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ENGLISH VERSION



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First Media Annual Report Theme Continuity



Annual Report 2012 Theme

Road to the Future

Since two years ago, First Media had become one of the leading company in providing broadband internet service and pay television in Indonesia. Therefore, to represent an integrated service through high speed broadband, including to deliver subscription television service, First Media adopts the term BROADBAND UNITED in each theme of First Media's Annual Report. The theme "Road to the Future" illustrates that First Media is a provider of high speed broadband internet service and subscription television service that becomes a great partner for community in developing their future.

The Annual Report 2013 Theme

Welcoming the Future

People in Indonesia has become part of worldwide community to welcome the rapid change of live impacted by the advance growth of ICT. Examining the rapid growth of ICT and the changes of people's life all over the world, First Media also improves theperformance of its internet broadband service and subscription television service as well as upgrading the ICT technology and expanding network configuration in welcoming the future along with continuous growth of modern technology.

The Annual Report 2014 Theme

Broadband Leader

First Media strategic move in increasing its performance in 2014, includes a dignified business ethics, rules and procedure, risk management, internal control and supervision, leadership, task management and responsibility, empowering management and employee, inline with the growth of ICT and expansion of network service configuration. First Media has changed its corporate position, from pioneer of integrated telecommunication and multimedia services in Indonesia to become a high speed broadband internet service provider and the most advance subscription television provider in Indonesia and become a great partner for community in welcoming future modern technology.

The Annual Report 2015 Theme

Enliven the Broad World

Enliven the lives of many Indonesian to be connected with the extensive world. In the last few years, demand of high internet access in most cities in Indonesia increase rapidly. This phenomenon continues to spread to the community from various levels of society in Indonesia. The necessity to access information, entertainment, education, work, until self-actualization are widely spreading in the middle of competitive community. Daily lives are enliven with internet service network that supported with rapid development of ICT. As a leading company in high speed broadband services and subscription television, First Media is capable to enliven the lives of Indonesian that are connected to all over the world.

The Annual Report 2016 Theme

The Best Partner in Digital Life

First Media consistently develop its TMT based service ability to be the business leader in that sector in Indonesia. Aligned with First Media commitment to become pioneer in TMT industry in Indonesia, First Media also develop its services as content provider for the subscription television services and cinema chain business. Broadcasting content has become an important aspect in First Media business activities to provide added value and distinguish the service of First Media. During 2016, First Media continues to enhance its performance to be the BEST PARTNER for the Government plan and society necessity in its efforts to elevate its ability to contribute in national economic development in DIGITAL LIFE.

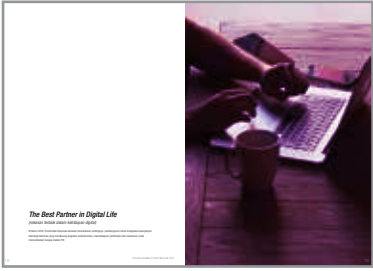
The Best Partner in Digital Life

In 2016, the government of Republic of Indonesia emphasizes more in the importance of development to handle the information technology gap which support the economic activities, stabilize defense and security, as well as to educate nation by Information, Communication, and Technology. Furthermore, the e-commerce business volume is predicted to reach more than 50%. Based on Badan Pusat Statistik, the Information, Communication, and Technology industry in Indonesia over this past five years (2011-2015) grows from 9.98% until 10.7%, much higher than the growth of national economic from 4.79% until 6.56%. Contribution from the growth of Information, Communication, and Technology industry is expected to increase in the following years.

Government seted up a target of 1,000 digital startups in the following years in several cities through Gerakan Nasional 1,000 startup digital. This program requires the development of qualified internet service to accomplish all of the target of the program.

Strategical Broadband Design 2014-2019 is a mandatory given by the Comitee of Acceleration and Expansion Indonesia Economy Development 2011-2015 to be a booster of Indonesia's economy development in the future. Strategical Broadband Design will force domination of science and technology which improve the quality of Indonesia's human resources, to develop the connection to industrial resources of Indonesia, to improve the productivity of creative economy, and to promote it as well. Information, Communication, and Technology is certainly become one of the pillar to develop Indonesia economy in the future.

The Strategical Broadband Design 2014-2019 as set out in Presidential Decree No. 96 Year 2014 regarding Plan of Indonesia Broadband is defined as internet access with connectivity assurance that it will always connected, guaranteed for its endurance and secure information and able to deliver triple play with minimum 2 Mbps for fixed access and 1 Mbps for mobile access.



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In April 2016, Minister of Telecommunication and Informatic Rudiantara said that, in 2016 the government is focusing on the development of fixed broadband to provide national telecommunication access. To date, First Media is known as a leading company in providing the internet service through fixed broadband with cable networks in several cities.

First Media consistently develop its TMT basedservice ability to become the business leaders in TMT sector in indonesia. In line with First Media commitment to be prominent company in TMT business in Indonesia, First Media also develops its services as a television content provider into the subscription television network service and business of cinema chain network. Television broadcasting content and cinema businesses had become an important aspect in the activities of First Media to deliver value added and distinguish service of First Media.

During year 2016, First Media continue to improve its ability to be the BEST PARTNER for the Government plan and social necessity in its efforts to increase its contribution to national economy development in DIGITAL LIFE.

TMT Business Review

Since First Media initiates rebranding from Kabelvision to First Media in 2007, First Media becomes the pioneer in integrated telecommunication and multimedia business in Indonesia by carrying the Triple Play concept, which is the television subscription services, high speed broadband internet services and data communication through digital communication network.

Information and Communication Technology (ICT) in the world has gone through a lot of progress, either on its technology or the utilization by the society. As well as in Indonesia, the technology in software and hardware has been widely used by society, including small cities. The growth is in line with the increment of internet users in Indonesia based on the survey in 2016, compared to internet users during year 2015 was indicated to increase by 51,8%.

To address those changes, First Media was developed into holding company, to accelerate the business development thus becoming the leading Technology, Media and Telecommunication (“TMT”) company in Indonesia. The purpose of such development is that the Indonesia citizens may continuously utilize ICT equal to the ability of other people around the world. Such thing is deeply impacting the ability to compete in education, business and economic empowerment gradually, including to provide opportunities for young technopreneurs to develop technology-based businesses in Indonesia.

In developing the business in TMT, First Media delivers massive broadband infrastructure to expand the coverage of internet network service and improve its service. First Media believes that the TMT business would be able to promote the creative economy, economic improvement through the digital technology that contributing to the development of the economy of Indonesia which has become one of the best in the world.

Integrated Media Group

Since 2007 to 2016, First Media has successfully established the integrated TMT business unit. Those efforts have contribute the needs of Indonesian society in digital telecommunication services and integrated television channel.

The integration which is First Media’s strategic step in developing the TMT business divided into several category such as A (access), B (backbone), C (content) and D (device). Those four categories have become the basic formation to form every business unit in First Media group.

The business unit of First Media form TMT business that engages in providing the telecommunication services with infrastructure network and television subscription services provider, broadcasting content production as well as providing cinema services theatre chain with the coverage that spread through Indonesia.

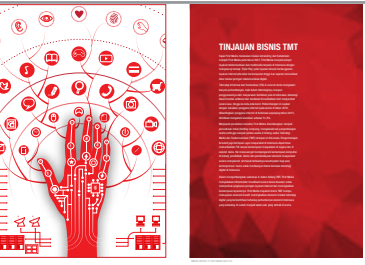
The continuity and collaboration of each business unit strengthen by good corporate governance of First Media through supervision function with equitable development through 3 (three) discipline values which are: Product Leadership, Operational Excellence and Customer Intimacy of each business unit. The integrated commitment of First Media enhances the creativity of each business unit to produce promising business output. First Media in in view that developing the business unit through those three discipline values is a core to strengthen the corporate to overcome the intense competition in the industry.

First Media stands that Human Resource Management is a basis of success in business operation. Supervision and implementation of good Human Resource system will result in good competence. as Among others, regular employee training in various field of division, key performance index, and establishing the synergy culture between the employees between business unit.

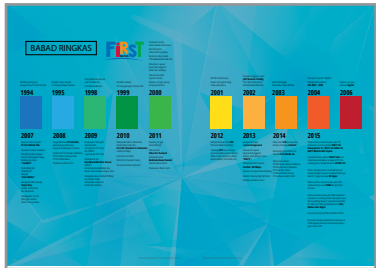
First Media as holding company has commit through consistent supervision function, each established business unit would independently be able to provide innovative and creative services. All policies and steps are addressed to support the target of the Indonesian government in developing the creative economy and becoming the world largest digital economy country in Southeast Asia. It is in accordance with Indonesian government vision stated in World Summit on the Information Society in 2016 in Geneva, Swiss.

Milestones

- 1994 Establishment of the company named PT Safira Ananda.
- 1995 Changed name to PT Tanjung Bangun Semesta.
- 1998 Taking over all TV Kabel assets from PT Anditirta Indonusa.
- 1999 Changed the name to PT Tanjung Bangun Semesta Tbk.
- 2000 Initial Public Offering of the Company and Registration at Surabaya Stock Exchange (now Indonesian Stock Exchange).
Changed the name to PT Broadband Multimedia Tbk.
Launched subscribed television service in Bali and Surabaya.
Launched access to internet service access.
Commencement of Initial Stage of Analog network expansion.
- 2001 EBITDA Positive is achieved
Initial stage of Analog Network Expansion completed.
- 2002 Only provider JATS network, Remote Trading of Jakarta Stock Exchange (now Indonesian Stock Exchange).
- 2003 Number of customers is achieved more than 100 thousand



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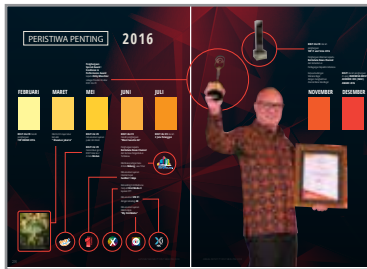
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2004	Launched of “MyNet” service. Obtained certification ISO 9001:2000.
2006	Digital based network expansion.
2007	Changed the name to become PT First Media Tbk. Right Issue I. Introduced “FastNet” broadband-based high speed internet product. Re-Branding of “Kabelvision” to “First Media”. Introduced Triple-Play concept: FastNet, HomeCable and DataComm. Obtained 41 thousand FastNet customers during promotional period.
2008	Taking over PT Link Net, a company engaged in Internet Service. Establishment of PT First Media Production, PT First Media Television dan PT First Media News. Exercised Warrant Series I.
2009	Income increased 36% reaching Rp 772 billion and EBITDA totaling Rp 199 billion. Obtained the Broadband Wireless Access (BWA) license for Jabodetabek and Banten area as well as Northern part of Sumatra. Introduced FastNet 10 Mbps and FastNet SOHO, HomeCable Family and HomeCable Ultimate.
2010	Introduced FastNet Kids. HomeCable Family Plus. First HD Channels in Indonesia. FastNet 20 Mbps. Premium Call Center. NSIA Online Payment Facility. Right Issue II.
2011	Network Expansion (New Roll-Out). Launched Video on Demand. Introduced BeritSatu Channel. Exercised of Warrant Series II.
2012	Introduced PVR (Personal Video Recorder) features OTT (Over The Top) technology namely watching television broadcast through internet (online) in the form of First Media Live application.
2013	Network achieved 1 million Homepassed. Launched of subscribed television service through satellite with the name ”BIGTV”. Introduced FastNet 100 Mbps service. Network Expansion to Bandung. Owned 50 High Definition channels in HomeCable service. Exercised Warrant Series II.
2014	Launch of Android technology based STB (Set-Top-Box). Re-Branding First Media Live to First Media GO. Company acquisition: 1. PT MSH Niaga Telecom Indonesia 2. PT Delta Nusantara Networks 3. PT Prima Wira Utama 4. PT Mitra Mandiri Mantap 5. PT Cinemaxx Global Pasifik

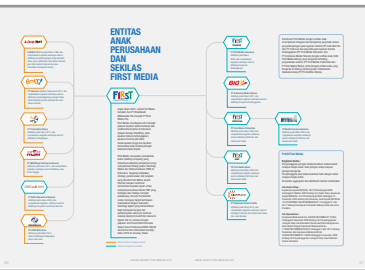
2015	Through its subsidiary, PTI, launched the products such as BOLT!4G Powerphone E1, BOLT! 4G Tablet X1, BOLT! Mobile WiFi Hydra, introduced BOLT! Talk application, and conducted strategic collaboration between BOLT! and Samsung and also introduced ULTRA LTE. Through its subsidiary, MSH, conducted partnership to install PABX with Bank Permata. Company subsidiary, PWU, conducted its in building solution with 5 prominent operators in Indonesia. PWU also expand its business to Bali, Medan and Bogor. The Company and BMPA established DSM. The Company released its shares ownership in FMTV to other Company subsidiary which is LN and CIAT.
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Important Event 2016

February	BOLT! 4G LTE achieved TOP BRAND 2016 award
March	Release a movie with title “Blusukan Jakarta”
May	Special Award: Excellence in Performance Award to Dicky Moechtar as President Director of BOLT! 4G LTE BOLT! 4G LTE launch its unlimited service packet. BOLT! 4G LTE launched its second BOLT! Zone outlet in Medan
June	BOLT! 4G LTE achieved “Most Favourite 4G” Achievement to BeritaSatu News Channel from National Committee of Tobacco Control New roll out in Malang, East Java Launched fast internet service FastNet 1 Gbps Rebranding from First Media Go into First Media X OTT service Launched STB X1 with 4K technology Launched Mobile Apps service “My FirstMedia”
July	BOLT! 4G LTE reached 2 million subscribers
November	BOLT! 4G LTE achieved TOP IT and TELCO 2016 award Achievement to BeritaSatu News Channel from Ministry of Trade of Republic of Indonesia Cooperation with Bogor Mayor by providing Balai Kota Bogor channel
December	BOLT! achived an award in INDONESIA MOST ADMIRER CEO (IMAC) AWARD 2016.



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PT First Media Tbk Overview

Since 2007, First Media has changed its name from Kabelvision into First Media. First Media has define itself as integrated telecommunication and multimedia services pioneer in Indonesia with its TriplePlay concept, which is pay television service, high speed broadband wireless internet access and data communication service over digital telecommunication network.

First Media is a leading holding company among others company which engages in the field of Technology, Media and Telecommunication business. All internal and external policies, strategies, plans and steps which has been taken by First Media are oriented to a goal to be a leading TMT business company and capable to support Government plan to achieve social life target by the power of digital technology which contributes for the nation advancement and economic development through creative economy creative and digital economy. Those are aligned with Government’s vision exposed in WSIS Forum, held in 2016, in Jenewa, Swiss.

Coordination between First Media and its subsidiaries creates well integration and cooperation between internet service provider (PT Link Net Tbk and PT Internux) and subscription television service provider (PT First Media Television and PT Indonesia Media Televisi) together with others First Media subsidiaries which engages in the content production (PT First Media Production and PT First Media News), along with its other subsidiaries which engages in telecommunication infrastructure development (PT Prima Wira Utama).

PT First Media Tbk Profile

Business Activities:

Telecommunication network provider through cable and non-cable, either by fixed network and mobile network;

Telecommunication service provider, either by fixed network and mobile network; and
Provider, aggregator and distributor of multimedia content

Permanent Business License:

Decree of Chairman of BKPM No. 297/T/Perhubungan/2002 dated October 9th, 2002 regarding Permanent Business License, Decree of Chairman of BKPM No. 415/T/Perhubungan/2004 regarding Expansion License, Letter of Chairman of BKPM No. 19/1/IU/III/PMDN/TELEKOMUNIKASI/2011 dated June 27th, 2011 regarding Amendment of Business Field and Type of Production.

Operational License:

Decree of Minister of Telecommunication and Informatic No. 420/KEP/M.KOMINFO/11/2009 dated November 6th, 2009 regarding operation license of Fixed Local Packet-Switched Based Network as amended with Decree of Minister of Telecommunication and Informatic No. 179/KEP/M.KOMINFO/04/2012 dated 2nd April 2012 regarding Amendment of Decree of Minister of Telecommunication and Informatic Decree No. 420/KEP/M.KOMINFO/11/2009 dated November 6th, 2009 regarding operation license of Fixed Local Packet-Switched Based Network.

Vision:

To become the premier integrated megamedia services company in Indonesia that capitalizing on the advancement in Internet broadband technology platform in order to deliver superior value to stakeholders.

The Company’s vision includes foundation services integrated five-C :

- Cable TV – Multi- Channels Interactive Television
- Computer – Broadband Internet Service
- Communication – Data Communication Services
- Content – Content on Internet and TV
- Channels – In-house Channel production

Mission:

- To be the leader in its field
- To emphasize on competence and professionalism
- To focus on costumer centric
- To become prime employer of choice
- To participate in social corporate citizenship
- To passion at work

Corporate Values:

- Discipline in our execution
- Quality in our Service
- Innovative in our development
- Aggressive in our market penetration
- Care for our community and environment

Business Strategic

Utilizing the advances in communications technology – especially the high-speed digital broadband internet technology – to provide the integrated megamedia services at affordable prices in Indonesia. Consistently become the first in Indonesia to adopt the latest technological breakthrough, as an effort to be the leading company in technology industry and deliver superior products and services to customers.
Continuously achieve business efficiency to be the provider of high quality megamedia services with effective and competitive costs.

Article of Association

The Company is established under the name of PT Safira Ananda, based on notarial deed No. 37 January 6th,1994 and Decree of the Minister of Justice of the Republic of Indonesia Number C2-1.446 HT.01.01.Th.95 dated February 1st, 1995 that have been referred to the Book of the Law of Commercial Law (Gazette Year 1847 No. 23) as amended, the latest by Law No. 4 of 1971.

Amendment the Articles of Association following currently named PT Tanjung Bangun Semesta Tbk contained in the Deed No. 1 dated December 2nd, 1999 and the Decree of the Minister of Justice of the Republic of Indonesia No. C-19466 HT.01.04.TH.99 dated December 3, 1999 which has been referred to the Law No.1 of year 1995 regarding Limited Liability Company.



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Amendment some of the provisions in the statutes following as well as recast is currently Articles of Association named PT Broadband Multimedia Tbk contained in the Deed No. 56 dated July 30th, 2001 and Receiving Reports Amendment of Articles of Association by the Minister of Justice and Human Rights of the Republic of Indonesia Number: C- HT.01.04.TH.2001 08 744 on 19 September 2001 with reference to Law No.1 year 1995 on Limited Liability Company.

Amendment the Articles of Association following is currently named PT First Media Tbk contained in the Deed No. 42 dated August 15th, 2008 and the Minister of Justice and Human Rights of the Republic of Indonesia Number: AHU-74501.AH.01.02.Tahun 2008 dated October 16th, 2008 that have been refers to Law No. 40 Year 2007 regarding Limited Liability Company.

The latest amendment of the Articles of Association currently named PT First Media Tbk contained in Deed No.33 dated May 15th , 2015 and Receipt of Notification of Change Statutes by the Minister of Law and Human Rights of the Republic of Indonesia Number: AHU-AH.01.03-0940134 the date of June 11th, 2015 has been adapted to the Financial Services Authority Regulation No.32 / POJK.04 / 2014 and No.33/ POJK.04 /2014 as well as laws and other crustaceans prevailing in the capital market.

Chronology of Share Ownership

In February 2000, the Company's Initial Public Offering which is listed on the Surabaya Stock Exchange. After the merger of the Jakarta Stock Exchange and Surabaya Stock Exchange in 2007, the chronology of ownership of shares of the Company are as follows :

2007

Based on the resolutions of Extraordinary General Meeting of Shareholders of the Company dated December 29, 2006 as stipulated in the Deed of Minutes of Extraordinary General Meeting of Shareholders No. 85, dated December 29, 2006, made by Mrs. Poerbaningsih Adi Warsito S.H., Notary in Jakarta, and pursuant to the shareholders resolution statement stipulated in the Deed of Meeting Resolution Statement No. 8 dated March 5, 2007, made before Mrs. Poerbaningsih Adi Warsito S.H., Notary in Jakarta, the Company has increased its subscribed and paid-up capital related to the issuance of new shares of 441,674,000 shares with the aggregate nominal value of Rp 220,837,000,000 as a result of the exercise of Right Issue I(PUT I). The deed was accepted and recorded in Legal Entity Administration System Database at the Ministry of Law and Human Rights of the Republic of Indonesia based on the acceptance of Report of Deed of Amendment of Company Articles of Association No. W7-HT.01.04-6246 dated May 3, 2007.

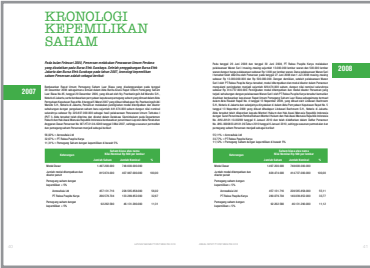
Therefore, the structure of the capital and shareholders of the Company is as follows :

- 56,02% = AcrossAsia Ltd
- 32,67% = PT Reksa Puspita Karya
- 11,31% = Shareholders with the ownership ≤ 5%

Description	Registered Common Share		
	Nominal Value Rp 500 per share		
	Numbers of Shares	Nominal Value	%
Authorized Capital	1.497.200.000	748.600.000.000	
Amount of subscribed and fully paid-up capital	815.974.000	407.987.000.000	100,00
Shareholders with the ownership ≥ 5%			
AcrossAsia Ltd	457.131.716	228.565.858.000	56,02
PT Reksa Puspita Karya	266.579.704	133.289.852.000	32,67
Shareholders with the ownership ≤ 5%	92.262.580	46.131.290.000	11,31

2008

On the June 26, 2008 and June 30, 2008, PT Reksa Puspita Karya exercised Warrant Series I respectively amounting to 13,000,000 warrants and 500,000 warrants with the exercise price of Rp 1,000 per warrant. The funds for exercising Warrant Series I have been received by the Company on the June 27, 2008 and July 1, 2008 respectively in the amount of Rp 13,000,000,000 and Rp 500,000,000. Therefore, after the exercise of Warrant Series I by PT Reksa Puspita Karya, the subscribed and paid-up capital of the Company has increased to 829,474,000 shares, with the aggregate nominal value of Rp 414,737,000,000. The increase of the subscribed and paid up capital of the Company that occurred related to the exercise of Warrant Series I by PT Reksa Puspita Karya was validated by the resolutions of the Extraordinary General Meeting of Shareholders as stipulated in



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the Deed of Minutes of Meeting No. 4 dated November 13, 2009, made by Lindasari Bachroem S.H., Notary in Jakarta and subsequently stated in in the Deed of Meeting Resolution Statement No. 5 dated November 13, 2009, made before Lindasari Bachroem S.H., Notary in Jakarta. The Deed has been reported to the Minister of Law and Human Rights of the Republic Indonesia by Acceptance of Notice of Minister of Law and Human Rights of the Republic of Indonesia No. AHU-0000833.AH.01.09.Year 2010 dated January 6, 2010.

Therefore, the structure of the capital and shareholders of the Company is as follows :

55,11% = AcrossAsia Ltd

33,77% = PT Reksa Puspita Karya

11,12% = Shareholders with the ownership ≤ 5%

Description	Registered Common Share Nominal Value Rp 500 per share		
	Numbers of Shares	Nominal Value	%
Authorized Capital	1.497.200.000	748.600.000.000	
Amount of subscribed and fully paid-up capital	829.474.000	414.737.000.000	100,00
Shareholders with the ownership ≥ 5%			
AcrossAsia Ltd	457.131.716	228.565.858.000	55,11
PT Reksa Puspita Karya	280.079.704	140.039.852.000	33,77
Shareholders with the ownership ≤ 5%	92.262.580	46.131.290.000	11,12

2009

In 2009, there was no change of share ownership in the Company. The share ownership remains the same as in 2008.

55,11% = AcrossAsia Ltd

33,77% = PT Reksa Puspita Karya

11,12% = Shareholders with the ownership ≤ 5%

2010

On March 18, 2010, the Company has increased its authorized capital to Rp 1,650,000,000,000 comprising of 3,300,000,000 shares, as approved pursuant to the resolutions of Extraordinary General Meeting of Shareholders of the Company dated March 4,2010 as stipulated in the Deed of Minutes of Meeting No. 6 dated March 4, 2010, made by Lindasari Bachroem S.H.,Notary in Jakarta and is stated in the Deed Of Meeting Resolution Statement No. 7 dated March 4, 2010, made before Lindasari Bachroem S.H., Notary in Jakarta, which has obtained the approval of the Minister of Law and Human Rights of the Republic Indonesia pursuant to the decree No.AHU-13941.AH.01.02.Year 2010 dated March 18, 2010, so that the structure of the capital and shareholders of the Company is as follows :

55,11% = AcrossAsia Ltd

33,77% = PT Reksa Puspita Karya

11,12% = Shareholders with the ownership ≤ 5%

Description	Registered Common Share Nominal Value Rp 500 per share		
	Numbers of Shares	Nominal Value	%
Authorized Capital	3.300.000.000	1.650.000.000.000	
Amount of subscribed and fully paid-up capital	1.741.895.400	870.947.700.000	100,00
Shareholders with the ownership ≥ 5%			
AcrossAsia Ltd	959.976.602	479.988.301.000	55,11
PT Reksa Puspita Karya	588.167.378	294.083.689.000	33,77
Shareholders with the ownership ≤ 5%	193.751.420	96.875.710.000	11,12

Pursuant to the resolutions of Extraordinary General Meeting of Shareholders of the Company dated April 19, 2010 as stipulated in the Deed of Minutes of Meeting No. 21 dated April 19, 2010, made by Lindasari Bachroem S.H., Notary in Jakarta, and pursuant to the shareholder resolution statement stipulated in the Deed of Meeting Resolution Statement No. 7 dated July 20, 2010, made before Lindasari Bachroem S.H., Notary in Jakarta, the Company has obtained the approval to conduct Right Issue II for the purpose of Shares Issuance with Pre-emptive Rights (PUT II) and to increase the subscribed and paid-up capital related to the issuance of new shares of 912,421,400 shares with the aggregate nominal value of Rp 456,210,700,000 as a result of the exercise of PUT II. The deed was accepted and recorded in the Legal Entity Administration System Database at the Ministry of Law and Human Rights of the Republic of Indonesia pursuant to the acceptance of Report of Deed of Amendment of Company's Articles of Association No. AHU-AH.01.10-21071 dated August 18, 2010. Therefore, the structure of the capital and shareholders of the Company is as follows :

Description	Registered Common Share Nominal Value Rp 500 per share		
	Numbers of Shares	Nominal Value	%
Authorized Capital	3.300.000.000	1.650.000.000.000	
Amount of subscribed and fully paid-up capital	1.741.895.400	870.947.700.000	100,00
Shareholders with the ownership ≥ 5%			
AcrossAsia Ltd	959.976.602	479.988.301.000	55,11
PT Reksa Puspita Karya	588.167.378	294.083.689.000	33,77
Shareholders with the ownership ≤ 5%	193.751.420	96.875.710.000	11,12

2011

Pursuant to the resolutions of Extraordinary General Meeting of Shareholders of the Company as stipulated in the Deed of Meeting Resolution Statement No. 16 dated June 3,2011,made by Dr.Irawan Soerodjo S.H.,M.Si.,Notary in Jakarta,which has obtained the approval from the Minister of Law and Human Rights of the Republic of Indonesia as per decree No.AHU-36144.AH.01.02. Year 2011 dated July 19,2011, the Company has increase the authorized capital to

Rp 3,483,793,800,000 comprising of 6,967,587,600 shares and increased the Subscribed and Paid-Up Capital related to the exercise of Warrant Series II, so that the structure of the capital and shareholders of the Company is as follows :

55,11% = AcrossAsia Ltd

33,77% = PT Reksa Puspita Karya

11,12% = Shareholders with the ownership \leq 5%

Description	Registered Common Share Nominal Value Rp 500 per share		
	Numbers of Shares	Nominal Value	%
Authorized Capital	6.967.587.600	3.483.793.800.000	
Amount of subscribed and fully paid-up capital	1.741.896.900	870.948.450.000	100,00
Shareholders with the ownership \geq 5%			
AcrossAsia Ltd	959.976.602	479.988.301.000	55,11
PT Reksa Puspita Karya	588.167.378	294.083.689.000	33,77
Shareholders with the ownership \leq 5%	193.752.920	96.876.460.000	11,12

On October 5, 2011, the public shareholders of the Company exercised Warrant Series II and the funds from such exercise have been fully received by the Company. The exercise of Warrant Series II has increased the Company's Subscribed and Paid-Up Capital and it is validated by the resolutions of Extraordinary General Meeting of Shareholders of the Company dated October 21, 2011 as stipulated in the Deed of Minutes of Meeting No.6 dated October 21, 2011, made by Lindasari Bachroem S.H., Notary in Jakarta. Therefore, the Subscribed and Paid-Up Capital of the Company increased to 1,741,896,978 shares with the aggregate nominal value of Rp 870,948,489,000 with the structure of the capital and shareholders of the Company is as follows :

Description	Registered Common Share Nominal Value Rp 500 per share		
	Numbers of Shares	Nominal Value	%
Authorized Capital	6.967.587.600	3.483.793.800.000	
Amount of subscribed and fully paid-up capital	1.741.896.978	870.948.489.000	100,00
Shareholders with the ownership \geq 5%			
AcrossAsia Ltd	959.976.602	479.988.301.000	55,11
PT Reksa Puspita Karya	588.167.378	294.083.689.000	33,77
Shareholders with the ownership \leq 5%	193.752.998	96.876.449.000	11,12

2012

In 2012, there was no change of share ownership in the Company. The share ownership remains the same as in 2011.

