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PT INDONESIA AND SUBSIDIARIES
Illustrative interim consolidated
financial statements 2011



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PT INDONESIA AND SUBSIDIARIES

Illustrative interim consolidated financial statements 2011

This publication provides an illustrative set of interim consolidated financial statements, prepared in accordance with Indonesian financial accounting standards and best practices in the market, for an unlisted multinational company. SFAS 3 (Revised 2009), "Interim Financial Reporting", prescribes the minimum content for an interim financial report, and the principles for recognition and measurement. Interim financial statements can comprise complete or condensed financial statements. The interim financial report of PT Indonesia and subsidiaries contains a complete set of financial statements. These interim consolidated financial statements include the disclosures required by the Indonesian financial accounting standards applicable in 2011. The example disclosures in these illustrative interim consolidated financial statements should not be considered to be the only acceptable form of presentation. The form and content of the reporting entity's financial statements are the responsibility of the entity's management. Other forms of presentation which are equally acceptable may be preferred and adopted, provided they include the specific disclosures prescribed by the Indonesian financial accounting standards.

This illustration is not a substitute for reading the accounting standards themselves or for a professional judgement as to the fairness of presentation. It does not cover all possible disclosures required by the Indonesian financial accounting standards, nor does it take into account any specific legal framework. Depending on the circumstances, further specific information may be required in order to ensure fair presentation under the Indonesian financial accounting standards. Additional accounting disclosures may be required in order to comply with the regulations of Capital Market and Financial Institutions Supervisory Board (Bapepam-LK) and specific industry requirements.

This illustration does not attempt to cover the disclosure requirements of specialised entities such as finance companies, banks, other financial institutions or government entities nor does it cover the specific reporting obligations of entities other than corporations.

All names used in this publication, including the names of persons and the names of companies, are fictitious and used merely for illustrative purposes.

While every effort has been made to ensure accuracy, this publication is not comprehensive and information may have been omitted which may be relevant to a particular user. As it is only an illustrative interim consolidated financial statement, this publication does not illustrate every possible case but only the most common cases that may arise.

No responsibility for loss to any person acting or refraining from acting as a result of any material in this publication can be accepted by KAP Tanudiredja, Wibisana & Rekan (PwC Indonesia). Recipients should not act on the basis of this publication without seeking professional advice.

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Foreword

The next few years will be very challenging for many preparers of financial statements as a result of numerous changes in the Indonesian financial accounting standards, following the convergence plan with the International Financial Reporting Standards. Almost every standard has been revised and many new ones issued, some of which are highly complex in their application.

This publication has been designed to provide an illustration, in an interim setting, of the application of the new and revised accounting standards that are effective this year. We would like to highlight a few and new critical illustrations included in this publication, starting with an overview of the Statement of Financial Accounting Standards No. 3 (Revised 2009), “Interim Financial Reporting” (or SFAS 3 (Revised 2009) and example disclosures of minimum disclosure requirement under SFAS 3 (Revised 2009). Additionally, we have included a useful checklist of interim reporting disclosure in the Appendix.

KAP Tanudiredja, Wibisana & Rekan (PwC Indonesia) has prepared this publication to assist directors, commissioners, audit committee members, management and preparers of financial statements to better understand and implement the new financial reporting changes in an effective and efficient manner.

We hope that you will find this publication a useful guide to the preparation of your interim financial statements. We also encourage you to consult your regular PwC Indonesia contact should you have any questions or comments regarding this publication or the implementation of the new accounting standards.



Eddy Rintis
Assurance Leader
KAP Tanudiredja, Wibisana & Rekan
(PwC Indonesia)

July 2011

Overview

SFAS 3 (Revised 2009), “Interim Financial Reporting”, applies where an entity publishes an interim financial report in accordance with Indonesian financial accounting standards. SFAS 3 (Revised 2009) sets out the minimum content that an interim financial report should contain and the principles that should be used in recognising and measuring the transactions and balances included in that report.

Entities may either prepare full financial statements (conforming to the requirements of SFAS 1 (Revised 2009), “Presentation of Financial Statements”), or condensed financial statements. Condensed financial statements include a condensed balance sheet, a condensed income statement (if presented separately), a condensed statement of comprehensive income, a condensed cash flow statement, a condensed statement of changes in equity and selected note disclosure.

An entity generally uses the same accounting policies for recognising and measuring assets, liabilities, revenues, expenses and gains and losses at interim dates as those to be used in the current year annual financial statements.

If an entity publishes condensed financial statements in its interim financial report, these financial statements should include, at a minimum, each of the headings and subtotals that were included in its most recent annual financial report and the selected explanatory notes required by SFAS 3 (Revised 2009). Additional line items or notes should be included if their omission would make the condensed interim financial report misleading. [SFAS 3 (Revised 2009) para 11].

There are special measurement requirements for certain costs that can only be determined on an annual basis (for example, items such as tax that is calculated based on an estimated full-year effective rate), and the use of estimates in the interim financial statements. An impairment loss recognised in a previous interim period in respect of goodwill, or an investment in either an equity instrument or a financial asset carried at cost, is not reversed.

