

PT HEXINDO ADIPERKASA Tbk.
BALANCE SHEETS
FOR THE FIRST QUARTER ENDED MARCH 31, 2007 AND 2006
(IN RUPIAH)

| <u>ASSETS</u> | | | | <u>LIABILITIES AND STOCKHOLDERS EQUITY</u> | | | |
|--|----------|--------------------------|-----------------------------|---|----------|--------------------------|-----------------------------|
| | Notes | 2007 | 2006 | | Notes | 2007 | 2006 |
| CURRENT ASSETS | | | | CURRENT LIABILITIES | | | |
| Cash and cash equivalent | 3 | Rp 91,636,522,938 | Rp 37,794,320,230 | Short-term bank Loan | 11 | Rp 346,484,000,000 | Rp 251,377,500,000 |
| Account Receivables | | | | <u>Trade Account payable</u> | | | |
| Trade | | | | - Related parties | 2c,5c | 188,867,662,640 | 266,691,694,511 |
| Third parties (net of allowance for doubtful account of Rp 13.337.134.178 in 2007 and Rp 13.225.772.536 in 2006) | 2b,4 | 235,874,016,326 | 199,518,685,386 | - Third parties | 12 | 45,923,206,488 | 22,766,980,880 |
| Related parties | 2c,5a | 720,322,000 | 13,302,570,600 | <u>Other Payable</u> | | | |
| Others | 6 | 4,989,225,306 | 2,845,085,823 | - Related parties | 2c,5d | 261,530,252 | 513,409,958 |
| Inventories | 2d,7 | 434,152,263,417 | 549,054,084,807 | - Third parties | 13 | 19,185,712,127 | 13,083,558,487 |
| Advance payment | 9 | 1,909,913,123 | 20,928,156,087 | Accrued expenses | 14 | 14,313,963,567 | 30,037,143,100 |
| Prepaid expenses | 2e | 3,415,002,390 | 2,202,319,413 | Taxes payable | 15 | 7,685,024,063 | 12,894,890,238 |
| Prepaid taxes | 8 | 6,204,768,775 | 24,400,653,037 | | | | |
| | | | - | <u>Current maturities of long-term debt :</u> | | | |
| Total current assets | | <u>778,902,034,274</u> | <u>850,045,875,382</u> | Bank loan | 16 | - | 54,450,000,000 |
| | | | | Lease Payable | 17 | - | 367,927,814 |
| NON CURRENT ASSETS | | | | Others payables | 18 | 44,295,061,640 | 31,252,666,500 |
| Due from related parties | 2c,5b | 4,637,151,701 | 2,379,239,322 | Estimated liability for employee service entitlements | 19 | - | - |
| Estimated claim for tax refund | 8 | 43,838,992,419 | 16,033,305,062 | TOTAL CURRENT LIABILITIES | | <u>667,016,160,777</u> | <u>683,435,771,486</u> |
| Deferred tax assets | 2l,15 | 12,062,345,992 | 9,865,951,184 | NON CURRENT LIABILITIES | | | |
| PROPERTY AND EQUIPMENT | | | | Due to related parties | | - | - |
| Cost | 2f,10,18 | 498,680,287,021 | 415,979,745,822 | Long term debt - Net of Current portion | | - | - |
| Accumulated depreciation | 2f,10,18 | <u>(163,587,771,927)</u> | <u>(78,000,259,795)</u> | Lease Payable | 17 | - | - |
| Total net book value | | <u>333,092,515,094</u> | <u>337,979,486,027</u> | Others payables | 18 | 149,741,667,992 | 155,095,770,225,000 |
| | | | | Estimated liability for employee service entitlements | 19 | 10,575,442,963 | 7,194,139,942 |
| OTHERS ASSETS | 2f | 2,055,044,218 | 447,242,728 | Total Long-term Debt | | <u>160,317,110,955</u> | <u>162,289,910,167</u> |
| Total other assets | | <u>2,055,044,218</u> | <u>447,242,728</u> | Related parties payable | | - | - |
| | | | | Total non current liabilities | | <u>160,317,110,955</u> | <u>162,289,910,167</u> |
| Total non current assets | | <u>395,686,049,424</u> | <u>366,705,224,323</u> | STOCKHOLDERS EQUITY | | | |
| | | | | Capital stock - per value of Rp100 | | | |
| | | | | Authorized stock - 1,680,000,000 shares | | | |
| | | | | Issued and fully paid - 840,000,000 shares | 1b,20 | 84,000,000,000 | 84,000,000,000 |
| | | | | Capital paid in excess of par value | 1b,2h,21 | 16,711,755,375 | 16,711,755,375 |
| | | | | Retained Earnings | | | |
| | | | | Appropriated | 21 | 10,000,000,000 | 5,000,000,000 |
| | | | | Unappropriated | | <u>236,543,056,592</u> | <u>265,313,662,677</u> |
| | | | | STOCKHOLDERS' EQUITY - Net | | <u>347,254,811,967</u> | <u>371,025,418,052</u> |
| TOTAL ASSETS | Rp | <u>1,174,588,083,699</u> | Rp <u>1,216,751,099,705</u> | TOTAL LIABILITIES AND STOCKHOLDERS EQUITY | Rp | <u>1,174,588,083,699</u> | Rp <u>1,216,751,099,705</u> |