55,11% = AcrossAsia Ltd

33,77% = PT Reksa Puspita Karya

11,12% = Shareholders with the ownership \leq 5%

2013

On August 22, 2013, the shareholders of the Company have converted Warrant Series into shares. The Conversion of Warrant Series II have led to an increase of Subscribed and Paid-Up Capital of the Company as stipulated in the Deed of Meeting Statement Resolution No. 7 dated August 22, 2013, made by Rini Yulianti, S.H., Notary in Jakarta, therefore the Subscribed and Paid-Up Capital of the Company becomes 1,742,167,907 shares with the aggregate nominal value of Rp 871,083,953,500. The Deed has been accepted and recorded in Legal Entity Administration System Database at the Ministry of Law and Human Rights of the Republic Indonesia based on the acceptance of Report of Deed of Amendment of Company's Articles of Association No. AHU-AH.01.10-35144 dated August 26, 2013. Therefore, the structure of the capital and shareholders of the Company is as follows :

55,10% = AcrossAsia Ltd

33,76% = PT Reksa Puspita Karya

11,14% = Shareholders with the ownership \leq 5%

Description	Registered Common Share Nominal Value Rp 500 per share		
	Numbers of Shares	Nominal Value	%
Authorized Capital	6.967.587.600	3.483.793.800.000	
Amount of subscribed and fully paid-up capital	1.742.167.907	871.083.953.500	100,00
Shareholders with the ownership \geq 5%			
AcrossAsia Ltd	959.976.602	479.988.301.000	55,10
PT Reksa Puspita Karya	588.167.378	294.083.689.000	33,76
Shareholders with the ownership \leq 5%	194.023.927	97.011.963.500	11,14

2014

In 2014, there was no change of share ownership in the Company. The share ownership remains the same as in 2013.

55,10% = AcrossAsia Ltd

33,76% = PT Reksa Puspita Karya

11,14% = Shareholders with the ownership \leq 5%

2016

In 2016, there was no change of share ownership in the Company. The share ownership remains the same as in 2013.

55,10% = AcrossAsia Ltd

33,76% = PT Reksa Puspita Karya

11,14% = Shareholders with the ownership \leq 5%



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MESSAGE FROM BOARD OF COMMISSIONERS

Dear shareholders and stakeholders,
In year 2016, Indonesia remains under economic pressure, as suffered by other countries around the globe. The economic growth worldwide was only 2.6%, declining from 3% on the previous year. Despite under such economic pressure, the country still experienced an increase compared to the previous year growth of total 4.88%, after correction, this year 2016 Indonesia achieves 5.02%. The achievement is something that we all are grateful of.

In the midst of the situation, we can not just lamenting and keep staring at the unfavorable side only, instead let us review the positive outlook that Indonesia earned. In addition, many economist believe that the improvement in global economy is raising. A line of industry that consistently shows its contribution to the economy growth is internet related businesses. From year to year, it is obvious that the utilization of internet deeply impacting all companies, from megacorp class companies until micro and middle class companies, begining from the hike of inter-company communication, management system, until social network of business people. Everythings get connected faster, more accurate, and vast at the same time.

The brisk fact is that Southeast Asian region is expected to be flared with economic activities empowered by Internet in the next 10 years. Population in the region will soon approaching 600 million people, mostly residing in Indonesia. The amount of internet users in Indonesia solely in year 2016 has reached 104.2 million users, while as of year 2014, it stood at 88.1 million users. Obviously, it is a significant increase. Assuming that the internet users increasing by at least 20% per year, it is obvius that the internet users in Indonesia could double in the next few years.

The major activities on internet by internet users in Indonesia are accessing online store and social media. Accessing and transacting in e-commerce is also gaining peaks in many countries. As a matter of fact, with internet user of more than 100 million, Indonesia is actually one of the biggest e-commerce or online marketplace in the world.

The government policy to promote Indonesia as the largest digital economy country in Southeast Asia on 2020 by developing its telecommunications infrastructure and fiber optic network Palapa Ring are among other cause of the increase of internet network users and activities in the last one year.

OUTLOOK PROSPECTS

First Media as one of the leading TMT business in Indonesia has a strategic role to become a partner for the Government in realizing its plan to actuate Indonesia as the largest digital economy market place in Southeast Asia. The potential comes from its emerging market population and businesses that utilize internet services. This is one of the findings which is clearly presented by various researches and studies on that topic, both nationally and internationally.

More than a mere infrastructure developer or provider, First Media is also active in developing its educational content to provide quality broadcast, entertainment, lifestyle which are broadcasted through television networks that utilize the internet.

First Media's ability through its subsidiaries that provides internet network by mean of cable and wireless resulting in excessive potential for First Media to develop its business.

VIEWS ON THE PERFORMANCE OF THE COMPANY IN 2016

To actualize a good business performance in year 2016, the Board of Commisioners is in view that First Media was able to record a satisfactory performance. By executing proper and consistent supervisory function in its daily operational activities, First Media has significantly demonstrated success in developing its business and has solidified its position as one of the leading TMT business entity in the country, including by expanding its business network on development of wired and wireless broadband internet access, VSAT, as well as its movies content and cinema network.

The Board of Commisioners is in view that First Media has successfully implemented the right strategy to achieve the planned target after conducting a series of analysis and taking in a score of feedback given from various sources. First Media primary program to strengthen its telecommunications sector under its subsidiary, Internux, has been successful by its leading mobile broadband business which has contributed in building digital society in Indonesia. Looking ahead, First Media will continue this strategy and keep improving its strategy to be better in carrying out its role as the Government's partner in achieving the national development target.

APPLICATION OF CORPORATE GOVERNANCE AND CONTROL BY THE BOARD OF COMMISSIONERS

The Board of Commissioners is always determined to enforce the best corporate governance and appropriate policies as well as strategic goals to continue growing in the future. Throughout year 2016, First Media succeed in improving the quality of its corporate governance, including conducting review on its implementation as well as implementing the GCG program to suit the latest requirement in developing the corporate, business and to enhance its ability to compete with accountable process and result.

In performing supervision, The Board of Commisioners periodically held meetings with the Board of Directors. This supervision function is performed through the mechanism:

- The Board of Commisioners Meeting
- The Board of Commisioners Meeting by inviting the Board of Directors
- The Committee meeting with the Board of Directors and other related parties

Along the supervision, First Media put great concern to the laws and regulations and the provisions under the Articles of Association, as well as ensuring the accuracy of its practice in any business transactions being carried out, such as obtaining corporate approvals, held General Meeting of Shareholders and disclosing information to the public as its compliance as a public company. First Media performed those activities as its major part to make each business unit activities results in actualize First Media as the leading TMT-based business.

VIEWS OF THE PERFORMANCE OF THE COMMITTEE UNDER THE BOARD OF COMMISSIONERS

In carrying out supervision toward its corporate action, the implementation of organizational transformation, and subsidiaries performance, The Board of Commisioners is assisted by the Audit Committee whom worked diligently to ensure the accuracy and compliance of First Media to every prevailing provision. The Board of Commissioners, either directly or through the Audit Committee, provides feedback or input, as well as consideration and advice to the Board of Directors to ensure that business strategy and good corporate governance is performed properly and in line with the vision and mission of First Media.

CHANGES IN COMPOSITION OF MANAGEMENT

In April 2016, the composition of the Board of Commissioners changed compared to the previous year. By April 15, 2016, the Board of Commissioners of First Media consist of:

Name	Position
Theo L. Sambuaga	President Commissioner
Prof. DR.Didik J. Rachbini	Independent Commissioner
Prof. DR. H. Muladi, SH	Independent Commissioner
Drs. Nanan Soekarna	Independent Commissioner
DR.Drs. Ito Sumardi DS, SH, MBA, MM	Independent Commissioner

TARGETS AHEAD

Since its establishment, one of First Media commitment is to become contributor to achieve the plan to develop the nation and society to be a proficient country in ICT. It means that each First Media achievement in TMT businesses must be the part of contribution to the plan and effort of the Government to constitute the leading nation and society in ICT. Everything must deal with technology development, trend-shifting, competition, and current development. Therefore, First Media also emphasizes the development of its human resources, modernization of technology and implementation of corporate governance in accordance with the needs and circumstances.

When the Government sets the policy to actualize Indonesia as the largest digital economy country in Southeast Asia on 2020, the Board of Commissioners and the Board of Directors and all employees of First Media embraced it with excitement as it concordant with the vision and mission of First Media. The future goal is to remain become a contributor in the development of ICT, excel the capability of its human resources, and promote the knowledge and economic beneficial utilization of Internet to the society, including the generation to come.

The Board of Commisioners concludes that First Media shall not be satisfied with its current achievement, but must consistently intensified synergy within its subsidiaries, as the competition to come will be higher.

APPRECIATION TO STAKEHOLDERS

In this opportunity, we would like to thank the shareholders whom always give their supports to First Media. The Board of Commisioners also convey its gratitude and highest appreciation to the Board of Directors and all the management, especially the employees of First Media and its subsidiaries, for their dedication and hard work, so as a challenging year 2016 is concluded successfully. May the achievement in year 2016 may stimulate the motivation of all stakeholders to carve a better performance in year 2017.

For and on behalf of the Board of Commissioners,
PT First Media Tbk

Theo L. Sambuaga
President Commissioner

REPORT FROM BOARD OF DIRECTORS

TMT BUSINESS INTEGRATION AS ALIFE PARTNER

Dear Shareholders and Stakeholders. Greetings from First Media.

Since 2007, First Media established several business units in Telecommunications Media Technology (TMT), which mutually supports each other as a strategic step to integrate the entire business of TMT. First Media as a holding company performs each steps in arrangement to form a business unit, carefully selecting the business range and opportunities, and monitor the completeness permits, recruitment, development, until the integration with other business units of First Media. Every achievement recorded in the portfolio of each business unit should give an illustration of a credible performance of TMT business and ascertained that it indeed delivers satisfaction to the people who use its services, such as Internet services, television broadcasting services through broadband networks, telephony, the standfast infrastructure capacity, and so on.

Although in 2016, Indonesia has not overcome the economic pressures, First Media remains concentrating in improving the performance of its business units simultaneously in all lines. First Media is certain that it cannot be delayed considering that global competition demanded the quality of service as part of the competition, including in Indonesia itself. The community whom are using the services offered by each business unit certainly expect the best quality service.

To get a best result, it requires sustainability and collaboration of each business unit with accountable corporate governance by supervision of First Media as the holding company. There are 3 (three) the values of business code adopted to achieve a good result, which are: product leadership, operational excellence and customer intimacy. Those three codes are believed to be the core of corporate strength to confront the high competition in the industry. It is expected that each business unit can independently creates an innovative and creative services from various but integrated business model, so it may maintain the continuance, and even accelerate the growth of TMT business that is beneficial to the economy development in Indonesia.

COMPANY PERFORMANCE IN 2016

It is the commitment of First Media to, relentlessly, continue to develop TMT business. During year 2016, First Media consistently develop innovation in telecommunications, television broadcasting, development and expansion of infrastructure telecommunications and content media production sectors.

The development of wireless Internet access services (broadband wireless access) with 4G LTE technology, performed by First Media through its subsidiaries, Internux, under the trademark BOLT!. With the mission of “Transforming Lives”, BOLT! serves the necessity of mobile internet with coverage areas of Jakarta, Bogor, Depok, Tangerang, and Bekasi, and Medan in collaboration with First Media. Until the end of year 2016, First Media has develop 4G-LTE BTS of 3,847 sites covering Greater Area of Jakarta and Medan.

The community needs for internet access is provided as well by First Media through its subsidiaries, DNN, engaged in the Internet Service Provider (ISP) using radio links network. Development of telecommunications infrastructure as in-building solution provider provided by First Media subsidiary, PWU. Currently its network spread-out in 65 buildings throughout Indonesia. PWU also has developed wi-fi infrastructure in 29 buildings in Jakarta, Tangerang, Cikarang, Medan, Bali, Bandung, Yogyakarta, Palembang, Bogor and Depok. Through MSH, until the end of yaer 2016, the telephony services has reached 1,400 customers.



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In the development of the media and content production, subsidiaries, FMP and FMN, producing news and information, and entertainment broadcasting channel programs, delivered through subscription television HomeCable and BiGTV.

Cinemaxx as a business unit that engaged in the cinema chain provides wide movie screen with the state-of-the-art technology that delivers the best experience for cinema lovers. Cinemaxx owns and operates 19 cinemas with a total of 102 screens spread across Indonesia.

This year Cinemaxx proudly release a movie “Blusukan Jakarta” a production of creativity and hard work of subsidiaries, FMP.

CORPORATE GOVERNANCE

First Media upholds the implementation of Corporate Governance with Good Corporate (GCG). The involvement of Corporate Legal Division in every process of activities to ensure compliance with the applicable regulations, including implementation of Company Regulations, Guidelines on the Code of Ethics and Profesional Responsibility, as well as various Standard Operational Procedures. To ensure the implementation of GCG, every month the Board of Directors reviews all activities conducted and has been completed by First Media business unit through coordination meeting with the management of each subsidiary of First Media. The Audit Committee whom reports to the Board of Commissioners of First Media, as well as the Internal Audit Division whom reporting to the Board of Directors of First Media is actively involved under the supervision function.

CORPORATE SOCIAL RESPONSIBILITY

Social responsibility of First Media performed as regulated under the Law 47 Year 2012 regarding Social and Environmental Responsibility of Limited Liability Company and ensures that those performed to be beneficial to the society, such as granting scholarships, blood donation, provision of Internet services to several schools in rural areas, and several other activities.

HUMAN RESOURCES DEVELOPMENT

Improvement of the competence of employees is part of the contribution in development of human resources for First Media and also for the labor force in Indonesia. The Human Resources Division of First Media holds employee quality improvement through various structured and planned training and education to be in line with First Media’s TMT businesses. On the other hand, the improvement of competencies of human resources in Information Communication Technology is extremely required by the country to be raise competitiveness in the global competition.

CORPORATE CULTURE

Stance and behavior of human resources in working environment and society became the foundation of discipline and achievement to produce a qualified performance. Each and every aspects was organized and practiced as a part of life in the First Media working environment. Among the objectives is to create a workforce that is not only smart and discipline, but also have positive individual and team stance and reliable for Indonesian workers.

CHANGES OF DIRECTORS’S COMPOSITION

First Media in year 2016 changed the composition of the Board of Directors from the previous year. The latest composition of the Board of Directors under the AGM on 15 April 2016 are as follow:

Name	Position
Ali Chendra	President Director
Irwan Djaja	Vice President Director
Harianda Noerlan	Independent Director
Dicky S. Moechtar	Director
Edward Sanusi	Director
Maria Clarissa Joesoep	Director
Johannes Tong	Director

APPRECIATION

The Board of Directors express their gratitude and highest appreciation to all shareholders and stakeholders of First Media, the Board of Commisioners, and the entire management and employees who had work hard to achieve good performance during year 2016. The highest possible appreciation is also given to Government Institutions, customers, business partners, Capital Market community, mass media that has been supporting First Media. The Board of Directors wishes that success will always with us all and the cooperation thus far undertaken comprehensively and in full harmony may continue.

For and behalf of the Board of Directors,
PT First Media Tbk

Ali Chendra
President Director



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PROFILE OF BOARD OF COMMISSIONERS

Theo L. Sambuaga | *President Commissioner*

Nationality and Domicile
Indonesia citizen, 68 years old and domicile in Indonesia

Title/Position
He was the Commissioner of PT First Media Tbk since 2011 and be appointed as President Commissioner of PT First Media Tbk since 24 September 2013.

Education
Theo L. Sambuaga obtained his bachelor degree from the Faculty Social and Political Science, University of Indonesia and Master Degree at the School of Advanced International Studies, John Hopkins University, USA in 1989.

Career Experience
At this time, he also serves as President of Lippo Group (2010 – now), President Commissioner of PT Lippo Karawaci Tbk (2010 - now), President Commissioner of PT Multipolar Tbk (2012 – now), and Vice President Commissioner of PT Matahari Putra Prima Tbk (2013 – now).

Experienced as public official include Minister of Manpower of the Republic of Indonesia, Cabinet of Development VI (1998), Minister of Housing and Habitation, The Cabinet of Development Reformation (1998-1999), a member of the House of Parliament/ People’s Consultative Assembly of Republic of Indonesia (1982-2009), Vice Chairman of Commission I House of Parliament of Republic of Indonesia (1990-1994), Chairman of BKSAP (Interparliament Cooperation) House of Parliament of Republic of Indonesia (1994-1998) , The chairman of Karya Pembangunan Faction of the House of Representatives of Republic of Indonesia (1997-1998), President of The Commission I of House of Parliament of Republic of Indonesia (2004-2009), Members of People’s Consultative Assembly Workers Agency (1993-1999), Chairman of PAH/Ad Hoc Committee I (GBHN) of the House of Representatives Workers Agency (1999 - 2000), Vice Chairman of Golkar Party Faction in People’s Consultative Assembly of Republic of Indonesia (1999-2004), Vice Chairman of PAH I (Amendment of Constitution) People’s Consultative Assembly Workers Agency (2002-2004)

In Golkar Party Theo Sambuaga served as the Deputy Secretary General of Central Board (1998 - 2009), Vice Chairman of Central Board (2009- 2016), and Vice Chairman of the Central Board (2016 - now).

Didik J. Rachbini | *Independent Commissioner*

Nationality and Domicile
Indonesia citizen, 57 years old and domicile in Indonesia.

Title/ Position
Holds the position as the Independent Commissioner of the First Media Tbk since 29 June 2006.

Education
Didik J. Rachbini obtained his bachelor degree from Bogor Agricultural Institute (IPB) in 1983, postgraduate degree in Master of Science in 1988 and the doctoral degree as

Doctor of Philosophy (PhD) in 1991, from Central Luzon State University, Philippines. Some non-degree education he performed, among others at the University of the Philippines at Los Banos (economy) and Boston University (Economic Culture).

Career Experience
Didik J. Rachbini known as one leading economist in Indonesia and established INDEF economic research institute (Institute for Development of Economics and Finance) in 1995. Apart of being an economist, he is also a lecturer and professor of economy in University of Mercu Buana, Jakarta and also lecturer in postgraduate program in University of Indonesia. He also served as Dean of the Faculty of Economy, University of Mercu Buana (1995-1997) and Vice Rector I of the University of Mercu Buana.

He had been active in several professional organizations and government, such as the Commissioner of KPPU (2000-2004), the central committee of Indonesian Economists Association (2009-present), the central committee of Indonesian Muslim Intellectuals Association (1995-present), a senior advisor at the International Tax and Investment Center (2014-present), Federation of ASEAN Economist Association (2009-present), Member of the National Economic Committee (2012-2014), Specialist Staff of Minister for Economic Affairs of Indonesia (2013-2014), and Chairman of Kadin Indonesia LP3E (2011-present).
Didik J. Rachbini been a member of People’s Consultative Assembly (1998-1999), Chairman of the Commission VI in charge of Commerce, Industry, Investment and State-owned Enterprise (2004-2007), Vice-Chairman of the Commission X in charge of Tourism, Youth, Education and Culture (2007 -2009).

Nanan Soekarna | *Independent Commissioner*

Nationality and Domicile
Indonesia citizen, 62 years old and domicile in Indonesia.

Title/Position
Holds the position as the Independent Commissioner of the First Media Tbk since 23 April 2014

Education
Nanan Soekarna graduated from police academy with its status as the best alumni of the police academy in 1978 with the award-winning Adhi Makayasa. After completing the training police academy, he continued his education Palan Narcotics Investigation in 1987, PTIK in 1986, Kibi Hankam in 1988, the FBI National Academy at Quantico USA 1989, Sespim Police XXX year 1995, Sesko Gab XXVI year 1999, National Defense Institute KSA XIII year 2005, and the Police Executive Leadership Course NEI (National Executive Institute) FBI Academy at Quantico, USA in 2008.

Career Experience
Nanan Soekarna is a retired Senior Officer of Indonesian National Police with his last position as Vice Chief of the Indonesian National Police (Wakapolri) with a rank of Commissioner General. He started his career in Metro Police as Dan Unit Patko Sabhara 1979 and as Wadan Kie III Sat in 1980. Later served in various positions at the Tangerang Police, most recently as Head of Serse (1981-1984). He then served in the Police Headquarters as Pasis PTIK XXI (1984-1986), SPN Mojokerto with his last position as Ka Korsis (1986-1990), Polwil Bojonegoro as the Head of Detective (1990-1992), as Wakapolres Kediri Police (1992-1994) Pol XXX as Pasis Sespim (1994-1995), the Police Academy as Battalion Taruna Commander (1995), in Polda Metro Jaya as Koorsripim (1995-1996), East Jakarta Police as a police chief (1996-1997), South Kalimantan Police as Head of Detective Unit (1997-1998),

GAB XXVI as Pasis SESKO (1998-1999), returned to Police Headquarters as Kasubdit Kamneg Serse (1999-2000), as Koorsripim police chief (2000-2001), as Head of Kodalops Police (2001), then Polwil Purwakarta as Kapolwil (2001), Bogor police resort as Kapolwil (2001-2002), as SES NCB-Interpol Indonesia (2002-2003), Polda Metro Jaya as Wakapolda (2003-2004), West Kalimantan Regional Police as a police chief (2004-2006), Advisor to the Chief of Police (2006-2009), Head of the Police Public Relations (2009), and Irwasum Police (2009-2011). Several assignments abroad, namely Muhibah Taruna Armed Forces Academy (representative Akpol) to Japan in 1974, the peace mission of the UN peace-keeping UN Police Mission (UNTAG) Namibia / South West Africa in 1990, Mission of the UN Peacekeeping UN Police Mission (UNTAG) Cambodia in 1992, as well as seminars/conferences in Japan, Australia, the Netherlands, Lyon, USA, New Zealand, Germany, Thailand, Hong Kong, Turkey, Malaysia and Myanmar.

Ito Sumardi | *Independent Commissioner*

Nationality and Domicile
Indonesia citizen, 64 years old and domicile in Indonesia.

Title/Position
Holds the position as the Independent Commissioner of First Media Tbk since 24 September 2013.

Education
Ito Sumardi graduated from the military academy of Police in 1977, education in Law in 1996, Obtained his postgraduate education in the field Business Administration in 2000, Postgraduate education in the field of Human Resource Management in 1999, Postgraduate education in Criminal Law in 2004, and graduated the degree of Doctor in the field of Criminal Law of the University of Padjadjaran Bandung in 2005.

Career Experience
Ito Sumardi is a retired Senior Officer at the Indonesian National Police (INP), which has a glorious career for serving in the Police, with the rank of Commissioner General. He began his service in the police while on duty at Kores 811 in Serang (1978-1980). Later serving at Kores 15.3 in East Timor (1979-1980), became Adjutant of Deputy Police Chief/Deputy Chief (1980-1982), served in the criminal department of Metro 701 (1982-1985). Continuing his education at the Police Academy (1986-1989) and served atn traffic Police (1989-1996). He served in several operational units in various regions of the Police Operations. Ito Sumardi also had to be Dan Garuda Contingent XIV/11 United Nations (1996-1997), Dan Ops Tsunami Task Force I (2004-2005), and the Task Force PAM Aceh Monitoring Mission (2005 -2006), became police chief in two operating regions, the Riau Police (2005 - 2006) and South Sumatera Police (2006-2008). His final position in Criminal Police are with the rank of three stars on his shoulders.

H. Muladi | *Independent Commissioner*

Nationality and Domicile
Indonesia citizen, 74 years old and domicile in Indonesia.

Title/Position
Holds the position as the Independent Commissioner of the First Media Tbk since 24 June 2013

Education
Muladi obtained his bachelor degree in law at the University of Diponegoro, Semarang in 1968,

graduated doctoral degree (S3) also in the field of law with Cumlaude predicate at Padjadjaran University, Bandung in 1984, and KSA III National Defense in 1993.

Career Experience
Muladi started his career as a lecturer at the University of Diponegoro. Then became Dean, Professor and Rector at the University of Diponegoro. He was Chairman of Indonesian Delegation at the Congress of Crime Prevention and Criminal Justice (ECOSOC) (1991-1998), Member of the Human Rights Commission (1993-1998), Member of the Assembly of Representatives, Regional Representatives Faction (1997-1999), Minister of Justice of the Seventh Development Cabinet (1998) and the Development Reform Cabinet Secretary and Minister of State (1998-1999), Chairman of the Institute for Democracy and Human Rights at the Habibie Center (1999-2002), Supreme Court of Justice RI (2000-2001), Governor of Defense (2005-2011), Chairman of board Golkar Party in Legal Affairs and human rights (2009-2014).

PROFILE OF BOARD OF DIRECTORS

Ali Chendra | *President Director*

Nationality and Domicile
Indonesia Citizens, 56 years old, domiciled in Indonesia

Position
He holds the position as President Director of First Media since 2014. Previously Ali Chendra held the position as the Director of First Media since 2013.

Education
Ali Chendra graduated his bachelor degree from Control Data Institute, Toronto, Canada in 2003.

Career Experience
He started his career as technical staff in PT Metrodata/Wang Computer (1979-1983). Then served as Director at PT Total Data (1983-1993); PT Telepoint Nusantara (1993-1999); PT Telplus Digitalindo (1993-1999); and PT Infracom Telesarana (2009-2012). In 2003, he established Indonesian Multimedia Association (APMI) as a Vice Chairman.

He also held a position as a President Director in a number of company, among others: PT Media Citra Indostar (2001-2004); PT MLC/Indovision (2001-2004); PT Datakom Pratama (2005-2006); PT Infokom Elektrindo (2006-2009); PT Indonesia Media Televisi (2012-2014). In addition, he was also a member of Board of Commissioners and Board of Directors in several companies of Bhakti Investama/MNC Group, namely: Linktone-Nasdaq Listed (member of Board of Directors); PT Bhakti Investama Tbk (member of Board of Directors); PT Agis Tbk (member of Board of Directors); PT Metrosel (member of Board of Commissioners); PT Mobile 8 Telecom Tbk (member of Board of Commissioners).

Irwan Djaja | *Vice President Director*

Nationality and Domicile
Indonesia citizens, 45 years old, domiciled in Indonesia.

Position
He holds the position as Vice President Director since 24 April 2014, having previously served as Finance Director of First Media (2009) and President Director of First Media (2011).



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Education

Irwan Djaja obtained his Bachelor degree in Accounting from Trisakti University, Jakarta, then obtained his Master of Applied Finance from The University of Melbourne, Australia and obtained his Doctoral in Management from Bina Nusantara University, Jakarta, Indonesia. in 2016 he graduated his Doctor degree and obtained Doctoral in Law from Pelita Harapan University.

Career Experience

He started his career as an Accountant in PT Citra Dimensi Arthali in 1993. Then, he joined the public accountant office of Prasetyo Utomo & Co. (Arthur Andersen Co.SC) with his last position as Supervisor in Business Advisory Division (1994-1996), KPMG (Klynveld Peat Marwich and Goerdeler) Asia Pacific as Senior Manager, Siddharta Consulting (a member firm of KPMG International) with his last position as the Director and Associate Partner Corporate Finance in the Financial Advisory Services Division since 2001. He also served as Deputy CEO in PT Clipan Finance Indonesia Tbk, a multifinance company (2006-2008).

