

DISCLOSURE TO THE SHAREHOLDERS OF INFORMATION RELATED TO PT SARANA MENARA NUSANTARA TBK PROPOSED SHARE BUYBACK PROGRAM (“INFORMATION DISCLOSURE”)

THIS INFORMATION DISCLOSURE IS MADE IN COMPLIANCE WITH THE FINANCIAL SERVICES AUTHORITY REGULATION NO. 30/POJK.04/2017 DATED 21 JUNE 2017 REGARDING SHARE BUYBACKS ISSUED BY PUBLIC COMPANIES. INFORMATION CONTAINED IN THIS INFORMATION DISCLOSURE IS IMPORTANT TO BE READ AND CONSIDERED BY THE SHAREHOLDERS OF PT SARANA MENARA NUSANTARA TBK (THE “COMPANY”)

If you have questions or require clarification on the context or information contained in this disclosure, please consult with a securities broker, investment manager, legal counsel, public accountant or other professional advisors.

THE BOARD OF DIRECTORS AND THE BOARD OF COMMISSIONERS OF THE COMPANY, INDIVIDUALLY OR COLLECTIVELY, ARE SOLELY RESPONSIBLE FOR THE ACCURACY AND COMPLETENESS OF THE INFORMATION AS DISCLOSED IN THIS INFORMATION DISCLOSURE AND, AFTER CONDUCTING COMPREHENSIVE RESEARCH, AFFIRM THAT THE INFORMATION CONTAINED IN THIS INFORMATION DISCLOSURE IS TRUE AND THAT THERE IS NO MATERIAL INFORMATION OR FACTS THAT ARE NOT DISCLOSED IN THIS INFORMATION DISCLOSURE OR THAT INFORMATION PROVIDED IN THIS INFORMATION DISCLOSURE MAY BE CONSTRUED AS NOT TRUE AND/OR MISLEADING.



SARANA MENARA NUSANTARA

PT Sarana Menara Nusantara Tbk.
Domiciled at Kudus, Indonesia
(the “Company”)

Business Activities:

Investment and Telecommunication Supporting Service

Head Office

Jl. Jend. A.Yani No. 19 A
Panjuran Subdistrict, Kota Kudus District
Kudus Regency – 59317
Central Jawa, Indonesia
Tel. (62-291) 431691
Fax. (62-291) 431718

Branch Office

Menara BCA, 55th floor
Jl. M.H. Thamrin No. 1
Jakarta 10310, Indonesia
Tel. (62-21) 2358 5500
Fax. (62-21) 2358 6446

Website: www.ptsmn.co.id
Email: investor.relations@ptsmn.co.id

The Company hereby informs the shareholders of the Company that the Company plans to conduct a share buyback of the Company's shares that have been issued and are registered on the Indonesia Stock Exchange (*Bursa Efek Indonesia* or "**BEI**") in a maximum amount of 5% (five percent) of the total issued and paid-up capital of the Company or at a maximum amount of 2,550,731,250 (two billion five hundred fifty million seven hundred thirty one thousand two hundred and fifty) shares of the Company ("**Share Buyback**"). The Share Buyback program will be conducted within 18 (eighteen months) after the Share Buyback program is approved by a Company's Extraordinary General Meeting of Shareholders ("**GMS**") in accordance with Law No. 40 Year 2007 regarding Limited Liability Companies ("**Company Law**") and Financial Services Authority Regulation No. 30/POJK.04/2017 regarding Share Buybacks Issued By Public Companies ("**POJK No. 30/2017**").

In order to undertake a Share Buyback by the Company, and in compliance with the Company Law and POJK No. 30/2017, it is necessary to obtain approval for a Share Buyback program from a Company's GMS. The Company plans to conduct such extraordinary GMS on Friday, August 10, 2018 or on another date that may be determined if there is a postponement of that date. The announcement regarding the plan for the Company's GMS will be announced in 1 (one) nation-wide Indonesian daily newspaper, the Indonesia Stock Exchange website, and the Company's website, www.ptsmn.co.id, on July 4, 2018. The authorized party(s) to attend or to be represented in the GMS are the shareholders whose names are listed in the Company's Shares Register and/or the Company's shareholders in the securities sub accounts of the Indonesia Central Securities Depository (*PT Kustodian Sentral Efek Indonesia* or "**KSEI**") at the close of trading of the Company's shares on the BEI on July 18, 2018.

