya Tangerang and CitraGarden City projects.

The decrease of cash and cash equivalents at the end of 2017 amounting to Rp239 billion related to the Company's development and operational activities.

The net increase in other assets up to Rp349 billion was a combination of several other Company assets whose value of each change was insignificant.

Liabilities

In 2017, the total liabilities increased by 10% from Rp14.8 trillion to Rp16.3 trillion, mainly from accelerated down payment (Rp605 billion), increase in bank loans (Rp194 billion) and increase in notes payable (Rp900 billion), while the bonds payable recorded a decrease by Rp198 billion.

As per 31st December 2017, the down payment receipt was recorded at Rp6.5 trillion, rose by Rp605 billion (10%) compared to last year's Rp5.9 trillion. This increase was mainly related to the increase of down

payment from consumers on the purchase of houses, apartments and office spaces in several subsidiaries, particularly CR, CNus, CSM, CAB and Ciputra Nirvanadwipa.

The increase in loan balance amounted to Rp194 billion primarily derived from loan received from Bank ICBC Indonesia by CSM in order to develop the Ciputra International project in Jakarta.

The increase in notes payable amounting to Rp900 billion from Rp595 billion in 2016 to Rp1.5 trillion in 2017 was related to the issue of notes by the Company in September 2017 (SGD150 million) used to finance the loan, fund the acquisition or working capital and for general use. With the issuance of this notes, the Company had to settle the notes issued in 2015 amounting to Rp604 billion.

The decrease in bonds payable of Rp198 billion from Rp495 billion in 2016 to Rp297 billion was due to the full payment of 1 CR Series A Bonds amounting to Rp200 billion in March 2017. The bonds had a term of 3 years, bearing an interest at the fixed rate of 11.4% per annum and fell due on 2nd April 2017.

The net decrease in other liabilities by Rp20 billion was a combination of several other liabilities whose value of each change was insignificant.

Equity

The equity attributable to owners of the parent entity increased by 5.8% from Rp12.6 trillion to Rp13.4 trillion due to the increase in retained earnings amounting to Rp806 billion and an increase in share capital with respect to the merger transaction of the Company amounting to Rp784 billion, while the remaining amounted to a decrease of Rp856 billion (net) was an accumulation of various transactions resulting in changes in the Company's ownership of subsidiaries, including the issue of new shares of the Company to minority shareholders of PT Ciputra Surya Tbk and PT Ciputra Property Tbk in the merger and dilution of the Company's ownership in PT Ciputra Raya Sejahtera in 2016.

V. Risks of New Shares Issue

Due to the issue of Company's New Shares, the number of shares issued by the Company becomes more numerous. Therefore, after the Increase of Issued and Paid-up Capital of the Company in terms of this CIWPR becomes effective, the percentage of share ownership of each shareholder of the Company shall undergo a decrease (dilution) by 5.23%, but the number of shares owned by

the shareholders before and after the issue of Company's New Shares shall not change. Dilution to be undergone by the shareholders is relatively small and it occurs at market prices that shall not be harmful to the shareholders.

VI. Capital Structure and Composition of Shareholders Before and After CIWPR

The Capital Structure of the Company before CIWPR and the capital structure pro forma of the Company after CIWPR shall be as follows:

	Before Preemptive Rights		After Preemptive Rights	
	Total Shares	Par Value @Rp250	Total Shares	Par Value @Rp250
Authorized Capital	36,000,000,000	9,000,000,000,000	36,000,000,000	9,000,000,000,000
Company's New Shares (max)	-	-	1,853,569,525	463,392,381,250
Issued and Paid-up Capital	18,535,695,255	4,633,923,813,750	20,389,264,780	5,097,316,195,000
Treasury Shares	24,608,142	6,152,035,500	24,608,142	6,152,035,500
Shares in Portfolio	17,439,696,603	4,359,924,150,750	15,586,127,078	3,896,531,769,500

VII. General Meeting of Shareholders

In accordance with the provisions in the prevailing laws and regulations, this CIWPR plan shall be sought for approval in the Company's GMS to be convened on:

Day & Date : Monday, 4th June 2018

Time : 14:00 WIB

Announcement to the shareholders of the Company of the Company's GMS Plan will be announced by advertisement in Bisnis Indonesia newspaper, BEI's website and the Company's website on 26th April 2018 and the advertisement on notice to the shareholders of the Company will be announced in advertisement in Bisnis Indonesia daily newspaper, BEI's website and the Company's website on 11th May 2018.