Harianda Noerlan | *Independent Director*

Nationality and Domicile

Indonesia citizens, 54 years old, domicile in Indonesia

Position

He holds the position as Director of First Media and concurrently as Corporate Secretary since 2006.

Education

Harianda Noerlan obtained his Bachelor degree in Machine Engineering from Faculty of Engineering, Trisakti University, Jakarta, Indonesia.

Carrer Experience

He started his professional career in banking in 1990 at PT Bank Niaga Tbk. His last position in the bank was the Head of International Banking Division-Capital Market Group in 2000. He then worked in Indonesian Bank Restructuring Agency – IBRA with his last position as Vice President, Group Head in the Bank Restructuring Unit in 2002. He then joined PT Bank Lippo Tbk and held several positions namely Managing Director Compliance (Compliance Director), Director of Distribution Financial Services, and Senior Vice President, Channels & Alliances Group Head (2002-2006).

Dicky S. Moechtar | *Director*

Nationality and Domicile

Indonesia citizens, 57 years old, domiciled in Indonesia.

Position

He holds as Director of First Media since 2006.

Education

Dicky S. Moechtar obtained his Bachelor degree majoring in of Computer Studies from The Control Data Institute, University Des Saarlandes, Germany.

Career Experience

He started his career in Banking at PT Bank Perniagaan in 1984 as Programmer, and then he was promoted to Analyst System Assistant Manager (1986-1991). Subsequently, he pursued his career in

PT Bank Lippo Tbk with his last position as Managing Director subordinating divisions IT, Operation, General Affair, Asset Administration, Distribution Financial Services (1999-2002). He then held the position of Director in PT Multipolar Corporation Tbk (2002-2008), PT Link Net (2009-2011) and PT Link Net Tbk (2014-to date).

Johannes Tong | *Director*

Nationality and Domicile

Indonesia citizens, 49 years old, domiciled in Indonesia.

Position

He holds the position as Director of First Media since 24 April 2013.

Education

Johannes Tong obtained his Bachelor degree in physics, mathematics and business administration in Azusa Pacific University and degree of Magister in Business Administration from California State University, Los Angeles.

Career Experience

In addition to his position as Director of First Media, he also holds the position as Director in numbers of First Media subsidiaries, among others PT First Media Production (2008-to date), PT Media Sinema Indonesia (2010-to date), and PT Indonesia Media Televisi (2015-to date). He also served as Director in Art Department, Pelita Harapan University.

His previous professional career among others was Loan Officer in Bank of America, Area Manager of TIMS, General Manager of PT Sopanusa Paper Mill & Converting, General Manager of PT Tjagrindo Mas Steel Industry, General Manager of PT Plasma Plastic Industry, General Manager of PT Indonesia Performing Arts, and General Manager of PT Melodia.

Edward Sanusi | *Director*

Nationality and Domiciled

Indonesia citizens, 43 years old, domiciled in Indonesia.

Position

He hold position as Director of First Media since 15 April 2016. In addition to serving as a Director of First Media, he also hold position as a Director in PT Link Net Tbk in the same year. In 2010, he also served as a Board of Management Operations at PT First Media Tbk.

Education

Edward Sanusi obtained his Bachelor of Science in Industrial Engineering from Institut Teknologi Bandung.

Career Experience

He hold position as Director of First Media since 15 April 2016. In addition to serving as a Director of First Media, he also hold position as a Director in PT Link Net Tbk in the same year. In 2010, he also served as a Board of Management Operations at PT First Media Tbk.

His professional carrer is very experienced in many areas related to the development of technologies such as Software Development, System Integrators, ISP, Cable TV, Social Media. His experience of which is Managing Director at PT Plexis Erakarsa Pirantiniaga (Plasmedia - 1999-2009), Electronic

Settlement Manager at Citibank, NA, Jakarta (1996-1999), he is also a guest lecturer at UPH Business School since 2013. He also serves lecturer in the Indonesia Banking School for Science IT (2008-2009), and at the University of Parahyangan in Bandung for Statistics (1996-1998).

Maria Clarissa Fernandez Joesoep | *Director*

Nationality and domiciled
Philippines citizens, 47 years old, domiciled in Indonesia.

Position
She holds position as Director of First Media since 15 April 2016.

Education
Maria Clarissa fernandez Joesoep earn qualification as an Accountant and CPA & MBA degree from the University of the Philippines.

Career Experience
In addition to serving as Director of First Media, he also hold position as Chief Financial Officer (CFO) in July 2015 in PT Link Net Tbk. She has experience serving as CFO at PT Indonesia Media Television and at the Finance and Administration Director at BBDO / OMD Indonesia. She has more than 10 years in audit and consulting services in Ernst & Young, Arthur Andersen and KPMG Indonesia as well as several public companies in the Philippines.

R. Hikmat Kartadjoemena | *Member/Independent*

Indonesian citizen, born in Semarang in 1943, graduated from the City University, New York, United States. He has extensive experience in the banking business in Indonesia. Starting his career as a Deputy Assistant in New York for the Export-Import Bank Indonesia in 1970-1975, he was appointed by the Chemical Bank of New York to become Chief Representative Chemical Bank in Jakarta in 1983-1987. Subsequently he served as Vice President and Director of Corporate Banking Unibank Pacific Bank. He served as a Commissioner of PT Inti Indorayon Utama Tbk in 1990-1997. He also served as Advisor to Indonesia in Newbridge Capital (Singapore) Pte Ltd and Commissioner of Saratoga Capital in the year 1997 to 2008, then served as Senior Advisor to Indonesia in Imprimis (Singapore) Pte Ltd and Khronos Advisory Limited up to today. He joined First Media as a Member of the Audit Committee since January 2013.

PROFILE OF COMMITTEE NOMINATION & REMUNERATION

Markus Permadi | *Member/ Independent*

Indonesia citizen dan domiciled in Indonesia. He obtained his bachelor degree in Faculty of Engineering at the University of Indonesia and master degree in Faculty of Economy at University of Indonesia. He holds the position as a the Nomination and Remuneration member at PT First Media Tbk in 2015 and holds as a Commissioner since 25 April 2013. He started his career in banking, he worked at Citibank NA in 1971 to 1983 with his last position as Vice President, PT Bank Central Asia years 1983-1990 as Director, and Bank Lippo 1990-1998 years as President Director.

He also served as Assistant Secretary / Deputy of Public Service and Resource Development in the Office of Minister of State Enterprises / Management Body of BUMN in 1998 and Assistant Secretary / Deputy of Financial Services from 1998 to 2000. Later he served as a Commissioner of PT Bank Mandiri (Persero) Tbk 1998 to 2003. Later, he continued his career in PT Citra Marga Nusaphala Persada Tbk as Commissioner from 1999 to 2000 and Independent Commissioner (2001-2007).

Markus Permadi served as Vice President / Independent Commissioner of PT Bank Mandiri (Persero) Tbk, then served as a Commissioner on the Deposit Insurance Agency in 2005 - 2008. He then joined PT Broadband Multimedia Tbk as Commissioner (2006-2007). He also served as President Commissioner of PT Ciptadana Multifinance (2006 - 2007), Commissioner of the Primary Interaction Media (2007 -2012), and President Commissioner of PT Star Pacific Tbk (2009 -2013). Since 2012 until now, Markus Permadi served as a Commissioner of PT Bank National Nobu. Since 1993, Markus Permadi take the time to take care of education as Secretary of Pelita Harapan Education Foundation until today.

Shinta Melani Paruntu | *Member/Independent*

Indonesia citizen and domiciled in Indonesia. She graduated her bachelor degree in Faculty of Psychology at University of Indonesia. She served as a member of the Nomination and Remuneration PT First Media Tbk in 2015 and serves as VP Head of Corporate Human Resources. She has experience in the field of human resource management in various business industries. She began her professional career in the field of human resource management in PT Bank Danamon Indonesia Tbk as HR Recruiter until recently served as Human Resources Manager at PT Energi Mega Persada Tbk in 2004 until 2008.



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PROFILE OF COMMITTEE AUDIT

Herman Latief | *Member/Independent*

Indonesian citizens. He holds the position as an Audit Committee since January 2013. Vice Chairman of the Standing Committee of Industrial Development Zone, The Chamber of Commerce and Industry (KADIN) (since 2008), and Vice Chairman of the Advisory Board of Industrial Estate Indonesia (HKI) (since 2000). He graduated from TFH, Hamburg., Germany, Diplom Ingenier Architect (Dipl. Ing) in 1976. Previously he worked as an architect in PT Widya Pertiwi Engineering (1976-1978), Director of Kalbe Farma Group Company (1979-1988), President Director of PT Lippo Cikarang Tbk. (1989-1999), Vice President Commissioner of PT Lippo Cikarang Tbk. (1999-2001), Commissioner of PT Lippo Land Development (2001-2004), Commissioner of PT Bukit Sentul Tbk. (2004-2005), Director of PT East Jakarta Industrial Park (2004-2010), on the Audit Committee of PT Pacific Utama Tbk. (2005-2007), the Audit Committee of PT Gowa Makassar (2005-2007), and the Audit Committee of PT Multipolar Tbk (2007-2009). He is also active on the Advisory Board of Indonesian Industrial Estate Association (HKI) (1995- 2000) and as Vice Chairman of Real Estate Indonesia (1999-2008).



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Economics and Industrial Review

The world economic situation currently continue to be under pressure. In 2016 it stood only at 2.6%, which was lower than one in 2015 (at 3%) (<http://www.focus-economics.com/regions/major-economies>). Despite this situation, there is still encouraging progress, though, especially in the last quarter of the 2016 though it was not significantly affecting the growth of the world economy as a whole. Yet, Indonesia experienced an economic growth of 5.02% until the end of year 2016, which in fact this figure is higher than the country's economic growth in the previous year which stood at 4.94% and even higher than the average growth of the other G20 member countries. (100 CEO Forum at the Jakarta Convention Center, Senayan, Thursday, November 24, 2016).

The world economy is very dependent on Asia's economic dynamics until a few years into the future, especially China, India and ASEAN countries. The economy of ASEAN countries with 500 million people could still be growing at a moderate pace.

In the ASEAN region, Indonesia's economic development was viewed as being left behind. Yet, an interesting fact according to the Coordinating Minister for Economic Affairs Darmin Nasution, Indonesia still has a great potential to improve its national economy by utilizing e-commerce or electronic commerce. The role of digital sector is huge in making things easily accessible, which enable the country to get better opportunity in participating in the global economy more actively. For this, the Government has set a vision to put Indonesia as the largest digital economy driver in Southeast Asia region in 2020. (Scientific Papers from Dies Natalis Universitas Brawijaya ke-54 di Gedung Samantha Krida)

In 2016, the e-commerce industry in Indonesia increased by 15% compared to the previous year. Ministry of Communication and Informatics of Indonesia foremost focusing on the equation of internet connection starting from year 2016. The government encouraged Indonesian society to improve the economics competitiveness through communication and informatic industry by 80% in year 2020. Digital and information technology sectors have indeed a great potential to accelerate the growth of the national economy. (<http://wartaekonomi.co.id/read/2016/08/29/111456/mendorong-kontribusi-digital-terhadap-perekonomian-nasional.html>)

Based on the above descriptions, First Media has generated significant contributions and roles to be the best partner for the Government and the society for the empowerment and development of the national economy through its digital communication technology and information technology sector. Indonesia currently has about 80 million Internet users out of a total population of about 250 million people, which suggest that the penetration rate of Internet users of 34.9%. Compared to Malaysia and Singapore, the penetration rate is still relatively low. Malaysia has a better penetration rate of 66%, while Singapore has a higher penetration rate of 81% (source: Digital, Social & Mobile in 2015). If Indonesia is able to reach between 169 million - 207 million, or potentially an addition of 96 million - 134 million Internet users, then Indonesia is on the way to become a giant digital economy in Southeast Asia.

The view from Accenture research also reinforces First Media's view on its business prospect. In a research about digital consumption, it is shown that Indonesian consumers want new and innovative products. They are adapting for an all-digital lifestyle. Research has shown that 41% of Indonesians want to be the first to have the latest device or to try out the latest products and services. Compared to other emerging markets, most consumers are interested in devices and applications to be continuously developed.



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The Ministry of Communication and Informatic of the Republic of Indonesia has been working together with local governments throughout the archipelago to ensure that the office buildings and residences in their regions are provided with Internet cable network access. It is certainly a great opportunity for First Media to cooperate with third parties to meet the needs of internet services for the community or society.

Products and Business Review

A Glance of First Media Businesses

First Media is a company that engaged in TMT business which involve in broadband internet services cable and wireless, pay television subscription services, data communication through digital communication network, passive multimedia infrastructure services in buildings, telephony network services through an integrated smart network, multimedia content creator and provider as well as theatre.

As a leading company in TMT business, First Media seeks for innovation in telecommunication sector, television program, service network construction and infrastructure expansion, and creation of multimedia content, as well as synergizing all of the products, services and solutions for customer satisfaction.

First Media businesses that operate by its subsidiaries and/or association along with the service products are generated as follows:

- 1. Telecommunication Business Segment.
- 2. Media Business Segment.
- 3. Content Creator Business Segment.
- 4. Cinema Business Segment.

Operation Review per Segment

Telecommunication Business Segment

Telecommunication business segment divided into 4 (four) business categories, which are: cable broadband network services, broadband wireless access network, telephony business through an integrated smart network and construction of telecommunication infrastructure.

Cable Broadband Internet Network Business

A glance/ Profile

In the beginning, this business was operated by First Media itself in the year of 2007 and afterwards it was novated to PT Link Net Tbk (“LN”) since 2011 until this present-day. This business provide an integrated services, which (i) high speed broadband internet service (“FastNet”) and (ii) digital communication service through digital telecommunication network (“DataComm”). All of the above mentioned integrated network operated by high technology Hybrid Fiber Coaxial (“HFC”) cable and able to operate 870 MHz two-way broadband services.

Product and Services

“FastNet” is an internet servicicable based product. This product is available in Indonesia as the first product that provide fast and affordable internet services that cost IDR 99,000 for speed up to 384 Kbps. With HFC network with frequency up to 870 Mhz, FastNet is able to deliver large bandwidth to Indonesian citizens.

Currently, the coverage of FastNet service has reach Jabodetabek, Bandung, Surabaya, Malang and Bali. First Media and its subsidiaries consistently implementing the best technology development in

all of the products to generate integrated telecommunication and multimedia services. In 2015, First Media well-known as the first cable broadband service provider whom able to provide 200 Mbps capacity to its subscribers. In 2016, First Media improves the quality of the broadband technology by launching the FTTH service (Fiber to the Home) as well as providing the 1 Gbps speed services.

“Datacomm” is a high speed data communication based on fiber optic cable for business and other commercial needs. Through fiber optic infrastructure, DataComm provides data services for corporate customers in various industrial and business sectors. DataComm service has been serving the internet service for corporations in financial business area in Jakarta for many years.

The technology that support the corporate business process is supported with good infrastructure known as Metropolitan or Metro-Ethernet. For the connection configuration, smart network that so called MPLS (Multi Protocol Label Switching) is adopted. The service provided is high speed data transfer, such as disaster recovery, storage area network, peering services, inter-branch connection and stable video streaming. To provide system transition or network routing, First Media adopts BGP Best-Path Route method in Global Internet network through the Shortest Path Technique. The availability of this technology was prepared to accommodate 40 Gbps bandwidth capacity. The implemented technology qualify First Media subsidiaries as the network provider with availability and reliability that achieve more than 99,5 %.

Broadband Wireless Access (BWA)

A glance/Profile

Internux is First Media’s subsidiary that operates wireless broadband internet network – Broadband Wireless Access (BWA) under the brand of “BOLT!Super4GLTE”. BOLT! Product adopting the 4G LTE-TDD (Long Term Evolution – Time Division Duplex) technology.

Based on years experiences in managing the broadband internet network, First Media understand that the escalation of needs of broadband wireless access in for mobile customers. First Media provides broadband wireless access, ULTRA LTE. This service exploits the upgraded 4G LTE network with the state-of-the-art advanced mobile network technology, which is LTE Advanced (LTE-A). This technology give the ability to download up to 200 Mbps.

Product and Services

This product caters the need of mobile broadband internet service, including while driving. With the mission of “Transforming Lives”, BOLT! serves the requirement of mobile internet by provision of BTS spreads over the areas of Jakarta, Bogor, Tangerang, Depok, Bekasi dan northern Sumatera. First Media continuously perform innovation to improve the service quality as its’ commitment to be the leading TMT service provider. In year 2016, BOLT! launched True Unlimited with speed up to 20 Mbps without FUP (Fair Usage Policy). With such service package, subscribers are able to enjoy BOLT! 4G LTE Advanced variously alongside with the needs of each customer.

To facilitate customers in enjoying the service, First Media also develop the “BOLT! Talk Application”. This application can be downloaded by smartphone or tablet user so they are able to communicate with other BOLT! user, as well as non-BOLT! internet user. To expand its market, First Media cooperates with smartphone and tablet producers so that people are more convenient to utilize the excellence of BOLT!Super4GLTE network. Currently, BOLT! has the market segment for regular customers (individual) and corporate customers. Up to year 2016, BOLT! has achieved 1,6 million regular customers and 6,503 corporate customers.



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Integrated Smart Network Telephony Business

A glance/ Profile

One of the available telecommunication service is the telephony added value service, which providing telephony added value service for basic telephony, including telephony service through smart integerated network, calling card, and interactive voice response technology, and public radio page. PT MSH Niaga Telecom Indonesia (“MSH Niaga”) is one of the telephony calling card service provider with affordable pricing. First Media has vision to become a leading telecommunication solution service in Indonesia.

Product and Services

Telephony service has a high competition among the similar business. Therefore, MSH Niaga prioritize its excellence of utilization of the product and technology as well as provision of responsive customer service and to meet the customer requirement. Despite of calling card, MSH Niaga expands its service by utilizing access with FO link. This service is applied to achieve high volume of conversation traffic with excellent and stable voice quality. This service uses FWT (Fixed Wireless Terminal) in cooperation with the cellular operators. By this service, the usage of PSTN is limited, therefore it serves as a backup in case of occurrence of disruption event of Telkom network.

MSH Niaga market are mostly the corporate customers in Jakarta and Surabaya. Until 31 Desember 2016, First Media has served 1,400 corporate customers from various industries, such as hospital, insurance, pharmaceutical, automotive, and mining. As the need of telecommunication service in Indonesia is increasing, MSH Niaga is confident to develop telephony service, especially in telecommunication solution business.

Another solution from MSH Niaga is encouraging Hosted PBX service to be collectively used by MSH Niaga customers, so the customers do not require to have their own PBX, but simply install IP-Phone in their own offices.

Telecommunication Infrastructure Construction Business

A glance/ Profile

PT Prima Wira Utama (“PWU”) is a subsidiary of First Media that engaged in the business of construction, management, operation and arrangement of telecommunication infrastructure needs. This telecommunication infrastructure includes but not limited to Distribution Antenna System (DAS), amplify cellular phone signal, digital signage, CCTV, EDC machine, and many other forms. This telecommunication infrastructure is provided in office buildings, residential areas (housing complex and apartment), hospital, hotel, education center, and shopping center. These infrastructure services utilized devices owned by First Media.

PWU has built in-building solution in 65 buildings spread throughout Indonesia. PWU has also develop wireless infrastructure in 26 shopping center and 3 hospitals, in order to deliver Wi-Fi services to tenant and customer of the shopping center or hospital. This infrastructure delivered by PWU in cooperation with Link Net so that it would enable customer to enjoy the fastest wi-fi up to 100 Mbps which is the fastest facilities for shopping center and hospital customer in Indonesia.

Here are the list of shopping center and hospitals that equipped with WI-Fi network until the year of 2016:

No	Building Name	Location
1	Lippo Mall Puri	Jakarta
2	PX Pavillion	Jakarta
3	Pluit Village	Jakarta
4	Plaza Semanggi	Jakarta
5	Gajah Mada Plaza	Jakarta
6	Tamini Square	Jakarta
7	Pejaten Village	Jakarta
8	Cibubur Junction	Jakarta
9	RS. Siloam Kebun Jeruk	Jakarta
10	Hypermart Lippo Karawaci Utara	Tangerang
11	RS Umum Siloam Karawaci	Tangerang
12	RS. Siloam Lippo Village	Tangerang
13	Maxxbboxx Karawaci	Tangerang
14	Lippo Mall Cikarang	Cikarang
15	Cikarang City Walk	Cikarang
16	Maxxbboxx Orange County	Cikarang
17	Lippo Plaza Medan	Medan
18	Sun Plaza	Medan
19	Plaza Medan Fair	Medan
20	Lippo Mall Kuta	Bali
21	Duta Plaza Bali	Bali
22	Lippo Plaza Sunset	Bali
23	Bandung Indah Plaza	Bandung
24	Istana Plaza	Bandung
25	Lippo Plaza Jogja	Yogyakarta
26	Palembang Icon	Palembang
27	Lippo Plaza Keboen Raya Bogor	Bogor
28	Depok Town Square	Depok
29	Lippo Plaza Bogor	Bogor



Media Business

Media business is divided into 2 (two) business category which is the cable subscription television service and direct to home subscription television services.

Cable Subscription Television



A glance/ Profile

First Media subsidiaries, PT First Media Television (“First Media Television”), in cooperation with Link Net for utilization of network cable to deliver qualified television broadcasting in high definition format with the most channels in Indonesia with the brand name “HomeCable”.

There are various channels delivered by HomeCable, starting from the education, news, music, entertainment, lifestyle, and children. Not only broadcasting the international channels, HomeCable also provides 6 local in-house channels produced by First Media business units, such as J’Go, Dangdut, Hi TV, MIX, Foodie TV and BeritaSatu News Channel. All in-house channels are produced by PT First Media Production (“First Media Production”) and PT First Media News (“First Media News”), is part of a support from HomeCable to support local content.

Product and Service

Currently, the necessity to watch television without limitation of space has become a high demand for people in all over the world. The audiences are no longer want to be restricted with the requirement to enjoy movies, favourite channels, especially live shows at home. Television audiences expects the availability of technology that enable them watch in their own mobile device. The necessity to watch television through internet network services become viral.

Using the tagline of “TV Anywhere” through FirstMediaX, First Media implement the technology that would enable customer to watch their favourite channels through PC, laptop, smartphone, or tablet including watching live streaming. To ensure the freedom to watch, Link Net cooperate with BOLT! 4G LTE. FirstMediaX can also be accessed through Google Chrome or Firefox Browser. FirstMediaX application can be downloaded through App Store (Apple IOS) or Play Store (Android).

First Media also providing its television subscription network with Smart Box X1 HD that equipped with internal DOCSIS 3.0 modem with interactive facility, so that subscribers are able to enjoy Video on Demand, 7-days Catch-Up TV, Personal Video Recorder, Games, Video Streaming, Mirror Casting, Dolby 5.1, 4K Technology and access to broadband internet with Google Android Lollipop platform. As a result, subscribers are able to access various Android applications such as Youtube, Gmail, Facebook, and Twitter. X1 HD smart box also functioning as Wi-Fi with DLNA that enable Wi-Fi access to the whole house. The scope of HomeCable subscription television includes the area of Jabodetabek, Bandung, Surabaya, Malang and Bali and may be subscribed by all audiences.

First Media realize that not all content is friendly for children, in fact there are some program that prohibited for children. Therefore, the product are equipped with parental controls feature, either for internet service or subscription television services. First Media believes that technology must provide certainty for the parent relating to the content to be consumed by their children.

Direct To Home Pay Television Business (Satellite)

A glance/ Profile

BiGTV is one of the business units of First Media that engaged in providing direct to home subscription television services. BiGTV established with the name of PT Indonesia Media Televisi (“Indonesia Media Televisi”) which is an affiliated company of First Media.



The increase of television penetration in 2014 was 59,6% and predicted to remain increasing until 69% in the year of 2023 (MPA Data 2015). While the level of television subscription penetration still very low, which is 10% in 2014 and 14,5% in 2023 (MPA Data 2015). There is a big potential to provide subscription television services to Indonesian citizens. Considering Indonesia geographical condition that are mostly consists of islands, the most suitable technology infrastructure to reach the whole Indonesia territory is through satellite technology. First Media realize that this could be a good opportunity in distributing contents massively to throughout the archipelago.

Product and Service

BiGTV distributes the channel in KU-band frequency with Lippo Star-1 satellite that launched in July 2012. At the moment BiGTV uses 5 (five) transponders to present 110 channel that consist of 36 HD channels and 74 SD channels. The package offered are as follows:

1. BIG DEAL with total 70 Channels (19 HD channels and 51 SD channels).
2. BIG FUN with total 74 Channels (21 HD channels and 53 SD channels).
3. BIG SUN with total 82 Channels (27 HD channels and 55 SD channels).
4. BIG STAR with total 95 Channels (32 HD channels and 63 SD channels).
5. BIG UNIVERSE with total 107 Channels (36 HD channels and 71 SD channels).

BiGTV also facilitate its subscribers with two service options which are postpaid, where the customer use equipments on rental-basis and payment options would be made in advance in accordance with the package or prepaid by voucher. This prepaid system is similar to the process of top up credit in cellular phone, however subscribers has to purchase the decoder and satellite dish prior the use of service. BiGTV has a national range of service, especially in big cities in Indonesia with 500,000 active subscribers that about 80% comes from with A-B economy social segment households.

Content Production Business

Content production is one of the business line that need to be developed in global TMT business competition. First Media subsidiary, PT First Media Production (“First Media Production”) and PT First Media News (“First Media News”) has become the business unit of First Media in producing and developing broadcasting channel.

First Media News (BeritaSatu News Channel)

A glance/ Profile

The need of latest information has become the demand of modern communities. The continuity of information updates even becomes a part of competition for content provider in this era. First Media encourages First Media News as news and information generator that distributed through “BeritaSatu News Channel”. First Media establish this business unit in 2008 as a strategic movement to develop different value in broadcasting industry.



First Media, through First Media News, is able to provide information and news to public with high standard of journalism alongside while upholding the integrity value, objectivity, impartiality, and news accuracy. A strong editorial vision that respects objective values, brilliant, comprehensive and investigative are the values that always maintained by BeritaSatu News Channel.

Product and Services

BeritaSatu News Channel Programs

The program designed by BeritaSatu News Channel divide into 2 (two) section such as journal program that contains latest news and current affair program that presents the new information and knowledge. The list of programs in BeritaSatu News Channel are as follows :

Program	Description
DBS to the Point	Senior journalist, Don Bosco Selamun, straightly review tha actual topic with reputable sources.
DK Show	60 minutes talkshow with inspirational figure.
The Headline	Talkshow program examining the headline news in a week from different point of view to provide a complete perspective for the audiences.
Jurnal Pagi	Bulletin program that examine the previous news.
Market Corner	Economy business program with focus on capital market and short dialogue about business and investment.
News on The Spot	LIVE news report from certain area.
Lunch Talk	Talkshow regarding to public policy, social issue, and public service as well as interaction with communities.
Prime Time	Bulletin with latest actual and important news on that day.
Prime Time Talk	Dialogue examining the most important and actual issue with prominent sources and interaction with communities.
Connect 360	Presenting developing news and information in social media in an attractive way.
Money Report	Program relating to headline in business alongside with the dia- logue decision maker interviewees, businessman/businesswoman, minister, central bank, OJK and Indonesia Stock Exchange.
Jurnal Malam	Bulletin that set forth the events occurred in a day.
News Update	The most actual quick news that present hourly.
Soundbite	Statement preview/ the most important statement from figure or event of the week.
News of the Week	The most important topic review of in a week that completely and analytically presented.
Fakta Data	Through numbers, data, and facts persuade the audiences to understand various issues and phenomena that happens in society.
BeritaSatu Highlight	A clip of important and interesting news that briefly presented.
Female Zone	Program that presenting the inspirational woman.
Jurnal Ekstra	Informative program that packed attractively.

