

SAMKO TIMBER LIMITED

Company Registration Number: 200517815M

Unaudited Second Quarter Financial Statement and Dividend Announcement for the Period Ended 30/06/2013

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF SECOND QUARTER RESULTS

- 1(a) Consolidated statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			Group		
	2nd Qtr 1 Apr 2013 to 30 Jun 2013	2nd Qtr 1 Apr 2012 to 30 Jun 2012 (Restated)	Increase/ (decrease)	1 Jan 2013 to 30 June 2013	1 Jan 2012 to 30 June 2012 (Restated)	Increase/ (decrease)
	Rp'million	Rp'million	%	Rp'million	Rp'million	%
Revenue	742,810	673,146	10	1,461,715	1,359,896	7
Cost of sales	(636,787)	(556,837)	14	(1,230,910)	(1,109,051)	11
Gross profit	106,023	116,309	(9)	230,805	250,845	(8)
Other items of income						
Interest income	214	251	(15)	385	535	(28)
Other income	10,329	7,142	45	10,412	7,142	46
Other items of expenses						
Selling expenses	(26,836)	(25,049)	7	(53,795)	(50,213)	7
General & administrative expenses	(57,400)	(46,103)	25	(113,006)	(97,802)	16
Finance expenses	(11,666)	(12,276)	(5)	(22,394)	(22,982)	(3)
Other expenses	(5,237)	(9,790)	(47)	(11,646)	(17,237)	(32)
Profit before tax	15,427	30,484	(49)	40,761	70,288	(42)
Income tax expense	(5,388)	(6,740)	(20)	(14,138)	(19,337)	(27)
Net profit for the period	10,039	23,744	(58)	26,623	50,951	(48)
Other comprehensive income:						
Items that will not be reclassified to profit or loss:						
Net actuarial losses on post-employment benefits	(1,193)	(6,236)	(81)	(2,386)	(12,456)	(81)
Items that may be reclassified subsequently to profit or loss:						
Foreign currency translation gain/ (loss)	303	89	240	141	(148)	n.m
Total comprehensive income for the period	9,149	17,597	(48)	24,378	38,347	(36)
Net profit attributable to:						
Owners of the Company	10,301	24,400	(58)	27,036	51,942	(48)
Non-controlling interests	(262)	(656)	(60)	(413)	(991)	(58)
	10,039	23,744	(58)	26,623	50,951	(48)
Total comprehensive income attributable to:						
Owners of the Company	9,411	18,253	(48)	24,791	39,338	(37)
Non-controlling interests	(262)	(656)	(60)	(413)	(991)	(58)
	9,149	17,597	(48)	24,378	38,347	(36)

n.m : not meaningful

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The following items have been included in arriving at profit before tax:

	Group			Group		
	2nd Qtr 1 Apr 2013 to 30 Jun 2013	2nd Qtr 1 Apr 2012 to 30 Jun 2012 (Restated)	Increase/ (decrease)	1 Jan 2013 to 30 June 2013	1 Jan 2012 to 30 June 2012 (Restated)	Increase/ (decrease)
	Rp'million	Rp'million	%	Rp'million	Rp'million	%
Depreciation of property, plant and equipment	(25,741)	(25,009)	3	(50,934)	(49,003)	4
Interest expense	(10,775)	(11,864)	(9)	(20,944)	(22,207)	(6)
Property, plant and equipment written-off due to fire incident	(1,702)	-	n.m	(1,702)	-	n.m
Loss on foreign exchange, net	(1,534)	(7,252)	(79)	(1,133)	(10,914)	(90)
Amortisation of land use rights	(743)	(1,158)	(36)	(1,566)	(2,400)	(35)
Amortisation of intangible assets	(262)	-	n.m	(629)	-	n.m
Inventories written-down	-	-	-	(360)	-	n.m
Acquisition costs incurred on new subsidiaries	-	(109)	(100)	-	(709)	(100)
Allowance for doubtful receivables	(152)	(1,104)	(86)	(3,765)	(2,923)	29
Gain on sale of property, plant and equipment, net	392	-	n.m	392	-	n.m
Insurance claim	9,536	7,070	35	9,536	7,070	35

