

PERUSAHAAN PENERBIT SBSN INDONESIA III**ISSUE OF U.S.\$750,000,000 3.40% TRUST CERTIFICATES DUE 2021 (“TRANCHE 1”) AND U.S.\$1,750,000,000 4.55% TRUST CERTIFICATES DUE 2026 (“TRANCHE 2”) UNDER THE U.S.\$10,000,000,000 TRUST CERTIFICATE ISSUANCE PROGRAM**

Issuer	Perusahaan Penerbit SBSN Indonesia III (“PPSI-III”).
Obligor	Republic of Indonesia (the “Republic”).
Issue Date	29 March 2016.
Issue Size	<u>Tranche 1</u> U.S.\$750,000,000 <u>Tranche 2</u> U.S.\$1,750,000,000
Tenure	<u>Tranche 1</u> 5 years. <u>Tranche 2</u> 10 years.
Scheduled Dissolution Date	<u>Tranche 1</u> 29 March 2021. <u>Tranche 2</u> 29 March 2026.
Periodic Distribution Rate	<u>Tranche 1</u> 3.40% per annum payable semi-annually. <u>Tranche 2</u> 4.55% per annum payable semi-annually.
Issue Price	<u>Tranche 1</u> 100 per cent. of the aggregate nominal amount issued. <u>Tranche 2</u> 100 per cent. of the aggregate nominal amount issued.
Method of Distribution	Bookrunning (Syndicated).
Arrangers, Dealers and Lead Managers	CIMB Investment Bank Berhad, Citigroup Global Markets Inc., Deutsche Bank AG, Singapore Branch, Dubai Islamic Bank PJSC and Standard Chartered Bank.
Co-Managers	PT Bahana Securities and PT Danareksa Sekuritas.
Denominations	U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof.

Use of Proceeds	<p>The gross proceeds will be applied by PPSI-III for the purchase of the Assets relating to the relevant Series from the Republic.</p> <p>The Republic will use the gross proceeds it receives to meet part of its general financing requirements.</p>
Selling Restrictions	<p>There are restrictions on the distribution of the Offering Memorandum dated 7 March 2016 (“Offering Memorandum”) and the offer or sale of Trust Certificates in United States, the United Kingdom, Hong Kong, Japan, Singapore, Brunei, the United Arab Emirates, Dubai International Financial Centre, the Kingdom of Saudi Arabia, the State of Qatar, the Kingdom of Bahrain, Kuwait, Malaysia and the European Economic Area.</p>
Issue Structure	<p>Wakala Series.</p>
Form of the Certificates	<p>Registered Certificates.</p>
Clearing Systems	<p>The Depository Trust Company, Euroclear SA/N.V. and Clearstream Banking <i>société anonyme</i>.</p>
Ratings	<p>The Trust Certificates are rated:</p> <p>Moody’s: Baa3 Fitch: BBB- Standard & Poor’s: BB+</p>
Listings	<p>NASDAQ Dubai and Singapore Exchange Securities Trading Limited.</p>