Business Round Up	Reviewing the most important event happens in Economy in a week.
People & Inspiration	Program that presenting the inspirational young figure and simply presented.
Xpose	30 minutes weekly program that deeply examining attractive and interesting topic.
dBlusukan	30 minutes program that encourage audiences to explore various locations and get closer with Indonesian society daily activities

BeritaSatu News Channel Access

BeritaSatu News Channel may be accessed under channel number 6 (Standard Definition) and channel number 301 (High Definition) in HomeCable television subscription. On top of that, BeritaSatu News Channel also cooperates with several national PayTV, local, terrestrial digital, FTA analog terrestrial, FTA digital terrestrial and Mobile Internet.

First Media Production

A glance/ Profile

First Media Production was established in 2008. The establishment of this business unit is in private television broadcasting. First Media Production divided the business into 3 divisions which are production, post-production as well as event. The specific forms of the business model run by First Media Production are television commercial, event, company profile maker, channel and movie (short movie and movie).

The performance of First Media Production in 2016 has been marked with the launching of inhouse movies. In 2016, First Media Production released the newest movie called “Blusukan Jakarta” in March, 24 2016. Beside of that, First Media Production also produce advertisement and inhouse channel that deliver through HomeCable and BiGTV.

Product and Service

Cinematography

First Media Production has produced three movies. The latest movie that produced in 2016 was “Blusukan Jakarta”. Released by First Media Productionwith genre as drama adventure, this movie tells about the American journalist named Tony, that appointed by his company to help BeritaSatu investigation team to gather news material. Once he arrived at Jakarta, Tony was interested in recording Acil, homeless children. The interview process turns out to be distracted at the time Acil steal Tony’s camera. Tony chase after Acil until he entered into fisherman village. Tony was trapped in that village. In that village, Tony met Anggun, a little girl that try to change the world by becoming a lecturer for dependent child. Then Marni, a mother that forced to become prostitute because of certain conditions. Tony also met Jampang, head of civilian in fisherman village. Through the above mentioned figure, Tony enter into life of Jakarta societies with all its’ problems. Tony learned what Anggun said that “Jakarta might not be the most beautiful city in the world, but it was memorable for its’ society”.

First Media supports cinematography because of humanist side which explaining the life of civilian that looking for money to support their own life and their families, however they have to abandon their school activities



List of movie and television channels by First Media Production

Movie Name	Year of release	Genre
Sepuluh	2009	Drama
Mica	2013	Romantic Drama
Blusukan Jakarta	2016	Adventure Drama

List of inhouse channels produced by First Media Production since 2008 :

Name inhouse channel	Genre	Description
Foodie TV	Kuliner/ Culinary	Culinary program to taste and create various dishes around the world
	General Entertainment	Information and entertainment program addressed to teenager and adult in Indonesia.
Hi TV		This program present inspiration for society, from culinary, cooking, health, fashion, and music.
JGo	Movie	Program that specifically contain of Indonesian movie.
MIX	Musik/ Music	Music program that contain music clip whether local or international.
Dangdut	Musik/ Music	Music program that specifically present Indonesian Dangdut.

Latest Programs

In this year, First Media Production consistently release several numbers of new programs from various genre such as food, kids, music and featured. Here are the description or summary of the program that produced by First Media Production:

No	Genre	Program Name	Short Description
1	Food	Peranakan Cuisine	Culinary program specialized in Asian, Indonesia and peranakan cuisine
		Food or Diet	Serving healthy cuisine that guide by famous chef and doctor.
		Sweet Savvy	Program thatshow how to make a cake with sweet element, marvelous, delicious, and healthy.
		Parahyangan Culinary	Culinary program specialized in sundanese cuisine
		What's Next Cheff	Information program to discover the life of a Chef
		Fusion Flavour	Program that present multinational culinary.
		Chef Secret Take Away	Culinary program to discover the secret recipe from famous Chef

			Get Balance Get Healthy	Information regarding to good food for health-iness.
			Wina Bissett back to Baking	Simple baking cookies recipe.
			Chop & Cook	Program that shows how to cook various menus.
			Trick 35	Program that shows guidance into healthy life-style through healthy food for urban listestyle.
2	Kids		The Baloon Show	Encouraging kids to learn how to make animal character with balloon.
			Now I Know	Program that inspiring children and give extra value of knowledge.
3	Music		K-Music Star	Program that provide the latest Korean music.
			Your Daily Hits	Presenting music clip that hosted by comedian.
			Scenelogy	How to create spectacular international music clip.
4	Featured		On Air With	Presenting acoustic musician in studio.
			De Historisch van Jakarta	Program that examine details of Jakarta, and show the other side of Jakarta.
			Born to be Famous	World famous people lifestyle.
			Country Overview	Information regarding to countries: History, Faith, culinary, etc.
			Enter Games	Examining the latest video games.
			Lets Work it Out	Program that show how to have an optimal sport at home.
			Entertainment Sensation	Audiences would find out celebrities' facts and their trip.
			Pets Pets	Program that enhance audience on how to train and treat pets.
			Wedding Venture	Program that offer solutions for couples that want to get married.
			Beauty Martial Arts	Sports program that enhance the audience that martial arts are not only for defence, but also for healthiness.
			Motorun	Program that showing detail tips to modifica-tion.

VIEW MAGAZINE

View Magazine designed not only for the magazine television programs that deliver by HomeCable and BiGTV. First Media Production magazine also include movie review or television program, as well as feature that divided into (1) Daily schedule (22%), (2) Advertisement (4%), and (3) Interesting and informative article (74%) such as: program highlights, cover story, section, and quiz. VIEW magazine has won several writing competition award held by international television network is published every month.





Cinema Business

A glance/Profile

Cinemaxx business unit established in 2014 with the name of PT Cinemaxx Global Pasifik (“Cinemaxx”). Cinemaxx business is screening, opening and managing theatres. Cinemaxx movie theatre is the new business unit of First Media as of the end of 2014. First Media runs this business model to integrate its’ TMT business. This strategic step has provided opportunities for distributing content that have been made by First Media Production. Certainly, Cinemaxx will show local creations that get a few opportunities to be played in the cinema.

Alongside with Cinemaxx vision and mission to become the favourite movie exhibitor with the widest coverage in Indonesia. Cinemaxx was projected to provide 1,000 screen spread in 85 cities in Indonesia.

Beside of multiplying the number of screen, Cinemaxx also focus in providing different experience in fulfilling the needs of movie lover in Indonesia. In March 2016, Cinemaxx launched Cinemaxx Junior. Movie theatre that set for children with playing facility. This has become a breakthrough on how to watch movie in Indonesia, even in Southeast Asia.

In Cinemaxx Junior, parents can calmly teaching their children to watch the movie that suitable with their age and educative, and have the chance to actively play and train their motoric. In the future, Cinemaxx Junior will be developed in different cities outside Jabodetabek.

Product and Service

Cinemaxx presents the high technology of its’ movie theatres which are Big Picture, Big Sound that gives the best audio-visual experience in watching movie (Maximum Movie Experience). Cinemaxx has been prepared to be the one of the biggest movie player and the most selected movie theatre in Indonesia - with more than 2,000 screen and 300 location that plan and spread in 85 cities for the next 10 years. With various facilities to create Integrated Cinematic Maxxperiences, Cinemaxx offer: Cinemaxx Reguler is the movie theatre with the latest audio visual system and realistic powerful digital audio, as well as comfortable seat.

Cinemaxx Gold is the movie theatre with VIP class from Cinemaxx, with luxury reclining seat supported with delicious and high class food and beverage.

Ultra XD gives an experience of watching with big screen where the movie is presented from dual digital projector with high definition supported with 3D technology alongside with Dolby Atmos audio system from all directions. The comfort seats that set for better visual.

Cinemaxx Junior is the first movie theatre in Indonesia that set and designed entirely for kids, by combining two things love by kids which is watching and playing. Spaces in Cinemaxx Junior have the playing area with a lot of games such as play bridge, flying fox, giant trampoline, ball pit, climbing trees, mini hammocks, and many more. Kids and families can enjoy movie with various type of seats such as bean bag, lounge, cinema seat or sofa bed for two.

Since December 2014 until the end of 2016, Cinemaxx has own and operate 19 movie theatres with total of 102 screen in the region as follows :

No	Movie Theatre	Region
1	Cinemaxx Plaza Semanggi	Jakarta
2	Cinemaxx FX Sudirman	Jakarta
3	Cinemaxx Palembang Icon	Sumatera Selatan
4	Cinemaxx Ponorogo City Center	Jawa Timur
5	Cinemaxx Lippo Plaza Manado	Sulawesi Utara
6	Cinemaxx Lippo Mall Kuta	Bali
7	Cinemaxx Sun Plaza Medan	Sumatera Utara
8	Cinemaxx Lippo Plaza Medan	Sumatera Utara
9	Cinemaxx Maxx Box Orange County - Cikarang	Bekasi
10	Cinemaxx Lippo Plaza Jogja	Jawa Tengah
11	Cinemaxx Maxx Boxx Lippo Village	Tangerang
12	Cinemaxx Mall WTC Matahari Serpong	Tangerang
13	Cinemaxx Lippo Mall Cikarang	Bekasi
14	Cinemaxx Metropolis Town Square	Tangerang
15	Cinemaxx Lippo Plaza Buton	Sulawesi Tenggara
16	Cinemaxx Lombok City Center	Nusa Tenggara Barat
17	Cinemaxx Lippo Plaza Kupang	Nusa Tenggara Timur
18	Cinemaxx Lippo Plaza Bogor Two	Bogor
19	Cinemaxx Lippo Plaza Jambi	Jambi

Marketing Strategy

The marketing strategy that implemented by First Media is integrated and comprehensive to raise the brand that can give a positive impact to the sales. Therefore, First Media focusing on how to keep the three aspect of management which is Product, Brand and Customer Management.

The expectations from the above mentioned aspect is that First Media able to form customer enthusiasm on the product and services. As an aspect of marketing management, First Media make an illustration of marketing concept that implement and becoming guide for its’ subsidiaries.

Marketing Communication and Promotion

First Media runs its collaborative marketing and promotion with Event & Experience. This promotion done by exhibition in certain shopping center by displaying BOLT! 4G, BiGTV, FastNet, HomeCable, and FirstMediaX. List of First Media Event & Experience in 2016 :

No	Venue	Exhibition Date
1	Lippo Mall Puri	24-26 Juni 2016
2	Lippo Mall Pluit	20-21 Agustus 2016
3	Tamini Square	30 Sept dan 1-2 October 2016
4	Cibubur Junction	28-30 October 2016
5	Kemang Village	19-20 November 2016
6	Maxboxx Lippo Karawaci	10-11 Desember 2016

Distribution Network

To distribute product and services, First Media utilizes several distribution sectors. The purpose of creating distribution network is to allow customer to interact with the Product & Brand as well as improving customer loyalty. The distribution network utilize by First Media are as follows :

Contact Center

First Media form a customer service team related to the product information, registration, installation schedule until the damage handling. Beside of contact center, First Media also form a customer handling division that divided into two teams to handle consumer issue. Most of the technical support is by phone in contact center and handling issue through system. Field care, is a team that will handle issue in the troubled area. This team would come to each of customer house to solve problem such as cable damage, STB replacement as well as installation.

Telesales

The installation line has been done through telesales agent.

Bolt Zone

First Media presents the BOLT! 4G sales outlets as well as customer services.

Digital Application

As a part of improving the customer services, in 2016, First Media create an application that can be access through smartphone with operating system of IOS and Android. This application create to facilitate customer in accessing the information such as :

- Showing the monthly bill and product name
- First Media network condition
- Credit card payment feature and other payment feature
- Additional packet feature

Beside of the product and bill information, the application named “My First Media”, support with “self-diagnostic system” feature. Advanced features set by First Media to handle technical issue on the spot.

Partner outlets

Is a marketing channels used by First Media in marketing BOLT! 4G product through cellular phone outlet.

Social Media

In promoting the product of its subsidiaries, First Media use the social media. The social media that used are Facebook, Twitter, Instagram and Youtube.

Website

First Media commercial website can be access through www.firstmedia.com; www.bolt.id; www.bigtvhd.com; www.cinemaxxtheater.com; with the purpose of facilitate customer to access the product and services.

Operational Review

Network Infrastructure Development

First Media together with its subsidiaries are one among the ICT network developers in Indonesia. Therefore, developing the network infrastructure is a part that must be consistently done, especially to sustain as the leader in TMT company. Other than reason to compete with other similar company, it is an obligation as consequences as a company that committed to contribute to the people and Republic of Indonesia, as well as supporting the government program in Masteplan for Acceleration dan Expansion of Indonesia Economy Development (MP3I).

Cable Telecommunication Network

During year 2016, First Media subsidiaries, Link Net expands its Hybrid-Fibre-Coaxial (HFC) cable network up to 1.8 million homepass that extends from Jabodetabek, Bandung, Surabaya, Malang, Bali, and North Sumatera.

Until 31 December 2016, Link Net also expands the Metro-Ethernet services for corporate subscribers in several office building. There were 98 buildings that has been installed with Metro-Ethernet communication network which will facilitate and accelerate the demand of corporate customers in improving the exchange of data and information to accelerate the business process.

Wireless Telecommunication Network

During 2016, First Media in collaboration with Internux, First Media's subsidiary, also expands the wireless network services on 4G-LTE TDD (Time Division Duplex) basis by expanding the coverage area up to 3,847 sites spread across Jabodetabek and northern Sumatera.

Telecommunication Service Provider

With the state-of-the-art technology of telecommunication network owned by First Media and its subsidiary, First Media is able to provide various most advance telecommunication services. Not only reliable, the telecommunication service delivered and developed are also optimal in supporting the needs of the customers, either for private usage or business.

Internet Service Access

Nowadays, internet access is one of the telecommunication services that is substantial for society. The utilization make possible of connection between people with unlimited access of information as well as distance and time barrier, so that internet access become a part of telecommunication services that widely used by people. Speed is one of the main elements to be considered to use certain internet access service.

In 2016, Link Net, First Media's subsidiary, provides broadband internet access through cable with the download speed up to 1Gbps, without download and upload limit. By utilizing the telecommunication network through cable, the stable and fast internet access provide the good quality of usage with shorter time.

Beside broadband internet access through cable, First Media also provides broadband wireless access with 4G LTE Advance technology, together with Internux, and through satellite with VSAT technology, by Link Net. 4G LTE internet access addressed for mobile internet users and VSAT internet become a solution for need of internet access for corporate in small villages around Indonesia.



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Telephony Added Value Service

Through its' subsidiary, MSH Niaga Telecom Indonesia, First Media provides calling card telephony added value service. With this service, MSH Niaga Telecom Indonesia is able to provide telecommunication services through telephone with affordable price.

Broadcasting and Channel Provider

First Media provides subscription television service through its' subsidiary, First Media Television for broadcasting through cable and Indonesia Media Televisi for direct-to-home broadcasting. Beside providing television subscription services through cable and satellite, Link Net, First Media subsidiary launch FirstMediaX application, over-the-top application (OTT) or TV Anywhere. By FirstMediaX, subscribers are be able to enjoy television channels through mobile devices. Equipped with catch-up feature and video on demand (VOD), subscribers would not miss their favorite program. To support the broadcasting business, First Media through its' subsidiary, First Media News and First Media Production, provides entertaining, excellent and informative channels. First Media News provides BeritaSatu News Channel, the accurate, objective and impartial news channel. First Media Production as production house, produce television commercial, creates company profile and channel programs and movies (either short movie or cinema movie).

Cinema

To complete TMT business lines, in 2014 First Media acquired Cinemaxx, the company that engage in managing theatres. Cinemaxx supported with several up to date theatre technology, established to provide Integrated Cinematic Maxxperience. Until the end of 2016, Cinemaxx has operate 19 cinemas with the total of 102 screens spread all over Indonesia.

Licensing or Business License

In operating the telecommunication business, First Media own several license in accordance with the prevailing regulations.

Local Fixed Network Operation Packet Switch Based

In 27 July 2009, First Media appointed as winner of selection in provision of Fixed Local Packet-Switched based Network with 2.3 GHz radio frequency band for Broadband Wireless Access in northern Sumatera, Banten, Jakarta, Bogor, Depok, Tangerang, and Bekasi. In continuance of the assignment, First Media obtains the operation license for Fixed Local Packet-Switched Based Network No. 420/KEP/M.KOMINFO/11/2009 dated 6 November 2009 and amended by Minister of Telecommunication and Information Decree No. 179/KEP/M.KOMINFO/04/2012 dated 2 April 2012.

To complete the operation license of Fixed Local Packet-Switched Based Network for Broadband Wireless Access, First Media has obtained Radio Frequency Band License No. 2011G/DJPT.4/KOMINFO/11/2009 and No. 2011F/DJPT.4/KOMINFO/11/2009 from Minister of Communication and Informatics.

In 27 June 2011, Link Net, First Media subsidiary has obtained the operation license of Fixed Local Packet-Switched Based Network from Minister of Communication and Informatics Decree No.246/KEP/M.KOMINFO/06/2011. Link Net provide telecommunication network based on Hybrid Fiber Coaxial Technology.

In 2012, Internux has obtained the operation license of Fixed Local Packet-Switched Based Network from the Minister of Communication and Informatics Decree No. 243/KEP/M.KOMINFO/04/2012 dated 26 April 2012.

Closed Fixed Network

In 24 March 2014, Link Net, First Media subsidiary has obtained operation license of Closed Fixed Network from Minister of Communication and Informatics of Republic of Indonesia No. 312 year 2014 about Closed Fixed Network License.

Internet Service

In 27 July 2009, Link Net, First Media subsidiary has obtained the Internet Service Provider License from Director General of Post and Telecommunication as stated in the Decree No. 176/DIRJEN/2009. After 5-years period evaluation, Link Net obtained the Internet Service Provider No. 51 year 2015 dated 27 January 2015 published by Director General of Post and Information Technology.

Internux, First Media subsidiary has obtained the Internet Service Provider license Number 34 of 2014 dated 29 January 2014 from Minister of Communication and Informatics that supersede the Decree of Director General of Post and Telecommunication No. 305/Dirjen/2005.

Internet Interconnection Service

In 27 January 2015, Link Net, First Media subsidiary has obtained the license for Internet Interconnection Service Provider based on Decree of Director General of Post and Informatics No. 50 year 2015.Calling Card Telephony Added Value Service

MSH Niaga Telecom Indonesia, First Media subsidiary has obtained the Calling Card Telephony Added Value Service license based on Decree of Director General Post and Telecommunication No. 77/DIRJEN/2010 dated 17 February 2010.

Television Subscription Service

In 3 September 2004, First Media has obtained television subscription services based on Decree of Director General Post and Telecommunication Minister of Transportation No. 256/Dirjen/2004, for television subscription service with national coverage.

To comply with Regulation No. 32 Year of 2002 in regard of Broadcasting and Government Regulation No. 52 Year 2005 in regard of Television Subscription Services, in 11 November 2010, First Media subsidiary, First Media Television has obtained the television subscription provider services license based on the Decree of Minister of Communication and Informatics of Republic of Indonesia No. 339. KEP/M.KOMINFO/11/2010, superseded the pay television subscription service owned by First Media. Until the end of 2016, First Media through First Media Television has operated TV cable business in Jakarta, Bogor, Depok, Tangerang, Bekasi (Jabodetabek), Bandung, Surabaya, and Bali.

In February 2012, Indonesia Media Televisi, First Media subsidiary has obtained the television subscription service license based on Decree of Minister of Communication and Informatics of Republic of Indonesia No. 112/KEP/M.KOMINFO/02/2012.



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Functional Reviews

HUMAN RESOURCE MANAGEMENT SYSTEM

In any sector of businesses, one of the major contribution of a company is to absorb and develop its manpower resulting so that the country will have skillful and even expert manpower, to compete with other manpower all around the globe. Companies plays an important role in global human resource competition.

First Media fully understand the reasoning above ,therefore human resource management in each of its subsidiaries are as well become important as part of its strategy, planning, and each of its development. First Media consistently improve synergy and efficiency between First Media and its subsidiaries based on its core values which are implemented to achieve its vision and mission.

HUMAN RESOURCE INFORMATION SYSTEM

Since 2011, Human Resource Information System (HRIS) has been developed in cooperation with Information Technology Division. The implementation of the Overtime Online System, e-Recruitment System and Exit Clearance Online System have been running and consistently upgraded. The system delivers major contribution in activities and workflow in Human Resource Division and organization. Its convenience to operate, ease the user to gather the latest information including to manage all managing every stage in recruitment process. Management is able to obtain the transparent and most updated information regarding human resource. This integrated system is accurate and effective in terms of cost.

PERFORMANCE MANAGEMENT SYSTEM

Performance Management System (PMS) in First Media done electronically through Electronic Performance Management System (E-PMS). The performance management system develop by First Media under the E-PMS links the objective as well as vision and mission of the organization for employees. As the result, every employee are aware of the direction and purpose to be achieved by the organization, and cognizant of its participation to achieve its target.

E-PMS also create a fair and objective assessment, and refer its assessment aspect in the achievement of target and behavior competencies. E-PMS is developed by Management by Objectives (MBO) approach, promoted by Peter Drucker. There are sustainable cycles in this system, which include Performance Planning, Performance Coaching, and Performance Appraisal.

The assessment under E-PMS is based on two things namely targets which are elaborated in the Key Business Objective (KBO) and Key Performance Indicator (KPI), and employee behavior under Behavior Competencies (BC). Assessment in KBO emphasize 70 percent of the total assessment, while BC emphasize 30 percent, with maximum assessment score up to 130 percent of the total achievement. The assessment score aggregated from the total KBO and BC linked with certain range of numbers and rated.

For the scoring to be more fair and objective, the assessment score of an employee is compared to the score of its colleagues within the same department. This process is called normalization. The normalization process is conducted in 3 levels, started from the section, department, and division level. In the normalization process, the score from assessment process is likely to change.

One aspect of the assessment under KBO is coaching. Every employee with team member will automatically have KBO Coaching. The purpose is to develop coaching culture within the company. Coaching is expected to assist the employee in achieving its target, and overcome the obstacle occurs in daily activities.

The coaching process is performed one by one. An employee with team member will perform coaching for each of its team member. Subsequently, the result from such coaching process to be included in the PMS.

Periodically, the E-PMS system is upgraded to become better and better. Upgrades in E-PMS include the dimensions under Behavior Competencies, with approaches which adapts to the development and requirement. The changes of dimension may include: Discipline and Control, Leadership and Support, Communication, Achievement, Self-Development, Challenge and Problem Solving.

Employee Composition of the Company

In the year 2016, the total employee of First Media are 1,532 employees that consists of 52 employees of First Media and 1,480 employees of its subsidiaries.

Profile of total Employee			
Number of Total Employee as of 31 December	First Media	Subsidiaries	First Media Group
2016	52	1,480	1,532
2015	67	1,509	1,576

Profile of First Media employees in year 2016, based on the position or title, consist of 7 (seven) Directors, 5 (five) Senior Managements, 8 (eight) Managements, 5 (five) Supervisors, 23 (twenty three) Staffs and 4 (four) Non-Staffs.

Employee profile based on Position
as of 31 December 2016

Position	First Media		Subsidiaries		First Media Group	
	2016	2015	2016	2015	2016	2015
Director	7	7	19	26	26	33
Senior Management	5	6	14	19	19	25
Management	8	13	108	114	116	127
Supervisor	5	5	158	152	163	157
Staff	23	32	1167	1176	1190	1208
Non-Staff	4	4	14	22	18	26

In year 2016, the employee composition based on the education background dominated by Bachelor degree (“S1”) and Diploma 3 (“D3”) with composition of 38 (thirty eight) people for Bachelor degree and 5 (five) people for D3.

Employee profile based on Education
as of 31 December 2016

Education	First Media		Subsidiaries		First Media Group	
	2016	2015	2016	2015	2016	2015
Doctorate	1	1	0	0	1	1
Master	5	10	44	45	49	55
Bachelor	38	49	709	737	747	786
Diploma	5	5	199	167	204	172
Senior High School and below	2	2	528	560	530	562

Employee profile based on age is as follows:

Employee profile based on Age

as of 31 December 2016

Age	First Media		Subsidiaries		First Media Group	
	2016	2015	2016	2015	2016	2015
51 >	6	7	12	10	18	17
46-50 year	4	5	38	29	42	34
41-45 year	10	6	66	62	76	68
36-40 year	7	15	164	167	171	182
31-35 year	12	12	267	226	279	238
26-30 year	7	14	388	441	395	455
25 year below	5	8	545	574	550	582

From the employee composition of First Media Group, based on the gender, it can be seen that in year 2016, male employees are in the aggregate of 33 (thirty three) people and female employee are in the aggregate of 18 (eighteen) people.

Employee profile based on Gender
as of 31 December 2016

Year	First Media		Subsidiaries		First Media Group	
	M	F	M	F	M	F
2016	33	18	1068	412	1101	430
2015	44	23	1072	437	1116	460

Financial Review

In 2016 First Media has achieved satisfactory result, this can be seen from the increment of earnings in 2016 with an amount of 23% compared to the year of 2015.

First Media manifested its' goal as a leading company in TMT business in Indonesia through its' subsidiaries that have bright and promising prospects. During 2016, First Media always provide good quality of services with implementing efficiency in operational expense which result into increase of operational expense that only 14% compared to 2015. The increase of the operational expense was smaller compared to the increase of percentage of revenue during 2016. Below is the summary of First Media financial report for the year of 2016 and 2015.

Explanation (in million IDR)	2016	2015
Revenues	1.308.250	1.062.980
Cost of Services	(1.438.665)	(1.262.035)
Gross Loss	(130.415)	(199.055)
Operating Expenses	(653.160)	(674.809)
EBITDA	(783.575)	(873.864)
Depreciation and Amortization	(855.026)	(908.292)
Finance Costs	(391.781)	(328.892)
Equity in Net Profit of Associates	275.128	217.256
Gain from Sales of Shares of Subsidiaries	131.025	15.233
Others (Net)	36.919	364.845
Loss for The Year	(1.587.310)	(1.513.714)
Total Comprehensive Loss for the Year	(1.527.124)	(1.289.061)
Loss Attributable to::		
Equity Holders of the Parent Entity	(794.678)	(624.967)
Non - Controlling Interests	(792.632)	(888.747)

Overview

As consolidated, First Media's earnings in 2016 showed an increase, because of an increase in subsidiaries' income. First Media would invest and expand its' capital expenditure due to the quality improvement, network and equipment expansion regarding to development of product and services. Management always implement financial policies carefully and discipline in all First Media's activities.

Operating Revenues

First Media's earnings in 2016 achieve IDR 1,308,250 million, increased by IDR 245,250 million or 23% higher than 2015 which is IDR 1,062,980 million. This increase is due to the increase of subsidiaries' income. The income of internet service contributes 56% and cinema contributes 22% from total income. The remaining of 22% from total income, gained through telecommunication devices and other income. The following table shows the composition of First Media's revenue :



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Product (in million)	2016		2015	
	Total	%	Total	%
Subscription Fees for Internet and Data Communication Services	730.283	56	617.453	58
Cinema	288.372	22	176.941	17
Communication Device	163.413	12	170.957	16
Others	176.278	13	142.262	13
Sales Discount	(50.096)	(4)	(44.633)	(4)
Total	1.308.250	100	1.062.980	100

Service Expenses

First Media service expenses consist of cost and expenditure paid for the following :

- BTS Tower rental expense
- Permits and Licenses expense
- Communication devices expense
- Cinema's service expense
- Bandwidth Fees and OtherInternet Access

Other expense

Service expense in 2016 was IDR 1,438,665 million, which increased IDR 176,630 million or 14% higher compared to the service expense in 2015 that achieve IDR 1,262,035 million. This was due to the additional expense in BTS Tower rental and additional cinema in 2016.

Generally, the total ratio of service expense that charged against the revenue has become 110% in 2016 compared to 2015 that was 119%. The following table shows the composition of First Media's service expense.

Product (in million)	2016		2015	
	Total	%	Total	%
BTS Tower Rental	656.102	46	537.982	43
Permits and Licenses	321.277	22	312.657	25
Communication Devices	155.260	11	156.361	12
Cinema	122.834	9	64.415	5
Bandwidth Fees and Other Internet Access	51.383	4	69.621	6
Others	131.809	9	120.999	10
Total	1.438.665	100	1.262.035	100

Gross Profit (Loss)

First Media recorded gross (loss) profit margin of 10% in 2016, better compared to the gross (loss) profit in 2015 which is 19%, that was due to the efficiency by First Media in operational expense

Operational Expense

Operational expenses consist of sales expense and administration and general expenses. Operational expense decreased into IDR 21,649 million from IDR 674,809 million in 2015, in 2016, it became IDR 653,160 million. The decrease in operating expense has in line with efficiency in First Media's operational.