n.m : not meaningful

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1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30 June 2013	31 Dec 2012 (Restated)	30 June 2013	31 Dec 2012
	Rp'million	Rp'million	Rp'million	Rp'million
Non-current assets				
Property, plant and equipment	652,845	663,142	6	14
Intangible assets ⁽¹⁾	37,320	38,315	-	-
Investment in subsidiary companies	-	-	642,072	642,072
Investment in an associate ⁽²⁾	-	-	-	-
Biological assets	60,306	56,876	-	-
Land use rights	56,400	57,966	-	-
Deferred tax assets	61,722	50,846	1,000	3,661
Other non-current assets	17,580	17,988	41	40
	886,173	885,133	643,119	645,787
Current assets				
Inventories	367,991	342,078	-	-
Trade and other receivables	154,186	127,539	62,734	67,784
Prepaid operating expenses	33,726	35,027	558	76
Advances to suppliers	57,942	72,741	-	-
Restricted time deposits	20,427	15,763	-	-
Cash and cash equivalents	129,302	90,350	1,386	1,487
	763,574	683,498	64,678	69,347
Current liabilities				
Trade and other payables	197,572	195,644	24	3,380
Other liabilities	96,847	94,548	1,795	2,384
Advances from customers	30,162	31,808	-	-
Provision for taxation	24,987	30,166	-	-
Loans and borrowings	245,422	153,367	-	-
	594,990	505,533	1,819	5,764
Net current assets	168,584	177,965	62,859	63,583
Non-current liabilities				
Loans and borrowings	230,071	283,929	-	-
Post-employment benefits	195,717	175,678	-	-
Deferred tax liabilities	12,483	11,383	-	-
	438,271	470,990	-	-
Net assets	616,486	592,108	705,978	709,370
Equity attributable to owners of the Company				
Share capital	2,188,645	2,188,645	2,188,645	2,188,645
Accumulated losses	(1,889,471)	(1,911,825)	(1,482,667)	(1,479,275)
Other reserves	311,576	309,139	-	-
	610,750	585,959	705,978	709,370
Non-controlling interests	5,736	6,149	-	-
	616,486	592,108	705,978	709,370

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Notes:

- (1) As reported previously, the Group accounted the value of intangibles and other assets of Bioforest Private Limited, a subsidiary acquired last year, on provisional basis. During the period, the independent valuation of these assets has been finalised and no retrospective adjustments were required. Included in the intangibles is goodwill arising from the acquisition of Rp25,992 million.
- (2) Represents the Company's 24.6% investment in PT Sumalindo Lestari Jaya Tbk. Full provision of impairment has been made for this investment previously.

(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30 June 2013		As at 31 December 2012	
Secured Rp'million	Unsecured Rp'million	Secured Rp'million	Unsecured Rp'million
245,422*	-	153,367	-

Amount repayable after one year

As at 30 June 2013		As at 31 December 2012	
Secured Rp'million	Unsecured Rp'million	Secured Rp'million	Unsecured Rp'million
230,071	-	283,929*	-

- *) Includes a loan facility of S\$5,000,000 and it has an option which allow the lender to subscribe for new shares in a subsidiary if the subsidiary is unable to meet its obligation and or when the subsidiary is undertaking a public offering or the Company undertakes to sell the subsidiary's shares.

