

**PT. TUNAS BARU LAMPUNG Tbk AND ITS SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**JUNE 30, 2007 AND 2006**

	<u>Notes</u>	<u>2007</u> <i>Rp '000</i>	<u>2006</u> <i>Rp '000</i>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2c,f & 3,28	225,569,573	19,142,382
Trade accounts receivable			
Related parties	2d,h,4,25 & 28	126,374,169	70,687,844
Third parties	2c,h & 4	29,686,149	10,739,882
Other accounts receivable -net		1,618,430	930,387
Inventories - net of allowance for decline in value and inventory obsolescence of Rp. 955.212 thousand in 2007 and Rp. 955.212 thousand in 2006	2d,i,r & 5	104,162,583	193,210,323
Advances	2c	68,951,944	69,302,082
Prepaid taxes		3,350,959	6,687,259
Prepaid expenses	2j	3,584,338	4,811,174
<b>Total Current Assets</b>		<b>563,298,145</b>	<b>375,511,332</b>
<b>NONCURRENT ASSETS</b>			
Due from related parties	2d,h,6 & 25	12,347,991	6,801,008
Due from plasma	2k & 27	89,148,917	77,654,889
Deferred tax assets	2w & 23	4,289,415	3,392,559
Real estate assets	2i,r,7, & 25	22,223,583	23,195,600
Plantation			
Matured Plantation - net of accumulated depreciation of Rp 113.999.233 thousand in 2007 and Rp 96.676.730 thousand in 2006	2m,r & 8	313,850,243	345,682,434
Immatured Plantation	2m,r,t & 8	184,812,648	106,105,776
Property, plant and equipment - net of accumulated depreciation of Rp 331.033.032 thousand in 2007 and Rp 267.587.370 thousand in 2006	2d,n,r & 9	788,435,095	606,075,725
Property for lease - net of accumulated depreciation of Rp 10.490.809 thousand in 2007 and Rp 9.152.882 thousand in 2006	2d,n,r & 10	10,154,925	9,869,725
Property not used in operations	2n & 2r	14,499,379	14,499,379
Other Deferred charges	2o	11,276,445	6,140,113
<b>Total Noncurrent Assets</b>		<b>1,451,038,639</b>	<b>1,199,417,207</b>
<b>TOTAL ASSETS</b>		<b>2,014,336,784</b>	<b>1,574,928,539</b>

*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, 2007 AND 2006 (Continued)**

	<u>Notes</u>	<u>2007</u> <i>Rp '000</i>	<u>2006</u> <i>Rp '000</i>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Trade accounts payable	11		
Third Parties		49,638,366	34,655,810
Taxes payable	2w & 12	20,963,582	9,631,137
Accrued expenses	2d & 25	17,900,760	8,046,082
Short Term Bank loans	2c,d & 13, 28	1,509,675	110,753,708
Advanced received	2c, s, & 14, 28	235,093,554	89,995,220
Current portion of long-term liabilities :			
Bank loans	2c & 18, 28	57,594,400	88,910,000
Bank loans - Power Plant	2c & 15, 28	8,108,853	5,580,000
Lease liabilities	2n	1,174,097	3,392,150
Other current liabilities		2,971,224	3,524,028
<b>Total Current Liabilities</b>		<b>394,954,511</b>	<b>354,488,134</b>
<b>NONCURRENT LIABILITIES</b>			
Due to related parties	2d,6 & 25	1,201,578	939,435
Due to shareholders	2d ,25	8,689,265	6,765,942
Defined-benefits post-employment reserve	2u	22,219,971	21,309,449
Deferred tax liabilities	2w & 23	54,171,952	46,847,315
Advances received	2c, s, & 14, 28	243,267,051	185,876,133
Long-term liabilities - net of current maturities :			
Bank loans	2c & 18	58,560,356	86,605,000
Bank loans - Power Plant	2c & 15, 28	27,630,386	33,201,000
Lease liabilities	2d,n	12,830,702	12,982,392
Bonds payable - net of unamortized bonds issuances cost of Rp. 4.165.000 thousand in 2007 and Rp. 6.265.000 thousand in 2006	2p & 16 17	295,835,000	293,735,000
Other liabilities		19,901	21,071
<b>Total Noncurrent Liabilities</b>		<b>724,426,162</b>	<b>688,282,737</b>
<b>MINORITY INTEREST IN NET ASSETS OF THE SUBSIDIARIES</b>		<b>1,554,277</b>	<b>1,277,146</b>
<b>EQUITY</b>			
Capital stock - par value of Rp 125 per share			
Authorized - 6,400,000,000 shares in 2007 and 3,200,000,000 shares in 2006			
Issued and paid-up - 4.149.117.961 shares in 2007 and 1.615.387.200 shares in 2006	19	518,639,745	201,923,400
Additional paid-in capital - net	2q,19	173,453,468	184,200,968
Difference in value of restructuring transaction between entities under common control	2v	74,487	74,487
Retained earnings			
Appropriated	24	3,000,000	2,500,000
Unappropriated		198,234,134	142,181,666
<b>Total Equity</b>		<b>893,401,834</b>	<b>530,880,521</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>2,014,336,784</b>	<b>1,574,928,539</b>