As a minimum, current period and comparative figures (condensed or complete) are disclosed as follows:

- Balance sheet – as at the current interim period end with comparatives for the immediately preceding year end.
- Statement of comprehensive income (and, if presented separately, income statement) – current interim period, financial year to date and comparatives for the same preceding periods (interim and year to date).
- Cash flow statement and statement of changes in equity – financial year to date with comparatives for the same year to date period of the preceding year.
- Explanatory notes.

SFAS 3 (Revised 2009) sets out criteria to determine what information should be disclosed in the interim financial statements. These include:

- Materiality to the overall interim financial statements.
- Unusual or irregular items.
- Changes since previous reporting periods that have a significant effect on the interim financial statements (of the current or previous reporting financial year).
- Relevance to the understanding of estimates used in the interim financial statements

The overriding objective is to ensure that an interim financial report includes all information that is relevant to the understanding of an entity's financial position and performance during the interim period.

Introduction

What are the top eight interim lookout areas?

The entity should avoid the following errors or omissions in preparing interim financial statements:

- Incorrect or no disclosure of new and revised standards and interpretations.
- Incorrect basis of preparation note (for example, does not refer to SFAS 3 (Revised 2009) or Indonesian financial accounting standards).
- Omission of the nature and amount of items that are unusual by their nature, size or incidence.
- Omission of some or all business combination disclosures, especially those related to combinations after the interim reporting date.
- Omission of details of material property, plant and equipment acquired or disposed of during the period.
- Omission of details of material changes in estimates – for example, relating to provisions, defined benefit pension obligations and impairments.
- No explanations of the effect of seasonality on operations.
- Statement of comprehensive income includes incorrect entries or omits correct entries.

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Format of PT Indonesia and Subsidiaries - Illustrative Interim Consolidated Financial Statements

The references in the left margin of the interim consolidated financial statements represent the paragraph of the Statement of Financial Accounting Standards ("SFAS") in which the disclosure appears.

24p39	=	SFAS [number], paragraph, [number]
50Rp14	=	Revised SFAS [number], paragraph, [number]
50RPA31	=	Revised SFAS [number] – Application Guidance paragraph, [number]
TB4p5	=	Technical bulletin (number), paragraph, [number]
DV	=	Disclose Voluntary. Disclosure is encouraged but not required and, therefore, represents best practice

The boxes in light orange colour represent minimum disclosure requirement under SFAS 3 (Revised 2009).

PT INDONESIA AND SUBSIDIARIES

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS AT 31 MARCH 2011 AND 31 DECEMBER 2010
AND FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2011 AND 2010**

DIRECTORS' STATEMENT

In accordance with a resolution of the directors of PT Indonesia, in the opinion of the directors:

- (a) the interim consolidated financial statements of PT Indonesia and subsidiaries are drawn up so as to present fairly the financial position of PT Indonesia and subsidiaries as at 31 March 2011 and 31 December 2010, and the results of its operations and cash flows for the three-month period ended 31 March 2011 and 2010.
- (b) the interim consolidated financial statements of PT Indonesia and subsidiaries have been prepared in accordance with Indonesian financial accounting standards.

For and on behalf of the directors:

Adhi
President Director

Budi
Director

Jakarta, 28 May 2011

Guidance notes – Directors' Statement

If an entity is required to submit its interim financial statements to the Indonesian Capital Market and Financial Institution Supervisory Agency ("BAPEPAM-LK"), the entity should prepare directors' statement in accordance with BAPEPAM-LK's format.

PT INDONESIA AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
31 MARCH 2011 AND 31 DECEMBER 2010
(Expressed in millions of Rupiah)

