

Information Disclosure of Medium Term Notes Issuance

20 February 2018

Public Company : PT Semen Baturaja (Persero) Tbk
Business Field : Conducting business activities in the field of cementing and other chemical industries
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1. Date of Event : 20 February 2018
2. Kind of Information or Material Fact : Signing of issuance agreement and monitoring agent appointment of Medium Term Notes I SMBR 2018.
3. Description of information or material fact :

On February 20, 2018, Deed of Agreement on Issuance and Monitoring Agent Appointment of Medium Term Notes (MTN) I SMBR Tahun 2018 No. 29 have been signed before Notary Nanette Cahyanie Handari Adi Warsito by the Company (as the issuer), PT BNI Sekuritas and PT Bosowa Sekuritas (as joint arrangers and / or management hereinafter referred to as "Joint Arrangers" and PT Bank Negara Indonesia (Persero) Tbk as the Monitoring Agent hereinafter referred to as "Monitoring Agent").

 - Total issued MTN amounting to Rp.400 billion with maturities of 3 years and 9.00% flat interest p.a.
 - Lead Arranger : BNI Securities
 - Instrument Rating : idA (Single "A" Flat)
 - Issuance Cost : Rp.2.440.000.000, -
 - Legal Consultant : Melli Darsa & Co.
 - Notary : Nanette Cahyanie Handari Adi Warsito, S.H
 - Monitoring Agencies: PT Bank Negara Indonesia (Persero) Tbk
4. The impact of event, information or material fact towards operational activity, law, financial condition or business sustainability of the public company :

On 20 Mei 2016, SMBR received Syndication Credit from Bank Negara Indonesia (BNI) and Bank Sumsel Babel (BSB) amount to Rp.1,3 trillion with interest rate of 9,45% per annum. Until the end of 2017, SMBR has used Rp.925,6 billion for the construction of Baturaja II Plant with the clinker production capacity of 1,5 million ton/year and cement production of 1,85 million ton/year.

In order to fund capital expenditure this year, SMBR change the rest of loan with the medium term notes amount to Rp.400 billion and interest rate of 9,0% flat per annum. The cheaper of this loan is hoped give efficiency on interest cost around Rp.79 billion until 2024.

5. Another description

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