This Information Disclosure is issued in Jakarta on July 4, 2018

INFORMATION REGARDING THE COMPANY SHARE BUYBACK PROGRAM

The Company hereby advises the Company's shareholders to obtain all information required regarding the Company's plan to conduct a Share Buyback so that the shareholders will be fully informed of the particulars of the Share Buyback program. The Company plans to buy back a maximum amount of 5% (five percent) of the issued and paid-up capital of the Company or a maximum total of 2.550.731.250 (two billion five hundred fifty million seven hundred thirty one thousand two hundred and fifty) shares of the Company.

In accordance with the Company's Articles of Association and Indonesian Company Law, the Share Buyback will require approval from a GMS which shall be attended by shareholders representing at least 2/3 (two thirds) of the total shares issued by the Company with valid voting rights and the Share Buyback plan must be approved by more than 2/3 (two thirds) of all shares with voting rights attending the GMS.

A. ESTIMATED SCHEDULE / TERM OF THE EXECUTION OF SHARE BUYBACK PROGRAM

The Share Buyback program will become effective after the Company has obtained approval from the EGMS. In accordance with POJK No. 30/2017, the Share Buyback program will be valid within an 18 (eighteen) month period, from the date of the GMS which approves the Share Buyback plan. As such, the execution of the Share Buyback program will be valid starting from **August 13, 2018** and concluding on **February 13, 2020** or other dates to be determined by the EGMS in accordance with the prevailing laws and regulations.

B. ESTIMATED FEE OF THE SHARE BUYBACK PROGRAM AND TOTAL NOMINAL VALUE OF SHARES ELIGIBLE FOR THE BUYBACK OF THE COMPANY

Estimated Shares Buyback Fee

The Company shall incur a fee for the Share Buyback program related to share purchase transactions amounting to 0.25% (zero point two five percent) of the value of the shares purchased.

Total Nominal Value of Buyback Shares

The Company intends to conduct a Share Buyback program of as much as 5% of the total issued and paid-up capital of the Company. In connection with such, the total buyback of shares will not exceed 2,550,731,250 (two billion five hundred fifty million seven hundred thirty one thousand two hundred and fifty) shares with a nominal value of IDR10.00 (ten Rupiah) per share equivalent to a total nominal value of the buyback of shares of approximately IDR 25,507,312,500 (twenty five billion five hundred seven million three hundred twelve thousand five hundred Rupiah).

C. DESCRIPTION, CONSIDERATION, AND REASON FOR THE SHARES BUYBACK

The Company currently has adequate cash flows and a low debt leverage ratio, when compared to equivalent and similar peer companies, that will allow the Company to undertake a Share Buyback program. As of March 31, 2018, the Company recorded undetermined retained earnings in the amount of approximately IDR 6.5 Trillion and will continue to record positive growth. In addition, the traded value of the Company's shares in the market are relatively low compared to the value of shares of other peer companies in the same industry.

Based on the above, the Company intends to conduct a Share Buyback program. The Share Buyback program is also expected to provide greater flexibility to the Company in managing capital in order to achieve a more efficient capital structure.

The Company believes that the Share Buyback program does not affect the Company's business activities as the Company has adequate working capital to fund its business activities.

D. ESTIMATION OF DEGRADATION OF THE COMPANY'S REVENUES AS A RESULT OF THE EXECUTION OF THE SHARE BUYBACK AND THE IMPACT ON THE FINANCING COST OF THE COMPANY

The Company believes that the execution of the Share Buyback program will not have a material negative impact on the Company's business activities as the Company has sufficient working capital and financial resources to conduct the Share Buyback program while maintaining the Company's business activities.

E. PROFIT PROFORMA PER SHARE AFTER THE IMPLEMENTATION OF THE SHARE BUYBACK (BY CONSIDERING DECLINE REVENUE)

The conduct of the Share Buyback will not impact the Company's revenue. With the change in the number of outstanding shares, the plan for a Share Buyback is expected to not significantly impact the Company's profit per share.