		Note	31 March 2011	31 December 2010
1Rp51				
1Rp110	Assets			
3Rp20(a)				
1Rp57	Current assets			
1Rp51(h)	Cash and cash equivalents	6	XXXXXX	XXXXXX
1Rp51(g)	Trade and other receivables	7	XXXXXX	XXXXXX
1Rp51(d)	Financial assets at fair value through profit or loss	8	XXXXXX	XXXXXX
1Rp51(d)	Derivative financial instruments	9	XXXXXX	XXXXXX
1Rp51(d)	Available-for-sale financial assets	10	XXXXXX	XXXXXX
1Rp51(f)	Inventories	11	XXXXXX	XXXXXX
1Rp51(m)	Prepaid taxes	12	XXXXXX	XXXXXX
	Other current assets		XXXXXX	XXXXXX
			XXXXXX	XXXXXX
1Rp51(i)	Disposal group classified as held for sale	13	XXXXXX	XXXXXX
			XXXXXX	XXXXXX
1Rp57	Non-current assets			
1Rp51(g)	Trade and other receivables	7	XXXXXX	XXXXXX
1Rp51(d)	Derivative financial instruments	9	XXXXXX	XXXXXX
1Rp51(d)	Available-for-sale financial assets	10	XXXXXX	XXXXXX
1Rp51(e)	Investments in associates	14	XXXXXX	XXXXXX
1Rp51(a)	Property, plant and equipment	15	XXXXXX	XXXXXX
1Rp51(c)	Intangible assets	16	XXXXXX	XXXXXX
1Rp51(n)	Deferred tax assets	12	XXXXXX	XXXXXX
			XXXXXX	XXXXXX
	Total assets		XXXXXX	XXXXXX
	Liabilities			
1Rp57	Current liabilities			
1Rp51(j)	Trade payables and other payables	18	XXXXXX	XXXXXX
1Rp51(l)	Derivative financial instruments	8	XXXXXX	XXXXXX
1Rp51(j)	Borrowings	19	XXXXXX	XXXXXX
1Rp51(k)	Provisions for other liabilities and charges	20	XXXXXX	XXXXXX
1Rp51(k)	Post-employment benefit obligations	21	XXXXXX	XXXXXX
1Rp51(m)	Taxes payable	12	XXXXXX	XXXXXX
			XXXXXX	XXXXXX
1Rp51(o)	Disposal group classified as held for sale	13	XXXXXX	XXXXXX
			XXXXXX	XXXXXX
1Rp57	Non-current liabilities			
1Rp51(l)	Derivative financial instruments	8	XXXXXX	XXXXXX
1Rp51(j)	Borrowings	19	XXXXXX	XXXXXX
1Rp51(k)	Post-employment benefit obligations	21	XXXXXX	XXXXXX
1Rp51(n)	Deferred tax liabilities	12	XXXXXX	XXXXXX
1Rp51(k)	Provisions for other liabilities and charges	20	XXXXXX	XXXXXX
			XXXXXX	XXXXXX
	Total liabilities		XXXXXX	XXXXXX

The accompanying notes form an integral part of these interim consolidated financial statements.

PT INDONESIA AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 MARCH 2011 AND 31 DECEMBER 2010
(Expressed in millions of Rupiah)

	Note	31 March 2011	31 December 2010
Equity			
1Rp51(p)			
Equity attributable to owners of the parent			
Share capital – authorised, issued and fully paid – xxx shares with par value of Rpxxx per share	22	XXXXXX	XXXXXX
Share premium	22	XXXXXX	XXXXXX
Share option reserve		XXXXXX	XXXXXX
Fair value reserve		XXXXXX	XXXXXX
Hedging reserve		XXXXXX	XXXXXX
Asset revaluation reserve		XXXXXX	XXXXXX
Equity component of convertible bond		XXXXXX	-
Appropriated retained earnings	24	XXXXXX	XXXXXX
Unappropriated retained earnings		XXXXXX	XXXXXX
		XXXXXX	XXXXXX
1Rp51(p)		XXXXXX	XXXXXX
Non-controlling interest			
		XXXXXX	XXXXXX
Total equity			
		XXXXXX	XXXXXX
Total liabilities and equity			
		XXXXXX	XXXXXX

Guidance notes – Statement of Financial Position

When an entity applies an accounting policy retrospectively or makes a retrospective restatement or reclassification, SFAS 1 (Revised 2009) requires the presentation of an additional balance sheet as at the beginning of the earliest comparative period. Accordingly, where an entity publishes full financial statements for the interim period that reflect such a retrospective change, it should also publish this additional balance sheet if amounts disclosed therein are affected by the changes, or if not affected, it discloses this fact. However, where an entity is merely publishing condensed interim financial statements, there is no requirement to present this additional balance sheet, although entities may wish to consider whether such information would be material to an understanding of the change.

The accompanying notes form an integral part of these interim consolidated financial statements.

PT INDONESIA AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME¹
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2011 AND 2010
(Expressed in millions of Rupiah)

			Three-month ended 31 March	
		Note	2011	2010
Continuing operations²				
1Rp79(a)	Revenues	26	XXXXXX	XXXXXX
1Rp96,100	Cost of sales		(XXXXXX)	(XXXXXX)
Gross profit			XXXXXX	XXXXXX
1Rp96,100	Distribution costs		(XXXXXX)	(XXXXXX)
1Rp96,100	Administrative expenses		(XXXXXX)	(XXXXXX)
1Rp96,100	Other income	29	XXXXXX	XXXXXX
1Rp82	Other (losses)/gains – net	30	(XXXXXX)	XXXXXX
1Rp82	Finance income	28	XXXXXX	XXXXXX
1Rp79(b)	Finance costs	28	(XXXXXX)	(XXXXXX)
1Rp79(c)	Share of result of associates ³	14	(XXXXXX)	XXXXXX
1Rp82	Profit before income tax		XXXXXX	XXXXXX
1Rp79(d)	Income tax expense		(XXXXXX)	(XXXXXX)
1Rp82	Profit for the year from continuing operations		XXXXXX	XXXXXX
58R38(a)	Discontinued operations²			
	Profit for the year from discontinued operations	13	XXXXXX	XXXXXX
1Rp79(f)	Profit for the year		XXXXXX	XXXXXX
Other comprehensive income⁴				
16Rp39	Gains on revaluation of land and buildings		-	XXXXXX
50Rp14	Available-for-sale financial assets		XXXXXX	XXXXXX
1Rp79(h)	Share of other comprehensive income of associates		-	XXXXXX
50Rp55	Cash flow hedges		XXXXXX	XXXXXX
Other comprehensive income for the year, net of tax			XXXXXX	XXXXXX
Total comprehensive income for the year			XXXXXX	XXXXXX
Profit attributable to:				
1Rp80(a)(ii)	Owners of the parent		XXXXXX	XXXXXX
1Rp80(a)(i)	Non-controlling interest		XXXXXX	XXXXXX
			XXXXXX	XXXXXX
Total comprehensive income attributable to:				
1Rp80(b)(ii)	Owners of the parent		XXXXXX	XXXXXX
1Rp80(b)(i)	Non-controlling interest		XXXXXX	XXXXXX
			XXXXXX	XXXXXX

