

PT. TUNAS BARU LAMPUNG Tbk AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2006 AND 2005

	<u>Notes</u>	<u>2006</u> <i>Rp '000</i>	<u>2005</u> <i>Rp '000</i>
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2c,f & 3,28	19,142,382	34,994,160
Trade accounts receivable			
Related parties	2d,g,4,25 & 28	70,687,844	71,750,308
Third parties	2c,g & 4	10,739,882	43,537,150
Other accounts receivable -net		930,387	2,549,031
Inventories - net of allowance for decline in value and inventory obsolescence of Rp. 955.212 thousand in 2006 and Rp. 759.835 thousand in 2005	2d,h,q & 5	193,210,323	161,607,229
Advances	2c	69,302,082	45,754,058
Prepaid taxes		6,687,259	45,388,660
Prepaid expenses	2i	4,811,174	4,699,900
Total Current Assets		375,511,332	410,280,496
NONCURRENT ASSETS			
Due from related parties	2d,g,6 & 25	6,801,008	16,557,464
Due from plasma	2j & 27	77,654,889	57,165,336
Deferred tax assets	2v & 23	3,392,559	3,919,009
Real estate assets	2k,q,7, & 25	23,195,600	23,195,600
Plantation			
Matured Plantation - net of accumulated depreciation of Rp 96.676.730 thousand in 2006 and Rp 84.102.805 thousand in 2005	2l,q & 8	345,682,434	355,979,518
Immatured Plantation	2l,q,s & 8	106,105,776	24,824,428
Property, plant and equipment - net of accumulated depreciation of Rp 267.587.370 thousand in 2006 and Rp 233.619.125 thousand in 2005	2d,m,q & 9	606,075,725	509,009,309
Property for lease - net of accumulated depreciation of Rp 9.152.882 thousand in 2006 and Rp 7.889.207 thousand in 2005	2d,m,q & 10	9,869,725	10,940,623
Property not used in operations	2m & 2q	14,499,379	1,122,988
Deferred charges	2n	6,140,113	7,638,228
Total Noncurrent Assets		1,199,417,207	1,010,352,503
TOTAL ASSETS		1,574,928,539	1,420,632,999

*See accompanying notes to consolidated financial statements
which are an integral part of the consolidated financial statements.*

PT. TUNAS BARU LAMPUNG Tbk AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2006 AND 2005 (Continued)

	Notes	2006 <i>Rp '000</i>	2005 <i>Rp '000</i>
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade accounts payable	11		
Third Parties		34,655,810	24,539,704
Taxes payable	2v & 12	9,631,137	7,007,052
Accrued expenses	2d & 25	8,046,082	6,554,818
Short Term Bank loans	2c,d & 13	110,753,708	42,748,806
Advanced received	2c, r, & 14	89,995,220	210,296,733
Current portion of long-term liabilities :			
Bank loans	2c & 18	88,910,000	74,704,800
Bank loans - Power Plant	2c & 15	5,580,000	
Lease liabilities	2m	3,392,150	4,193,476
Other current payable		3,524,028	424,538
Total Current Liabilities		354,488,134	370,469,927
NONCURRENT LIABILITIES			
Due To related parties	2d,6 & 25	939,435	1,359,712
Due to shareholders	2d ,25	6,765,942	4,334,773
Defined-benefits post-employment reserve	2t	21,309,449	16,342,517
Deferred tax liabilities	2v & 23	46,847,315	26,041,534
Advanced received	2c, r, & 14	185,876,133	-
Long-term liabilities - net of current maturities :			
Bank loans	2c & 18	86,605,000	179,562,400
Bank loans - Power Plant	2c & 15	33,201,000	-
Lease liabilities	2d,m	12,982,392	17,656,630
Bonds payable - net of unamortized bonds issuances cost of Rp. 6.265.000 thousand in 2006 and Rp. 8.365.000 thousand in 2005	2o & 16 17	293,735,000	291,635,000
Other liabilities		21,071	22,241
Total Noncurrent Liabilities		688,282,737	536,954,807
MINORITY INTEREST IN NET ASSETS OF THE SUBSIDIARIES		1,277,146	1,133,010
EQUITY			
Capital stock - par value of Rp 125 per share Authorized - 6,400,000,000 shares in 2006 and 3,200,000,000 shares in 2005 Issued and paid-up - 1,615,387,200 shares in 2006 and 2005	19	201,923,400	201,923,400
Additional paid-in capital - net	2p,19	184,200,968	184,200,968
Difference in value of restructuring transaction between entities under common control	2u	74,487	74,487
Retained earnings			
Appropriated	24	2,500,000	2,000,000
Unappropriated		142,181,666	123,876,399
Total Equity		530,880,521	512,075,254
TOTAL LIABILITIES AND EQUITY		1,574,928,539	1,420,632,999

See accompanying notes to consolidated financial statements
which are an integral part of the consolidated financial statements.

