

**THE EXPLANATION ON THE AGENDA OF
EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF
PT BANK DANAMON INDONESIA, TBK.**

In relation to the plan to conduct the Extraordinary General Meeting of Shareholders (“**EGMS**”) of PT Bank Danamon Indonesia, Tbk. (the “**Company**”) on Wednesday, September 7, 2016, the Company had announced via two daily newspapers namely Bisnis Indonesia and the Jakarta Post:

- The announcement of EGMS on August 1, 2016,
- The invitation to attend EGMS on August 16, 2016.

Furthermore, with respect to:

- Indonesia Financial Services Authority (FSA) Regulation Number 32/POJK.04/2014 on the Plan and Implementation of General Meeting of Shareholders of a Public Company,
- Indonesia Financial Services Authority Regulation Number 33 /POJK.04/2014 of the Board of Directors and Board of Commissioners of Public Company,
- Bank Indonesia Regulation Number 13/2/PBI/2011 dated January 12, 2011 on the Implementation of Bank Compliance Function,
- Decree of the Indonesia Stock Exchange Number Kep-00001/BEI/01-2014 dated January 20, 2014 regarding the Amendment of Rule No. I-A on Registration of Shares and non shares equity like securities issued by the Listed Company, and
- ASEAN Corporate Governance Scorecard issued by the ASEAN Capital Market Forum in relation to the rights of shareholders and the disclosure and transparency principles,

the Company hereby submit the explanation on EGMS agenda as follows:

Agenda

The Change in the Composition of the Board of Directors of the Company.

1. Background

Pursuant to Article 23 Financial Service Authority Regulation (“POJK”) number 33/POJK.04/2014 and Article 11 paragraph 6 of the Company's Articles of Association, the members of the Board of Directors/Board of Commissioners are appointed and dismissed by the GMS. The appointment is effective from the date specified in the GMS when he/she/they are appointed and ends at the conclusion of the 3rd AGMS after their appointment date.

Pursuant to the Bank Indonesia Regulation Number 13/2/PBI/2011 dated January 12, 2011 on the Implementation of Compliance Function of Commercial Banks in relation to the importance of the Compliance Director which is an important component of corporate governance and banks soundness.

Article (3) of Bank Indonesia Regulation Number 12/23/PBI/2010 on Fit and Proper Test, Bank Indonesia (now the FSA) and POJK Number 27/POJK.03/2016, conducts a fit and proper test for the candidates of Board of Directors and Board of Commissioners.

6.1. Explanation/Opinion of Board of Directors and Board of Commissioners

Considering the following points:

- The resignation of Fransiska Oei Lan Siem from her position as Director in charge of the Company's Compliance Function effective on May 17, 2016 as stated in the General Meeting of Shareholders on April 28, 2016;
- The importance of Director position in charge of Compliance Function for the Company;

- Recommendation Memo of Nomination Committee number B. 005 – KN dated May 25, 2016 concerning with the appointment of Mrs. Rita Mirasari as Compliance, Legal, and Corporate Secretary Director.

With regard to the above, the Board of Commissioners:

Received the Memorandum Recommendation dated May 25, 2016 from the Nomination Committee concerning the appointment of Mrs. Rita Mirasari as Compliance, Legal, and Corporate Secretary Director.

The Board of Commissioner will propose to the EGMS the appointment of Rita Mirasari as Director of the Company. Thus the composition of the Company's Board of Directors will be as follows:

- Sng Seow Wah as President Director;
- Muliadi Rahardja as Vice President Director;
- Vera Eve Lim as Director;
- Herry Hykmanto as Director;
- Michellina Triwardhanny Lakshmi as Director;
- Satinder Pal Singh Ahluwalia as Director;
- Adnan Qayum Khan as Director,
- Heriyanto Agung Putra as Director, and
- Rita Mirasari as Director (Independent),

where the term of office will expire at the AGMS in 2017.

In order to meet the Decree of the Indonesia Stock Exchange No.Kep-00001/BEI/01-2014 dated January 20, 2014 regarding the Amendment of Rule Number I-A on the Registration of Shares and Equity Shares issued by a Listed Company, the Company will propose to assign Rita Mirasari as Director who will concurrently be the Independent Director of the Company.

Provided that:

- Heriyanto Agung Putra will be effective as Director subject to the Fit and Proper Approval from the FSA, dan

- Rita Mirasari will be effective as Director subject to the Fit and Proper Approval from the FSA.

6.2. **Supported Data/Material**

[The Profile/ Curriculum Vitae of Candidate of Director](#) can be downloaded from the website of the Company and is available at the Head Office of the Company since August 16, 2016, concurrently with the date of EGMS's Invitation.

Other Notes

For additional explanation and data associated with exposure as mentioned above, please refer to the data and the documents that we have provided on this website, as follows:

List of important links:

Curriculum Vitae of Candidate of Director	http://www.danamon.co.id/LinkClick.aspx?fileticket=B-IPsascXkU%3d&tabid=243&language=en-US
Proxy Forms	http://www.danamon.co.id/Home/AboutDanamon/InformasiInvestor/GMS/tabid/243/language/en-US/Default.aspx
EGMS Rule of Conduct	http://www.danamon.co.id/LinkClick.aspx?fileticket=_KELvjH_8Lo%3d&tabid=243&language=en-US

The list of Company's announcements in the Newspaper:

The Title of Announcement and link to the Company's website	Newspaper	Issued Date
<p>Announcement of The Extraordinary General Meeting of Shareholders of PT Bank Danamon Indonesia, Tbk. (the "Company")</p> <p><u>in English:</u> http://www.danamon.co.id/LinkClick.aspx?fileticket=rMjZAB6QvNc%3d&tabid=243&language=en-US</p> <p><u>in Bahasa:</u> http://www.danamon.co.id/LinkClick.aspx?fileticket=A Ei7gJMvL9s%3d&tabid=243&language=id-ID</p>	<p><u>In English:</u> Jakarta Post</p> <p><u>In Bahasa:</u> Bisnis Indonesia</p>	August 1, 2016
<p>Invitation of The Extraordinary General Meeting of Shareholders of PT Bank Danamon Indonesia, Tbk. (the "Company")</p> <p><u>in English:</u> http://www.danamon.co.id/LinkClick.aspx?fileticket=EeIFBYzz7us%3d&tabid=243&language=en-US</p> <p><u>in Bahasa:</u> http://www.danamon.co.id/LinkClick.aspx?fileticket=G BrRu6Uyhoc%3d&tabid=243&language=id-ID</p>	<p><u>In English:</u> Jakarta Post</p> <p><u>In Bahasa:</u> Bisnis Indonesia</p>	August 16, 2016

Jakarta, August 16, 2016
 PT Bank Danamon Indonesia, Tbk.
 The Board of Directors