

**PT HEXINDO ADIPERKASA Tbk.**  
**BALANCE SHEETS**  
**FOR THE FIRST HALF ENDED JUNE 30, 2008 AND 2007**  
**(IN RUPIAH)**

<u>ASSETS</u>	<u>Notes</u>	<u>2008</u>	Rp	<u>2007</u>	Rp	<u>LIABILITIES AND STOCKHOLDERS EQUITY</u>	<u>Notes</u>	<u>2008</u>	Rp	<u>2007</u>	Rp
<b>CURRENT ASSETS</b>						<b>CURRENT LIABILITIES</b>					
Cash and cash equivalent	3	169,509,230,094	Rp	74,737,496,660	Rp	Short-term bank Loan	12	59,962,500,000	Rp	316,890,000,000	
Account Receivables						<u>Trade Account payable</u>					
Trade						- Related parties	2c,5c	509,107,445,263		233,759,476,227	
Third parties (net of allowance for doubtful account of Rp 22.200.950.632 in 2008 and Rp 13.841.634.176 in 2007)	2b,4	424,516,991,001		253,694,841,803		- Third parties	13	25,003,790,527		31,187,329,056	
Related parties	2c,5a	4,400,278,875		517,164,480		<u>Other Payable</u>					
Lease Receivable	2p, 6	135,395,979,790		201,225,882,536		- Related parties	2c,5d	21,758,287,142		360,243,525	
Others	7	929,487,062		4,109,603,313		- Third parties	14	46,831,289,431		21,614,724,830	
Inventories	2d,8	527,858,231,354		452,345,282,664		Accrued expenses	15	58,095,459,978		11,964,429,820	
Advance payment	10	15,338,492,756		5,210,089,640		Taxes payable	16	63,980,290,085		10,881,265,852	
Prepaid expenses	2e	3,618,258,444		4,505,967,812		Divident	23	17,640,000,000		14,280,000,000	
Prepaid taxes	9	15,636,409,923		11,207,207,713		<u>Current maturities of long-term debt :</u>					
						Bank loan	17	3,000,000,000		-	
						Lease Payable	18	464,440,331		344,332,432	
						Others payables	19	80,254,031,400		29,602,822,590	
						Estimated liability for employee service entitlements	20	-		-	
<b>Total current assets</b>		<u>1,297,203,359,299</u>		<u>1,007,553,536,621</u>		<b>TOTAL CURRENT LIABILITIES</b>		<u>886,097,534,157</u>		<u>670,884,624,332</u>	
<b>NON CURRENT ASSETS</b>						<b>NON CURRENT LIABILITIES</b>					
Due from related parties	2c,5b	2,866,519,661		3,574,721,772		Due to related parties		-		-	
Estimated claim for tax refund	9	12,039,872,425		27,805,687,357		Long term debt - Net of Current portion					
Deferred tax assets	2l,16	12,680,411,200		14,007,509,977		Bank loan	17	12,000,000,000		-	
<b>PROPERTY AND EQUIPMENT</b>						Lease Payable	18	847,201,542		1,098,055,658	
Cost	2f,11	229,135,628,393		200,023,927,407		Others payables	19	39,772,046,925		148,690,618,776	
Accumulated depreciation	2f,11	<u>(106,688,647,188)</u>		<u>(86,565,354,692)</u>		Estimated liability for employee service entitlements	20	15,487,513,043		10,631,428,326	
<b>Total net book value</b>		<u>122,446,981,205</u>		<u>113,458,572,715</u>		<b>Total Long-term Debt</b>		<u>68,106,761,510</u>		<u>160,420,102,760</u>	
						<b>Related parties payable</b>		<u>-</u>		<u>-</u>	
<b>OTHERS ASSETS</b>	2f	<u>3,338,461,480</u>		<u>1,300,743,353</u>		<b>Total non current liabilities</b>		<u>68,106,761,510</u>		<u>160,420,102,760</u>	
<b>Total other assets</b>		<u>3,338,461,480</u>		<u>1,300,743,353</u>		<b>STOCKHOLDERS EQUITY</b>					
<b>Total non current assets</b>		<u>153,372,245,971</u>		<u>160,147,235,173</u>		Capital stock - per value of Rp100					
						Authorized stock - 1,680,000,000 shares					
						Issued and fully paid - 840,000,000 shares	1b,21	84,000,000,000		84,000,000,000	
						Capital paid in excess of par value	1b,2h,22	16,711,755,375		16,711,755,375	
						Retained Earnings					
						Appropriated	23	20,000,000,000		15,000,000,000	
						Unappropriated		375,659,554,228		220,684,289,327	
						<b>STOCKHOLDERS' EQUITY - Net</b>		<u>496,371,309,603</u>		<u>336,396,044,703</u>	
<b>TOTAL ASSETS</b>		<u>Rp 1,450,575,605,270</u>	Rp	<u>1,167,700,771,794</u>	Rp	<b>TOTAL LIABILITIES AND STOCKHOLDERS EQUITY</b>		<u>Rp 1,450,575,605,270</u>	Rp	<u>1,167,700,771,794</u>	Rp

Jakarta, July 28, 2008

Manuntun Situmorang  
President Director

*See accompanying Notes to Financial Statements which are an integral part of the financial statements.*

**PT HEXINDO ADIPERKASA Tbk.**  
**INCOME STATEMENT**  
**FOR THE FIRST HALF ENDED JUNE 30, 2008 AND 2007**  
**(IN RUPIAH)**