*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, 2007 AND 2006**

	<u>Notes</u>	<u>2007</u> <i>Rp '000</i>	<u>2006</u> <i>Rp '000</i>
NET SALES	2d, s, 20, & 25	827,191,097	531,529,828
COST OF GOODS SOLD	2d, s, 21, & 25	676,399,784	425,178,561
<b>GROSS PROFIT</b>		<b>150,791,313</b>	<b>106,351,267</b>
<b>OPERATING EXPENSES</b>	2s & 22		
Selling		48,718,775	26,276,194
General and administrative	2d,u, 9,16 & 25	27,420,351	28,356,200
<b>Total Operating Expenses</b>		<b>76,139,125</b>	<b>54,632,394</b>
<b>INCOME FROM OPERATIONS</b>		<b>74,652,188</b>	<b>51,718,873</b>
<b>OTHER INCOME (CHARGES)</b>	2s		
Gain (loss) on foreign exchange - net	2 y, & 27	(1,920,387)	23,562,374
Interest income		8,460,060	1,047,582
Interest expense and financial charges	2c,t,13,16,18,&28	(45,493,600)	(42,694,682)
Others - net	2d	(102,266)	62,761
<b>Other Income ( Charges ) - Net</b>		<b>(39,056,193)</b>	<b>(18,021,965)</b>
<b>INCOME BEFORE TAX</b>		<b>35,595,995</b>	<b>33,696,908</b>
<b>TAX EXPENSE</b>			
Current Tax	2w, 23	(8,757,251)	(2,624,709)
Deferred Tax	2w, 23	(750,264)	(12,095,991)
<b>TAX EXPENSES</b>		<b>(9,507,515)</b>	<b>(14,720,700)</b>
<b>INCOME BEFORE MINORITY INTEREST IN NET PROFIT OF SUBSIDIARIES</b>		<b>26,088,480</b>	<b>18,976,208</b>
MINORITY INTEREST IN NET PROFIT OF THE SUBSIDIARIES	2b	(241,717)	(55,937)
<b>NET INCOME</b>		<b>25,846,762</b>	<b>18,920,271</b>
BASIC EARNINGS PER SHARE (in full Rupiah)	2x	6	12

*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, 2007 AND 2006**

	Paid-up capital stock <i>Rp' 000</i>	Additional paid-in capital <i>Rp' 000</i>	Difference in value o restructuring transactions between entities under common control <i>Rp' 000</i>	Retained earnings		Total equity <i>Rp' 000</i>
				Appropriated	Unappropriated	
				<i>Rp' 000</i>	<i>Rp' 000</i>	
Balance as of Januari 1, 2006	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 of general reserv	-	-	-	500,000	(500,000)	-
<b>Balance as of June 30, 2006</b>	<b>201,923,400</b>	<b>184,200,968</b>	<b>74,487</b>	<b>2,500,000</b>	<b>142,181,666</b>	<b>530,880,521</b>
Net Income of July 1 - December 31, 2006	-	-	-	-	33,963,829	33,963,829
Cash Dividends	-	-	-	-	(3,258,123)	(3,258,123)
Limited Public Offering I	313,602,356	(10,747,500)	-	-	-	302,854,856
<b>Balance as of December 31, 2006</b>	<b>515,525,756</b>	<b>173,453,468</b>	<b>74,487</b>	<b>2,500,000</b>	<b>172,887,372</b>	<b>864,441,083</b>
Net income of January 1 - June 30, 2007	-	-	-	-	25,846,762	25,846,762
Exercise of Warrant Series I	3,113,989	-	-	-	-	3,113,989
Appropriation of general reserve	-	-	-	500,000	(500,000)	-
<b>Balance as of June 30, 2007</b>	<b>518,639,745</b>	<b>173,453,468</b>	<b>74,487</b>	<b>3,000,000</b>	<b>198,234,134</b>	<b>893,401,834</b>

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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, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
	<i>Rp '000</i>	<i>Rp '000</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	879,867,943	633,988,408
Cash payments to suppliers, employees and others	(768,354,908)	(505,110,233)
Payment of income tax	(756,357)	(470,494)
<b>Net Cash Provided by (Used In) Operating Activities</b>	<b><u>110,756,679</u></b>	<b><u>128,407,681</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(107,011,552)	(120,028,603)
Increase of properties for lease	(1,323,727)	-
Receipts from ( Increase in )due from plasma	(6,611,486)	(5,817,153)
Placement in Negotiable Certificates of Deposits	57,813,500	-
Receipts from (Payments to) related parties	(2,622,154)	(195,423)
<b>Net Cash Used in Investing Activities</b>	<b><u>(59,755,419)</u></b>	<b><u>(126,041,178)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Additional of (Payment of ) short-term bank loans	93,679,332	87,790,103
Additional of long-term bank loans	30,435,356	-
Payment of long-term bank loans	(48,264,400)	(38,428,500)
Additional ( Payment ) of lease liabilities	(3,928,635)	(3,800,275)
Additional ( Payment ) of other deferred charges	(6,566,145)	(4,030,655)
Proceeds from Warrant Series I	3,113,989	-
Payment of interest and financial charges	(45,493,600)	(42,694,682)
<b>Net Cash Provided by Financing Activities</b>	<b><u>22,975,896</u></b>	<b><u>(1,164,009)</u></b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>73,977,156</b>	<b>1,202,493</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b><u>151,592,417</u></b>	<b><u>17,939,889</u></b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b><u><u>225,569,573</u></u></b>	<b><u><u>19,142,382</u></u></b>

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