

***PT TUNAS BARU LAMPUNG Tbk
AND ITS SUBSIDIARIES***

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED
SEPTEMBER 30, 2006 AND 2005

PT. TUNAS BARU LAMPUNG Tbk AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 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	254,343,806	21,591,892
Trade accounts receivable			
Related parties	2d,g,4,25 & 28	103,560,435	85,892,576
Third parties	2c,g & 4	9,643,997	11,652,608
Other accounts receivable -net		463,219	1,012,023
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	172,148,229	203,339,532
Advances	2c	35,476,448	39,449,863
Prepaid taxes		4,795,854	41,977,277
Prepaid expenses	2i	5,616,885	4,217,101
Total Current Assets		586,048,873	409,132,873
NONCURRENT ASSETS			
Due from related parties	2d,g,6 & 25	7,856,228	6,018,017
Due from plasma	2j & 27	80,233,900	61,186,281
Deferred tax assets	2v & 23	1,872,674	3,428,780
Real estate assets	2k,q,7, & 25	23,195,600	23,195,600
Plantation			
Matured Plantation - net of accumulated depreciation of Rp 101.761.360 thousand in 2006 and Rp 83.805.913 thousand in 2005	2l,q & 8	328,736,127	351,870,131
Immatured Plantation	2l,q,s & 8	133,654,810	38,243,781
Property, plant and equipment - net of accumulated depreciation of Rp 282.406.912 thousand in 2006 and Rp 241.921.305 thousand in 2005	2d,m,q & 9	627,183,957	516,986,384
Property for lease - net of accumulated depreciation of Rp 9.473.230 thousand in 2006 and Rp 8.203.513 thousand in 2005	2d,m,q & 10	9,848,777	10,662,922
Property not used in operations	2m & 2q	14,499,379	1,122,988
Deferred charges	2n	5,074,956	12,597,139
Total Noncurrent Assets		1,232,156,407	1,025,312,024
TOTAL ASSETS		1,818,205,279	1,434,444,897

*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
SEPTEMBER 30, 2006 AND 2005 (Continued)

	<u>Notes</u>	<u>2006</u> <i>Rp '000</i>	<u>2005</u> <i>Rp '000</i>
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade accounts payable	11		
Third Parties		25,436,676	21,640,049
Taxes payable	2v & 12	18,624,681	8,562,836
Accrued expenses	2d & 25	7,470,081	5,473,818
Short Term Bank loans	2c,d & 13	-	39,431,769
Advanced received	2c, r, & 14	176,048,915	244,150,401
Current portion of long-term liabilities :			
Bank loans	2c & 18	93,124,500	81,156,500
Bank loans - Power Plant	2c & 15	5,541,000	-
Lease liabilities	2m	2,832,854	4,454,248
Unearned revenue		4,896,175	-
Other current payable		3,431,927	718,275
Total Current Liabilities		337,406,810	405,587,896
NONCURRENT LIABILITIES			
Due To related parties	2d,6 & 25	2,297,951	65,125
Due to shareholders	2d ,25	8,686,565	6,765,942
Defined-benefits post-employment reserve	2t	21,308,569	16,342,017
Deferred tax liabilities	2v & 23	47,720,740	24,824,493
Advanced received	2c, r, & 14	149,953,849	-
Long-term liabilities - net of current maturities :			
Bank loans	2c & 18	61,935,500	164,197,500
Bank loans - Power Plant	2c & 15	31,583,700	-
Lease liabilities	2d,m	12,142,979	17,121,060
Bonds payable - net of unamortized bonds			
issuances cost of Rp. 5.740.000 thousand	2o & 16		
in 2006 and Rp. 7.840.000 thousand in 2005	17	294,260,000	292,160,000
Other liabilities		21,071	22,241
Total Noncurrent Liabilities		629,910,924	521,498,378
MINORITY INTEREST IN NET ASSETS OF THE SUBSIDIARIES		1,317,983	1,139,420
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 - 4.124.206.046 shares	19	515,525,756	201,923,400
in 2006 and 1.615.387.200 shares in 2005			
Additional paid-in capital - net	2p,19	173,453,468	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		158,015,851	118,020,348
Total Equity		849,569,562	506,219,203
TOTAL LIABILITIES AND EQUITY		1,818,205,279	1,434,444,897