Loss for the Year

The current loss for 2016 was IDR 1,587,310 million, compared to current loss in 2015 which is IDR 1,513,714 million. The current loss for 2016, primarily caused by expense in Tower Rental and additional expense in Cinema. Even though the growth percentage of income exceed the growth percentage of operating expense, the percentage of income still cannot exceed service expense as well as the other operational expense. Those has result into loss in 2016.

Comprehensive Loss

Comprehensive loss in 2016 was IDR 1,527,124 million, comprehensive loss increased around IDR 238,063 million compared to the comprehensive loss in 2015 which was IDR 1,289,061 million.

Attributable Loss

Loss that is attributable to parent entity in 2016 was IDR 794,678 million, while for the interest of non-controller was IDR 792,632 million. The loss that attributed for the interest of non-controller decrease to the amount of IDR 96,115 million or 11% higher than 2015.

Asset Position

The total asset per 31 December 2016 was IDR 12,779,523 million, which decrease by IDR 932,465 million or 7% compared to the total asset per 31 December 2015, which was IDR 13,711,988 million. First Media current asset decrease by IDR 234,896 million from IDR 1,206,209 million per 31 December 2015 become IDR 971,313 million per 31 December 2016. First Media non-current asset decrease by IDR 697,569 million from IDR 12,505,779 million per 31 December 2015 into IDR 11,808,210 million per 31 December 2016.

Liability Position

Total liability per 31 December 2016 was IDR 5,540,481 million, increased by IDR 292,964 million or 6% higher compared to the total liability of IDR 5,247,517 million per 31 December 2015. Total current liabilities increased by IDR 989,133 million from IDR 3,121,755 million per 31 December 2015 into IDR 4,110,888 million per 31 December 2016. The increase of current liabilities caused by the increase of loan from banks and leasing in 2016. First Media non-current liabilities decrease by IDR 696,169 million from IDR 2,125,762 million per 31 December 2015 into IDR 1,429,593 million per 31 December 2016. The decrease primarily caused repayment of loan and debt in 2016.

Equity/ Capital Structure

Total equity per 31 December 2016 was IDR 7,239,042 million, decrease by IDR 1,225,429 million or 14% compared to the total equity per 31 December 2015, which was IDR 8,464,471 million. The reduction was in line with comprehensive loss in 2016.

Below is the table showing the capital structure of First Media

Equity Structure	Total (IDR Million)	Portion (%)
Total Liabilities	3.283.997	32
Net Equity	7.164.741	68
Total Invested Equity	10.448.738	100

Liquidity and Capital Expenditure

First Media net cash flow used for operational activities in 2016 was IDR 162,370 million, decrease by IDR 521,563 million compared to 2015 which the net cash flow used for operational activities was IDR 683,933 million. IDR 1,304,409 million of cash receipt from customers used as cash payment to distributors and IDR 416,764 million for payment to other third parties, IDR 389,980 million for operating expenses, IDR 279,242 million for payment to employee, IDR 3,865 million for tax payment, IDR 379,533 million for interest payment and IDR 2,605 million as receive of interest.

Net cash used for investment activities reach IDR 789,621 million in 2016, increase by IDR 160,808 million from net cash that used for investment activities in 2015 was IDR 628,813 million. In 2016, net cash flow was gain from financing activities with an amount of IDR 1,006,829 million, decrease by IDR 77,589 million or 7% compared to 2015.

Transaction Information and Material Facts

Transaction Information and Material Facts after Audit Report

Based on Deed No. 1 dated 6 January 2017, MMM (subsidiary) has subscribed new shares issued by PT I by compensating PT I debt to MMM with an amount of IDR 66,600 (sixty six billion six hundred million Rupiah) into 666.000.000 (six hundred sixty six million) shares.

In 6 March 2017, the Council of Judges from the District Court of Central Jakarta has issued Decision Number: 178/Pdt.G/2016/PN.Jkt.Pst, that allow part of the lawsuit regarding to the usage of 2.3 GHz radio frequency with national coverage and other lawsuit filed by PT. Internux, as Plaintiff to Ministry of Communication and Informatics of the Republic of Indonesia, as Defendant.

Material Transaction and Fact

During 2016, First Media has several material transaction and fact. Below are the material transaction and fact of First Media

First Media granted loan to its' subsidiary which is PT Mitra Mandiri Mantap ("MMM"). The purpose of loan was regarding to business development and the growth in business activities from MMM, that would profitable for First Media for the future. This affiliated transaction has been reported based on Letter No. 006/DIR/2016 to Financial Services Authority ("OJK") on 2 February 2016.

First Media obtain credit facility from The Hongkong and Shanghai Banking Corporation Limited. The purpose of credit facility is to finance First Media working capital. This material information and fact has been reported by First Media based on letter No. 013/DIR/III/2016 to Financial Service Authority on 8 March 2016.

First Media obtain direct credit facility (on liquidation basis) from PT Bank CIMB Niaga Tbk. The credit facility will be use to support First Media's financial condition in regard of development and

improvement of First Media business. This Material Information and Fact has been reported by First media based on Letter No. 020/DIR/III/2016 to Financial Service Authority on 28 March 2016. First Media has bought shares in PT Lynx Mitra Asia ("LMA") through its' subsidiary. This material information and fact has been reported by First Media based on Letter No.036.DIR.IV/2016 to Financial Service Authority in 27 April 2016.

First Media through its' fully owned subsidiary PT Graha Raya Ekatama Andalan Terpadu, has brought 21% shares of PT Multipolar Multimedia Prima in PT Indonesia Media Televisi ("IMTV"), a company that engaged in television subscription business using direct-to-home satellite through the brand name "BIGTV". This affiliated transaction has been reported by First Media based on Letter No.068/DIR/VI/2016 to Financial Service Authority on 24 June 2016.

First Media acting as corporate guarantor for its' subsidiary and pledge of shares of its' subsidiary. This material information and fact has been reported by First Media based on Letter No.069/DIR/VI/2016 to Financial Service Authority on 28 June 2016.

First Media has obtained credit facility from financial institutions that consist of: (i) Credit Suisse AG, Singapore Branch, and (ii) PT Bank BNP Paribas Indonesia. This credit facility is to finance First Media working capital and to improve and develop First Media's business unit. This material information and fact has been reported by First Media based on letter No.090/DIR/VII/2016 to Financial Service Authority on 1 July 2016.

Dividend Policy

Based on the Annual General Meeting of Shareholder dated 15 April 2016, Firsts Media approve to not to distribute dividend to its' shareholders for the year of 2015. This resolution would be recorded as retained Earning to support the expansion of First Media TMT business in the future.

Employee Stock Ownership Program

Until 31 December 2016, First Media has not own any employee/management stock ownership program (ESOP/MSOP).

Realization of Use of Fund from Public Offering

In realization of the use of fund regarding to public offering, First Media has submit a report regarding to Realization of the Use of Fund from Convertible Securities that can be converted into shares from the period of 3 January 2011 until 3 May 2013 based on Letter No.SB-055/CSL/OJK/V/2013, as well as confirmation letter regarding to Realization of Use of Fund to Financial Service Authority No.SB-071/CSL/OJK/VI/2013.

Ability to Pay Debt And Collectability of Receivables

In managing the financial in 2016 especially in collectability of receivables in 27 days. Payment by customers to First Media approximately less than a month with a smooth and collectible category. While for the ability to pay debt, approximately the payment from First Media to creditor is 10 month. Regarding to that term, First Media confirmed would not have trouble to pay the supplier bill. With collectability of receivables that less than a month, compared to payment to supplier that approximately 10 months, First Media would be able to pay using cash from its' internal.

Material Binding for Investment in Asset

In 2016, most of the capital expenditure of First Media was used to bought telecommunication devices and supporting devices for expansion of new project in 2016.

Accounting Policies

The consolidated financial statements were prepared and presented in accordance with Indonesian Financial Accounting Standards which include the Statement of Financial Accounting Standards (PSAK) and Interpretation of Financial Accounting Standards (ISAK) issued by the Financial Accounting Standard Board – Indonesian Institute of Accountant (DSAK – IAI), and regulations in the Capital Market include Regulations of Financial Seviles Authority/Capital Market and Supervisory Board and Financial Institution (OJK/Bapepam-LK) No. VIII.G.7 regarding guidelines for the presentation of financial statements, decree of Chairman of Bapepam-LK No. KEP-347/BL/2012 regarding presentation and disclosure of financial statements of the issuer or public company

Changes in Regulation

During 2016, there were no changes in regulations that have significant impact to First Media and the financial report.

GOOD CORPORATE GOVERNANCE

In Indonesia, the General Guidelines for Good Corporate Governance are established by the Governance Policy National Committee (Komite Nasional Kebijakan Governance/KNKG) based on the basic GCG five pillars, namely Transparency, Accountability, Responsibility, Independency, Fairness – TARIF, which are the principles upheld by First Media.

First Media in carrying out its business as a public company, has always been looking into the best practices in the business community and applying it accordance with the business carried out, and applying GCG optimally as well as upholding the five basic pillars of GCG and aligning it with First Media values, namely :

- Discipline in the implementation
- Quality in service
- Innovation in development
- Aggressive in market penetration
- Attention to the public and environment.

The implementation is based on Law No. 40 of 2007 on Limited Liability Company, GCG General Guidelines issued by Governance Policy National Committee (KNKG), Financial Services Authority regulation and Indonesian Stock Exchange Regulation.

GCG guidelines and policies in First Media is always refined and reviewed in terms of its effectiveness in supporting GCG application in an optimal manner. Until 2016, First Media has GCG guidelines that include :

1. Charter of Board of Commissioners and Board of Directors
2. Code of Ethics and Professional Accountability
3. Internal Control System
4. Articles of Association

GOOD CORPORATE GOVERNANCE PRINCIPLES

BASIC FIVE GCG PILLARS

TRANSPARENCY

First Media shall maintain objectivity in carrying out its business activities by providing relevant information materials to the shareholders and stakeholders and ensuring availability of information in a timely manner, which is sufficient, clear, accurate and easily accessible. Similarly with the submission of various routine reports, it is the obligation of public companies, according to the regulation. First Media also provides an official website of First Media <http://www.firstmedia.co.id> as one of means which is easily accessed by the stakeholders in obtaining information about First Media.

ACCOUNTABILITY

Is a form of accountability of First Media to shareholders and stakeholders to show that company management has been carried out properly, measurable and according to the interests, without setting aside the interests of shareholders and stakeholders. In its application, the determination of clarity on function, implementation and accountability of the respective division, is equally important by ensuring that all divisions in the company and employees have sufficient competencies, according to the duties and responsibilities, and its roles in First Media business activities.



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RESPONSIBILITY

First Media have responsibility for carrying out its business according to the prevailing laws and regulations. The compliance with the laws and regulations shall guarantee the comfort of customers in enjoying services. On the other hand, First Media can carry out its business activities smoothly and achieve its business sustainability.

INDEPENDENCY

First Media has appointed a number of independent parties that have high reputation to sit in the Board of Commissioners and Board of Directors, and provide a maximum role for First Media Audit Committee in overseeing the undertaking of business activities of First Media. This is to ensure that Independency Pillar is applied so that it is not dominating one another, and is not influenced by a certain interest, and free from various interests, so that decision making will always be objective and generate an optimal output for the interests of shareholders, stakeholders and employees.

EQUALITY AND FAIRNESS

First Media provides a fair opportunity to any party to access company information according to the principle of transparency within the scope of position of the respective party, according to the benefit and contribution provided by the capital market authorities, capital market community, stakeholders to First Media. The equality principle is also applied by First Media for each competent individual who is willing and highly dedicated to work for the sake of mutual advancement. The career development of each employee of First Media is not discriminated based on ethnicity, religion, race, group, gender and physical condition. First Media always maintains and pays attention to the balance between rights and obligations of employees in a fair and reasonable manner.

STRUCTURE OF CORPORATE GOVERNANCE

GENERAL MEETING OF SHAREHOLDERS AND PUBLIC EXPOSE

AGMS has an authority which is not given to the Board of Directors or Board of Commissioners, within the limit established in the laws and/or articles of association.

In AGMS forum, shareholders shall be entitled to obtain information related to First Media from the Board of Directors and/or Board of Commissioners, to the extent it is related to the agenda of the meeting and is not in conflict with the company interests.

AGMS in other agendas shall not be entitled to make a decision, unless all shareholders are present and/or represented in AGMS and approve additional meeting agenda. Decision on additional meeting agenda should be approved anonymously.

IMPLEMENTATION OF AGMS

In 2016 First Media held an Annual General Meeting of Shareholders for the 2015 fiscal year on 15 April 2016.
2016 AGMS was held in Hotel Aryaduta Tugu Tani Jakarta, and attended by 1.682.706.390 shares or 96,59% of the total shares of 1.742.167.907 shares which represent all shares issued by First Media. The AGMS schedule was announced on 8th March 2016 in the daily newspaper Investor Daily, and the notice of meeting was made on 24 March 2015 in the daily newspaper Investor Daily.

The minutes of 2016 AGMS was released on 19 April 2016 and the results of 2016 AGMS meeting can be viewed in the official websiste of First Media <http://www.firstmedia.co.id>
The results of 2016 AGMS resolutions together with its implementation in 2016 are as follows:

RESOLUTIONS OF 2016 ANNUAL GMS

100% shares with voting rights present in the meeting
Implemented in 2016 AGMS

AGENDA OF 2016 ANNUAL GMS

AGENDA 1

Accept and approve First Media Annual Report including report on the supervisory duties of Board of Commissioners for the annual report ending on
31 December 2015, and the work and development plan of First Media.

Validate the profit/loss balance of sheet of First Media for the fiscal year ending 31 December 2015 and give full acquit et de charge to all members of Board of Directors and Board of Commissioners of First Media for the management and supervision conducted during the fiscal year ending 31 December 2015.

AGENDA 2

Approve First Media policy for not distributing dividends to the shareholders for 2015 fiscal year.

AGENDA 3

Approve to give power to the Board of Directors and/or Board of Commissioners of First Media to designate / appoint a Public Accountant Office registered at the Financial Services Authority and one which meets the international standard as First Media Public Accountant that will audit Balance Sheets, Profit-Loss Statements and other parts of First Media Financial Statements for the fiscal year ending 31 December 2016 and confer the authority to First Media Board of Directors to determine the amount of honorarium of the Public Accountant and other requirements for its appointment.

AGENDA 4

1. Approve to appoint Board of Commissioners and Board of Directors as of the date of closing of the meeting until the closing of Annual General Meeting of First Media for 2016 fiscal year, with the following composition :

Board of Commissioners

President Commissioner	:	Drs. Theo Leo Sambuaga
Independent Commissioner	:	Prof. DR. Didik Junaidi Rachbini
Independent Commissioner	:	Prof. DR. H. Muladi, SH
Independent Commissioner	:	Drs. Nanan Soekarna
Independent Commissioner	:	DR. Drs. Ito Sumardi DS, SH

Board of Directors

President Director	:	Ali Chendra
Vice President Director	:	Irwan Djaja
Independent Director	:	Harianda Noerlan
Director	:	Dicky Setiadi Moechtar
Director	:	Johannes Tong
Director	:	Maria Clarissa Fernandez Joesoep

2. Approve to give authority and power with substitution of right to the Board of Directors of First Media to take any actions related to the determination of composition of members of Board of Commissioners and Board of Directors of First Media including but not limited to reinstate the resolutions in a Notarial deed, and thereafter notify the Minister of Law and Human Rights of the Republic of Indonesia according to the applicable laws and regulations, register the composition of members of Board of Directors and Board of Commissioners in the Company Register and to submit and sign all applications and/or other documents required without any exception according to the applicable laws and regulations.
3. Approve to give authority to the President Commissioners to determine the honorarium, allowance, salary, bonus and/or other remuneration for members of Board of Directors and Board of Commissioners of First Media.

THE PROCEDURE FOR AGMS IMPLEMENTATION

In the Law on Limited Liability Company and Articles of Association of First Media, AGMS shall be held at the latest six months after the end of fiscal year.

During AGMS, the Board of Commissioners and Board of Directors present and report the followings :

1. Annual Report
2. Recommendations for the appropriation of profit to the extent First Media has a positive profit balance.
3. The appointment of Public Accountant Office to conduct an audit on First Media financial statements for the current fiscal year.
4. The appointment of Board of Commissioners and Board of Directors of First Media and the determination of salary, allowance, honorarium, bonus, funds or other remunerations for members of Board of Commissioners and Board of Directors of First Media.
5. Other matters requiring the approval of shareholders in AGMS for the interests of First Media which have been submitted as appropriate in observance of the provisions of Articles of Association.

In general the stages of GMS implementation are as follows:

Time	Activities
H-44	A letter of notification to OJK is submitted 5 working days prior to the announcement of GSM.
	Advertisement for GMS Announcement.
H-37	First Media makes an announcement that GMS will be held in the newspaper at the latest 14 days prior to the invitation (not counting the date of announcement and date of notice), website of Indonesian Stock Exchange and First Media.
H-29	Time limit for the submission of the proposed GSM Agenda by 5% shareholders.
H-23	Recording date of shareholders entitled to attend GMS.
	Advertisement for GMS Invitation Notice.
H-22	First Media announced the shareholder invitation notice through a newspaper issued at the latest 21 days prior to the holding of GMS (not counting the date of invitation notice and date of GMS), website of Indonesian Stock Exchange and First Media.
H	GMS.
	Notification and announcement of the results of GMS.
	First Media shall announce the summary of GMS minutes to the public through newspapers, website of Indonesian Stock Exchange and First Media, at the latest 2 working days after the holding of GMS.
H+2	First Media shall submit the evidence of announcement of summary of GMS minutes of meeting to OJK at the latest 2 working days after the announcement.
H+30	Submission of GMS minutes of meeting to OJK.

THE IMPLEMENTATION OF PUBLIC EXPOSE

First Media organized a Public Expose in 2016 on 20 April 2016, as a form of fulfilment of Indonesian Stock Exchange Regulation Number I-E point V.2 Resolutions of Board of Directors of PT Bursa Efek Jakarta No: Kep-306/BEJ/07-2004, on the Obligation of Information Submission.

The implementation of First Media Public Expose is as follows :

Held on :

- Day/Date : Friday, 15 April 2016
- Time : 16:00 – 17:00 Western Indonesian Time
- Venue : Ballroom A, Hotel Aryaduta Tugu Tani Jl. Prapatan 44-48, Jakarta 10110

Management attending :

- Didik J. Rachbini : Independent Commissioner
- Irwan Djaja : Vice President Director
- Harianda Noerlan : Independent Director and Corporate Secretary
- Dicky Setiadi Moechtar : Director
- Maria Clarissa F. Joesoep : Director

Public present :

- Individual investors
- Journalists from various mass media.

INFORMATION OF CONTROLLING SHAREHOLDERS

The controlling shareholder of First Media is AcrossAsia Limited with 55.10% and the remaining shareholding is held by PT Reksa Puspita Karya with 33.76% and public 11.14%.

BOARD OF COMMISSIONERS

According to the applicable laws and regulations, the Board of Commissioners is the organ of First Media representing shareholders to conduct supervisory function on the policies and strategies of First Media carried out by the Board of Directors and provide directions/advice to the Board of Directors in managing First Media in good faith, with prudence and accountability and carry out the function to strengthen First Media image before the public and shareholders. The Board of Commissioners shall be responsible to GMS. GMS shall act as the organ appointing and dismissing members of Board of Commissioners.

Collectively, the duties of Board of Commissioners are to conduct supervision on company management carried out by the Board of Directors and give advice related to Board of Directors' policies. The Board of Directors' policies are those related to the Company development plan, work plan and annual budget, the implementation of provisions of Articles of Association and resolutions of GMS, as well as all applicable and relevant laws and regulations and monitor its implementation. The Board of Commissioners of First Media continuously monitor the effectiveness of company policy, performance and decision making process by the Board of Directors, including the implementation of strategies to fulfill the expectation of shareholders and other stakeholders. The result of supervision along with the review and opinion of Board of Commissioners are conveyed to GMS as part of performance evaluation of Board of Directors.

Board of Commissioners also monitors and evaluates GCG implementation, review and examines the annual report prepared by the Board of Directors, and sign the report provided the Board of Commissioners agree with the material content of the annual report.

Charter of Board of Commissioners

Charter of Board of Commissioners is the working guideline and code of ethics applicable for all members of Board of Commissioners of First Media in carrying out the duties in order it is aligned with the practice of Good Corporate Governance for Board of Commissioners. Charter of Board of Commissio has been validated since 1st of June 2016, signed by members of Board of Commissioners.

COMPOSITION OF BOARD OF COMMISSIONERS

In GMS held on 15 April 2016, the meeting agreed to appoint Board of Commissioners of First Media as of the closing of the Meeting until the closing of Annual General Meeting of Shareholders for 2016 fiscal year which will be held in 2017, with the following composition:

Board of Commissioners	Position	Term-of-office
Drs. Theo Leo Sambuaga	President Commissioner	24 September 2013
Prof. DR. Didik Junaidi Rachbini	Independent Commissioner	29 June 2006
Prof. DR. H. Muladi, SH	Independent Commissioner	24 September 2013
DR. Drs. Ito Sumardi DS, SH	Independent Commissioner	24 September 2013
Drs. Nanan Soekarna	Independent Commissioner	23 April 2014

As registered in the Deed No. 04 dated 15 April 2016 drawn up by Notary Andalia Farida SH, MH, and Notary in Central Jakarta.

Diversity of Composition of Board of Commissioners

The number and composition of Board of Commissioners are determined by GMS, which is adjusted with the vision and mission of First Media, thus the implementation of an effective supervision as well as a speedy, accurate and independent decision making are made possible.

First Media does not have specific rules concerning diversity of gender in the composition of members of Board of Commissioners. The determination of the composition is the right of GMS and shareholders of First Media.

Requirements, Membership and Term-of-office

The applicable formal and material requirements have been fulfilled by all members of Board of Commissioners of First Media. The formal requirements are general in nature, according to the applicable laws and regulations, while the material requirements are specific in nature, which is adjusted with the need and nature of business of First Media. The Board of Commissioners serves as a council and each member of Board of Commissioners may not take action individually but should be based on the resolutions of Board of Commissioners.

According to Law No. 40 of 2007 on Limited Liability Company and Regulation of Financial Service Authority No.33/POJK.4/2014 on Board of Directors and Board of Commissioners of Issuers or Public Companies, those who may be appointed as a member of Board of Commissioners is a natural person who meets the following requirements at the time of appointment and during his/her term-of-office namely :

1. Have good character, morality and integrity;
2. Competent in taking a legal action;
3. Within 5 (five) years prior to the appointment and during the term-of-office:
 - a. is never declared bankrupt;
 - b. Is never a member of Board of Directors and/or members of Board of Commissioners declared guilty for causing a company declared bankrupt;
 - c. Has never been punished for committing a criminal offense causing state financial losses and/or those related to financial sector ; and
 - d. Has never been a member of Board of Directors and/or member of Board of Commissioners who during the term-of-office:
 - 1). never convened an annual GMS ;

- 2). its accountability as a member of Board of Directors and/or member of Board of Commissioners was once not accepted by GMS or did not give its accountability as a member of Board of Directors and/or member of Board of Commissioners to GMS; and
- 3). has caused the company that obtained a permit, approval, or registration from Financial Services Authority did not perform the obligation to submit an annual report and/or financial statements to the Financial Services Authority.
- e. has a commitment to comply with the laws and regulations; and
- f. has knowledge and/or expertise in the field required by Issuers or Public Companies.

DUTIES AND RESPONSIBILITIES OF BOARD OF COMMISSIONERS

The scope of the duties of Board of Commissioners that have the authority to undertake supervisory function on company management and report to shareholders through GMS is as follows :

1. The Board of Commissioners shall :
 - a Conduct supervision on company management in general carried out by the Board of Directors either those concerning the company or company businesses and give advice to the Board of Directors.
 - b Carry out duties which are specifically given to them according to the Articles of Association, applicable laws and regulations and/or based on the GMS resolutions; and
 - c Carry out the duties, responsibilities and authorities according to the provisions of Articles of Association and GMS resolutions.
2. In conducting the supervisory function, the Board of Commissioners shall direct, monitor and evaluate the implementation of company strategic policies.
3. Members of Board of Commissioners shall carry out the duties and responsibilities in good faith, full of accountability and prudence.
4. The Board of Commissioners shall apply and ensure that risk management and principles of Good Corporate Governance are implemented in every company business activity at all levels or organizational levels.
5. The Board of Commissioners shall evaluate and approve the company work plan.
6. The Board of Commissioners shall assist and encourage any endeavor of company improvement and development.
7. In supporting an effective implementation of duties and responsibilities, the Board of Commissioners shall form an Audit Committee and may form other committees according to the applicable laws and regulations.
8. The Board of Commissioners shall evaluate the performance of the committee who assist the Board of Commissioners in carrying out the duties and responsibilities every end of fiscal year.
9. In a certain condition, the Board of Commissioners shall convene an Annual GMS and other GMS according to its authority as provided under the laws and regulations and Articles of Association.
10. The main duties of President Commissioner as primus inter pares are to coordinate the activities of Board of Commissioners and ensure that each member of Board of Commissioners may convey its opinion based on sufficient information.
11. GMS shall be chaired by a member of Board of Commissioners appointed by the Board of Commissioners. In the event all members of Board of Commissioners are not present or unable to come, which impediment no evidence to third parties shall be required; GMS shall be chaired by the President Director. In the event all members of Board of Commissioners and Board of Directors are not present or unable to come, GMS shall be chaired by a shareholder present in GMS appointed amongst and by participants of GMS.

RIGHTS AND AUTHORITIES OF BOARD OF COMMISSIONERS

1. Board of Commissioners shall give an approval and assistance to the Board of Directors in taking a certain legal action as provided under the company's Articles of Association.
2. Decision making by Board of Commissioners shall not waive the responsibilities of Board of Directors on the execution of company management.
3. The Board of Commissioners either jointly or individually at any time within the working hours of the company shall be entitled to enter the premises or any other place used or under the control of the company and shall be entitled to examine all book-keeping, documents and other means of evidence, examine and verify cash condition and others and shall be entitled to know any action carried out by the Board of Directors.
4. The Board of Commissioners may request a GMS to be convened.
5. The Board of Commissioners at any time may suspend one or more member(s) of Board of Directors if the member of Board of Directors is acting contrary to the Articles of Association and/or applicable laws and regulations.
6. The suspension shall be notified to the person concerned along with its reasons.
7. Within a period of latest 90 (ninety) days after the suspension, the Board of Commissioners shall organize a GMS which will decide whether the concerned member of Board of Directors will be dismissed or reinstated to his/her position, while the member of Board of Directors who is suspended shall be given an opportunity to defend himself/herself.
8. The mechanism for the implementation of GMS, as meant, shall be provided under the company's Articles of Association.
9. The Board of Commissioners may take company management action in a certain condition for a certain period of time.
10. The authorities of Board of Commissioners shall be determined based on Articles of Association or GMS resolutions.
11. In carrying out the duties and responsibilities, the Board of Commissioners shall not be involved in the decision making of Company operational activities, unless for those matters provided under the company's Articles of Association or applicable laws and regulations.
12. The Board of Commissioners shall be entitled to access all company data, information and/or reports which are required to perform its duties and responsibilities.
13. Request for company data, information and/or reports shall be submitted through the Company Secretary.

Duties, authorities and responsibilities as well as guidelines and rules for Board of Commissioners shall be described in details in the Charter of Board of Commissioners which is accessible in the official website of First Media <http://www.firstmedia.co.id>.

INTEGRITY OF BOARD OF COMMISSIONERS

Members of Board of Commissioners are expected to maintain its integrity in carrying out its duties and responsibilities according to moral values and applicable regulations, including compliance with financial rules.

The charter of Board of Commissioners in Article 5, stipulates the criteria of persons who may be appointed as members of Board of Commissioners. The criteria among others is competent to take legal action and within five years prior to its appointment has never been declared bankrupt or become a member of Board of Directors/Board of Commissioners in another company who is declared guilty of causing the company bankrupt, and has never been punished for committing a criminal offense causing state financial loss or those relating to financial sector.