Details of any collateral

As at 30 June 2013, our bank borrowings are secured and guaranteed by the following:

- (1) Short term working capital facilities: secure over the land use rights, buildings, machinery, inventories and account receivables of certain subsidiaries;
- (2) Long term bank borrowings:
 - Guarantee undertaking from two major shareholders of the Company, the Company and certain subsidiaries;
 - Secured over the land use rights, buildings, machinery, inventories, account receivables, bank balances of certain subsidiaries. All other assets of these subsidiaries are on negative pledge to the financial institution and some restriction on dividend payment is imposed on them; and
- (3) All assets acquired under finance leases are secured against the assets under lease.

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1(c) Consolidated statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	1 Jan 2013 to 30 Jun 2013 Rp'million	1 Jan 2012 to 30 Jun 2012 Rp'million
Cash flows from operating activities		
Profit before tax	40,761	70,288
Adjustments:		
Depreciation of property, plant and equipment	50,934	49,003
Interest expense	20,944	22,207
Post-employment benefits expense	16,857	12,250
Allowance for doubtful receivables	3,765	2,923
Foreign exchange loss	3,429	6,789
Property, plant and equipment written-off	1,702	-
Amortisation of land use rights	1,566	2,400
Amortisation of intangible assets	629	-
Inventories written-down	360	-
Interest income	(385)	(535)
Gain on disposal of property, plant and equipment	(392)	-
Operating cash flow before changes in working capital	140,170	165,325
Changes in working capital :		
Inventories	(26,273)	(88,202)
Trade and other receivables	(27,101)	(33,072)
Prepaid operating expenses	(3,746)	969
Advance to suppliers	2,950	16,273
Trade and other payable	1,928	23,583
Other liabilities	3,043	23,819
Advance from customers	(1,646)	(39,784)
Other non-current assets	408	149
Cash flow provided by operations	89,733	69,060
Income tax paid	(22,907)	(36,253)
Net cash flows from operating activities	66,826	32,807
Cash flows from investing activities		
Purchase of property, plant, and equipment	(31,531)	(51,834)
Additions of biological assets	(3,430)	(14,502)
Interest received	385	535
Additions of land use rights	-	(543)
Net cash inflow on acquisition of subsidiaries	-	21,688
Net cash flows used in investing activities	(34,576)	(44,656)

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	Group	
	1 Jan 2013 to 30 Jun 2013 Rp'million	1 Jan 2012 to 30 Jun 2012 Rp'million
Cash flows from financing activities		
Drawdown of loans and borrowings	239,612	67,150
Repayment of loans and borrowings	(223,093)	(50,337)
Proceed from sale and lease back transactions - finance lease arrangements	14,032	-
Interest paid	(20,060)	(18,503)
Placement of restricted deposits	(4,402)	-
Net cash flows from/ (used in) financing activities	6,089	(1,690)
Net increase/ (decrease) in cash and cash equivalents	38,339	(13,539)
Effect of exchange rate changes on cash and cash equivalent	613	762
Cash and cash equivalents at beginning of period	90,350	95,028
Cash and cash equivalents at end of period	<u>129,302</u>	<u>82,251</u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group

	Attributable to owners of the Company					Non- controlling interests ("NCI") Rp'million	
	Equity, total Rp'million	Share capital Rp'million	Accumulated losses Rp'million	Restruc- turing reserves Rp'million	Foreign currency translation reserve Rp million		Total Rp'million
Balance at 1 January 2013 (As previously stated)	655,361	2,188,645	(1,850,868)	309,050	2,385	649,212	6,149
Cumulated effect of adopting FRS 19 - Revised	(63,253)	-	(63,253)	-	-	(63,253)	-
Balance at 1 January 2013 (As restated)	592,108	2,188,645	(1,914,121)	309,050	2,385	585,959	6,149
Total comprehensive income for the period	24,378	-	24,650	-	141	24,791	(413)
Balance at 30 June 2013	616,486	2,188,645	(1,889,471)	309,050	2,526	610,750	5,736
Balance at 1 January 2012 (As previously stated)	513,448	2,134,271	(1,933,927)	309,050	237	509,631	3,817
Cumulated effect of adopting FRS 19 - Revised	(38,324)	-	(38,324)	-	-	(38,324)	-
Balance at 1 January 2012 (As restated)	475,124	2,134,271	(1,972,251)	309,050	237	471,307	3,817
Issued of new shares during the period	54,374	54,374	-	-	-	54,374	-
Acquisition of new subsidiaries Portion on foreign currency translation allocated to NCI	(49)	-	-	-	-	-	(49)
	15	-	-	-	-	-	15
Total comprehensive income for the period	38,347	-	39,486	-	(148)	39,338	(991)
Balance at 30 June 2012	567,811	2,188,645	(1,932,765)	309,050	89	565,019	2,792