The accompanying notes form an integral part of these interim consolidated financial statements.

Guidance notes – Statement of Comprehensive Income

1. Alternative format

An entity shall present an analysis of expenses using a classification based on either the function or the nature of the expenses, whichever provides information that is reliable and more relevant. In addition, an entity has the choice of presenting the statement of comprehensive income using a one-statement or a two-statement approach.

If the expenses are presented by function, additional disclosures on the nature of expenses are required.

2. Continuing/Discontinued operations

A discontinued operation must represent a separate major line of business or geographical area of operations or is a part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view for resale. If there is no discontinued operation, the heading “Continuing operations” is not required. “Profit for the year from continuing operations” and “Profit for the year” should also be changed to “Net profit”.

3. Share of results of associates

The share of results of associates refers to the Group’s share of associated companies’ results after tax and non controlling interests are accounted for in accordance with SFAS 15 (Revised 2009), “Investments in Associates”. The share of results of joint ventures accounted for using equity accounting is presented similarly.

4. Tax effects – Other comprehensive income

This publication illustrates the presentation of these items individually net of tax. Alternatively, an entity can present these items individually gross of tax and their total tax effects as a separate line item.

5. Operating profit

SFAS 1 (Revised 2009) does not prescribe the disclosure of operating profit on the face of the income statement. However, entities are not prohibited from disclosing this or a similar line item.

6. Additional disclosures

Additional line items, headings and subtotals shall be presented on the face of the statement of comprehensive income and a separate income statement (if presented) only when such presentation is necessary for an understanding of the entity’s financial performance, the presentation is free of bias and undue prominence, the presentation is applied consistently and the methods are described in detail in the accounting policies.

The accompanying notes form an integral part of these interim consolidated financial statements.

PT INDONESIA AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2011 AND 2010
(Expressed in millions of Rupiah)

		<i>Attributable to owners of the parent</i>						<i>Retained earnings</i>		<i>Non-</i>	
	<i>Notes</i>	<i>Share capital</i>	<i>Share premium</i>	<i>Share option reserve</i>	<i>Fair value reserve</i>	<i>Hedging reserve</i>	<i>Asset revaluation reserve</i>	<i>Appropriated</i>	<i>Unappropriated</i>	<i>controlling interest</i>	<i>Total</i>
1Rp103(c)	Balance as at 1 January 2010	XXXX	XXXX	XXXXXX	XXXX	XXXXXX	XXXX	XXXX	XXXX	XXXX	XXXX
TB4p5 1Rp103(b)	Adjustment to opening balance in respect of implementation of SFAS 55 (Revised 2006)	-	-	-	-	-	-	-	XXXX	-	XXXX
1Rp103(c)(ii) 16Rp39	Revaluation, net of tax - Land and buildings	-	-	-	-	-	XXXX	-	-	-	XXXX
	- Land and buildings - associates	-	-	-	-	-	XXXX	-	-	-	XXXX
16Rp41	- Depreciation transfer	-	-	-	-	-	(XXXX)	-	XXXX	-	-
50Rp14	Available-for-sale financial assets	-	-	-	XXXX	-	-	-	-	-	XXXX
1Rp103(c)(ii) 50Rp55(a)	Cash flow hedges: - Fair value gains	-	-	-	-	XXXX	-	-	-	-	XXXX
50Rp55(b)	- Transfers to sales	-	-	-	-	(XXXX)	-	-	-	-	(XXXX)
50Rp55(c)	- Transfers to inventory	-	-	-	-	(XXXX)	-	-	-	-	(XXXX)
1Rp103(c)(iii) 1Rp103(c)(i)	Dividend Net profit	25	-	-	-	-	-	-	(XXXX)	(XXXX)	(XXXX)
	Share options:								XXXX	XXXX	XXXX
1Rp103(c)(iii) 1Rp103(c)(iii)	- Value of employee services - Proceeds from shares issued	22	-	-	-	-	-	-	XXXX	-	XXXX
	- Tax relating to share options		XXXX	XXXX	-	-	-	-	-	-	XXXX
			-	-	-	-	-	-	XXXX	-	XXXX
1Rp103(c)	Balance as at 31 March 2010	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	(XXXX)	XXXX

The accompanying notes form an integral part of these interim consolidated financial statements.