PT. TUNAS BARU LAMPUNG Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2006 AND 2005

	<u>Notes</u>	<u>2006</u> <i>Rp '000</i>	<u>2005</u> <i>Rp '000</i>
NET SALES	2d, r, 20, & 25	531,529,828	659,916,462
COST OF GOODS SOLD	2d, r, 21, & 25	<u>425,178,561</u>	<u>540,024,767</u>
GROSS PROFIT		<u>106,351,267</u>	<u>119,891,695</u>
OPERATING EXPENSES	2r, 22		
Selling		26,276,194	33,629,797
General and administrative	2d,t, 9,16 & 25	<u>28,356,200</u>	<u>27,719,039</u>
Total Operating Expenses		<u>54,632,394</u>	<u>61,348,836</u>
INCOME FROM OPERATIONS		<u>51,718,873</u>	<u>58,542,859</u>
OTHER INCOME (CHARGES)	2r		
Interest income		1,047,582	264,199
Gain (loss) on foreign exchange - net	2 x, & 27	23,562,374	(13,855,430)
Interest expense and financial charges	2c,s,13,16,18,&28	(42,694,682)	(42,398,755)
Others - net	2d, 23	<u>62,761</u>	<u>1,448,917</u>
Other Income (Charges) - Net		<u>(18,021,965)</u>	<u>(54,541,069)</u>
INCOME BEFORE TAX		<u>33,696,908</u>	<u>4,001,790</u>
TAX EXPENSE			
Current Tax	2v, 23	(2,624,709)	(1,315,129)
Deferred Tax	2v, 23	<u>(12,095,991)</u>	<u>(1,284,901)</u>
TAX EXPENSES		<u>(14,720,700)</u>	<u>(2,600,030)</u>
INCOME BEFORE MINORITY INTEREST IN NET LOSS OF SUBSIDIARIES		<u>18,976,208</u>	<u>1,401,759</u>
MINORITY INTEREST IN NET LOSS OF THE SUBSIDIARIES	2b	<u>(55,937)</u>	<u>85,956</u>
NET INCOME		<u><u>18,920,271</u></u>	<u><u>1,487,715</u></u>
BASIC EARNINGS PER SHARE (in full Rupiah)	2w	12	1

See accompanying notes to consolidated financial statements which are an integral part of the consolidated financial statements.

PT. TUNAS BARU LAMPUNG Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2006 AND 2005

	Paid-up capital stock <i>Rp' 000</i>	Additional paid-in capital <i>Rp' 000</i>	Difference in value of restructuring transactions between entities under common control <i>Rp' 000</i>	Retained earnings		Total equity <i>Rp' 000</i>
				Appropriated <i>Rp' 000</i>	Unappropriated <i>Rp' 000</i>	
Balance as of Januari 1, 2005	201,923,400	184,200,968	74,487	1,500,000	122,888,684	510,587,539
Net income of January 1 - June 30, 2005	-	-	-	-	1,487,715	1,487,715
Appropriation for general reserve	-	-	-	500,000	(500,000)	-
Balance as of June 30, 2005	201,923,400	184,200,968	74,487	2,000,000	123,876,399	512,075,254
Net Income of July 1 - December 31, 2005	-	-	-	-	4,731,158	4,731,158
Cash Dividends	-	-	-	-	(4,846,162)	(4,846,162)
Balance as of December 31, 2005	201,923,400	184,200,968	74,487	2,000,000	123,761,395	511,960,250
Net income of January 1 - June 30, 2006	-	-	-	-	18,920,271	18,920,271
Appropriation for general reserve	-	-	-	500,000	(500,000)	-
Balance as of June 30, 2006	201,923,400	184,200,968	74,487	2,500,000	142,181,666	530,880,521

*See accompanying notes to consolidated financial statements
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PT. TUNAS BARU LAMPUNG Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
	<i>Rp '000</i>	<i>Rp '000</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	633,988,408	754,376,128
Cash payments to suppliers, employees and others	(505,110,233)	(638,267,639)
Payment of income tax	(470,494)	(885,424)
Net Cash Used In Operating Activities	<u>128,407,681</u>	<u>115,223,064</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment, and plantation	(120,028,603)	(69,485,032)
Receipts from (Increase in)due from plasma	(5,817,153)	(14,136,570)
Receipts from (Payments to) related parties	(195,423)	(5,442,922)
Net Cash Used in Investing Activities	<u>(126,041,179)</u>	<u>(89,064,524)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Additinal of (Payment of) short-term bank loans	87,790,103	57,488,886
Payment of long-term bank loans	(38,428,500)	(20,915,000)
Additonal (Payment) of lease liabilities	(3,800,275)	3,734,982
Additional (Payment) of other deferred charges	(4,030,655)	(6,793,521)
Payment of interest and financial charges	(42,694,682)	(41,849,298)
Net Cash Used In Financing Activities	<u>(1,164,009)</u>	<u>(8,333,952)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,202,493	17,824,588
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>17,939,889</u>	<u>17,169,571</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>19,142,382</u></u>	<u><u>34,994,160</u></u>

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