INDEPENCY OF BOARD OF COMMISSIONERS

At least 30% (thirty percent) of members of Board of Commissioners are Independent Commissioners brought in from outside First Media who are free from the influence of other members of Board of Commissioners and Board of Directors and Controlling Shareholders, who one of them must have financial background.

The existence of Independent Commissioners is meant to encourage a more objective climate and place equality among the various interests, including company interests and stakeholder interests as the main principles in the decision making by the Board of Commissioners.

According to the provisions and limitation based on the applicable regulations, Independent Commissioner shall meet the following requirements :

- is not a person who is working or has authorities and responsibilities to plan, lead, control, or supervise First Media activities within the last 6 (six) months, except for the reappointment as an Independent Commissioner for the following period;
- Does not have shares in First Media, either directly or indirectly. Is not affiliated with members of Board of Commissioners, members of Board of Directors or main shareholders of First Media; and
- Does not have a business relationship either directly or indirectly relate to First Media business activities. Independent Commissioner that havs served 2 (two) periods of term-of-office may be reappointed in the next period provided that the Independent Commissioner declares himself/ herself to remain independent to GMS.

Out of 5 (five) Members of First Media Board of Commissioners based on the resolutions of AGMS dated 15 April, there are 4 (four) Independent Commissioners, namely Prof. DR. Didik J.Rachbini, Prof. DR. H. Muladi, Drs. Nanan Soekarna, and DR. Drs. Ito Sumardi DS, SH, MBA, MM. The four members of Independent Commissioners have met all the requirements and provisions of independency as referred to in the regulations of OJK and Indonesian Stock Exchange.

IMPLEMENTATION OF DUTIES OF BOARD OF COMMISSIONERS IN 2016

During 2016 in addition to giving advice and directions in the form of correspondence to the Board of Directors, the Board of Commissioners gives views and recommendations that include operational management as well as other matters according to the duties and responsibilities. The recommendation of Board of Commissioners are also conveyed in the joint meeting of Board of Commissioners and Board of Directors such as recommendations for improving audit process, focus and improvement on human resources, processes and other fundamental matters.

MEETING OF BOARD OF COMMISSIONERS

In the supervisory process on First Media operational activities, Board of Commissioners shall hold monthly meetings or make an evaluation on monthly operational statements and discussions with the related committees, according to the issues that need attention. Periodical meetings are held every 3 (three) months to discuss Company performance, work plan of the Board of Directors, as well as strategic issues that need the approval of Board of Commissioners. If deemed necessary, members of Board of Directors may be invited to the Meetings of Board of Commissioners.

During 2016, the Board of Commissioners of First Media held 6 (six) formal meetings and a number of other informal meetings to discuss the result of the report of Board of Directors on its performance in a certain period in running the company. The level of attendance of members of Board of Commissioners in the meeting is as stated below.

Attendance of Meeting of Board of Commissioners

No	Date and Agenda	Board of Commisioner				
		TLS	DJR	HM	NS	IS
1.	29 January 2016	Performance of First Media in December 2015	•	•	•	•
2.	15 March 2016	Meeting for the Preparation of AGMS	•	•	•	•
3.	30 June 2016	Performance of First Media in May 2016	•	•	•	•
4.	26 August 2016	Performance of First Media In July 2016	•	•	•	
5.	25 October 2016	Advisory Board	•		•	•
6.	20 December 2016	Performance of First Media in November 2016	•	•	•	•
Total Attendance		6	5	6	6	4

TLS = Theo L. Sambuaga, DJR = Didik J. Rachbini, HM = H. Muladi, NS = Nanan Soekarna, IS= Ito Sumardi

The Board of Commissioners of First Media in undertaking its supervisory function also holds informal meetings. In addition, the Board of Commissioners collectively has adopted 8 (eight) resolutions in lieu of a meeting (circular), among others concerning the approval for the extension of loan facility, effectiveness of Charter of Board of Commissioners and Charter of Board of Directors of First Media.

BOARD OF DIRECTORS

Board of Directors is the organ of First Media who is authorized and fully responsible for the management and administration of First Media and acts as the leader in the management by always giving attention to the interests and objectives of First Media and business units and considering the interests of shareholders and all stakeholders.

The Board of Directors has the authority to take any actions concerning management as well as ownership of Company assets including to bind the Company with another party and/or another party with the Company, with some restrictions as stipulated in the company's Articles of Association. Legally, the Board of Directors shall be responsible to represent the Company within and outside the court.

The Board of Directors shall be appointed and dismissed based on the resolutions adopted in GMS. The Board of Directors of First Media will have a term-of-office up to the 3rd (third) Annual GMS since its appointment. Shareholders in AGMS or EGMS shall be entitled to dismiss members of Board of Directors at any time prior to the end of term-of-office.

Charter of Board of Directors

Charter of Board of Directors constitutes work guideline and code of ethics applicable for all members of Board of Directors of First Media in carrying out the duties, authorities and responsibilities in a transparent manner, with accountability, full of responsibility, independently and in fairness in the effort to achieve company objectives and to give the values expected by the interested parties. Charter of Board of Directors has been validated since 1 June 2016, signed by all members of Board of Directors and approved by the Board of Commissioners.

COMPOSITION OF BOARD OF DIRECTORS

In the AGMS held on 15 April 2016, the meeting approved to determine First Media Board of Directors as of the closing of the Meeting until the closing of Annual General Meeting of Shareholders of First Media for the fiscal year 2016 held in 2017, with the following composition:

Board of Directors	Position	Term-of-office since
Ali Chendra	President Director	23 April 2014
Irwan Djaja	Deputy President Director	23 April 2014
Harianda Noerlan *	Independent Director	25 April 2013
Dicky S. Moechtar	Director	29 Juni 2006
Johannes Tong	Director	25 April 2013
Edward Sanusi	Director	15 April 2016
Maria Clarissa Fernandez Joesoep	Director	15 April 2016

*) Nomination Harianda Noerlan as Independent Director since 25 April 2013

As recorded in the Deed No. 04 dated 15 April 2016 drawn up by Notary Andalia Farida SH, MH, Notary in Jakarta, domiciled in Central Jakarta.

It has been decided that the total members of Board of Directors is 7 (seven) persons by considering the condition of First Media as the holding company for a number of subsidiary companies, and by considering the capacity of each member of Board of Directors to carry out his/her duties, either individual duties or collective responsibilities and for a faster, more accurate and effective decision making process of Board of Directors.

The appointment of members of Board of Directors also considered the aspect of diversity, knowledge and experience of each member, and ensured that at least one member of Board of Directors has educational background or knowledge or expertise in finance or accounting. Profiles of members of Board of Directors are in the other sections of this Annual Report.

Requirements, Membership and Term-of-office

According to Law No. 40 of 2007 on Limited Liability Company and Regulation of Financial Service Authority No.33/POJK.4/2014 on Board of Directors and Board of Commissioners of Issuers and Public Companies, those who may be appointed as members of Board of Directors are natural person who meet the requirements at the time of appointment and during the term-of-office :

- Has good character, morality and integrity;
- Competent in taking legal actions;
- within 5 (five) years prior to the appointment and during the term-of-office :
 - has never been declared bankrupt;
 - has never been a member of Board of Directors and/or member of Board of Commissioners who is declared guilty causing a company declared bankrupt;
 - Has never been punished for committing a criminal offense causing state financial losses and/or those related to financial sector ; and

- Has never been a member of Board of Directors and/or member of Board of Commissioners who during the term-of-office:
 - never convened an annual GMS ;
 - its accountability as a member of Board of Directors and/or member of Board of Commissioners was once not accepted by GMS or did not give its accountability as a member of Board of Directors and/or member of Board of Commissioners to GMS; and
 - has caused the company that obtained a permit, approval, or registration from Financial Services Authority did not perform the obligation to submit an annual report and/or financial statements to the Financial Services Authority.
- has a commitment to comply with the laws and regulations; and
- has knowledge and/or expertise in the field required by Issuers or Public Companies.

DUTIES AND RESPONSIBILITIES OF BOARD OF DIRECTORS

Based on the Articles of Association of First Media, broadly speaking the Board of Directors shall be responsible for the management of First Media in good faith and full of responsibilities. The Board of Directors shall also be entitled to take actions for and on behalf of First Media, both within or outside the court, on any matter or event, with another party. In the implementation of the duties, the Board of Directors shall be responsible to the shareholders through GMS.

The duties and responsibilities of Board of Directors are as follows :

- Board of Directors shall manage the company for the interest of the Company in achieving the purpose and objectives of the Company.
- Board of Directors shall manage the company according to the authorities as regulated under the Articles of Association and applicable laws and regulations.
- Board of Directors shall manage company assets according to the applicable laws and regulations.
- Board of Directors shall apply risk management and principles of Good Corporate Governance in all company business activities at all levels of organization.
- Board of Directors shall determine the organizational structure and company working system.
- Board of Directors shall convene annual GMS and other GMS according to the laws and regulations and Articles of Association.
- Each member of Board of Directors shall carry out its duties and responsibilities in good faith and full of responsibilities, and prudence.
- In supporting an effective implementation of duties and responsibilities, the Board of Directors may form a committee.
- In the event a committee is formed, the Board of Directors shall evaluate the committee performance every end of fiscal year.
- In the implementation of its duties, Board of Directors shall be accounted to the shareholders through GMS

AUTHORITY OF BOARD OF DIRECTORS

Authority of members of Board of Directors of the company is as follows:

1. Board of Directors has the authority to perform company management with the policy deemed appropriate, according to the purpose and objectives of the company.
2. Board of Directors shall be entitled to represent the company within or outside the court on any matter and in any event, binding the company with another party and another party with the company, as well as taking any actions, either concerning the management or ownership, however, with the limitation that the following actions shall require a written approval from the Board of Commissioners.
 - a Borrow or lend funds on behalf of the company (not including withdrawing the funds from the credits that have been opened and in the event the Company undertakes Company business activities).
 - b Establish a new business or participate in another company both within the country or abroad.
 - c Release the participation of the company in another company.
 - d Bind the company as the guarantor.
3. In taking legal actions in the form of material transaction or transaction that has conflict of interests, it must have AGMS approval in observance of the provisions of Company's Articles of Association.
4. Two members of Board of Directors jointly act for and on behalf of the Board of Directors and represent the Company.
5. Members of Board of Directors shall not be entitled to represent the Company if :
 - a there is a case at the court between the Company and the concerned member of Board of Directors
 - b the concerned member of Board of Directors has conflict of interests with the Company's interests.
6. In the event of a condition as referred to in paragraph (5), those entitled to represent the company are :
 - a other members of Board of Directors who do not have conflict of interests with the Company;
 - b Board of Commissioners; in the event all members of Board of Directors have conflict of interests with the company; or
 - c Other parties appointed by GMS in the event all members of Board of Directors and Board of Commissioners have conflict of interests with the company.
7. Board of Directors may confer power in writing to 1 (one) or more employee(s) of the company or another party to take a certain legal action for and on behalf of the company as stated in the power of attorney.
8. Members of Board of Directors are prohibited to give general power to another party that result into the transfer of duties and function of Board of Directors.
9. Distribution of duties and authorities of management among members of Board of Directors shall be determined based on GMS resolutions. In the event GMS does not determine the distribution of duties and authorities of members of Board of Directors, it shall be determined based on the approval of Board of Commissioners.

INTEGRITY OF BOARD OF DIRECTORS

Each member of Board of Directors of First Media is expected to maintain its integrity in carrying out the duties and responsibilities according to the moral values and applicable regulations, including compliance with the financial rules. Charter of Board of Directors in Article 5 stipulates the criteria of persons that may be appointed as a member of Board of Directors. The criteria among others is competent in taking legal actions and within five years prior to its appointment has never been declared bankrupt or become a member of board of directors/board of commissioners in another company who is declared guilty of causing the company declared bankrupt, and has never been punished for committing a criminal offense causing state financial loss or related to financial sector.

INDEPENDENCY OF BOARD OF DIRECTORS

For the interest of the company in order that the Board of Directors may take as best as possible actions, the independency of the Board of Directors is one of important factors that has to be maintained. In order to maintain the independency, First Media set rules based on the applicable laws and regulations and it is stated in the Charter of Board of Directors concerning the requirements of Independent Director. Aside from meeting the general requirements for Board of Directors, Independent Director must also meet the following requirements :

- a. is not affiliated with First Media controlling shareholder for at least 6 (six) months prior to its appointment as an Independent Director;
- b. is not affiliated with a member of Board of Commissioners or other member of Board of Directors of First Media;
- c. is not concurrently working as a member of Board of Directors in another company;
- d. Is not a person in an agency or capital market supporting profession which services are used by First Media for 6 (six) months prior to its appointment as an Independent Director.

Any party except the company organ shall be prohibited to interfere with the company management and members of Board of Directors shall be prohibited to conduct activities that may disturb its independency in managing the company. The Independence of Board of Directors is guaranteed by the company according to applicable laws and regulations related to the independence and conflict of interests of board of directors.

DISTRIBUTION OF DUTIES OF BOARD OF DIRECTORS

With reference to the chapter of duties and responsibilities of Board of Directors, each member of Board of Directors of First Media may carry out the duties and make decisions however the decision of Board of Directors is a joint responsibility. Board of Directors acts collegially. The position of members of Board of Directors including President Director is equal. The duties of President Director are to coordinate the activities of Board of Directors. However, for a more efficient and effective performance of duties, the duties of the Board of Directors are distributed among its members according to their field and competency. The distribution of duties does not remove the collegial responsibility in managing the Company.

The distribution of duties of Board of Directors is to ensure an effective execution of duties of all members of Board of Directors in managing the company. Besides, the distribution of duty is also considering the capabilities of the respective member of Board of Directors in implementing the duties, whether individual duties or collective responsibility and for a faster, more accurate and effective decision making process of Board of Directors.

In the event GMS does not distribute the duties of Board of Directors according to the respective field, the distribution of duties of Board of Directors shall be determined based on the decision of Board of Directors as follows :

Ali Chendra, President Director.

shall be responsible for all activities in First Media as well as subsidiaries including:

- Give directions and control policies, vision, mission and strategies of the company.
- Coordinate the solution of company problems, policies on planning, controlling, achievement of company long term targets, audit policy, cultural enhancement, image and Corporate Good Governance (GCG).
- Subordinating Internal Audit Unit and Corporate Secretary.

Irwan Djaja, Vice President Director.

Responsible for the control of all financial policies and risk management including:

- Implementing efficient and effective financial functions in the company and subsidiaries.
- Coordinating the implementation of Annual Work Plan and Long Term Work Plan related to the accounting and financial control, treasury, as well as management of fund resources for company development.
- Coordinating company risk management.
- Subordinating Treasury Division Group, Accounting and Tax, Investor Relations and Risk Management.

Maria Clarissa Fernandez Joesoep, Director of Finance.

Responsible for the control of all financial policies including :

- Implementing efficient and effective financial functions in the company and subsidiaries.
- Coordinating the implementation of Annual Work Plan and Long Term Work Plan related to the control of accounting and finance, treasury, as well as management of source of funds for company development.
- Subordinating Treasury, Accounting and Tax and Investor Relations Divisions.

Harianda Noerlan, Director of Corporate Services and concurrently Corporate Secretary

As the Director of Corporate Services, is responsible for the company operational supporting aspects including:

- Strategies for the management and development of human resources (HR), obtaining, developing and retaining high performance HR and core values including those in terms of welfare and appreciation;
- Devising and developing an effective organization;
- Subordinating Corporate Legal, Corporate Communication, dan Human Resources Division Group

As a Corporate Secretary, functioning as Compliance Officer who assist the duties of Board of Directors in fulfilling the provisions of good corporate governance in Public Companies or Issuers and to ensure a smooth communication between companies and stakeholders.

- Subordinating Corporate Secretary Division

Dicky Setiadi Moechtar, Director of Strategic Business Development and New Technology.

Responsible for strategic business development aspects and investment including:

- Conducting supervision on the implementation of the project and investment that have been approved.
- Formulating, refining and implementing new business development plan of First Media Group.
- Subordinating Strategic Planning & Business Development, Regulatory, Business Process Improvement, and Transformation & Growth Division Group

Johannes Tong, Director of Subsidiaries Business Development

Responsible for the business supervision and development of subsidiaries of Media and Content groups, including :

- Giving strategic direction to develop subsidiaries (First Media Production, First Media News, Big TV, Media Sinema Indonesia,) related to strategies and execution plan, along with the communication with stakeholders.
- Giving directions to define operational excellence guidelines for stakeholders.
- Monitoring operational activities of the related subsidiaries and ensuring application of strategies in the subsidiaries is aligned with the overall agenda of company corporation.

Edward Sanusi, Operation Director –Broadband Business Group

Responsible for company operational supporting aspects including :

- Generally manage and develop broadband network through cable and wireless, Data Center Operation dan Head End, customer service management and call center.
- Giving strategic directions to develop the business of broadband business group
- Subordinating New Network Division Group (New Roll Out), Information Technology, Head End and Call Centre.

MEETING OF BOARD OF DIRECTORS

Board of Directors is required to hold meetings periodically at minimum once a month. Beyond the time, meetings of Board of Directors may be convened at any time if deemed necessary by one or more member(s) of Board of Directors, or upon a written request from a meeting of Board of Commissioners, or upon a written request of one or more shareholder(s) who jointly own 1/10 or more of total shares with voting rights. The meeting shall be held at the domicile of First Media or First Media place of activities.

Board of Directors also participates in the Meeting of Board of Commissioners to discuss the progress of First Media in general. A meeting of Board of Directors is deemed valid and entitled to make a binding decision if more than 50% of total members of Board of Directors present or represented in the meeting.

During 2016, Board of Directors held 12 (twelve) meetings, either to evaluate performance achievement of First Media or other matters deemed important.

Attendance of Meeting of Board of Directors

No	Date and Agenda	Board of Directors						
		AC	ID	HN	DSM	JT	ES	CJ
1	20 January 2016 Financial & Operational Performance	•	•	•	•	•	•	•
2	18 February 2016 Discussion on TIK industry development trend	•	•	•	•		•	•
3	1 March 2016 Management Report Meeting in Annual Report Book	•	•	•	•	•	•	•
4	29 April 2016 Business Development / Business expansion to Malang		•	•	•	•	•	•
5	17 May 2016 Internet Business Development 1 Gbps, Technology 4K in Pay Television and OTT (over-the-top)	•	•	•	•	•	•	•
6	30 June 2016 Financial & Operational Performance	•	•	•	•	•	•	•
7	20 July 2016 Management Report per June	•	•	•	•	•	•	•
8	9 August 2016 Financial & Operational Performance	•	•	•	•	•	•	•
9	23 September 2016 Financial & Operational Performance	•	•	•	•	•	•	•
10	4 October 2016 Financial & Operational Performance, Management Report September 2016	•	•	•	•	•	•	•
11	17 November 2016 Financial & Operational Performance	•	•	•	•	•	•	
12	14 December 2016 Business Plan and Target for 2017	•	•	•	•	•	•	
Jumlah Kehadiran		11	12	12	12	11	12	10

AC = Ali Chendra, ID = Irwan Djaja, HN = Harianda Noerlan, DSM = Dicky S. Moechtar, JT = Johannes Tong, ES = Edward Sanusi, CJ = Maria Clarissa Fernandez Joesoep

Board of Directors jointly has also adopted 13 (thirteen) resolutions in lieu of a meeting (circular) which among others concerning asset, human resources and remuneration.

JOINT MEETING OF BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

To achieve business objectives and sustainability of First Media in the long term, a coordination between the Board of Commissioners and Board of Directors of First Media in company management is extremely required. In aligning their views and making a decision on an important issue that concerns business sustainability and business operation, the Board of Commissioners and Board of Directors held joint meetings periodically.

This joint meeting has the purpose to discuss various agenda concerning work plan, operational plan, business opportunities, and strategic issues that require the approval of Board of Commissioners. In the Joint Meeting, periodical reports of Board of Directors are discussed, where Board of Commissioners give their responses, notes and advice which are contained in the minutes of meeting. During 2016 Board of Commissioners and Board of Directors had 3 (three) joint meetings with the following level of attendance of members of Board of Commissioners and Board of Directors:

Attendance of Joint Meetings of Board of Commissioners and Board of Directors

No	Date and Agenda	Board of Commissioners					Board of Directors						
		TLS	DJR	HM	NS	IS	AC	ID	HN	DSM	JT	ES	CJ
1	26 February 2016 Performance of First Media in January 2016	•	•	•	•	•	•	•	•	•	•	•	•
2	29 July 2016 Performance of First Media in June 2016	•	•	•	•	•	•	•	•	•	•	•	•
3	25 November 2016 Performance of First Media in October 2016	•	•	•	•		•	•	•	•	•	•	•
Jumlah Kehadiran		3	3	3	3	2	3	3	3	3	3	3	3

TLS = Theo L. Sambuaga, DJR = Didik J. Rachbini, HM = H. Muladi, NS = Nanan Soekarna, IS= Ito Sumardi
AC = Ali Chendra, ID = Irwan Djaja, HN = Harianda Noerlan, DSM = Dicky S. Moechtar, JT = Johannes Tong, ES = Edward Sanusi, CJ = Maria Clarissa Fernandez Joesoep

REMUNERATION POLICY

Nomination and Remuneration Committee made an analysis and recommendation on the amount of remuneration of members of Board of Commissioners and Board of Directors based on performance achievement of Board of Commissioners and Board of Directors. In preparing the basis for the determination and recommendation on the credible amount of remuneration, the Committee is supported by a strong database from market survey on similar type of companies. Thereafter, the Committee prepared a number of main factors in the proposed amount of remuneration of Board of Commissioners and Board of Directors.

Recommendation of Nomination and Remuneration Committee concerning the amount of remuneration of Board of Commissioners and remuneration of Board of Directors is given to the President Commissioner who is given a mandate and authority based on GMS resolutions to determine honorarium, allowance, salary, bonus and/or other remunerations for members of Board of Directors and Board of Commissioners of First Media.

Remuneration/Compensation for Key Management in this case Board of Commissioners and Board of Directors of First Media for the fiscal year ending 31 December 2016 and 2015 is as follows :

Total Remuneration Key Management

In million Rupiah

	2016	2015
Board of Commissioners		
Salary and short-term benefit	2.202	1.428
Board of Directors		
Salary and short-term benefit	40.127	35.391
Total	42.329	36.819

* As Stated in the Financial Statement of 2016

* Before Tax

PERFORMANCE EVALUATION OF BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

One of evaluation mechanism for Board of Commissioners and Board of Directors collegially is conducted in annual GMS forum. Performance evaluation of Board of Commissioners and Board of Directors is linked to the overall result of company performance achievement. One of resolutions of Annual GMS in 2016 is approving Company Annual Report of 2015 Fiscal Year including Report on the Implementation of Supervisory Duties of Board of Commissioners during 2015 Fiscal Year, at the same time giving full (acquitt et decharge) to Board of Directors and Board of Commissioners of Company for the management and supervision during 2015 Fiscal Year.

PERFORMANCE EVALUATION OF BOARD OF COMMISSIONERS

In general, the performance of Board of Commissioners is determined based on the duties and obligations set forth in the applicable laws and regulations and company's articles of association as well as mandate from shareholders. The performance of Board of Commissioners and members of Board of Commissioners are evaluated by Shareholders in GMS. Criteria for formal evaluation are conveyed openly to members of Board of Commissioners since the date of their appointment. The result of the evaluation on the performance of Board of Commissioners in overall and the performance of each member of Board of Commissioners individually is an integral part in the compensation scheme and incentive for members of Board of Commissioners.

PERFORMANCE EVALUATION OF BOARD OF DIRECTORS

In general, the performance of Board of Directors collegially is determined based on the duties and obligations set forth in the applicable laws and regulations and company's Articles of Association as well as mandate of shareholders. The performance of Board of Directors and members of Board of Directors is evaluated by shareholders in GSM. The criteria for formal evaluation is conveyed openly to members of Board of Directors since the date of their appointment, as set forth in Management Contract, which becomes the target of performance of Board of Directors collegially as well as individually. Performance of Board of Directors becomes the main attention of Board of Commissioners, where the supervision on the company management by Board of Directors is one of the main duties of Board of Commissioners. The result of performance evaluation of each member of Board of Directors individually, either the one conveyed by the Board of Commissioners or directly conveyed by the Board of Directors in AGMS, is one of the basis of considerations for shareholders to dismiss and/or re-appoint the concerned member of Board of Directors. The result of performance evaluation is a means of evaluation and enhancement of effectiveness of Board of Directors, and is an integral part in the scheme for compensation and incentive for members of Board of Directors.

DIVERSITY OF COMPOSITION OF BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

The number and composition of Board of Commissioners and Board of Directors is determined by GMS, adjusted with the vision and mission of First Media, so that it will be possible to implement an effective supervision and a speedy, accurate and independent decision making.

First Media does not have a specific rule concerning the diversity of gender in the composition of members of Board of Commissioners as well as Board of Directors. Determining such a composition is the right of GMS and Shareholders of First Media.

PRINCIPAL SHAREHOLDERS AND AFFILIATED RELATION

AFFILIATED RELATION BETWEEN BOARD OF COMMISSIONERS, BOARD OF DIRECTORS AND SHAREHOLDERS

Until 31 December 2016, there is no affiliated relation between members of Board of Commissioners and members of Board of Directors and principal shareholders of First Media.

POLICY ON CONFLICT OF INTERESTS

In addition to meeting all the requirements and complying with the applicable laws and regulations, First Media as a public company operating in the local market shall also have the responsibility to the public, customers, shareholders and stakeholders in providing services with high standard of ethics and professionalism.

Conflict of interest is a condition where any member of First Media with the authority from the company cannot carry out his/her duties and responsibilities in making an objective decision. Such a condition may give a personal advantage, or advantage for the family or external parties of company resulting in harming the company as the choice or result is not optimal.

Each member of First Media shall prevent any situation which may create a conflict of interest between his/her personal interest with the interest of First Media and/or its customers. In such a situation, any member of First Media shall take an action to protect the interest and reputation of First Media and/or their interests.

Any member of First Media shall not be allowed to disclose any information concerning ownership right and confidential information of First Media to third parties, unless with a prior written approval from First Media and/or other relevant parties as required by the prevailing laws. This provision is still valid and binding in the event of termination of employment.

The rule concerning this matter in First Media is set forth in the "Code of Ethics and Professional Responsibility" under the Decision of Board of Directors No: SK-008/DIR/X/10 dated 19 October 2010. As the implementation of Code of Ethics and Professional Responsibility of First Media, each member of First Media shall sign a Statement of Disclosure which in essence gives a confirmation that he/she has read and fully understood the content and therefore giving a commitment to fulfill the Code of Ethics and Professional Responsibility as defined by First Media and which may be amended from time to time.

SHARE OWNERSHIP OF BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

Until 31 December 2016, there are no members of Board of Commissioners and members of Board of Directors that have First Media shares.

AUDIT COMMITTEE

Audit Committee is a committee formed by and responsible to the Board of Commissioners, which members are appointed and dismissed by Board of Commissioners to assist in the implementation of duties and function of Board of Commissioners in examining and checking as deemed necessary in the implementation of function of Board of Directors in managing the company. Audit Committee is chaired by one of Independent Commissioner consisting of a member who is an independent party competent in accountancy and finance.

LEGAL BASIS OF AUDIT COMMITTEE

The existence of Audit Committee for a public company refers to Regulation No. IX.I.5 on the Establishment and Guidelines for Work Implementation of Audit Committee which has been updated by the Decision of Chairman of Bapepam-LK No. KEP-643/ BL/2012 dated 7 Desember 2012 (Regulation IX.I.5) which later was revised by Regulation of Financial Service Authority (Otoritas Jasa Keuangan/OJK) No. 55 of 2015 dated 23 December 2015 on Establishment and Guidelines for Work Implementation of Audit Committee.

CHARTER OF AUDIT COMMITTEE

The working basis for Audit Committee is the Charter of Audit Committee which has been validated on June 1st, 2016 and accessible in the official website of First Media <http://www.firstmedia.co.id>.

