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PROPOSAL TO:

- A RIGHTS ISSUE TO RAISE UP TO RP 5 TRILLION (THE “RIGHTS ISSUE”), TO FUND THE TRANSACTION (AS DEFINED BELOW);
- PURCHASE 1.578.272.333 SHARES REPRESENTING 85.31% OF THE ISSUED AND PAID UP CAPITAL OF PT DUTA PERTIWI TBK FROM PT PARAGA ARTAMIDA AND PT EKACENTRA USAHAMAJU;
- SUBSCRIBE FOR NEW SHARES IN PT SINAR MAS TELADAN AMOUNTING TO 60.00% OF THE ENLARGED PAID-UP AND ISSUED CAPITAL OF PT SINAR MAS TELADAN; AND
- SUBSCRIBE FOR NEW SHARES IN PT SINAR MAS WISESA AMOUNTING TO 55.00% OF THE ENLARGED PAID-UP AND ISSUED CAPITAL OF PT SINAR MAS WISESA (COLLECTIVELY THE “TRANSACTIONS”)

On 20 October 2010, PT Bumi Serpong Damai Tbk (the “Company” or “BSDE”) announced the proposed Transactions and the proposed Rights Issue. A registration statement in relation to the Rights Issue and material transaction documents in relation to the Transactions were submitted to BAPEPAM-LK on 20 October 2010. The abridged prospectus in relation to the Rights Issue and summary of disclosure to shareholders in relation to the Transactions were published in one Indonesia language newspaper, namely Investor Daily.

For the information of international investors, this announcement sets out the key details of the proposed Rights Issue and the proposed Transactions. The unofficial English translation (the “English Abridged Prospectus”) of the Abridged Prospectus of the Company as announced on 20 October 2010 and written in Bahasa Indonesia (the “Bahasa Abridged Prospectus”) has been prepared by the Company solely to provide the current shareholders of the Company with information in connection with the Rights Issue and an unofficial English translation (the “English Summary of the Circular”) of the summary of the circular prepared for shareholders of the Company in relation to the Transactions as announced on 20 October 2010 (the “Summary of the Circular”) is also attached to this announcement.

**The attached English Abridged Prospectus and English Summary of the Circular have been provided only for the convenience of the recipient. No representation or warranty, express or implied, is or will be made in or in relation to, and no responsibility or loss is or will be accepted by the Company or any of its advisers as to the accuracy of the translation**

or its contents and any liability therefore is hereby expressly disclaimed. Neither the Company nor any of its advisers have any responsibility or liability whatsoever, for negligence or otherwise, for any loss arising from the use of the attached English Abridged Prospectus and English Summary of the Circular or its contents, or any liability otherwise arising in connection with the attached English Abridged Prospectus and English Summary of the Circular. The Bahasa Abridged Prospectus and the Summary of the Circular, written in Bahasa Indonesia, are the governing version and, in the event of any inconsistency, the Bahasa Abridged Prospectus and the Summary of the Circular shall prevail over the English Abridged Prospectus and the English Summary of the Circular.

The English Abridged Prospectus and the English Summary of the Circular do not constitute, contain or form part of, and should not be construed as, an offer, invitation or inducement to purchase or subscribe for any securities. The English Abridged Prospectus and the English Summary of the Circular, in whole or in part, does not form the basis of, and should not be relied upon in connection with, any contract, agreement or commitment whatsoever. Any decision to purchase rights or subscribe new shares in the offering should be made solely on the basis of the information contained in the Bahasa Prospectus (which will also be translated into English) prepared by the Company in relation to the Rights Issue.

### **Terms of the Rights Issue**

The proceeds from the Rights Issue, after deducting issuance expenses, will be used primarily for the following purposes:

- a) Approximately 87.2% to fund the Transactions; and
- b) Approximately 12.8% for working capital of the Company

The Rights Issue will raise gross proceeds of Rp 5 trillion (approximately US\$556 million). An indicative rights price of Rp 600 – 900 has been announced; however, shareholders should note that the final rights price will only be determined on or around 16 Nov 2010. Accordingly, the rights ratio and other terms will only be finalized at a later date.

If the shares in the Company offered pursuant to the Rights Issue (the “New Shares”) are not fully subscribed for by the Shareholders or holders of rights issued pursuant to the Rights Issue (the “Rights”), the remaining New Shares will be allotted to other holders of Rights who applied to subscribe for more than their entitlement, in proportion to the Rights exercised by such holders as stated in the Rights Certificate or Evidence Letter of Ownership pursuant to such exercise of Rights. If, after such allotment, any New Shares remain unsubscribed, such New Shares shall be purchased by Macquarie Capital (Singapore) Pte. Limited (“Macquarie”) and PT Sinarmas Sekuritas (“SMS”), as standby purchasers.

PT Paraga Artamida (“PAM”) has agreed that it and/or one or more of its subsidiaries will exercise the Rights allotted to it and its subsidiaries, such Rights representing 53.46% of the Rights.

**Indicative Timetable**

EGMS:	19 November 2010
Effective Notice of Rights Issue:	19 November 2010
Cum-rights in Regular and Negotiation Markets:	26 November 2010
Ex-rights in Regular and Negotiation Markets:	29 November 2010
Cum-rights in Cash Market:	1 December 2010
Recording Date to Obtain Rights:	1 December 2010
Ex-rights in Cash Market:	2 December 2010
Rights Distribution Date:	2 December 2010
Listing Date of Rights on IDX:	3 December 2010
Rights Trading and Exercise Period:	3-14 December 2010
Distribution Period of Shares for Exercised Rights:	8-16 December 2010
Last Date of Payment for Excess Shares Application:	16 December 2010
Allotment Date:	17 December 2010
Distribution Date of Shares from Excess Application:	21 December 2010
Refund Date:	21 December 2010

The Rights Issue and the Transactions are contingent upon, among other things:

- (i) the announcement of the exercise price;
- (ii) BAPEPAM-LK issuing its effective letter with respect to the Rights Issue registration statement;
- (iii) the approval of the shareholders at the EGMS;
- (iv) the Rights Shares being admitted for listing on the IDX; and
- (v) the fulfilment by the Company of certain other obligations under the standby purchase agreement with Macquarie and SMS on October 19, 2010 on the dates specified therein.

Jakarta, 20 October 2010  
PT Bumi Serpong Damai Tbk  
Board of Directors