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Company

	Attributable to owners of the Company		
	Share capital	Accumulated losses	Total
	Rp'million	Rp'million	Rp'million
Balance at 1 January 2013	2,188,645	(1,479,275)	709,370
Total comprehensive income for the period - loss	-	(3,392)	(3,392)
Balance at 30 June 2013	2,188,645	(1,482,667)	705,978
Balance at 1 January 2012	2,134,271	(1,478,022)	656,249
Issue of new shares during the period	54,374	-	54,374
Total comprehensive income for the period - loss	-	(4,194)	(4,194)
Balance at 30 June 2012	2,188,645	(1,482,216)	706,429

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There was no change in the Company's shares during the period ended 30 June 2013.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	Group and Company
	Number of shares
At 30 June 2013 and 31 December 2012	1,401,445,464

There were no shares held as treasury shares as at 30 June 2013 and 31 December 2012.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable, as there were no shares held as treasury shares as at 30 June 2013 and 31 December 2012.

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2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditor.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has adopted the new and revised accounting standards which came into effect for the financial year beginning 1 January 2013 and has applied the same accounting policies and methods of computation as those of the previous financial year ended 31 December 2012. Save as disclosed in paragraph 5 below, the adoption of the new and revised accounting standards has no material impact on the financial statements of the Group and the Company for the period ended 30 June 2013.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

In accordance with Financial Reporting Standard (FRS) 19, Employee Benefits which took effect from 1 January 2013, all actuarial gains and losses arising from ascertaining the provision for post-employment benefits are now required to be recognised in other comprehensive income. Following the adoption of this revised FRS 19, the Group restated the comparatives equity as shown in paragraph 1(d)(i) above.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group		Group	
	2nd Qtr 1 Apr 2013 to 30 Jun 2013	2nd Qtr 1 Apr 2012 to 30 Jun 2012	1 Jan 2013 to 30 June 2013	1 Jan 2012 to 30 June 2012
Weighted average number of ordinary shares for basic earnings per share computation	1,401,445,464	1,390,605,140	1,401,445,464	1,396,055,248
Weighted average number of ordinary shares for diluted earnings per share computation	1,401,445,464	1,396,055,248	1,401,445,464	1,396,055,248
	Rp (full amount)	Rp (full amount)	Rp (full amount)	Rp (full amount)
Earnings per share attributable to owners of the Company				
Basic	7	18	19	37
Diluted	7	17	19	37

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7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year.**

	Group		Company	
	30 June 2013	31 Dec 2012 (Restated)	30 June 2013	31 Dec 2012
Net assets for the year attributable to owners of the Company used in computation of net asset value per share (Rp'million)	610,750	585,959	705,978	709,370
Number of ordinary shares at the end of the period	1,401,445,464	1,401,445,464	1,401,445,464	1,401,445,464
Net asset value per ordinary share (Rp full amount)	436	418	504	506

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors**

Our Group's net profit in 2Q 2013 decreased 58% to Rp10 billion. This attributable mainly to higher production and operating costs caused by rising wages and raw material costs. However, our domestic and export sales remain strong, our sales was Rp743 billion in 2Q 2013, surged by 10% as compared to 2Q 2012. On half year basis, the trend was consistent with that of 2Q 2013. Our net profit decreased by 48% to Rp27 billion but sales up by 7% to Rp 1,462 billion.