COMPOSITION OF MEMBERSHIP OF AUDIT COMMITTEE

First Media Audit Committee has 3 (three) members, chaired by an Independent Commissioner who concurrently a member with other members brought in from independent external party. In 2016 the composition of First Media Audit Committee is :

- Didik Junaidi Rachbini (Chairman/Independent Commissioner)
- Herman Latief (Member/Independent)
- Raden Hikmat Kartadjoemena (Member/Independent)

PROFILE OF AUDIT COMMITTEE MEMBER

Profile of Audit Committee member is in a separate section of this Annual Report.

REQUIREMENTS OF MEMBER OF AUDIT COMMITTEE

Requirements to become a member of Audit Committee, among others :

1. Having high integrity;
2. One of members of Audit Committee has educational background in accounting and finance, to enable him/her to read and comprehend financial statements;
3. Having sufficient knowledge on Company business, risk management and relevant regulations in capital market;
4. Having knowledge and sufficient experience according to his/her educational background;

5. Is able to communicate well; and
6. As an independent party, who must meet the requirements, among others, does not own company shares, does not have any work or business relations with the company for the past 6 months, and does not have family relationship with the principal shareholders, members of Board of Commissioners, and members of Board of Directors of company which potentially may give rise to conflict of interest.

WORKING PERIOD OF AUDIT COMMITTEE

The working period of member of Audit Committee is not longer than the term-of-office of Board of Commissioners as provided under the company's Articles of Association and may be re-elected only for the next 1 (one) period.

INDEPENDENCY DISCLOSURE

All members of Audit Committee brought in from independent party do not have First Media shares, do not have business relationship with the Company, and do not have family relationship with the principal shareholders, Board of Commissioners and Board of Directors and do not have experience and knowledge as set forth in OJK regulation.

DUTIES, RESPONSIBILITIES AND AUTHORITY OF AUDIT COMMITTEE

Audit Committee shall assist Board of Commissioners in supervising the implementation of good Corporate Governance, especially those related to company financial governance, according to the prevailing laws and regulations and principles of Good Corporate Governance (GCG). In carrying out its duties, the Audit Committee is independent and directly responsible to the Board of Commissioners. Audit Committee has the duty to assist Board of Commissioners in carrying out the supervisory duties and giving advice to Board of Directors, which include the following :

1. Review the financial information which will issue by First Media among others, financial statements, projection, and other financial information.
2. Review the compliance with laws and regulations related to First Media activities.
3. Give independent opinion in the event there is a difference of opinion between management and accountant for the services rendered.
4. Give recommendation to the Board of Commissioners concerning the appointment of accountant based on independency, scope of assignment and fees.
5. Encourage the formation of an internal control adequate.
6. Review the implementation of audit by internal auditor and supervise the implementation of follow up by the Board of Directors on the findings of internal auditor.
7. Review the activity of risk management implementation by the Board of Directors and implementation GCG and reported to the Board of Commissioners a range of risks in face by First Media.
8. Review on the process of accounting and financial reporting.
9. Review and report to Board of Commissioners for the potential conflict of interest.
10. Supervise Whistleblowing System held in First Media and subsidiaries.
11. Identify things that requiring attention of the Board of Commissioners.
12. Work else provided by the Board of Commissioners along still in scope of duties and responsibilities.
13. Maintain document confidentiality, data and information of First Media.

In carrying out its authority, the Audit Committee may communicate with the Board of Directors, Internal Audit, Risk Management, Legal, GCG Units and other working units under the Board of Directors.

Duties, authorities and responsibilities as well as the guidelines and rules of order of Audit Committee are described in details in the Charter of Audit Committee which is accessible in First Media website : <http://www.firstmedia.co.id>.

AUDIT COMMITTEE MEETING

During 2016, Audit Committee has carried out the duties and responsibilities through a number of meetings. Audit Committee meetings were held 4 (four) times attended by 100% of members.

Date	Meeting Agenda
11 March 2016	Audit Plan of 2016 Evaluation on the implementation of 2015 internal audit and monitoring the result of follow-up Discussion and review on financial statements of 2015
10 June 2016	Review of internal audit result of quarter 1 and 2 of 2016 Recommendation of audit committee related to the result of internal audit I Discussion on the coverage and evaluation of external audit report for 2015
17 October 2016	Discussion on audit result of Quarter III 2016 Discussion and recommendation of audit committee related to implementation of risk management in the Company
2 December 2016	Discussion of audit result of Quarter IV 2016 Evaluation on the status of result of follow up on the recommendation of audit committee on internal audit report Review of interim financial statements of Company 2016.

Audit Committee	Position	Attendance of Audit Committee Meeting
Didik J. Rachbini	Chairman/Independent Commissioner	4 times
Herman Latief	Member/Independent	4 times
Raden Hikmat Kartadjoemena	Member/Independent	4 times

ACTIVITIES OF 2016 AUDIT COMMITTEE

In carrying out its duties, Audit Committee in 2016 has :

1. Prepared and proposed 2016 Audit Committee Working Plan ;
2. Reviewed and presented Quarterly Financial Statements which have been submitted to Financial Services Authority (OJK) and Indonesian Stock Exchange (BEI), and monitored that the Financial Statements were issued timely and accurately;

3. Reviewed the implementation of Internal Audit Unit working programs, and gave input in enhancing the efficiency and effectiveness of the Internal Audit Unit;
4. Reviewed the independency and objectivity of accountant in implementing audit for 2015 and 2016 fiscal years.
5. Reviewed on the adequacy of audit conducted by the accountant to ensure that all substantial risks in the financial statements have been covered and considered sufficiently ;
6. Gave recommendations on the appointment of Public Accountant Office (KAP) which will audit the 2017 Financial Statement ;
7. Reviewed audit findings, by both the Internal Audit Unit and accountant and monitored the follow up of audit recommendations on the findings;
8. Monitored the management of any risks faced by the company and implemented good corporate governance as well as gave input to enhance its application;
9. Reported to the Board of Commissioners any risks faced by the company and implementation of risk management by Board of Directors.

NOMINATION AND REMUNERATION COMMITTEE

Nomination and Remuneration Committe is the committee established by and responsible to the Board of Commissioners of First Media, pursuant to Regulation of Financial Services Authority Number 34/POJK.04/2014 on Nomination and Remuneration Committee of Issuers or Public Companies dated 8 December 2014 ("POJK No.34").

The establishment of Nomination and Remuneration Committee is an integral part of the efforts of First Media to implement the principles of Good Corporate Governance or GCG that covers aspects of transparency, accountability, independency, and fairness, justice and equality.

With the increasing complexity of duties and functions of Board of Commissioners in conducting supervision on First Media, the Board of Commissioners of First Media has established a Nomination and Remuneration Committee based on the Resolutions of Board of Commissioners of PT First Media Tbk No. BOC-016/CSL/15 First Media appointed members of Nomination and Remuneration Committee consisting of 3 (three) members, one of which is a party having managerial position under the Board of Directors subordinating human resources.

MEMBERSHIP OF NOMINATION AND REMUNERATION COMMITTEE

Member of Nomination and Remuneration Committee should understand the business activities of First Media and its respective subsidiaries, have sufficient knowledge concerning laws and regulations on capital market, company operations, manpower and industrial relations, have adequate knowledge and experience in accordance with his/her background of education and is capable to communicate well.

The composition of membership of Nomination and Remuneration Committee shall at least comprise of an Independent Commissioner as the Committee Chairman and at least another member, who may be brought in from internal or external company. For members brought in from external company, they may not concurrently be a member of another committee. The term-of-office of members of Nomination and Remuneration Committee shall be at the most 3 (three) years and may be re-appointed for another term-of-office.

Nomination and Remuneration Committee of First Media chaired by an Independent Commissioner concurrently a member with other members coming from independent external party.
Until December 31, 2016 the composition of Nomination and Remuneration Committee is as follows :

1. H. Muladi (Chairman/Independent Commissioner)
2. Markus Permadi (Member/Independent)
3. Shinta Melani Paruntu (Member/Independent)

PROFILE OF MEMBER OF NOMINATION AND REMUNERATION COMMITTEE

Profile of member of Nomination and Remuneration Committee is in a separate section of this Annual Report.

DUTIES, RESPONSIBILITIES AND AUTHORITY OF NOMINATION AND REMUNERATION COMMITTEE

As set forth in the Charter of Nomination and Remuneration Committee, the duties and responsibilities of Nomination and Remuneration Committee are to assist Board of Commissioners in implementing the supervisory function and ensure that the implementation of nomination and remuneration process is undertaken objectively, effectively and efficiently, and according to the management principles of Human Resources and GCG principles.

The duties of Nomination Committee shall include the followings :

1. Review and and monitor to ensure that the company already has nomination strategies and policies, that include organizational analysis process, procedures and criteria for recruitment and selection, as well promotion and succession.
2. Prepare the criteria of composition, selection, qualification, evaluation, as well as requirements and procedure for nomination which is transparent for candidate members of Board of Commissioners, Board of Directors and senior management officials' one level under Board of Directors.
3. Submit recommendation of names of candidate members of Board of Commissioners and Board of Directors to the Board of Commissioners.
4. Submit recommendations and assist Board of Commissioners in ensuring that the names of candidate members of Board of Commissioners and Board of Directors to be proposed, both from internal and external company shall be in accordance with the selection criteria, due diligence and nomination procedure set forth in the Charter of Board of Commissioners and Charter of Board of Directors and management policy.

While the duties of Remuneration Committee include the followings :

1. Familiar oneself with the prevailing provisions of laws and regulations to be applied in the remuneration policy.
2. Ensure that the company has a transparent remuneration system in the form of salary or honorarium, fixed allowance and facilities and variable work compensation and incentives.
3. Give a recommendation on nomination system, transparent remuneration evaluation for Board of Commissioners, Board of Directors and officials' one level under Board of Directors to further submit the recommendation to Board of Commissioners.
4. Assist Board of Commissioners in formulating and determining remuneration policy in the form of salary or honorarium, fixed and variable allowance and facilities for Board of Commissioners, Board of Directors and officials' one level under Board of Directors.

5. Monitor the level of remuneration in similar companies for comparison in determining company remuneration policy.
6. Ensure the availability of liability insurance and personal accident for Directors, Commissioners and company officials and other insurance if deemed necessary.
7. Evaluate employee compensation system, provision of allowance and other facilities, as well as submit a transparent recommendation at minimum once in two years concerning the evaluation on the system, other alternative compensation such as share option, retirement system and allowance, as well as other system and allowance in the event of a mass termination of employment.

In carrying out its duties, the Nomination and Remuneration Committee shall work independently and upon the approval of Board of Commissioners, shall be authorized to have full, free and unlimited access to the company related to the implementation of the effectiveness of Nomination and Remuneration practices as well as Human Resources management in First Media and its subsidiaries.

Reports of Nomination and Remuneration Committee shall be submitted only to the Board of Commissioners periodically, at least once every three months.

CODE OF ETHICS OF NOMINATION AND REMUNERATION COMMITTEE

Members of Nomination and Remuneration Committee are committed to give their best capability and comply with the code of ethics as members of Nomination and Remuneration Committee, by prioritizing integrity, independence, objectivity, honesty and commitment to GCG.

PERFORMANCE EVALUATION OF NOMINATION AND REMUNERATION COMMITTEE

Performance evaluation of Nomination and Remuneration Committee and its members shall be conducted at least once a year, by considering the effectiveness of Nomination and Remuneration Committee in carrying out its function, level of attendance in the meeting, level of comprehension upon the issues faced by First Media and achievement of KPI that has been set.

MEETINGS OF 2016 NOMINATION AND REMUNERATION COMMITTEE

During 2016 Nomination and Remuneration Committee held a meeting 3 time, attended by all members (100%).

CORPORATE SECRETARY

The existence of Corporate Secretary is based on the Regulation of OJK Number: 35/POJK/04/2014, dated 8 December 2014 on Corporate Secretary of Issuers or Public Companies. In general, the function of Corporate Secretary is as a Compliance Officer giving assistance to the Board of Directors in implementing their duties for meeting the requirements of good corporate governance in public companies or issuers.

Public Companies as a legal entity has 3 (three) organs functioning to run a Company, namely AGMS, Board of Commissioners, and Board of Directors. Board of Directors as the company organ having duties and are responsible collegially in managing the company. In such management, the Board of Directors shall ensure a smooth communication between the company and stakeholders, and one of them is by empowering the function of Corporate Secretary.

With economic development, in particular in Capital Market, the role of Corporate Secretary is increasingly required not only related to administrative and communication function, but also to ensure public company compliance with the laws and regulations and improving the implementation of public company governance. Corporate Secretary is also expected to be able to keep updating the information on regulations that have to be complied with by public companies and provide important information for Board of Directors and Board of Commissioners in making decisions.

Corporate Secretary is demanded to have qualifications in line with the duties and responsibilities, and to enhance the knowledge and capability which support the implementation of duties. The existence of Corporate Secretary is to give a positive value in assisting management of public companies, so as to increase the confidence of shareholders and other stakeholders.

As a liaison officer between First Media and company executives and stakeholders, First Media appointed a Corporate Secretary who is responsible to the President Director. At present the position of Corporate Secretary is held by Harianda Noerlan who is also the Independent Director of First Media since 2006, by virtue of Letter of Decision of Board of Directors on the Appointment of Corporate Secretary Number: SK-025/DIR/XI/2006, dated 1 November 2006 which is effective as of the date of signing.

DUTIES AND RESPONSIBILITIES

The duties and responsibilities of Corporate Secretary

The duties and responsibilities of Corporate Secretary are as follows:

1. Following Capital Market development specifically the laws and regulations applicable in Capital Market.
2. As a liaison and facilitator of communication among Board of Directors, Board of Commissioners, shareholders, relevant government/institution, public and stakeholders.
3. Coordinate opinions given in terms of law, document management, protocol public relation and company ceremonies to support company activities to run effectively and efficiently and enhance company image.
4. Organize secretariate activities within Board of Directors, Board of Commissioners and company as well as handle administrative issues including managing GMS documents, minutes of meetings of Board of Directors, Board of Commissioners, joint meetings, Special Shareholder

Register, documentation of difference of opinions, invitation, agenda and materials for meetings and other documents.

5. Coordinate the activities of Board of Directors related to corporation activities to support the effectiveness of functions of Board of Directors and company performance.
6. Represent Board of Directors in dealing with parties outside and within the company according to the assignment and current policies.

Activities of Corporate Secretary

Activities of Corporate Secretary 2016:

1. Guide First Media to always comply with the capital market regulation, and follow the development of new regulations to ensure that First Media implement such regulations. First Media issued 4 (four) Financial Statements and 1 (one) Annual Report.
2. Conduct correspondence with the regulators of capital market (OJK and BEI) as well as other supporting agencies such as KSEI, BAE and trustees. Correspondence was made 48 (forty eight) times.
3. Convey information disclosure related to First Media which is conveyed by reporting, whether regulated or not among others in the form of press release, website, and serving any need of information related to First Media condition.
4. Coordinate the holding of AGMS and EGMS.
5. Coordinate the implementation of annual public expose.

CORPORATE SECRETARY PROFILE

The position of Corporate Secretary at First Media is currently held by Harianda Noerlan, who also serves as Independent Director of First Media since April 25th, 2013. He has a degree in Mechanical Engineering from Trisakti University in Jakarta.

His in-depth knowledge of the principles of compliance in the capital market regulations that is acquired through experience from his time working in the public company, PT Bank Niaga Tbk for 10 years, and working at PT Bank Lippo Tbk holding the position of Managing Director – Compliance

ACTIVITIES OF CORPORATE SECRETARY

Activities carried out by the Corporate Secretary Division in 2016 are as follows:

1. Following the development of capital market regulations and ensuring Company's compliance with the regulations. The Company published four Financial Reports and one Annual Report.
2. Carrying out correspondence with capital market regulator (OJK and BEI) as well as other supporting institutions. Correspondence was done 58 times.
3. Submitting information disclosure regarding the company, among other through press release, and website. Press release was issued 7 times.
4. Coordinating the Annual General Shareholders Meeting on April 15th, 2016.
5. Coordinating Annual Public Expose simultaneously with the Annual General Shareholders Meeting on April 15th, 2016.

CORPORATE SECRETARY TRAINING

In order to enhance the competency of Corporate Secretary, First Media have enrolled in a number of trainings and meetings held by various institutions.

Name of Training	Location	Organizers	Time
How to develop an Excellent Annual Report	Jakarta	Bostonprice	Oct 12th, 2016
Workshop on Information Disclosure of Issuers and Public Companies	Jakarta	OJK	Oct 17th, 2016
Socialization of the Law of Business Competition in Indonesia: “How to Comply with the Competition Law and Regulation”	Jakarta	Indonesian Corporate Secretary Association	Oct 17th, 2016
ASEAN Corporate Governance Scorecard	Jakarta	OJK	Nov 25th, 2016
Risk Governance Master Class	Bali	ERMA Global Learning Centre	December 8th – 9th, 2016

CORPORATE SECRETARY ACTIVITIES

Corporate Secretary and Investor Relation Activities 2015

No.	Activities	Number of Activities
1.	Annual Report	1
2.	Public Expose	1
3.	Annual General Shareholders Meeting	1

INVESTOR RELATION

Investor Relation is in charge of giving information services and developing a good relationship with the parties interested in share investment, particularly shareholders, stock analyst, investment managers, institution and retail broker and the media/press. Investor Relation of First Media is headed by Liryawati.

To implement the principles of disclosure and transparency of any material activity, First Media through Investor Relation conducts a two-way communication such as meeting with analysts, existing as well as potential investors, conference call through other means of communication such as Company's presentation, annual report, website, press conference, and e-mail.

Investor Relation continuously upgrades the quality and quantity of material information delivery, both operational and financial to existing and potential investors. Besides that, Investor Relation also routinely participated in investors meeting forum domestically and internationally, as well as going on roadshows.

No.	Activities	Number of Activities
1.	Annual Report	1
2.	Public Expose	1
3.	Annual General Shareholders Meeting	1

INTERNAL AUDIT UNIT

The formation of the Internal Audit Unit is based on the Bapepam-LK regulation No.IX.1.7 Appendix of the Decree of Bapepam-LK Chairman No. No.Kep-496/BL/2008 dated November 28th, 2008 regarding the formation and guidelines for drafting the internal audit unit charter, with the purpose of giving a professional, independent and objective input to the President Director in the matter of Company's activities and operations.

Internal Audit Unit directly reports to the President Director, with duties that include testing and evaluating the implementation of internal control and risk management system according to First Media's policy, as well as performing checks and assestment on the efficiency and effectivity in the department of finance, accounting, operations, human resources, marketing, information technology and other activities. This is executed through cooperation with internal audit units at subsidiary level. In carrying out its duties, Internal Audit Units will always cooperate with the Audit Committee and is the embodiment of First Media's commitment in creating good and efficient governance.

DUTIES AND RESPONSIBILITIES

Internal Audit Unit is in charge of testing and evaluating the implementation of internal control and risk management system according to First Media's policy, audit activities include:

- Cooperating with Internal Audit Unit at subsidiary level to formulate an annual audit plan based on risk approach and ask for the approval of the President Director after first discussing with Audit Committee the said annual audit plan.
- Carrying out audit in the department of finance, accounting, operations, human resources, information technology and others;
- Preparing a report of the audit result and submitting the report to President Director
- Giving suggestion for improvement and objective information of the assessed activity at all management level;
- Supervising the follow up of audit recommendation, to ensure that improvement have been done and consistently well executed.
- Ensuring that internal control has been well executed at every line in the company to achieve: an accurate and trustworthy financial statements; effective and efficient operation; compliance with law and regulation;
- Working together with Audit Committee
- Executing ad hoc auditing upon the suggestion/assignment from the President Director.
- Evaluating the quality of the internal audit quality that is being carried out.

PROFILE OF THE HEAD OF INTERNAL AUDIT UNIT

The Internal Audit Unit is led by the Head of Internal Audit that is appointed and dismissed by President Director with the approval from the Board of Commissioners.

As of September 1st, 2016, the post of Head of Internal Audit is held by Julidon F. Siregar who was appointed by virtue of the Decision Letter of Board of Directors No.SK-001/DIR/IX/2016, replacing Leony Hartono who held the position of Head of Internal Audit at First Media since December 22nd, 2009.

Julidon F. Siregar profile highlight as Head of Internal Audit Unit at First Media:

Education	Bachelor Degree in Accounting – Academy of Economic Sciences – Bandung Master Degree – Finance Management – Padjajaran University
Certification and Training	Auditing Training (BDO Tanubrata) Tax Planning (Certified) Brevert A & B (Certified) Develop Standard Operation Procedure (SOP) Portfolio Analysis Teaching Skill at University & College
Career	Department Head, Strategic Allignment & Business Development PT First Media Tbk (April 2015 – August 2016) Head of Compliance & Cost Control – Eurokars Group of Company (January 2013 – March 2015) Finance & Accounting Manager – PT Tribun Media Grafika (June 2009 – December 2012) Head of Internal Audit – PT Madhucon Indonesia (November 2008 – June 2009) Senior Internal Auditor – PT Trikomsel Oke Tbk (November 2004 – October 2008) External Auditor Staff – Kantor Akuntan Publik BDO Tanubrata (December 2001 – November 2004) Accountant – Bandung Alliance International School (BAIS) (June 1999 – June 2001)

INTERNAL AUDIT ACTIVITIES 2016

In 2016, Internal Audit Unit conducted regular audit and ad hoc audit. Regular audit activity is done through risk basis approach, meanwhile ad hoc audit is done based on discussion and request from First Media management, in this case the President Director.

1. Internal Audit Unit activities in doing regular as well as ad-hoc audit in 2016 are as follow:
2. Formulating audit plan and procedure for 2016 with risk based audit approach for First Media before it is stipulated by First Media management;
3. Until December 31st, 2016, the unit has finished five regular audits and two investigative audits, as well as giving 14 audit recommendations. The key areas audited in 2016 are Operational and Compliance audit.

4. Monitoring of 8 (eight) audit recommendations to follow up on a previous audit recommendations, also ensuring that the action plan agreed to by process owner have been carried out correctly and well, as well as within the set time frame.
5. Special audit that was done for a specific purpose, especially to disclose if any violation or fraud occurring in the operational activity within the First Media group. The overall result of the audit process has been properly followed up by the management.
6. First Media Internal Audit with the support of the President Director, Audit Committee and Board of Directors have to consistently evaluate the risk management to give a guarantee that the risk has been evaluated adequately and control has been done to minimize risk.

In the long term plan of First Media, the Internal Audit Unit of First Media will gradually begin to centralize the audit process throughout company. Previously, audit process is done at every subsidiary level by respective Internal Audit Unit of each subsidiary. Through First Media long term plan, Internal Audit working units at each subsidiary will be consolidated into one, which is First Media Internal Audit Unit that will carry out all of the consolidated audit activities.

SOCIALIZATION AND IMPROVEMENT OF GOOD GOVERNANCE PRACTICES

ENHANCEMENT OF GOVERNANCE ASPECTS THROUGH PARTICIPATION FROM STAKEHOLDERS

In order to fullfil the expectations of stakeholders, First Media continues to enhance the implementation of corporate governance practices by giving more attention, focusing on each stakeholder. First Media further adjust the applicable mechanism and policy in the Company to the development of its stakeholders' expectation. Some of the development that has and currently happening in First Media with regard to the fullfilment of expectation of stakeholders in 2016 are:

PREVENTION OF INSIDER TRADING, CORRUPTION AND FRAUD

First Media has policies set forth in the Code of Ethics and Professional Responsibility that prohibits any member to use any data and information deemed confidential for their personal advantage or personal or third party's interest. This policy includes corruption practices, fraud and insider trading.

From time to time First Media requires a large sum of financing that may be obtained from corporate actions or in the form of loan facility from creditors. For the purpose, First Media should always give due regard to the interest of creditors in order to have continued trust from creditors, thus the prospect of growth in the long term could be sustainably maintained. Up to December 2016, First Media was in the stage of formulating policies related to the fulfillment of creditors' rights by First Media

IMPORTANT CASES FACED BY THE COMPANY

PLEASE REFER TO THE INDEPENDENT AUDITOR'S REPORT ON THE NOTES OF FINANCIAL STATEMENT "LAWSUIT SECTION" AND SUMMARY

INFORMATION DISCLOSURE

INFORMATION ACCESS AND TRANSPARENCY

First Media disseminate activities information and First Media's performance periodically. The transparency is in order to fulfill the mandate and provisions to Financial Services Authority (Otoritas Jasa Keuangan). Activities that First Media carried out throughout 2016 among others are publishing the Annual Report book that is distributed to shareholders and stakeholders, as well as submitting routine reports, First Media business publications and accuracy of financial statements.

PUBLICATION AND NOTIFICATION ADVERTISEMENT

Throughout 2016, First Media have published announcement or notification advertisements through mass media. The list of 2016 First Media published advertisements is as follows :

No	Description	Media	Published Date
1	AGSM Announcement	Investor Daily	March 8th, 2016
2	AGSM Notification	Investor Daily	March 24th, 2016
3	2015 Annual Financial Statement	Suara Pembaruan	March 24th, 2016
4	Announcement of Summary of AGSM Minutes	Investor Daily	April 19th, 2016
5	Information Disclosure – Information and Material Facts	Investor Daily	May 26th, 2016

WEB SITE

First Media always included compliance towards the provision of information disclosure to the general public. Compliance with this matter, especially in the delivery of a number of reports and other important information that has to be published in the website. First Media manages the website with the address www.firstmedia.co.id

As for reports as well as other information that must be submitted in the website include quarterly financial statements, annual financial statements, security holder register report, foreign currency debts report, annual report, public expose material, charter and information disclosure that the public needs to know.

CODE OF ETHICS AND PROFESSIONAL RESPONSIBILITIES

Since 19 October 2010 First Media the Code of Ethics and Professional Responsibility (Code of Ethics) has been in effect by the Decision of Board of Directors No: SK-008/DIR/X/10, as a form of commitment of First Media in GCG implementation. Guided by an international standard, commitment to always comply with the applicable regulations, and the implementation First Media's principles of good governance, then fundamentally it is important for First Media to set a Standard Code of Ethics and Professional Responsibility. In addition, as one of the benchmarks in the effort to achieve a balance of business operations of First Media and also to gain long-term business continually which is not only reflected in the submission of the First Media on binding rules.

All management and employee are obliged to understand this code of ethics standard as the basis of implementation in their behaviour that regulates the relationship between employees, customers, suppliers, shareholders, stakeholders, government and the public. Code of Ethics now housed a collection of the commitments consisting of ethics business and work ethics each member of First Media.

As the implementation of the Code of Ethics and Professional Responsibility of First Media, every member of First Media signed a Declaration on statement on disclosure which in essence is the provision of a confirmation that it has been read and understood completely and therefore give a commitment to meet the code of ethics and professional responsibility as established First Media and which will be changed from time to time.

ARTICLES OF ASSOCIATION

The company was established under the name PT Safira Ananda, pursuant to Deed of Establishment No.37 dated January 6th, 1994 and Decision of Minister of Justice of the Republic of Indonesia Number C2-1.446 HT.01.01.Th.95 dated February 1st, 1995. The next amendment to the entire Articles of Association when under the name of PT Tanjung Bangun Semesta Tbk as stated in Deed No. 1 of 2 December 1999 and Decree of Minister of Justice of the Republic of Indonesia Number C-19466 HT.01.04.TH.99 dated December 3rd, 1999 which has referred to Law No. 1 of 1995 on Limited Liability Company.

The next amendment to some articles of the Articles of Association at the same time reformulated the Articles of Association when under the name of PT Broadband Multimedia Tbk as stated in the Deed No.56 dated July 30th, 2001 and Receipt of the Notification on the Deed of Amendment of Articles of Association by the Minister of Justice and Human Rights of Republic of Indonesia Number C-08744 HT.01.04.TH.2001 dated September 19th, 2001 that has referred to Law No.1 of 1995 on Limited Liability Company.

The next amendment to the entire Articles of Association when under the name of PT First Media Tbk as stated in the Deed No.42 dated August 15th, 2008 and the Decree of the Minister of Justice and Human Rights of the Republic of Indonesia Number AHU-74501.AH.01.02.Tahun 2008 dated October 16th, 2008 that has referred to Law No. 40 of 2007 on Limited Liability Company.