	Notes		2008		2007
<b>INCOME FROM SALES AND</b>					
<b>SERVICE - NET</b>	2c,2i,24 ,30b-d	Rp	1,575,147,252,690	Rp	703,661,683,499
<b>COST OF SALES AND</b>					
<b>SERVICE - NET</b>	2c,2d, 2i,25		1,244,627,468,101		568,610,683,789
<b>GROSS PROFIT</b>			330,519,784,589		135,050,999,710
<b>OPERATING EXPENSES</b>					
Selling expenses	2i,2j,26		75,852,776,436		59,523,315,718
General and administration			49,189,914,875		41,514,080,350
<b>Total operating expenses</b>			125,042,691,311		101,037,396,068
<b>INCOME FROM OPERATION</b>			205,477,093,278		34,013,603,642
<b>OTHER INCOME (CHARGES)</b>					
Interest income	27		7,216,945,227		10,292,575,668
Gain(loss) from Sale of property and Equipment			101,461,089		73,119,494
Financing cost	2c,28		(10,385,761,526)		(18,164,332,667)
Gain(loss) on foreign exchange - net	2k		2,629,486,972		(12,370,649,252)
Provision for doubtful accounts	2b,4		(4,989,836,210)		(1,008,999,997)
Miscellaneous - net	2f		(5,376,047,876)		(1,883,281,231)
<b>Total other income (charges)</b>			(10,803,752,324)		(23,061,567,985)
<b>INCOME BEFORE</b>					
<b>PROVISION FOR INCOME TAX</b>			194,673,340,954		10,952,035,657
<b>PROVISION FOR CORPORATE TAX</b>					
INCOME TAXES	2l,16		(55,774,091,300)		(8,894,726,300)
Deferred income tax	2l,16		753,497,641		3,069,354,727
<b>NET INCOME</b>		Rp	139,652,747,295	Rp	5,126,664,084
<b>Basic Earning per share</b>	2m	Rp	166	Rp	6

Jakarta, July 28, 2008

Manuntun Situmorang  
President Director

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*See accompanying Notes to Financial Statements which are  
an integral part of the financial statements.*

<b>PT. HEXINDO ADIPERKASA Tbk.</b>					
<b>STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY</b>					
<b>FOR THE FIRST HALF ENDED JUNE 30, 2008 AND 2007</b>					
	Capital stock	Capital Paid-in Excess of Par value-net	Retained earnings		Total Stockholders' Equity
			Appropriated	Unappropriated	
Balance, January 1, 2007	Rp 84,000,000,000	16,711,755,375	10,000,000,000	234,837,625,243	Rp 345,549,380,618
Adjustment PSAK No. 30(Rev.2007)				12,358,083,655	12,358,083,655
Balance after adjust PSAK 30, January 1, 2007	84,000,000,000	16,711,755,375	10,000,000,000	247,195,708,898	357,907,464,273
Cash dividends	-	-	-	(14,280,000,000)	(14,280,000,000)
General Reserve	-	-	5,000,000,000	(5,000,000,000)	-
Net income period 2007	-	-	-	49,522,168,873	49,522,168,873
Adjustment PSAK No. 30	-	-	-	(18,791,070,838)	(18,791,070,838)
Net income after adjust PSAK 30	-	-	-	30,731,098,035	30,731,098,035
Balance, December 31, 2007	Rp 168,000,000,000	16,711,755,375	15,000,000,000	258,646,806,933	374,358,562,308
Cash dividends	-	-	-	(17,640,000,000)	(17,640,000,000)
General Reserve	-	-	5,000,000,000	(5,000,000,000)	-
Net income period Jan-Jun. 2008	-	-	-	139,652,747,295	139,652,747,295
Balance, June 30, 2008	Rp 168,000,000,000	33,423,510,750	20,000,000,000	375,659,554,228	496,371,309,603

See accompanying Notes to Financial Statements which are  
an integral part of the financial statements.

**PT HEXINDO ADIPERKASA Tbk**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE FIRST HALF ENDED JUNE 30, 2008 AND 2007**  
**(With Comparative Figures for 2007)**  
**(Expressed in Rupiah, unless otherwise stated)**

	<u>2008</u>	<u>2007</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	Rp 1,705,681,697,621	Rp 823,840,260,083
Cash paid to:		
Suppliers	(1,197,945,570,222)	(535,018,183,056)
Operational Expenses	(134,480,832,648)	(109,989,672,810)
Commissioners, directors and employees	(38,595,699,554)	(34,791,230,174)
<b>Net cash provided by operations</b>	<b>334,659,595,197</b>	<b>144,041,174,043</b>
Payments for interest - net	(11,145,848,342)	(17,548,855,126)
Payments for income taxes	(15,636,409,923)	(11,264,526,472)
Payment for VAT	(21,991,003,611)	(10,486,559,365)
<b>Net Cash Provided by Operating Activities</b>	<b>285,886,333,321</b>	<b>104,741,233,080</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of property and equipment	112,763,800	73,120,000
Acquisitions of property and equipment	(2,534,125,300)	(4,039,364,412)
Acquisitions of construction in progress	-	-
Additional Advance Payment	(7,943,335,071)	(3,936,288,790)
<b>Net Cash Used in Investing Activities</b>	<b>(10,364,696,571)</b>	<b>(7,902,533,202)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term bank loans	-	(100,051,000,000)
Payment for cash dividends	-	-
Repayment of short-term bank loans	(200,879,000,000)	-
Repayment of obligations under capital lease	(6,433,082,436)	(148,536,000)
<b>Net Cash Provided by Financing Activities</b>	<b>(207,312,082,436)</b>	<b>(100,199,536,000)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>68,209,554,314</b>	<b>(3,360,836,123)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>101,299,675,780</b>	<b>78,098,332,782</b>
<b>CASH AND CASH EQUIVALENTS AS OF JUNE 30</b>	<b>169,509,230,094</b>	<b>74,737,496,660</b>

See accompanying Notes to Financial Statements which are an integral part of the financial statements.