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 NINE MONTHS PERIOD ENDED SEPTEMBER 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	853,889,436	908,399,367
COST OF GOODS SOLD	2d, r, 21, & 25	<u>670,657,942</u>	<u>725,570,450</u>
GROSS PROFIT		<u>183,231,494</u>	<u>182,828,916</u>
OPERATING EXPENSES	2r, 22		
Selling		35,765,227	40,761,377
General and administrative	2d,t, 9,16 & 25	<u>47,048,223</u>	<u>41,782,365</u>
Total Operating Expenses		<u>82,813,450</u>	<u>82,543,742</u>
INCOME FROM OPERATIONS		<u>100,418,044</u>	<u>100,285,174</u>
OTHER INCOME (CHARGES)	2r		
Interest income		4,362,142	675,650
Gain (loss) on foreign exchange - net	2 x, & 27	24,430,444	(37,901,230)
Interest expense and financial charges	2c,s,13,16,18,&28	(61,506,975)	(62,631,638)
Others - net	2d, 23	<u>(2,464,910)</u>	<u>3,505,202</u>
Other Income (Charges) - Net		<u>(35,179,299)</u>	<u>(96,352,016)</u>
INCOME BEFORE TAX		<u>65,238,745</u>	<u>3,933,158</u>
TAX EXPENSE			
Current Tax	2v, 23	(12,640,939)	(2,976,790)
Deferred Tax	2v, 23	<u>(14,489,302)</u>	<u>(558,089)</u>
TAX EXPENSES		<u>(27,130,241)</u>	<u>(3,534,879)</u>
INCOME BEFORE MINORITY INTEREST IN NET LOSS OF SUBSIDIARIES		<u>38,108,504</u>	<u>398,279</u>
MINORITY INTEREST IN NET (PROFIT) LOSS OF THE SUBSIDIARIES	2b	<u>(96,774)</u>	<u>79,547</u>
NET INCOME		<u><u>38,011,730</u></u>	<u><u>477,826</u></u>
BASIC EARNINGS PER SHARE (in full Rupiah)	2w	24	0

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 NINE MONTHS PERIOD ENDED SEPTEMBER 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 - September 30, 2005	-	-	-	-	477,826	477,826
Appropriation of general reserve	-	-	-	500,000	(500,000)	-
Cash Dividen	-	-	-	-	(4,846,162)	(4,846,162)
Balance as of September 30, 2005	201,923,400	184,200,968	74,487	2,000,000	118,020,348	506,219,203
Net Income of October 1 - December 31, 2005	-	-	-	-	5,741,047	5,741,047
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 - September 30, 2006	-	-	-	-	38,011,730	38,011,730
Proceeds from Right Issue	313,602,356	-	-	-	-	313,602,356
Stock Issuance Cost	-	(10,747,500)	-	-	-	(10,747,500)
Appropriation of general reserve	-	-	-	500,000	(500,000)	-
Cash Dividen	-	-	-	-	(3,257,274)	(3,257,274)
Balance as of September 30, 2006	515,525,756	173,453,468	74,487	2,500,000	158,015,851	849,569,562

*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 CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2006 AND 2005

	<u>2006</u> <i>Rp '000</i>	<u>2005</u> <i>Rp '000</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	950,224,258	1,028,631,057
Cash payments to suppliers, employees and others	(669,032,438)	(814,790,252)
Payment of income tax	(730,152)	(1,097,846)
Net Cash Used In Operating Activities	<u>280,461,668</u>	<u>212,742,960</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment, and plantation	(184,461,816)	(94,813,967)
Acquisition of property for leased	(455,572)	-
Increase in due from plasma	(8,396,164)	(18,157,515)
Additional from related parties	107,872	3,801,937
Net Cash Used in Investing Activities	<u>(192,750,108)</u>	<u>(109,169,545)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Additional of (Payment of) short-term bank loans	(21,922,768)	7,756,940
Payment of long-term bank loans	(59,311,000)	(32,075,000)
Additional (Payment) of lease liabilities	(5,198,984)	3,460,184
Payment of other deferred charges	(2,965,498)	(11,752,422)
Proceeds from Right Issue I	313,602,356	-
Stock Issuance Cost	(10,747,500)	-
Payment of interest and financial charges	(61,506,975)	(61,694,633)
Payment of cash dividen	(3,257,274)	(4,846,163)
Net Cash Used In Financing Activities	<u>148,692,357</u>	<u>(99,151,093)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	236,403,917	4,422,321
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>254,343,806</u>	<u>21,591,892</u>

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