The last amendment to the entire Articles of Association was when under the name of PT First Media Tbk as stated in the Deed No.33 dated May 15th, 2015 and Receipt of Notification on the Amendment of Articles of Association by Minister of Justice and Human Rights of Republic of Indonesia Number: AHU-AH.01.03-0940134 dated June 11th, 2015 that have been adjusted to the Financial Services Authority Regulations Number: 32/POJK.04/2014 and Number: 33/POJK.04/2014 as well as other laws and regulations applicable in the capital market.

GUIDELINE FOR WORK SYSTEM OF BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

Duties and authority of Board of Commissioners and Board of Directors are provided in the company's Articles of Association and expressly stated and detailed in the Charter of Board of Commissioners and Charter of Board of Directors that regulates GCG practices specifically for Board of Commissioners and Board of Directors.

Charter of Board of Commissioners and Board of Directors contains an agreement between Board of Directors and Board of Commissioners concerning duties, authority and responsibility of each company organ to enhance the quality and effectiveness of work relations among company organs, apply GCG principles and develop independence in making decisions and may carry out their respective duties and responsibilities according to the expectation of shareholders and other stakeholders.

Charter of Board of Commissioners signed by all members of Board of Commissioners and Charter of Board of Directors signed by all members of Board of Directors, was validated on 1st of June 2016 and available in First Media website.

COMPANY REGULATION

Company regulation is a document that any company in Indonesia should have that meets the provisions as provided in Law No. 13 of 2003 on Manpower.

First Media company regulation is prepared in line with Pancasila (Five Principles) ideology and National Development Program, especially in terms of economic improvement and enhancement of the nation's standard of life. With regard to the matter, First Media has the intention to not only play a role in Indonesian economic development by developing its business activity, but also by developing its human resources by enhancing competition and competencies of its human resources.

First Media's effort to implement corporate governance is reflected starting from the vision, mission and values of First Media, to how First Media abides by the prevailing regulation in achieving the vision, mission and values. The awareness that First Media has to be a part of good corporate citizen, First Media set a balanced regulation in managing First Media external and internal relations. Parties related to First Media external relations, among others are government and independent institutions that are related to the business activities of First Media, users of First Media's services, partner corporations in the business activities of First Media, and communities in the surrounding area of First Media's place of business. Whereas parties related to First Media internal relation are First Media organs and employees. For the purpose First Media formulates a series of regulations set as Company Regulation.

Based on First Media awareness in setting a balanced regulation in managing external and internal relations of First Media and realizing a good corporate governance, a regulation is formulated that covers the principles of business ethics that is dignified, policies and procedures, risk management, internal control and supervision, leadership, task management and responsibility, management empowerment and employee competiton complete with work evaluation system, and reward. Company regulation set by First Media should be able to strengthen the structure of corporate governance to create a harmonious working relationship, while simultaneously being effective among First Media organs and employees. Supervisory, evaluation and action system has to be based

on acuracy and accountability, without hindering the performance of every organ at First Media. Therefore, the process of corporate governance can be carried out with a continually increasing quality, starting from employee level, management, all the way to the management level of First Media. The ever improving process of governance will result in the maintenance of First Media external and internal relations.

Human resources management has been set as one part in the strategic plan of First Media development, because in that way First Media can seamlessly and continuously increase its ability to compete with other companies in Indonesia. First Media continually believe that human resources is a crucial asset for the existence, sustainable growth and development of First Media in the long run. Various aspects are considered by First Media to create a harmonious, save, stable, peaceful and dynamic relation between First Media and all employees, among others through the clarity of work division, rights and daily obligations of each employee, giving attention to employees' health, as well as work atmosphere which supports employees' performance. The said aspects are expected to improve employees' productivity and help create stability and employee satisfaction in working so that is will be extremely helpful in solving problems that might arise through deliberations.

First Media Company Regulation have already been drawn up in line with the regulation that implemented and inline with the core values of company. The document has been ratified through a decree of the Department of Labor and Transmigration No.229/2013 dated March 20, 2013 that apply to a period of two years as of the date was set and has renewed decision based on a decree of the Director General of Industrial Reelations and Labor Seocial Security – The Ministry of Manpower of the Republic of Indonesia No.: Kep.403/PHJSK-PK/PP/III/2016 dated March 29, 2016 regarding the ratification of PT First Media Tbk Company Regulation.

In general, First Media Company Regulation contain rights and First Media employee obligations and provisions aimed at relationships harmonious, conformable, and balanced in an effort to increase efficiency, productivity and work performance optimal. It is expected that First Media Company Regulation may create a conducive industrial relation between employees and First Media, in observance of prevailing laws and regulations as well as government regulations, including its adjustment in the future.

First Media Company Regulation contains eleven Chapters namely :

- Chapter I : General Provisions
- Chapter II : Hiring, Appointment and Placement of Workers
- Chapter III : Working Hours
- Chapter IV : Guideline and Rules of Order
- Chapter V : Wages and Allowances
- Chapter VI : Manpower Social Security
- Chapter VII: Welfare of Workers
- Chapter VIII: Holiday, Leave and Permission to leave work

Chapter IX :	Manpower Relations
Chapter X :	Termination of Employment
Chapter XI:	Closing

COMPANY POLICY

Company policy is the description of laws, regulations and targets set by the Board of Directors to guide the management in carrying out business activities. Products of company strategic policies reflect the commitment of First Media to apply GCG in all its activities. Company policies adopted always observe the core values and characteristics of company leadership.

VIOLATION REPORTING SYTEM

BACKGROUND

In line with the Company’s commitment to implement GCG, First Media always try to consider the interests of all stakeholders baed on fairness and equality according to the principles of GCG. In order tothat, we need a goodl monitoring system, efficient and applicable to all First Media subsidiaries. In the implementation, there are often complaints of violations from stakeholders due to the lack of attention to the rights of stakeholders or even at times disregarded by the company. Complaints of violations by stakeholders, if not settled properly potentially will harm the stakeholders and or the company itself. A standard mechanism for handling complaints of violations is absolutely required in order that disagreements or disputes between stakeholders and the company are not prolonged as it may impact to the reputation and trust of the public to the company.

Therefore, First Media has compiled and developing Whistleblowing system (WBS) applicable to all First Media subsidiaries.

PURPOSE AND OBJECTIVES

Settlement of violation complaints by stakeholders is a form of enhancement of stakeholders’ protection to guarantee its rights in dealing with the company and ensure the handling will meet the provisions and requirements set by the company, government and authorities. For the purpose, a suitable policy, system and procedure for handling violation complaints by stakeholders should be formulated in the Policy of Violation Complaints Management.

The purpose and objectives :

1. The purpose of formulation of Violation Complaints Management Policy as a basis or implementing guidelines in handling Violation Complaints from stakeholders to guarantee an effective settlement mechanism for violation complaints by stakeholders within a reasonable time period.
2. The purpose of the formulation of Violation Complaints Management Policy is an effort to disclose the various issues in the company which are not according to the standard of ethics applicable in the company.

LEGAL GROUNDS

1. Law of the Republic of Indonesia No. 31 of 1999 on Corruption Eradication which is amended by Law of the Republic of Indonesia No. 20 of 2001 on Amendment of Law of Republic of Indonesia No. 31 of 1999 on Corruption Eradication.
2. Law of the Republic of Indonesia No. 13 of 2006 on Witness and Victim Protection.
3. Law of Republic of Indonesia No. 13 of 2003 on Manpower.
4. Goverment Regulation of the Republic of Indonesia No. 71 of 2000 on Procedure for the Implementation of Public Participation and Giving of Award in Corruption Prevention and Eradication.
5. Guideline for Violation Complaints System (Whistleblowing System) of 2008 by the Governance Policy National Committee.
6. Company Regulation and Code of Ethics and Professional Responsibility of PT First Media Tbk.

SCOPE

Policy on Violation Complaints Management is applicable for Board of Commissioners, Board of Directors and all employees within PT First Media Tbk and all its business units in carrying out its daily duties according to the principles of Good Corporate Governance (GCG).

DEFINITION

1. Board of Commissioners is a company organ representing shareholders to conduct supervision and give directions/advice to the Board of Directors in the company management as well as in carrying out the function to enhance company image in the eyes of the public and shareholders.
2. Board of Directors is a company organ responsible for company management, for the interests and objectives of company, and represents the company both within and outside the court of justice according to the provisions of Articles of Association, subject to the regulations applicable to Public Companies and still upholds the principles of Good Corporate Governance.
3. The supporting organ of Board of Commisiones is the organ that supports Board of Commissioners in implementing the company supervisory function, such as Audit Commitee, Investment Commitee, Remuneration Commitee, Nomination Commitee, Investment Commitee and Secretary of Board of Commissioners.
4. PT First Media Tbk and all its business units, hereinafter referred to as First Media is a Public Company.
5. First Media employees are First Media workers whose appointment, dismissal as well as rights and obligations are determined by the Board of Directors pursuant to the provisions of laws and regulations on manpower.
6. Those receiving Violation Complaints are Board of Directors and Board of Commissioners.
7. Violation complaint is a disclosure of a violation or an unlawful act.
8. Violation is an unethical/immoral act or other act harming organizations or stakeholders, committed by employees or organizational leaders against other organizational leaders or institutions which may take actions against such a violation. This disclosure is generally made confidentially.
9. Violation Reporting Party is an internal party namely company employee itself, and there is always a possibilit that the reporting party comes from external parties such as participants, suppliers, regulators, other stakeholders.
10. Violation Reported Party is the person reported for an indication/allegation of violation of Code of Ethics and Professional Responsibility (Code of Conduct).
11. Representative of Stakeholders is an individual, agency and or legal entity acting for and on behalf of stakeholders by virtue of a special power of attorney from stakeholders.

- 12. Stakeholders are the parties having interests in the company.
- 13. Violation Complaints Management Team is a team consisting of members of Internal Audit Unit, Human Resources Division and other working units under the authority of Board of Directors pursuant to the Decision of Board of Directors
- 14. Disciplinary violation is an act in violation of disciplinary rules of company employees.
- 15. Disciplinary hearing is a hearing conducted to render a decision on a disciplinary violation.
- 16. A criminal act is an act prohibited by rule of law where the prohibition is made with a threat or sanction for those committing the violation as provided in Indonesian Criminal Code (KUHP).

GENERAL PROVISIONS FOR HANDLING OF VIOLATION COMPLAINTS

POLICY

Receipt and Settlement of Violation Complaints.

- 1. First Media shall receive violation complaints from both internal and external parties.
- 2. First Media shall receive and settle violation complaints from reporting parties either with identities or not.
- 3. First Media shall prepare 2 (two) complaint management channels, namely through Board of Directors and Board of Commissioners in accordance with the level of violation.

Formation of Violation Complaint Management Team

- 1. **Authority of Board of Directors and formation of Violation Complaint Management Team for violations allegedly committed by employees of First Media**
 - a Board of Directors shall be responsible for the implementation of Violation Complaint Management Policy which violations are allegedly committed by First Media Employees as set forth in this guideline.
 - b Board of Directors shall form a Violation Complaint Management Team that has members from the representatives of Internal Supervisory Unit (Satuan Pengawasan Internal/SPI), Human Resources Division and other parties according to their respective competencies and expertise based on the resolutions of Board of Directors.
 - c Head of Violation Complaint Management Team through Board of Directors is the Internal Supervisory Unit (SPI).
 - d Violation Complaint Management Team through Board of Directors has the duty to follow up Complaint of Violation allegedly committed by First Media Employees.
- 2. **Authority of Board of Commissioners and the formation of Violation Complaint Management Team for violations allegedly committed by Board of Directors, Board of Commissioners, Supporting Organ of Board of Commissioners and Heads of Working Units.**
 - a Board of Commissioners shall be responsible for the implementation of Policy on Violation Complaint Management for violations allegedly committed by Board of Directors, Board of Commissioners, Supporting Organ of Board of Commissioners and Working Unit Heads as defined in this guideline.
 - b Board of Commissioners formed a Violation Complaint Management Team having members from the representatives of Audit Committee and other parties as required according to their respective competencies and expertise.

- c Chairman of Violation Complaint Management Team through Board of Commissioners is the Audit Committee.
- d Violation Complaint Management Team through Board of Commissioners has the duty to follow up violations allegedly committed by Board of Directors, Board of Commissioners, Supporting Organ of Board of Commissioners and Working Unit Heads.

VIOLATION COMPLAINT MANAGEMENT

Receipt of Violation Complaints

- 1. Violation complaint for a violation allegedly committed by Employees of First Media to the Company's Board of Directors.
- 2. Violation complaints for violations allegedly committed by Board of Directors, Board of Commissioners, Supporting Organ of Board of Commissioners and Working Unit Heads to the Board of Commissioners of First Media
- 3. If the recipient of violation complaint is not Board of Directors or Board of Commissioners, the concerned person should pass on the complaint to Board of Directors or Board of Commissioners.
- 4. First Media receives violation complaint from stakeholders and/or representatives of stakeholders both orally and in writing.
- 5. First Media in this case Violation Complaint Management Team, provides an explanation regarding the policy and procedure for the settlement of violation complaint at the time stakeholders and/or representatives of stakeholders submit the violation complaint.

Violation complaint for violations allegedly committed by Employees of First Media as referred to in this guideline shall be made in writing with the following mechanism :

- a Through website of First Media business activities in www.firstmedia.co.id
- b Send an official letter addressed to the Board of Directors, by delivery directly to or by post to First Media at the following address:

Board of Directors of PT FIRST MEDIA, Tbk.
For the attn. of Violation Complaint Management Team
LIPPO CYBER PARK
Bulevar Gajah Mada No. 2170 Lippo Village
Tangerang 15811

- 6. Complaint Violation for violations allegedly committed by Board of Directors, Board of Commissioners, Supporting Organ of Board of Commissioners and Working Unit Heads as referred to in this guideline shall be made in writing with the following mechanism :
 - a Through the website of business activities of First Media in www.firstmedia.co.id
 - b Send an official letter addressed to the Board of Commissioners by direct delivery, or by post to the company at the following address :

Board of Commissioners of PT FIRST MEDIA Tbk
Attn. Violation Complaint Management Team
LIPPO CYBER PARK
Bulevar Gajah Mada No. 2170 Lippo Village
Tangerang 15811

- 7. A written complaint of violations should be supported by a photocopy of identity and supporting evidence such as documents relevant to the transactions conducted and/or complaint of violations to be reported.
- 8. A written violation complaint without identity shall be supported with a supporting evidence such as a document related to the transaction conducted and/or violation complaint to be reported.
- 9. Company shall issue a receipt if the violation complaint is submitted in writing with identity.
- 10. If the violation complaint is submitted by the representative of stakeholders, apart from the above documents other documents shall also be required to be submitted such as :
 - a Photocopy of identities of stakeholders and representatives of stakeholders.
 - b Power of attorney of stakeholders to the representatives of stakeholders stating that the stakeholders gives an authority to act for and on behalf of stakeholders. If the representatives of stakeholders are an institution or a legal entity, it should be attached with a document stating that the party submitting the complaint is authorized to represent the institution or legal entity.
- 11. First Media shall submit an evidence of receipt of violation complaint to stakeholders and/or representatives of stakeholders submitting the complaint.

Complaint Administration

- 1. All violation complaint processes shall be well administered by the Violation Complaint Management Team.
- 2. Records of receipt of violation complaint shall contain at least :
 - a Registration Number
 - b Date of receipt
 - c Recipient officer
 - d Brief description

Monitoring the Follow Up

- 1. Monitoring the follow up of violation complaint shall be done by Violation Complaint Management Team.
- 2. Violation Complaint Management Team shall be under the leadership of Head of Complaint Management Team (SPI) shall inform the violation complaints received, investigated and deemed to have been settled to the Board of Directors at any time necessary,
- 3. Violation Complaint Management Team under the leadership of Audit Committee shall inform violation complaints that are received, investigated and deemed to have been settled to the Board of Commissioners at any time necessary

Submission of Response

- 1. First Media through the Violation Complaint Management Team may inform and/or give a response to the status of violation complaint settlement process to the stakeholders and/or representatives of stakeholders who ask for an explanation from First Media concerning the violation complaint.
- 2. For a violation complaint without identity, there is no obligation of First Media to give a response.

Publication and Socialization

First Media shall publish and socialize the Policy on Violation Complaint Management to all Employees of First Media or stakeholders through various company media such as:

- 1. Obtaining a statement that has been signed regarding the support from all Board of Commissioners, Board of Directors and all First Media Employees on the implementation of Policy on Violation Complaint Management.
- 2. Print and distribute this policy.

PROTECTION AND APPRECIATION

Protection for Reporting Parties and Reported Parties

- 1. First Media shall be obliged to protect the reporting parties.
- 2. The protection of reporting party shall mean to encourage having the courage to report any violations.
- 3. Protection of reporting party shall include :
 - a Guarantee of confidentiality of reporting party's identity and content of report.
 - b Guarantee of security for the reporting party and his/her family.
 - c Guarantee of protection for any treatment harming the reporting party.
 - d First Media provides a guarantee of confidentiality of the reported party's identity up to the change of status of the examinee.

Appreciation of Reporting Party

- 1. First Media may give an appreciation to the reporting party for any violation that can be proven that results in the assets/finance of First Media being rescued.
- 2. Appreciation is given through the policy of Board of Directors

REPORT OF ALLEGED VIOLATION

The party entitled to report is any related party of First Media or external third parties of First Media Group who feel harmed or just intending to report an alleged violation. Report of alleged violation may only be done by the Reporting party by providing a written report to the address below :

PT First Media Tbk
BeritaSatu Plaza 4th Floor, Suite 401
Jl. Jend. Gatot Subroto Kav. 35-36, Jakarta Selatan
Attn. Independent Commissioner/ Audit Committee

PROTECTION FOR THE REPORTING PARTY

For a report proven to be true, First Media will give protection to the reporting party. The protection will include :

- 1. Guarantee that the identity of the reporting party and content of the report will be kept confidential;
- 2. Guarantee of protection for the reporting party from any treatment that may harm him/her;
- 3. Guarantee of protection from any possible act of threat, intimidation, punishment or objectionable act of the reported party.

If based on the investigation it is proven that the reported party commits a violation, a sanction will be imposed on him/her according to the applicable provisions.

HANDLING OF COMPLAINTS

Any reports of WBS received will be recorded and registered in the special register made by WBS Team, which shall then be evaluated based on the evidence obtained, and then a recommendation will be made whether a further investigation is required to have a more in-depth information and find evidence on the alleged violation. WBS Team may ask Internal Audit Unit to implement the matter.

- the alleged violation reported requires a more specific expertise including forensic audit, WBS Team may ask an independent third party to conduct the audit.
- If the report on the alleged violation does not meet the minimum requirements of reporting in the WBS system, WBS Team may declare that they will not continue with an investigation and close the reported case.
- If the report on the alleged violation is followed up by an investigation, WBS Team shall report the development to the Board of Commissioners.
- After the investigation is completed, WBS Team shall submit a report and recommendation to Board of Commissioners, who will then issue a Letter of Decisions of Board of Commissioners, decisions of which include enforcement, system improvement and case closing.
- If the alleged violation is supported by evidence giving an absolute indication of an occurrence of a criminal offense, WBS Team may give a recommendation to the Board of Directors to report to the authorities, without prejudice to the authority of WBS Team to conduct a further investigation related to other matters beyond the reported alleged criminal offense.

THE PARTY MANAGING COMPLAINTS

All violation complaint process is well administered by the Violation Complaint Managing Team. The notes of receipt of violation complaints shall include : Registration number, date of receipt, receiving officer and brief description.

INTERNAL CONTROL SYSTEM

Internal control system applicable in First Media includes :

- 1. Internal control environment in a disciplined and structured company including company values, code of conduct, company regulation, financial control, operation, Human Resources and compliance with the laws and regulations;
- 2. Study and management of business risks ;
- 3. Control activities
- 4. Information system and communication; and
- 5. Monitoring

In the application, the line internal control system in First Media shall be carried out by each function directly related to each line of defense : risk owner, risk control and risk assurance, which activities are regulated through policies such as guidelines, SOP, and working instructions.

Internal control system evaluation together with its follow up is made by considering the characteristics of findings. For findings concerning business processes, things are made in order by improving policies and standard operational procedure which will then be disseminated again to all related functions. Findings related to employees disciplines are followed up by referring to Company Regulation. Meanwhile, findings related to the system are followed up in cooperation with the function of Information Technology and Communication as the supporting element.

RISK MANAGEMENT

PROFILE OF FIRST MEDIA RISKS

First Media manages all corporation risks in an integrated manner in conducting its daily business, with due regard to the risk profile of each business unit and the overall risk profile as a holding company. In managing the risks, First Media made an effort to utilize resources optimally while maintaining the principles of prudence. As such the sustainability of First Media and the capacity to give added values for shareholders and stakeholders will continuously be maintained. First Media has a risk profile based on the main risks faced in its operational activities, as follows:

1. Credit Risk

Credit Risk is a risk of one of the parties in financial instruments that fails to meet its liability, and causes other parties suffer from financial losses. The financial instrument of First Media that potentially has credit risks consisting of cash and cash equivalent in bank, business receivables and other receivables. The amount of exposure of credit risks at maximum is the same as the values recorded in such accounts. For credit risks related to the bank only banks with good predicate will be selected. In addition, the Company policy is not to limit the exposure only to a certain institution, as such First Media has cash and cash equivalent in various banks.

2. Risk of Currencies / Exchange Rate

Risk of currencies is the fluctuation risk of financial instrument due to the change of exchange rate of foreign currencies. First Media conducts transactions using foreign currencies among others working capital financing of the Company, so that First Media should convert Rupiah to foreign currencies, particularly American Dollar, to meet the liability needs in foreign currency when fallen due. Fluctuation of exchange rate of Rupiah against American dollar may give an impact to the financial condition of First Media. First Media manages currency risk by controlling the fluctuation of currency exchange rate continuously so that it may take appropriate actions such as the use of hedging transactions if deemed necessary to reduce foreign currency risk.

1. Interest Risk

Interest risk is a fluctuation risk of financial instrument value due to the change of interest rate in the market. First Media has interest rate risk particularly due to getting a loan with floating interest rate. First Media controls the impact of interest rate movement to minimize the negative impact against First Media.

1. Liquidity Risk

Liquidity Risk is a risk where First Media will experience problems obtaining funds to meet its commitment related to financial instruments. First Media will manage liquidity risk by maintaining cash and cash equivalent sufficient to allow First Media meeting its commitment to a normal operation of First Media. Additionally, First Media will also control the projections and actual cash flow continuously as well as control on the due date of financial assets and liabilities.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility is an inseparable part from the development of a company. It is a commitment from business entity to act ethically and contribute to economic development from local community or public community, along side with the improvement of standard living of the employee and its family.

First Media implement the corporate social responsibility in form of transparency of company financial management by involving external auditor, financial reporting to public, the utilization of electronic system in management in order to minimize the use of paper that might deliver a positive impact to environment, health protection for employee and its family, provides working opportunity for potential human resource that available in the community as well as improving working ability for each employee with training that in line with the business of the company. Beside of that, the other activities was added by conducting blood transfusion activities which is often needed by communities.

Legal Basis and Policies

In Indonesia, the implementation of Corporate Social Responsibility (“CSR”) regulated in Government Regulation No. 47 of 2012 regarding Corporate Social Responsibility and Corporate Environment, which is the implementing regulation regarding to provisions of Article 74 Law No. 40 of 2007 regarding the Company Law. Therefore, Government Regulation No. 47 Year 2012 becomes the legal basis for us to develop and implement the CSR programme both inside and outside the company. Financial Reporting to Public

First Media consistently delivers the transparency regarding to the financial report in March and September as well as the yearly financial statement. The financial statement is frequently reported by First Media to Otoritas Jasa Keuangan as well as Indonesia Stock Exchange. To fulfill the information needed by public or shareholders, First Media also published the financial information through the official website of First Media at www.firstmedia.co.id.

Electronic Management System

The implementation of electronic management system was implemented by First Media through integrated system based on Enterprise Resource Planning (“ERP”) for purchasing procedure, human resource system management, general affair, documentation and correspondence. Beside the documentation system and the management system that was orderly safe and orderly placed, the implementation of electronic management system also inspired by concern of the environment. As publicly known, the usage of paper for company’s operational could spend a lot of papers. While the raw material of the paper comes from the tree that if it was chopped continuously would harm the life on earth.

Occupational Safety and Health

First Media provide health insurance facility for the employees and their family through Badan Penyelenggara Jaminan Sosial (BPJS) and Lippo Insurance. As mandated on Law No. 13 of 2013 in respect of Manpower and Government Regulation No. 50 of 2012 in respect of Implementation of Health Management System and Healthcare. Therefore, First Media fully understand that each manpower need comfortability guaranteed by health insurance for themselves and their family. As a result, manpower would be able to focus on their daily task in the company.

In order to control the risks associated with working activities to create safety working places, efficient, and productive, First Media has implement the occupational safety and health (OSH) management system in First Media working environment. OSH is an effort made by the First Media to



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secure and protect employees which realized through prevention efforts of occupational accident and occupational desseases. During 2016, activities done by First Media that are related to the implemen-
tation of OSH include:

- Occupational safety and health training.
- Training and simulation of emergency response of fire.
- Dissemination of safety and health management system (OSH).

Employee Recruitment and Competencies Development

Along with the development of each business unit in First Media, it also open the manpower recruit-
ment from communities. This is a part of active participation from First Media in terms of accommo-
dating and developing the available human resource in communities. Employee recruitment by
First Media absorb the manpower market in Indonesia that increase annually.
In the manpower selection and recruitment activities, First Media adjust with the competency of each
employee. First Media always provide ongoing career opportunities as long as the manpower shows
optimal work performance. The development of potential manpower was integrated with the orienta-
tion of development of First Media business unit which are given by training, seminar, and secondary
education through cooperation with universitiy.

BLOOD DONATION

The Corporate social responsibilities that annually done in First Media is blood donation by manpower
in First Media business unit. Availability of blood in hospital always needed and never be predicted
when or who will need it. On one side, through the sincerity if First Media manpower, First Media
contribute in donating blood for people who need it. On the other side, blood donation activities will
healthier the donator, so that First Media manpower who donate the blood would be healthier.
In 2016, the blood donation activities in cooperation with Palang Merah Indonesia has been realized
for 6 (six) times. The blood donation activities in 2016 are as follows :

Date	Location	Realization
13 January 2016	Gd. BeritaSatu Plaza	98
	Jl. Jend.Gatot Subroto Kav.35-36, Jakarta	
28 January 2016	Lippo Cyber Park	113
	Jl. Boulevard Gajah Mada, Lippo Karawaci, Tangerang	
13 April 2016	Gd. BeritaSatu Plaza	84
	Jl. Jend.Gatot Subroto Kav.35-36, Jakarta	
28 July 2016	Lippo Cyber Park	95
	Jl. Boulevard Gajah Mada, Lippo Karawaci, Tangerang	
20 September 2016	Gd. BeritaSatu Plaza	67
	Jl. Jend.Gatot Subroto Kav.35-36, Jakarta	
2 November 2016	Lippo Cyber Park	112
	Jl. Boulevard Gajah Mada, Lippo Karawaci, Tangerang	

THE LAST PAGE

There are plenty of space, various and diverse. Information Communication Technology has provided
space that generates opportunities through the Internet. The telecommunication media technology has
carried people to such spaces. Nations around the world are competing to captivate the spaces and
turn it into opportunities. The world is in a competition and will not wait for the opportunity taken away
from it.

Capitals are waiting between the conductor towards the space and opportunities. It is huge in sizes
and generating reputable prizes. Both are waiting for the winner. The winners are those who believe
that Telecommunications Media Technology will open up the opportunity for masses to pass through.
The number is billions.

Since 2007, First Media really believe that business in Telecommunications Media Technology sector
would take it to be the winner to achieve the confidence, which is an important factor to be the
companion to the other winners. The consequence is consistency in building quality that enable the
decision makers are confident in acquiring information, mastering knowledge, providing innovations,
enjoying their spare time with entertainment, and seizing opportunity to be successful.

From the higher point of view, select a partner who has accumulated many years in devoting and
delivering quality through the mastery of Information Communication Technology and Telecommuni-
cations Media Technology business which we know has given good to all. In the end, this country has
a greater need to be fully sovereign on its own telecommunications network landscape. First Media
has been there as an authentic Indonesian company dated back to 10 years ago. Time has proven the
consistency of a partner, indeed.



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