The shareholders of the Company entitled to attend the Company's GMS shall be shareholders whose name is listed in the Company's Register of Shareholders or the account holders of securities in the collective custody of PT Kustodian Sentral Efek Indonesia ("**KSEI**") at the trade closing at BEI on 9th May 2018 ("**RS Date**"). The shareholders registered in RS Date shall be entitled to cast one vote for each share held by him/her to approve, abstain (subject to majority votes) or disapprove the foregoing plan.

Considering that the Company's authorized capital remains sufficient to implement CIWPR as referred to in this Information Disclosure, in accordance with the provisions of Article 42 paragraph 2 of Law No. 40/2007 on Limited Liability Companies and Article 21 paragraph 1 sub-paragraph a and c of the Company's Articles of Association, the Increase of Issued and Paid-up Capital

within authorized capital limit is valid if it is made with a quorum of attendance of more than $\frac{1}{2}$ (one-half) of the total shares with valid voting rights and is approved by more than $\frac{1}{2}$ (one-half) of all votes with valid voting rights present in the GMS.

Followings are important dates in relation to the Company's General Meeting of Shareholders:

- Notification of GMS plan to OJK & BEI
: 18th April 2018
- Advertising the GMS Announcement in 1 (one) Indonesian nation-wide daily newspaper, BEI's website and Company's website : 26th April 2018
- Announcement of brief Information Disclosure on CIWPR plan
: 26th April 2018
- RS Date on those entitled to attend the GMS (Recording Date) : 9th May 2018
- Advertising the Notice to GMS in 1 (one) Indonesian nation-wide daily newspaper, BEI's website and Company's website : 11th May 2018
- GMS
: 4th June 2018
- Advertising the Announcement on Brief Minute of GMS in 1 (one) Indonesian nation-wide daily newspaper, BEI's website and Company's website : 5th June 2018

The Board of Commissioners and the Board of Directors of the Company have reviewed the transaction plan including the level of risks and benefits of the CIWPR plan for the Company and all shareholders, thereby believing that the CIWPR plan is the best choice for the Company and all shareholders.

This Information Disclosure has been approved by the Board of Commissioners and the Board of Directors of the Company who, either severally or jointly, are fully liable for the completeness and correctness of the information presented herein and confirms that it has conducted proper research and examination and to the extent it is known and believed to affirm that the information contained herein is true and nothing is concealed or undisclosed that may make or cause the material information or facts in this announcement being untrue and/or misleading.

If the shareholders of the Company need complete information on Company's plan to perform this CIWPR, please contact the Company on every business day (Monday to Friday) at 9:00 to 17:00, at the following address:

PT CIPUTRA DEVELOPMENT TBK

Ciputra World 1 Jakarta

DBS Bank Tower Lantai 39

Jl. Prof. DR. Satrio Kav. 3-5
Karet Kuningan, Jakarta Selatan 12940
Tel. (021) 2988 5858; 2988 6868
Fax. (021) 2988 8686
Attn. Corporate Secretary

Jakarta, 26th April 2018

PT CIPUTRA DEVELOPMENT TBK

Board of Directors

Jakarta, April 26, 2018
Translated from Indonesian into English by
Authorized & Sworn Translator
- **FATCHUROZAK** -

ADS : Thursday, 26th April 2018

Newspaper : Bisnis Indonesia

NB : Black & White



PT CIPUTRA DEVELOPMENT TBK

("Company")

ANNOUNCEMENT ON

ANNUAL GENERAL MEETING OF SHAREHOLDERS

It is hereby informed to the shareholders of the Company that the Company shall convene an Annual General Meeting of Shareholders ("**AGMS**") on Monday, 4th June 2018, in Jakarta.

In accordance with the provisions of the Regulation of Indonesian Financial Services Authority (POJK) No. 32/POJK.04.2014 dated 8th December 2014 in conjunction with POJK No. 10/POJK.04/2017 dated 14th March 2017 concerning Planning and Convening General Meeting of Shareholders of Open Companies, the Company shall make the Notice on Friday, 11th May 2018, in 1 (one) Indonesian nation-wide daily newspaper, Indonesian Stock Exchange's website and Company's website (www.ciputradevelopment.com).

Only shareholders whose name recorded in the Register of Shareholders of the Company or security holders in the collective custody of PT Kustodian Sentral Efek Indonesia (KSEI) at the trade closing in the Indonesian Stock Exchange on 9th May 2018 may attend the meeting.

Any proposal from the shareholders shall be put into the agenda of meeting only upon compliance with the requirements in the articles of association of the Company and such proposal shall have been received by the Board of Directors no later than 7 (seven) days prior to the Meeting Date.

Jakarta, 26th April 2018

PT CIPUTRA DEVELOPMENT TBK

Board of Directors

Jakarta, April 26, 2018
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Authorized & Sworn Translator

- **FATCHUROZAK** -