PT INDONESIA AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2011 AND 2010
(Expressed in millions of Rupiah)

		<i>Attributable to owners of the parent</i>										
		<hr/>										
	Notes	<i>Share capital</i>	<i>Share premium</i>	<i>Share option reserves</i>	<i>Fair value reserve</i>	<i>Hedging reserve</i>	<i>Asset revaluation reserves</i>	<i>Convertible bond</i>	<i>Retained earnings</i>		<i>Non-controlling interest</i>	<i>Total</i>
									<i>Appropriated</i>	<i>Unappropriated</i>		
1p66(f)												
	Balance as at 1 January 2011	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	-	XXXX	XXXX	XXXX	XXXX
1Rp103(c)(ii)	Revaluation, net of tax											
16Rp41	- Depreciation transfer	-	-	-	-	-	XXXX	-	-	XXXX	-	-
50Rp14	Available-for-sale financial assets	-	-	-	XXX	-	-	-	-	-	-	XXXX
1Rp103(c)(ii)	Cash flow hedges:											
50Rp55(a)	- Fair value gains	-	-	-	-	XXXX	-	-	-	-	-	XXXX
50Rp55(b)	- Transfers to sales	-	-	-	-	(XXXX)	-	-	-	-	-	(XXXX)
50Rp55(c)	- Transfers to inventory	-	-	-	-	(XXXX)	-	-	-	-	-	(XXXX)
1Rp103(c)(ii)	Convertible bond – equity component	-	-	-	-	-	-	XXXX	-	-	-	XXXXX
1Rp103(c)(i)	Net profit	-	-	-	-	-	-	-	-	XXXX	XXXX	XXXX
	Share options:											
1Rp103(c)(iii)	- Value of employee services	22	-	-	-	-	-	-	-	XXXX	-	XXXX
1Rp103(c)(iii)	- Proceeds from shares issued	22	XXXX	XXXX	-	-	-	-	-	-	-	XXXX
	- Tax relating to share options	-	-	-	-	-	-	-	-	XXXX	-	XXXX
1Rp103(c)(iii)	Dividend	25	-	-	-	-	-	-	-	(XXXX)	(XXXX)	(XXXX)
1Rp103(c)	Balance as at 31 March 2011	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	(XXXX)	XXXX

Guidance notes – Statement of Changes in Equity

Presentation of each component of equity in the SoCE

1Rp103(c) SFAS 1 (Revised 2009) requires an entity to show for each component of equity in the SoCE a reconciliation between the carrying amount at the beginning and end of the period. Components of equity include, for example, each class of contributed equity, the accumulated balance of each class of other comprehensive income and retained profits.

The accompanying notes form an integral part of these interim consolidated financial statements.

PT INDONESIA AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2011 AND 2010
(Expressed in millions of Rupiah)

		Note	Three-month ended 31 March	
			2011	2010
2Rp9,17(b) 1Rp110				
	Cash flows from operating activities¹			
2Rp18	Cash receipts from customers		XXXXXX	XXXXXX
	Cash paid to suppliers and employees		(XXXXXX)	(XXXXXX)
	Cash generated from operations		XXXXXX	XXXXXX
2Rp28	Interest paid ²		(XXXXXX)	(XXXXXX)
	Income tax paid		(XXXXXX)	(XXXXXX)
	Net cash generated from operating activities		XXXXXX	XXXXXX
	Cash flows from investing activities			
2Rp36	Acquisition of subsidiary, net of cash acquired	5	(XXXXXX)	-
2Rp15(a)	Purchases of property, plant and equipment ³	15	(XXXXXX)	(XXXXXX)
2Rp15(b)	Proceeds from sale of property, plant and equipment	15	XXXXXX	XXXXXX
2Rp15(a)	Purchases of intangible assets	16	(XXXXXX)	(XXXXXX)
2Rp15(c)	Purchases of available-for-sale financial assets	10	(XXXXXX)	(XXXXXX)
2Rp15(e)	Loans provided to associates	32	(XXXXXX)	(XXXXXX)
2Rp15(f)	Loan repayments received from associates	32	XXXXXX	XXXXXX
2Rp28	Interest received ²		XXXXXX	XXXXXX
2Rp28	Dividends received ²		XXXXXX	XXXXXX
	Net cash used in investing activities		(XXXXXX)	(XXXXXX)
	Cash flows from financing activities			
2Rp16(a)	Proceeds from issue of ordinary shares	22	XXXXXX	XXXXXX
2Rp16(c)	Proceeds from issue of convertible bonds	19	XXXXXX	-
2Rp16(c)	Proceeds from issue of redeemable preference shares	19	-	XXXXXX
2Rp16(c)	Proceeds from borrowings		XXXXXX	XXXXXX
2Rp16(d)	Repayments of borrowings		(XXXXXX)	(XXXXXX)
2Rp28	Cash dividends paid to company's shareholders		(XXXXXX)	(XXXXXX)
	Net cash used in financing activities		(XXXXXX)	(XXXXXX)
	Net (decrease)/increase in cash and cash equivalents		(XXXXXX)	XXXXXX
	Cash, cash equivalents and bank overdrafts at beginning of period		XXXXXX	XXXXXX
	Exchange gains/(losses) on cash, cash equivalents and bank overdrafts ⁴		XXXXXX	(XXXXXX)
	Cash, cash equivalents and bank overdrafts at end of period		XXXXXX	XXXXXX
	Significant activities not affecting cash flows :			
	Acquisition of property, plant and equipment under finance leases	15	XXXXXX	XXXXXX
2Rp44	The cash, cash equivalents and bank overdrafts comprise the following :			
	Cash and cash equivalents		XXXXXX	XXXXXX
	Bank overdrafts		(XXXXXX)	(XXXXXX)
			XXXXXX	XXXXXX