Jakarta, April 25, 2007

Manuntun Situmorang
President Director

PT HEXINDO ADIPERKASA Tbk.
INCOME STATEMENT
FOR THE FIRST QUARTER ENDED MARCH 31, 2007 AND 2006
(IN RUPIAH)

| | Notes | 2007 | 2006 |
|--|--------------------|-------------------------|--------------------------|
| INCOME FROM SALES AND | | | |
| SERVICE - NET | 2c,2i,22 ,29b-d | Rp 359,993,441,663 | Rp 273,473,472,670 |
| COST OF SALES AND | | | |
| SERVICE - NET | 2c,2d, 21,23 | 290,462,223,812 | 204,620,801,400 |
| GROSS PROFIT | | <u>69,531,217,851</u> | <u>68,852,671,270</u> |
| OPERATING EXPENSES | | | |
| Selling expenses | 2i,2j,24 | 28,741,812,507 | 24,623,934,392 |
| General and administration | | 21,197,762,446 | 20,716,121,309 |
| Total operating expenses | | <u>49,939,574,953</u> | <u>45,340,055,701</u> |
| INCOME FROM OPERATION | | <u>19,591,642,898</u> | <u>23,512,615,569</u> |
| OTHER INCOME (CHARGES) | | | |
| Interest income | 25 | 287,709,034 | 415,482,115 |
| Commission and administration fee | | - | 14,898,794 |
| Gain(loss) from Sale of property and E | | 65,250,000 | 157,784,575 |
| Gain(loss) on foreign exchange - net | 2k | (7,582,528,037) | 21,025,936,600 |
| Financing cost | 2c,27 | (9,435,396,129) | (7,629,785,771) |
| Miscellaneous - net | 2f | (61,720,558) | 495,873,084 |
| Total other income (charges) | | <u>(16,726,685,690)</u> | <u>14,480,189,397</u> |
| INCOME BEFORE | | | |
| PROVISION FOR INCOME TAX | | 2,864,957,208 | 37,992,804,966 |
| PROVISION FOR CORPORARE TAX | | | |
| INCOME TAXES | 21,15 | (2,283,716,600) | (10,075,518,200) |
| Deferred income tax | 21,15 | 1,124,190,741 | (1,652,764,865) |
| NET INCOME | | <u>Rp 1,705,431,349</u> | <u>Rp 26,264,521,901</u> |
| Net Income per share | | <u>23</u> | <u>28</u> |
| Basic Earning per share | 2m | <u>Rp 2</u> | <u>Rp 31</u> |

