

**INFORMATION DISCLOSURE TO SHAREHOLDERS IN CONNECTION WITH THE CHANGE OF
THE SHARE BUYBACK PLAN IMPLEMENTATION OF
PT BANK CIMB NIAGA Tbk.
(The “Company”)**

Having its registered address at South Jakarta, Indonesia

Business Operation:

Banking

Head Office:

Graha CIMB Niaga

Jl. Jend. Sudirman Kav. 58 Jakarta 12190

Telephone: +6221 250 5252, Faksimili: +6221 250 5205

website: www.cimbniaga.com

Email: corporate.secretary@cimbniaga.co.id

Introduction

The Extraordinary General Meeting of Shareholders which was held on 25 April 2017 (“**EGMS on 25 April 2017**”) resolved, among others, to approve the Company’s share buyback plan from the public shareholders and Khazanah Nasional Berhad up to maximum of 2%. In relation to the above, at the EGMS on 25 April 2017, the Company has made Disclosure Information to the Shareholders in relation to the Share Buyback Plan of the Company on 10 March 2017 (“**KI EGMS on 25 April 2017**”). For one and another reason, the Company intends to change of the Company’s share buyback plan which was approved at the EGMS on 25 April 2017, which the changes shall be approved at the Extraordinary General Meeting of Shareholders to be held on 24 August 2017 (“**EGMS on 24 August 2017**”).

As stated in the announcement of Summary of Minutes of EGMS 25 April 2017, it is resolved and approved as follows:

1. Approval to Share Buy Back from public shareholders and Khazanah Nasional Berhad up to a maximum of 2% of the Paid-up Capital to be applied for the stock-based loyalty program to the management and employee (Management Employee Stock Option Plan/MESOP) with the objective of improving the productivity and performance of the management and employee and to build a sense of belonging to the Company.
2. Approval to authorize the Board of Directors to implement the share buyback no later than 18 months since EGMS 25 April 2017, and after receiving approval from the relevant authority as well as at price deemed fair and reasonable by the Company but not exceeded the maximum amount IDR. 500,000,000,000.00 including broker fee and other related expenses.
3. In the event that the share buyback cannot be implemented, including due to an absence of approval by the relevant authority, this resolution shall be void without a GMS approval.

Proposed Change

In relation to share buyback plan of the Company and implementation of stock-based loyalty program to management and employees, the Company considers to amend the Resolutions of EGMS on 25 April 2017 and to change the disclosure information as stated in the KI EGMS on 25 April 2017, which will request approval in the Third Agenda at the EGMS on 24 August 2017 as follows:

“Amendment for the approval of the share buyback of the Company”

The share buyback will be conducted in accordance with the prevailing laws and regulations of the Republic of Indonesia, including the Law of the Republic of Indonesia No. 40 of 2007 on Limited Liability Companies and Financial Services Authority Regulation (formerly Capital Market and Financial Institution Supervisory Board) No. XI.B.2, Appendix to Head of Capital Market and Financial Institution Supervisory Board Decision No. Kep-105/BL/2010 dated April 13 2010 on Buyback of Shares Issued by Issuer or Public Companies ("**Regulation No. XI.B.2**").

A. Proposed Schedule, Share Buyback Cost and Nominal Value of Shares to be Bought Back

The Share Buy Back from public shareholders of up to a maximum of 2% of Paid-up Capital to be used for stock-based loyalty program to the management and employees in the Employee and Management Ownership Program in the form of Share Grant and Management Employee Stock Option Plan (MESOP).

Share Buyback will be conducted no later than 12 months since the EGMS on 24 August 2017.

The estimated cost for the share buyback is a maximum of IDR.500,000,000,000.00 (five hundred billion Rupiahs) which includes the broker fee and any other related expenses.

The cost will be used to buy back the Company's shares at a maximum of 2% (two percent) of the total issued and fully paid shares or a maximum of 503,000,000 (five hundred and three million) shares.

B. Explanation, Consideration and Reasons for Share Buyback

In line with the objectives set by the Company to improve its performance in the strict competition of banking industry in Indonesia, it is necessary to establish management and employee stock option plan and in effort to retain the employees of the Company with good performance. This program is also one of the benefits from the share buyback as stated in Regulation No. XI.B.2.

The Employee and Management Ownership Program in the form of Share Grant and Management Employee Stock Option Plan (MESOP) are variable remuneration programs in shares. At present, the Company is preparing the programs, the terms and conditions and criteria of eligibility of each participant by duties and responsibilities which have significant effect on the performance of the Company.

The programs planned by the Company are aimed at improving the productivity and performance of the management and employee and to create a sense of belonging to the Company.

The programs will be implemented by following and complying with applicable laws and regulations including regulations on affiliated transactions and conflict of interest of certain transactions.

C. The estimated decrease in revenue of the Company as a consequence of Share Buyback and Financing Cost

The Company is confident that the share buyback will not have an adverse effect on its operations given its adequate working capital and cash flow to simultaneously finance the transactions and operations of the Company.

D. The Pro forma Profit per-share of the after the Share Buyback by considering Estimated Decrease in Revenue

The Company recorded net profit per-share of IDR.82,83 (eighty two point eighty three rupiahs) and the *pro forma* net profit per share after the share buyback is IDR.84,52 (eighty four point fifty two Rupiah).

Information	31 December 2016 (in million Rupiah, unless otherwise stated)		
	Prior Buy Back	Impact	After Buy Back
Asset Value	241,571,728	(500,000)	241,071,728
Net Income of Holding Equity Owner	2,081,687		2,081,687
Equity	34,207,622	(500,000)	33,707,622
Number of Outstanding Shares (million shares)	25,132	(503)	24,629
Net Income Per Share (full Rupiah)	82,83		84,52
Return on Asset (ROA)	1.20%		1.21%
Return on Equity (ROE)	6.79%		6.90%

E. Limitation to Share Buyback Price

Company will buy back the shares in accordance with Regulation No. XI.B.2 as follows:

1. In the event of share buyback through the Stock Exchange, the offer price shall be lower or equal to that in the previous transaction; and
2. In the case of share buyback outside the Stock Exchange and given that the shares of the Company are listed and traded in the Stock Exchange, the highest price of share buyback shall be the average price at the close of business in the Stock Exchange for the last period of 90 (ninety) days prior to the share buyback date.

F. Share Buyback Method

As per Regulation No. XI.B.2, the Company will buy the shares both through and outside the Stock Exchange.

G. Analysis and Discussion by the Management on Effect of Share Buyback on the Future Operations and Growth of the Company

The Company is confident that the implementation of the share buyback will not affect the Company's business activities and operations since the Company has sufficient capital adequacy (CAR) in accordance with prevailing regulations.

Jakarta, 18 July 2017
Board of Directors of the Company