The accompanying notes form an integral part of these interim consolidated financial statements.

Guidance notes – Statement of Cash Flows

1. Direct/indirect method

An entity can present its cash flow statement using the direct or indirect method; the former is illustrated in this publication.

2. Dividends and interest

Cash flows from interest received and paid and dividends received shall each be disclosed separately, and classified consistently period to period.

3. Additions to property, plant and equipment

Additions to property, plant and equipment in the cash flow statement should be net of hedging gains/losses transferred from hedging reserve.

4. Currency translation differences

Currency translation differences that arise on the translation of foreign currency cash and cash equivalents should be reported in the statement of cash flows in order to reconcile opening and closing balances of cash and cash equivalents separately from operating, financing and investing cash flows.

The accompanying notes form an integral part of these interim consolidated financial statements.

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PT INDONESIA AND SUBSIDIARIES
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2011 AND 2010
(Expressed in millions of Rupiah)

1. GENERAL INFORMATION

1Rp135(b) PT Indonesia (the “Company”) and its subsidiaries (together the “Group”) manufacture, distribute and sell shoes through a network of independent retailers. The Group has manufacturing plants and sells its product mainly in Indonesia. During the period, the Group acquired control of “PT Sepatu Resmi”, a shoe and leather goods retailer.

1Rp135(a) PT Indonesia was established on 2 December 1991 and commenced its commercial operations on 1 January 1993. The Company is incorporated and domiciled in Indonesia. The address of its registered office is Jl. Besar No. 33 Jakarta 45678 and its principal place of business is Jl. Raya No. 12 Jakarta 34567.

As at 31 March 2011 and 2010, the composition of the Company’s Board of Directors and Board of Commissioners was as follows:

President Commissioner	Fajar
Commissioners	Galih
	Halim

President Director	Adhi
Directors	Budi
	Charlie
	Dudi
	Eva

4Rp41(b) As at 31 March 2011 and 2010, the structure of the Group was as follows:

	Country of incorporation	<u>Percentage of ownership</u>	
		31 March 2011	31 March 2010
Subsidiary :			
PT Grup Sepatu	Indonesia	70%	70%
PT Sepatu	Indonesia	60%	60%
PT Sepatu Anak	Indonesia	60%	60%
PT Sepatu Resmi	Indonesia	90%	-
Associates :			
PT Alfa	Indonesia	25%	25%
PT Beta	Indonesia	30%	30%
PT Delta	Indonesia	42%	42%

8p15 These interim consolidated financial statements were prepared by the Board of Directors and completed on 28 May 2011.

The principal accounting policies applied in the preparation of these interim consolidated financial statements are set out below.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

3Rp10 The interim consolidated financial statements of PT Indonesia and subsidiaries have been prepared in accordance with Indonesian financial accounting standards. The interim consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2010.

1Rp114(a) The interim consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through profit and loss.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

Guidance notes – Basis of preparation

Going concern assumption

1. When preparing financial statements, management shall make an assessment of the entity's ability to continue as a going concern. Financial statements shall be prepared on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so.
2. An entity shall not prepare its financial statements on a going concern basis if management determines after the balance sheet date that it either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so.
3. When management is aware of material uncertainties related to events or conditions which may cast significant doubt upon the entity's ability to continue as a going concern, those uncertainties shall be disclosed, even if management eventually concludes that it is appropriate to prepare the financial statements on a going concern basis. An example of such a disclosure is: *"These financial statements are prepared on a going concern basis because the holding company has undertaken to provide continuing financial support so that the Company is able to pay its debts as and when they fall due."*
4. When the financial statements are not prepared on a going concern basis, that fact shall be disclosed, together with the basis on which the financial statements are prepared and the reason why the entity is not considered a going concern. An example of such a disclosure is: *"These financial statements are prepared on a realisation basis because management intends to liquidate the Company within the next 12 months from the balance sheet date."*

2Rp6,9

The consolidated cash flow statement is prepared based on the indirect method by classifying cash flows on the basis of operating, investing, and financing activities. For the purpose of the consolidated cash flow statement, cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less, net of bank overdrafts.

Figures in the consolidated financial statements are rounded to and stated in millions of Rupiah ("Rp") unless otherwise specified.

