

Press Release

KSEI 2019 Achievements:

Implementing a New Historical Milestone for the Indonesian Capital Market

Jakarta, December 30, 2019 - As 2019 ends, the Indonesia Central Securities Depository (KSEI) presents the various accomplishments that it has achieved throughout the year. KSEI President Director Uriep Budhi Prasetyo stated that as part of KSEI's duty and role to function as the Depository and Settlement Institution of the Indonesian Capital Market, "We had finalized several developments in 2019. One among them has become a new historical milestone for the Indonesian Capital Market, which is the implementation of Securities transaction fund settlements entirely through the Central Bank or Bank Indonesia, or Full Central Bank Money. (Full CeBM).

"The implementation of the Full CeBM will provide easier, faster, and more efficient fund settlements, with less operational risks. We are also proud to note that Indonesia has become the first country in Southeast Asia that has implemented the Full CeBM mechanism," said Uriep.

KSEI's support for the Sharia Capital Market has also been proved by obtaining *Fatwa* (Islamic non-binding legal opinion) Number 24/DSN-MUI/XI/2018 on the Adoption of Sharia Principles in the Implementation of Securities Transaction Depository and Settlement Services and Integrated Investment Infrastructure Management. This *Fatwa* has become a complementary reference in investing in the Indonesian Capital Market. As it is widely known, Indonesia is a potential market for the development of Sharia-based investment products. In the Indonesian Capital Market itself, more than 50% of the stocks in the Stock Exchange are Sharia-based stocks.

The Indonesia Central Securities Depository has also showcased its commitment to expand cooperation with the banking industry by increasing the number of Customer Fund Account Administrator Banks (RDN) and Payment Banks for the 2019 - 2024 period. Customer Fund Account Administrator Banks, which were previously numbered at 14 banks, have been increased to 16. Meanwhile, KSEI Payment Banks, which were previously numbered at five banks, have been increased to nine banks. The increasing number and diversity of Client Fund Account Administrator Banks will make it easier for Investors to invest in the Capital Market as they will have a more extensive selection of banks to choose from to open their Client Fund Accounts. Adding more Payment Banks is also part of KSEI's efforts to expand the Capital Market network through Co-Branding collaborations with the banking industry.

No.	Payment Bank/ Client Fund Account Administrator Bank	No.	Client Fund Account Administrator Bank
1	PT Bank Central Asia Tbk	1	PT Bank BCA Syariah
2	PT Bank CIMB Niaga Tbk	2	PT Bank BNI Syariah
3	PT Bank KEB Hana Indonesia	3	PT Bank Mayapada Internasional Tbk
4	PT Bank Mandiri (Persero) Tbk	4	PT Bank Nationalnobu Tbk
5	PT Bank Negara Indonesia (Persero) Tbk	5	PT Bank OCBC NISP Tbk
6	PT Bank Pan Indonesia Tbk	6	PT Bank Syariah Mandiri
7	PT Bank Permata Tbk	7	PT Bank Tabungan Negara (Persero) Tbk
8	PT Bank Rakyat Indonesia (Persero) Tbk		
9	PT Bank Sinarmas Tbk)		

On December 9, 2019, KSEI implemented Phase Two of the C-BEST Next Generation (C-BEST Next G) development, which is the implementation of the Corporate Action (CA) Module. With this Module, CA distribution processes can now be done through C-BEST Next G. Furthermore, C-BEST Next-G's processing speed has also been accelerated four times faster, from 20,000 instructions to 80,000 instructions per minute or 40 times faster than the processing speed of the previous version of C-BEST.

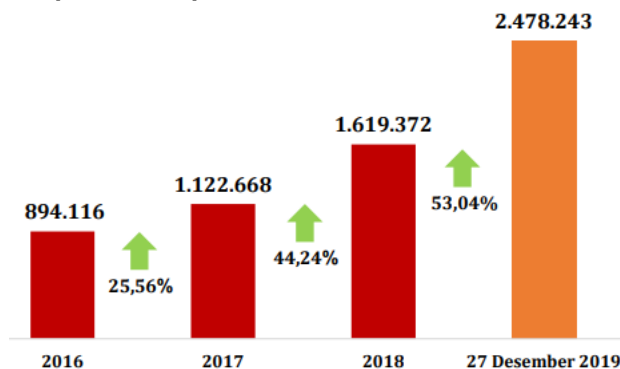
KSEI has also made it easier for Capital Market Investors to monitor their investment portfolios. In May 2019, KSEI finalized the development of the AKSes (Integrated Security Ownership Reference) facility's newest generation. This upgrade to the AKSes facility provides new attractive features to provide better accessibility for AKSes facility users. The AKSes facility is also designed to align with capital market Investor protection programs.

For its achievements throughout 2019, KSEI has also received the Marquee Award as the Best Central Securities Depository in Southeast Asia for 2019 by *Alpha South East Asia* magazine, a publication that regularly publishes researches and articles for Investors in the Asia-Pacific, European, and American regions.

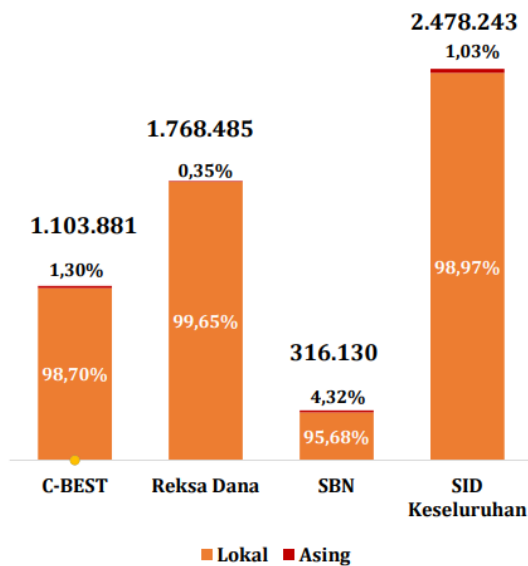
Uriep also noted that, based on investor data, as of December 27, 2019, KSEI has recorded 2,479,243 Investors, which is a 53.04% increase from the 1,613,372 total number of SIDs in December 2018. From that total, the largest SID numbers are Mutual Fund Investor SIDs at 1,768,485. Meanwhile, the current demographic data of Indonesian investors also show that it is dominated by men (59.41%), age 21-30 (44.62%), who are Private Sector Employees (53.69%) with Bachelor degrees (48.23%).

