

PRESS RELEASE

REVISION OF BAPEPAM RULE NO. IX.H.1 CONCERNING PUBLIC COMPANY TAKE-OVER AND RULE NO. IX.F.1 CONCERNING TENDER OFFER ALSO ADMINISTRATIVE SANCTIONS FOR SECURITIES COMPANY

On April 5th 2002, Bapepam issues 2 (two) rules as implementing rule of Law no.8 year 1995 concerning Capital Market and revocation of license to 5 (five) securities companies acted as Investment Managers

a. **Rule Revision**

With regards to promote capital market investment, Bapepam needs to revise the existing rules of:

A. **Bapepam Rules No. IX.H.1 concerning Public Company Take-Over.**

This revision, in general, aims at creating supporting condition for Indonesian market in accordance with international market standards, especially, with regional market's. Fundamental elements of this revision include:

1. Stipulation concerning percentage of share ownership to be considered as controller from formerly 20% to 25%. Nevertheless, not all 25% share ownership will be considered as a controlling shareholder, as long as he/she can verify that he/she has no intention of controlling the public company.
2. Removal of the word Equity Securities with regard to Public Company control. Considering that Public Company control can be achieved if a party owns the right to vote in the company. Whereas, equity securities is not/yet enclosed the voting right. Therefore it would be irrelevant to connect equity securities with Public Company control.
3. As the new controller of public company, he/she is required to conduct a Tender Offer for the rest of the shares, except for shares owned by stakeholders or other controlling shareholders. In addition, new controller of public company is not required to conduct a Tender Offer for shares owned by:
 - a. other party who at the same time conducts a Tender Offer of the shares as well;
 - b. other party who performs transaction of Public Company Take-Over with New Controller of the Public Company; and
 - c. other party who gets the offering under certain terms and condition similar to Public Company New Controller's.
4. Adjustment of the price of a Tender Offer is to emphasize on the execution price of a tender offer for a direct or indirect take-over.

B. Bapepam Rules No. IX.F.1 concerning Tender Offer

Revision of Bapepam Rules No. IX.F.1 concerning Tender Offer includes an addition of 2 (two) stipulations concerning:

1. An obligation for Target Company in keeping the secrecy of tender offer plan prior to its publication in mass media.
2. An adjustment in time frame of Tender Offer execution due to a take-over will be no longer than 30 (thirty) days since an Effective Tender Offer Statement is announced.

II. Administrative Sanctions of License Revocation for Investment Managers

Base on results of Bapepam investigation on Investment Managers, 5 (five) Investment Managers do not comply with stipulation of Article 36 item 3 of Government Regulation No.45 year 1995 concerning Capital Market Organization. With regards to the facts, Bapepam has issued administrative sanctions to revoke 5 (five) Investment Managers' licence. This 5 (five) Investment Managers are:

1. PT UOB Kay Hian Securities;
2. PT Primarindo Securities;
3. PT Finan Corpindo Nusa;
4. PT Pranata Securities; and
5. PT Bintang Nusantara Sekuritas.

Jakarta, April 5th 2002

Capital Market Supervisory Agency

Chairman

Herwidayatmo

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