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2010, which conform to the Indonesian financial accounting standards:

3Rp16(c)

Exceptional items are disclosed and described separately in the interim consolidated financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

3RpB12

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to the expected total annual profit and loss.

Changes to the statements of financial accounting standards and interpretations to statement of financial accounting standards

On 1 January 2011, the Group adopted new and revised statements of financial accounting standards ("SFAS") and interpretations of statement of financial accounting standards ("ISFAS") that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective standards and interpretations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

SFAS 1 (Revised 2009), "Presentation of Financial Statements"

The revised standard prohibits the presentation of items of income and expense (that is "non-owner changes in equity") in the statement of changes in equity, requiring "non-owner changes in equity" to be presented separately from owner changes in equity. All "non-owner changes in equity" are required to be shown in a performance statement.

Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The Group has elected to present one statement. The consolidated financial statements have been prepared under the revised disclosure requirements.

SFAS 3 (Revised 2009), "Interim Financial Reporting"

The standard requires that comparative information for a statement of financial position is to be given for the last year end. Under the previous standard, this information is given for comparable period end. The consolidated financial statements have been prepared under the revised disclosure requirements.

SFAS 22 (Revised 2009), "Business Combinations"

The revised standard continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the profit or loss. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed whilst goodwill is no longer amortised. The Group applies this revised standard prospectively to all business combinations from 1 January 2011.

The adoption of these new and revised standards and interpretations did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial periods:

SFAS 2 (Revised 2009), "Statement of Cash Flows"
SFAS 4 (Revised 2009), "Consolidated and Separate Financial Statements"
SFAS 5 (Revised 2009), "Operating Segment"
SFAS 7 (Revised 2010), "Related Party Disclosures"
SFAS 8 (Revised 2010), "Events after the Reporting Period"
SFAS 12 (Revised 2009), "Interests in Joint Ventures"
SFAS 15 (Revised 2009), "Investments in Associates"
SFAS 19 (Revised 2010), "Intangible Assets"
SFAS 23 (Revised 2010), "Revenue"
SFAS 25 (Revised 2009), "Accounting Policies, Changes in Accounting Estimates and Errors"
SFAS 48 (Revised 2009), "Impairment of Assets"
SFAS 57 (Revised 2009), "Provisions, Contingent Liabilities and Contingent Assets"
SFAS 58 (Revised 2009), "Non-current Assets Held for Sale and Discontinued Operations"
ISFAS 7 (Revised 2009), "Consolidation of Special Purpose Entities"
ISFAS 9, "Changes in Existing Decommissioning, Restoration and Similar Liabilities"
ISFAS 10, "Customer Loyalty Programs"
ISFAS 11, "Distributions of Non-Cash Assets to Owners"
ISFAS 12, "Jointly Controlled Entities – Non-monetary Contributions by Venturers"
ISFAS 14, "Intangible Assets - Website Costs"
ISFAS 17, "Interim Financial Reporting and Impairment"

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

The withdrawals of these standards and interpretations did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial periods:

SFAS 6, "Accounting and Reporting for Development-Stage Entities"
SFAS 21, "Accounting for Equity"
SFAS 40, "Accounting for Changes in Equity of the Subsidiaries or Associates"
ISFAS 1, "Determining Market Price of Dividend"
ISFAS 2, "Presentation of Capital in the Balance Sheet and Subscription Receivables"
ISFAS 3, "Accounting for Donation or Endowment"

The following new and revised standards and interpretations have been published and are mandatory for the Group's accounting periods beginning on 1 January 2012 or later periods¹:

SFAS 10 (Revised 2010), "The Effects of Changes in Foreign Exchange Rates"
SFAS 18 (Revised 2010), "Accounting and Reporting by Retirement Benefit Plans"
SFAS 24 (Revised 2010), "Employee Benefits"
SFAS 34 (Revised 2010), "Construction Contracts"
SFAS 46 (Revised 2010), "Income Taxes"
SFAS 50 (Revised 2010), "Financial Instruments: Presentation"
SFAS 53 (Revised 2010), "Share-based Payments"
SFAS 60, "Financial Instruments: Disclosures"
SFAS 61, "Accounting for Government Grants and Disclosures of Government Assistance"
ISFAS 13, "Hedges of a Net Investment in a Foreign Operation"
ISFAS 15, "SFAS 24 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction"
ISFAS 16, "Service Concession Arrangements"
ISFAS 18, "Government Assistance – No Specific Relation to Operating Activities"
ISFAS 20, "Income Taxes – Changes in the Tax Status of an Entity or its Shareholders"

The following withdrawals of accounting standards and interpretations have been published and are mandatory for the Group's accounting periods beginning on 1 January 2012 or later periods:

SFAS 11, "Translation of Financial Statements in Foreign Currencies"
SFAS 52, "Reporting Currencies"
ISFAS 4, "Allowable Alternative Treatment of Foreign Exchange Differences"

The Group is still assessing the impact of these new or revised SFAS and ISFAS and withdrawals of those standards and interpretations on the financial statements.