The total assets recorded at C-BEST, as of December 2018 to December 27, 2019, have also increased by 6.47% from Rp4,210.35 trillion to Rp4,482.72 trillion. This increase matches up with the growth of the Jakarta Composite Index (IHSG) in the Capital Market. Meanwhile, the total assets recorded in C-BEST as of November 29, 2019, were dominated by local Investors at 55.67%. This percentage has increased from the previous year's (as of December 2018) local ownership percentage of 54.82% and showcases the growing contribution of domestic Investors in the Indonesian Capital Market.

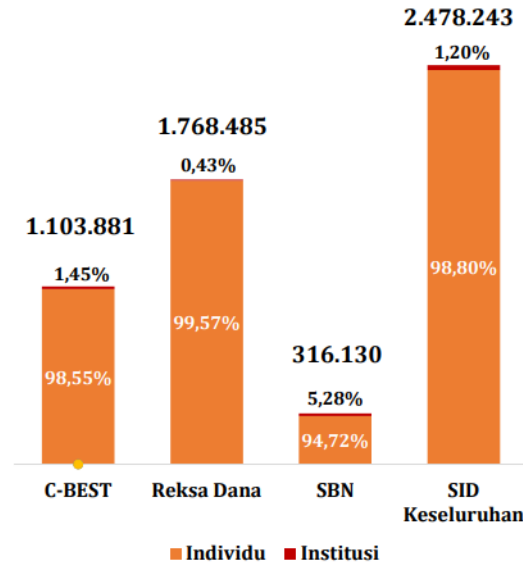
Graphic on Capital Market Investors' Total



Investor Category Details

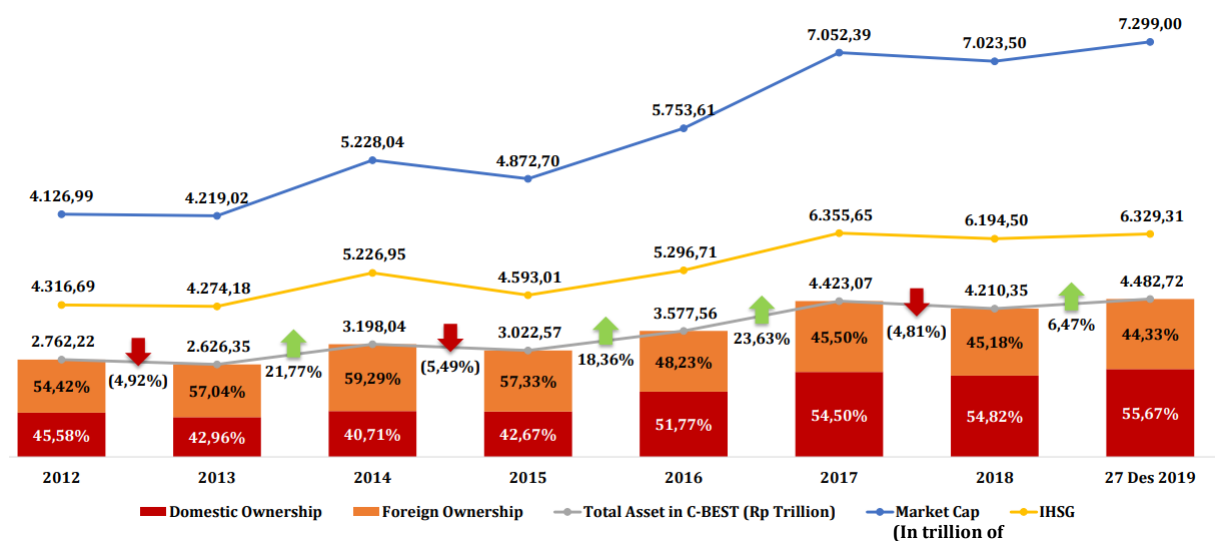


Ownership Details



As of December 27, 2019

Graphic on the Total Assets Recorded in KSEI's C-BEST System (2012 - December 27, 2019):



As an initiative for the following year, KSEI is planning to implement the electronic Proxy (e-Proxy) platform to accommodate the use of Investors' voting rights in General Meetings of Shareholders (GMS) without the need of physical attendance. Uriep hopes that this will help Investors, especially for Investors who own more than one Security or Investors who live in the regions, as well as foreign Investors, whose domiciles are far away from GMS locations.

According to Uriep, other initiatives are also focused on the Simplified Account Opening process, in which KSEI is developing a Hub for KSEI Account Holders (Securities Companies and Custodian Banks) and S-INVEST Users (Mutual Fund Selling Agents and Investment Managers) to verify Citizenship Identity Numbers (NIK) at the Ministry of Home Affairs' Directorate General of Population and Civil Records (Dukcapil) for their Investor Know Your Client (KYC) processes.

This Hub will also be connected to the Directorate General of Taxation for verification of Investor's Tax Identification Numbers (NPWP).

For further information, please contact:

Marketing and Corporate Communication Unit

PT Kustodian Sentral Efek Indonesia

Media Contact : Nina Rizalina

Phone: (021) 52991019

Fax: (021) 52991199