

Confirmation on the Plan of Capital Increase with Pre-Emptive Rights of PT Bank Muamalat Indonesia Tbk

To fulfill the provision of Article 15 of Financial Services Authority Regulation No. 32/POJK.04/2015 regarding Capital Increases in Public Companies with Pre-emptive Rights ("OJK Regulation No. 32/2015") and related to Company's plan to conduct capital increase through Limited Public Offering with pre-emptive rights ("Right Issue") where the approval of which will be asked in the Extraordinary General Meeting of Shareholders which will be conduct by the Company on 20 September 2017 ("EGMS"), we hereby convey several information as follows:

A. The Maximum Number of Shares Issuance Plan with Pre-Emptive Rights

In conducting Company's plan to conduct capital increase with pre-emptive rights, the Company plans to issue B Series Share with a nominal value of IDR100.00 (one hundred Rupiah) per share with a maximum amount of 80,000,000,000 (eighty billion) shares. Considering that the maximum number of B Series Shares to be issued by the Company exceeds the number of B Series Shares held in portepel, the Company plans to increase its Authorized Capital where the approval of which will be asked in the EGMS.

B. Estimated Timeframe For Completion Of The Capital Increase

In accordance with the provisions of Article 8 paragraph (3) OJK Regulation No. 32/2015, the period between the date of approval of the EGMS with respect to the LPO to the effective date of the registration of Right Issue shall be no more than 12 (twelve) months. Therefore, the Company plans to execute the capital increase through the said Right Issue within the period of 12 (twelve) months.

The Rights Issue will be subject to and will be executed upon approval of the Company's EGMS and the effective statement of OJK on the registration statement for the Rights Issue submitted by the Company with reference to the prevailing laws and regulations in Indonesia.

C. Analysis on the Effects of the Capital Increase on the Public Company's Financial Condition and on its Shareholders

In the event that all of the Company's shareholders exercise the Pre-Emptive Rights which are offered in the Right Issue in maximum amount, then the Company's capital structure before and after the execution of the Rights Issue in proforma is as follows:

- Changes in Authorized Capital of The Company

Description	Number of Shares Before PUT VI		New Shares	Number of Shares After PUT VI	
	Number of S hares	Amount	Number of S hares	Number of S hares	Amount
Authorized Capital					
1. Series A (Amount Rp200)	826,649,175	165,329,835,000	-	826,649,175	165,329,835,000
2. Series B (Amount Rp100)	28,346,701,650	2,834,670,165,000	80,000,000,000	108,346,701,650	10,834,670,165,000
Total	29,173,350,825	3,000,000,000,000	80,000,000,000	109,173,350,825	11,000,000,000,000
Issued and Fully Paid-Up Capital					
1. Series A (Amount Rp200)	826,649,175	165,329,835,000	-	826,649,175	165,329,835,000
2. Series B (Amount Rp100)	9,381,053,160	938,105,316,000	80,000,000,000	89,381,053,160	8,938,105,316,000
Total	10,207,702,335	1,103,435,151,000	80,000,000,000	90,207,702,335	9,103,435,151,000

- Changes in the Share Ownership of Shareholders

Shareholders	Existing Shares		Pre-emptive Rights	Shares After PUT VI	
	Total Shares	%	Total Pre-emptive Rights	Total Shares	%
IDB	3,341,894,294	32.7%	26,191,157,887	29,533,052,181	32.7%
Boubyan Bank	2,245,694,513	22.0%	17,599,999,995	19,845,694,508	22.0%
Atwill Holding Ltd	1,828,090,034	17.9%	14,327,142,183	16,155,232,217	17.9%
National Bank of Kuwait	862,755,656	8.5%	6,761,605,131	7,624,360,787	8.5%
IDF Investment Foundation	355,461,941	3.5%	2,785,833,124	3,141,295,065	3.5%
BMF Holding Limited	289,985,977	2.8%	2,272,683,646	2,562,669,623	2.8%
Public	1,283,819,920	12.6%	10,061,578,035	11,345,397,955	12.6%
Total	10,207,702,335	100.0%	80,000,000,000	90,207,702,335	100.0%

However, if the shareholder of the Company does not exercise the Pre-Emptive Rights that are entitled in such Right Issue, the ownership of the shareholders of the Company will be diluted according to the portion of the exercise of its Pre-Emptive Rights. The impact on the Company's financial condition is that the company's core capital will be increased to Rp8 trillion.

D. General Elaboration on the Proposed Use of Proceeds

The Company plans to use all of the net proceeds earned from this Right Issue (after deducted with commissions, fees and expenses paid in connection with Right Issue), to strengthen the Company's capital structure to develop syariah financing activities which is the Company's core business and also other proposes which can support the Company's Business Expansion. After the proceeds of the Rights Issue are received by the Company, the fund will be classified into the Company's Tier-1 Capital and becomes the part of the Company's capital structure.

Jakarta, 18 September 2017
PT Bank Muamalat Indonesia Tbk
 Board Of Director