Revenue

	Group			Group		
	2nd Qtr 1 Apr 2013 to 30 Jun 2013	2nd Qtr 1 Apr 2012 to 30 Jun 2012	Increase/ (decrease)	1 Jan 2013 to 30 June 2013	1 Jan 2012 to 30 June 2012	Increase/ (decrease)
	Rp'million	Rp'million	%	Rp'million	Rp'million	%
Domestic sales	543,583	511,936	6	1,101,579	1,049,031	5
Export sales	199,227	161,210	24	360,136	310,865	16
Total	742,810	673,146	10	1,461,715	1,359,896	7

The local housing and construction projects continued to support our growth in 2Q 2013 and 1H 2013. Our local sales volume improved by 5% and 4% respectively while the price of the products remain stable over these periods. On the export front, the increase in the revenue was attributable mainly to improvement in sales volume in 2Q 2013 and 1H 2013. While the export price was slightly lower during these periods, the export volume improved by 25% and 17% respectively.

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Cost of sales

	Group			Group		
	2nd Qtr 1 Apr 2013 to 30 Jun 2013	2nd Qtr 1 Apr 2012 to 30 Jun 2012	Increase/ (decrease)	1 Jan 2013 to 30 June 2013	1 Jan 2012 to 30 June 2012	Increase/ (decrease)
	Rp'million	Rp'million	%	Rp'million	Rp'million	%
Raw material used	330,622	293,799	13	645,568	600,114	8
Labour costs	145,575	114,400	27	294,068	230,644	27
Factory overhead	165,380	154,293	7	322,518	303,748	6
Movement in finished goods	(4,790)	(5,655)	(15)	(31,244)	(25,455)	23
Total	636,787	556,837	14	1,230,910	1,109,051	11

Our raw materials used comprise of cost of logs and veneer purchased and its incidental costs. The factory overheads consist of cost of chemical glues (production and outright purchases) and costs related directly and indirectly to production.

The increase in the costs in 2Q 2013 and that of 1H 2013 was mainly due to higher labour costs incurred as a result of the increase in minimum wage in Indonesia and rising raw material costs, consequences of reduction in fuel subsidy by the Indonesian government and the effect of the rising wages .

Gross profit

Despite higher sales reported, our gross profit for both 2Q 2013 and 1H 2013 decreased by 9% and 8% respectively owing mainly to rising costs as mentioned above.

Other Income

Included in other income is a one-off insurance claim of Rp9,536 million (2012: Rp7,070 million) for damaged machineries.

Selling expenses

As sales improved, our selling expenses have also increased. The expense increased by 7% in 2Q 2013 and 1H 2013 and this was mainly due to the increase in freight charges and other selling expenses.

General and administration (“G&A”) expenses

Our G&A expenses have increased over that of the previous periods. This is due mainly to salary and its related staff benefits adjustments and to increase business activities.

Other expenses

Our other expenses were lower than that of the previous periods. This is due mainly to significantly lower foreign exchange loss incurred during the period (lower by Rp 10 billion) offset by provision for doubtful debts made (higher by Rp1 billion) for the same period. The weakening of Rupiah will generally result in the Group incurring exchange loss due to the translation of US dollars denominated loans.

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Taxation

Our tax expenses comprise the following:

	Group			Group		
	2nd Qtr 1 Apr 2013 to 30 Jun 2013	2nd Qtr 1 Apr 2012 to 30 Jun 2012	Increase/ (decrease)	1 Jan 2013 to 30 June 2013	1 Jan 2012 to 30 June 2012	Increase/ (decrease)
	Rp'million	Rp'million	%	Rp'million	Rp'million	%
Current income tax	(11,226)	(10,384)	8	(22,072)	(23,524)	(6)
Deferred income tax	5,843	3,872	51	8,637	4,416	96
Under provision of prior years taxes	(5)	(228)	(98)	(703)	(229)	207
Total	(5,388)	(6,740)	(20)	(14,138)	(19,337)	(27)

Indonesia adopts individual company income tax system.