Jakarta, April 25, 2007

Manuntun Situmorang
President Director

PT. HEXINDO ADIPERKASA Tbk.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE FIRST QUARTER ENDED MARCH 31, 2007 AND 2006

| | Capital stock | Capital Paid-in Excess of Par value-net | Retained earnings | | Total Stockholders' Equity |
|---------------------------------|-------------------|---|-------------------|------------------|----------------------------------|
| | | | Appropriated | Unappropriated | |
| Balance, January 1, 2006 | Rp 84,000,000,000 | 16,711,755,375 | 5,000,000,000 | 239,049,140,776 | Rp 344,760,896,151 |
| Cash dividends | - | - | - | (38,640,000,000) | (38,640,000,000) |
| General Reserve | - | - | 5,000,000,000 | (5,000,000,000) | - |
| Net income period 2006 | - | - | - | 39,428,484,467 | 39,428,484,467 |
| Balance, December 31, 2006 | Rp 84,000,000,000 | 16,711,755,375 | 10,000,000,000 | 234,837,625,243 | Rp 345,549,380,618 |
| General Reserve | - | - | - | - | - |
| Net income period Jan-Mar. 2007 | - | - | - | 1,705,431,349 | 1,705,431,349 |
| Balance, March 31, 2007 | Rp 84,000,000,000 | 16,711,755,375 | 10,000,000,000 | 236,543,056,592 | 347,254,811,967 |

PT HEXINDO ADIPERKASA Tbk
STATEMENTS OF CASH FLOWS
FOR THE FIRST QUARTER ENDED MARCH 31, 2007 AND 2006
(With Comparative Figures for 2006)
(Expressed in Rupiah, unless otherwise stated)

| | <u>2007</u> | | <u>2006</u> |
|---|-------------------------|-----------|-------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash receipts from customers | Rp 401,409,308,236 | Rp | 286,438,988,621 |
| Cash paid to: | | | |
| Suppliers | (272,792,504,476) | | (214,732,820,422) |
| Operational Expenses | (52,437,865,369) | | (34,684,271,889) |
| Commissioners, directors and employees | (15,216,350,544) | | (14,353,680,879) |
| Net cash provided by operations | 60,962,587,847 | | 22,668,215,431 |
| Payments for interest - net | (6,921,268,267) | | (3,402,253,824) |
| Payments for income taxes | (6,263,986,925) | | (5,747,920,426) |
| Payment for VAT | (4,519,940,120) | | (6,434,509,778) |
| Net Cash Provided by Operating Activities | 43,257,392,535 | | 7,083,531,403 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property and equipment | 65,250,000 | | 163,675,000 |
| Acquisitions of property and equipment | (1,738,340,106) | | (3,393,781,500) |
| Acquisitions of construction in progress | - | | (3,001,109,661) |
| Additional Advance Payment | (636,112,273) | | (6,175,218,908) |
| Net Cash Used in Investing Activities | (2,309,202,379) | | (12,406,435,069) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from short-term bank loans | 45,450,000,000 | | - |
| Payment for cash dividends | - | | - |
| Repayment of short-term bank loans | (72,860,000,000) | | - |
| Repayment of obligations under capital lease | - | | (358,842,000) |
| Net Cash Provided by Financing Activities | (27,410,000,000) | | (358,842,000) |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 13,538,190,156 | | (5,681,745,666) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | 78,098,332,782 | | 43,476,065,896 |
| CASH AND CASH EQUIVALENTS AS OF MARCH 31 | 91,636,522,938 | | 37,794,320,230 |
| Detail of Cash and cash equivalents end of March 31 | | | |
| - Cash on hand & in bank | Rp 91,636,522,938 | Rp | 37,794,320,230 |
| - Deposit | - | | |
| Total | 91,636,522,938 | Rp | 37,794,320,230 |