Below is the Company's net profit proforma per share if the Share Buyback program is implemented:

Information	Before the Shares Buyback (Per March 31, 2018)	Before the Shares Buyback**	Amount of Shares Buyback	After the Shares Buyback Taking Account of Stock Split (As of March 31, 2018)***
Net Sales*	1,361,939	1,361,939	-	1,361,939
Net Profit attributed to the Owner of the Parent Entity*	518,705	518,705	-	518,705
Total Average Distributed Shares	10,202,925,000	51,014,625,000	2,550,731,250	48,463,893,750
Net Profit per Basic Shares*	50.84	10.17	-	10.70

*) in rupiah million

**) under the assumption that the stock split had occurred on March 31, 2018

***) stock split with the ratio of 1:5 which valid effectively on the trading date on June 28, 2018.

F. METHOD TO BE APPLIED TO CONDUCT THE SHARE BUYBACK

The Company will conduct the Share Buyback program in accordance with the following:

1. The Share Buyback will be conducted through trading at the Indonesian Stock Exchange.
2. The Company will appoint PT BCA Sekuritas to conduct the Share Buyback program within the Share Buyback period while taking into account the prevailing laws and regulations.

G. RESTRICTION ON PRICE TO CONDUCT SHARES BUYBACK

Restrictions on the Share Buyback price shall follow the applicable legal provisions and accordance with POJK No. 30/2017.

H. RESTRICTION OF THE PERIOD OF SHARES BUYBACK

In connection with POJK No. 30/2017, the period of execution of the Share Buyback program shall be at the latest 18 (eighteen) months commencing from the EGMS date which approves the Share Buyback program of the Company.

I. ANALYSIS AND MANAGEMENT DISCUSSION ON IMPACT OF SHARES BUYBACK TOWARD THE COMPANY'S OPERATIONS AND GROWTH GOING FORWARD

The Company believes that the execution of the Share Buyback program will not affect and/or negatively impact the Company's business activities considering that the Company has sufficient capital to develop and to operate the business in accordance with the prevailing regulations. The Company has financial flexibility which can be used for a Share Buyback. By executing the Share Buyback program it is expected that the Company will maintain the stability of stock prices in the future and provide flexibility in achieving a more efficient capital structure while enabling the Company to increase the earnings per share and the Return on Equity.

J. Extraordinary General Meeting of Shareholders (EGMS)

In relation to the Share Buyback program as described in this Information Disclosure, the Company intends to obtain approval from the shareholders of the Company at the proposed EGMS to be convened on Friday, August 10, 2018. The EGMS will be conducted in accordance with the provisions of Company Law, POJK No. 30/2017, and Financial Services Authority Regulation No. 32/POJK.04/2014 dated December 8, 2014 on Planning and Holding General Meeting of Shareholders of Public Limited Companies, as amended by Financial Services Authority Regulation No. 10/POJK.04/2017 regarding Amendment to the Financial Services Authority Regulation No. 32/POJK.04/2014 regarding the Planning and Holding General Meeting of Shareholders of Public Limited Companies. In accordance with the applicable rules and regulations, the EGMS should be attended by shareholders representing at least 2/3 (two thirds) of the total shares issued by the Company with valid

voting rights and the Share Buyback plan must be approved by more than 2/3 (two thirds) of all shares with voting rights attending the EGMS.

TIMETABLE OF THE EGMS	
Notification of the EGMS agenda regarding the Shares Buyback plan to OJK	June 25, 2018 (done)
Announcement of the EGMS	July 4, 2018
Date of Shareholders Register who will be authorized to attend the EGMS	July 18, 2018
Invitation for EGMS	July 19, 2018
EGMS	August 10, 2018

K. ADDITIONAL INFORMATION

To obtain additional information regarding the Share Buyback plan of the Company, please contact the Company's Corporate Secretary during business hours at the Company's offices as stated below:

PT SARANA MENARA NUSANTARA TBK.

Kantor Cabang

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Fax. (62-21) 2358 6446
Website: www.ptsmn.co.id
Email: investor.relations@ptsmn.co.id

U.p. *Corporate Secretary*

Jakarta, July 4, 2018

Board of Directors of the Company