Our effective tax rate was higher due mainly to certain expenses not deductible for tax purposes and losses of certain subsidiaries cannot be offset with the profits of the other profit making entities.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Statement of Financial Position

The Group's property, plant and equipment decreased by Rp10 billion due mainly to depreciation charges, offset by the addition of property, plant and equipment during 1H 2013. Trees planting program continued in 1H 2013 and we have incurred Rp3 billion in various estates. The deferred tax assets has also increased by Rp11 billion in 1H 2013 mainly owing to accrual for the tax benefits arising from the provision for post-employment benefits as mentioned in paragraph 5 above.

For the period ended, our current assets have increased by Rp80 billion to Rp764 billion. The increase was due mainly to:

- 1) higher inventories level for raw material, work-in progress stocks and finished goods as our production and sales volume grew;
- 2) higher trade receivables as we have higher sales near reporting period;
- 3) higher cash and cash equivalents (as explained below); and
- 4) offset by lower advances to suppliers

Our Group's current liabilities have increased by Rp89 billion to Rp595 billion as at 30 June 2013. This is contributed mainly by draw-down of additional short term loan as well as reclassification of loan due within 12 months.

For the same period ended, the non-current liabilities have decreased by Rp33 billion. This was mainly due to reclassification of long-term loan due within 12 months more than offset the provision for retirement benefits made during the period.

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Statement of Cash Flow

During the period, we generated Rp67 billion from our operations, incurred net cash outflow of Rp35 billion from our investing activities and inflow of Rp6 billion for financing activities. Net cash increased by Rp38 billion.

Our cash generated from operating activities increased by Rp34 billion over that of the previous period. This is due mainly to lower cash used to reinvest in inventories and receivables as compared to 1H 2012.

Our cash used in the investing activities were mainly for acquisitions of property, plant and equipment and expenditure on trees planting for our upstream activities.

Our cash outflow in the financing activities relates mainly to repayments of bank borrowings and its interests, offset against additional drawdown of loans as well as placement of deposits as security for the borrowings.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

As informed previously, the significant increase in the minimum wage and the reduction in the fuel subsidy by the Indonesia government will have an impact to our profit margin. The adverse effect of these adjustments was felt in 1H2013 and is expected to continue in the near term. We are monitoring the situation and will take the necessary actions to mitigate the impact and strive to remain competitive. Barring any unforeseen circumstances in the volatile global economic condition, we believe our local sales remain stable and export sales to improve. Our current export market is mainly to North Asia, in particular Japan.

We will continue to explore, develop and be innovative in our product offerings and manage our production efficiency. Our strategies remain that of expanding downstream and embark on our own tree planting activities (upstream) which we believe will benefit us in the long-term.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend will be declared in the current period being reviewed.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

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(c) Date payable

Not applicable

(d) Books closure date

Not applicable

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend for financial period ended 30 June 2013 has been declared.

13. Interested person transactions.

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial period under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	1 Jan – 30 June 2013	
	Rp'million	Rp'million
PT Pelayaran Nelly Dwi Putri Time charter of tug and barges; and Freight expense (Transactions entered into pursuant to contract approved by shareholders on 10 August 2010)	12,615	-
PT Wahana Sekar Agro Cooperation for cultivation of trees	1,322	-
PT Buana Sakti Office rental	1,653	-

14. Statement by Directors pursuant to rule 705(5) of the SGX Listing Manual

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Directors which may render the unaudited financial statements for the second quarter ended 30 June 2013 to be false or misleading in any material respects.

BY ORDER OF THE BOARD

Aris Sunarko @ Ko Tji Kim
Chief Executive Officer
2 August 2013