¹ Status as at 31 March 2011

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Consolidation

(a) Subsidiaries

4Rp4 4Rp10 4Rp11	Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which that control ceases.
22Rp4 22Rp37 22Rp39	The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.
22Rp53	Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.
22Rp18 22Rp19	
22Rp32	The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.
22Rp34	
4Rp17	Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Transactions with non-controlling interests

4Rp27,28	The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.
4Rp31	When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(c) Associates

15Rp2,3,8	Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated amortisation and impairment loss.
15Rp8	The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.
15Rp26,27	

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Consolidation (continued)

15Rp16	Dilution gains and losses arising in investments in associates are recognised in the profit or loss.
15Rp19	Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.
15Rp23	

2.3 Foreign currency translation

(a) Reporting currency

52p4	The interim consolidated financial statements are presented in Rupiah, which is the functional currency and reporting currency of the Group.
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(b) Transactions and balances

10p7, 10p9(c) 10p13 55Rp98 10p18, 55Rp105	Foreign currency transactions are translated into Rupiah using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.
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2.4 Cash and cash equivalents

2Rp7	In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. In the consolidated statement of financial position, bank overdrafts are shown within borrowings in current liabilities.
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2.5 Trade receivables

1Rp63	Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.
55Rp43	Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, if the impact of discounting is significant, less provision for impairment.

2.6 Financial assets

2.6.1 Classification

50Rp56	The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Financial assets (continued)

(a) Financial assets at fair value through profit or loss

55Rp8 Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are expected to be settled within 12 months; otherwise, they are classified as non-current.

(b) Loans and receivables

55Rp8 Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of reporting period. These are classified as non-current assets. The Group's loans and receivables comprise "trade and other receivables" and "cash and cash equivalents" in the statement of financial position (notes 2.5 and 2.4).

(c) Available-for-sale financial assets

55Rp8 Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

2.6.2 Recognition and measurement

50Rp57, 55Rp38
55RPA70
55Rp43,46
55Rp17 Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus the transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

55Rp56(a)
55Rp56(b)
55Rp68 Gains or losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are presented in the profit or loss within "other (losses)/gains – net" in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the profit or loss as part of other income when the Group's right to receive payments is established.

55Rp56(a) Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the profit or loss as "gains and losses from investment securities".

55Rp56(b) Interest on available-for-sale securities calculated using the effective interest method is recognised in the profit or loss as part of other income. Dividends on available-for-sale equity instruments are recognised in the profit or loss as part of other income when the Group's right to receive payments is established.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Offsetting financial instruments

50Rp38 Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.8 Derivative financial instruments and hedging activities

55Rp43
50Rp89(a) Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

55Rp90(a) (a) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge);
(b) hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or
(c) hedges of a net investment in a foreign operation (net investment hedge).

55Rp90(a) At the inception of the transaction, the Group documents the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

55Rp90(a) The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(a) Fair value hedge

55Rp91 Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The Group only applies fair value hedge accounting for hedging fixed interest risk on borrowings. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in the profit or loss within “finance costs”. The gain or loss relating to the ineffective portion is recognised in the profit or loss within “other gains/(losses) – net”. Changes in the fair value of the hedged fixed rate borrowings attributable to interest rate risk are recognised in the profit or loss within “finance costs”.

55Rp95 If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit or loss over the period to maturity.

(b) Cash flow hedge

55Rp98 The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the profit or loss within “other gains/(losses) – net”.

55Rp100 Amounts accumulated in equity are recycled to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the profit or loss within “finance costs”. The gain or loss relating to the ineffective portion is recognised in the profit or loss within “other gains/(losses) – net”. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory or property, plant and equipment), the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in cost of sales in the case of inventory or in depreciation in the case of property, plant and equipment.

55Rp101(b)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Derivative financial instruments and hedging activities (continued)

55Rp104 When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the profit or loss within “other gains/(losses) – net”.

(c) Net investment hedge

55Rp105 Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges.

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the profit or loss within “other gains/(losses) – net”.

Gains and losses accumulated in equity are included in the profit or loss when the foreign operation is partially disposed of or sold.

2.9 Impairment of financial assets

(a) Assets carried at amortised cost

55Rp59 At the end of each reporting period, the Group assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a “loss event”) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The Group first assesses whether objective evidence of impairment exists.

For loans and receivables category, the amount of the loss is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset’s original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument’s fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor’s credit rating), the reversal of the previously recognised impairment loss is recognised in the profit or loss.

(b) Assets classified as available-for-sale

55Rp59 The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, the Group uses the criteria referred to above (a). In the case of equity investments that are classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the profit or loss. Impairment losses recognised in the profit or loss on equity instruments are not reversed through the profit or loss. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the profit or loss.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Inventories

14Rp34(a),8
14Rp23,9
14Rp12
26Rp6,7
14Rp5

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (“FIFO”) method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Costs of inventories include the transfer from equity of any gains/losses on qualifying cash flow hedges purchases of raw materials¹.

2.11 Property, plant and equipment

16Rp31
16Rp35b
16Rp30, 17

Land and buildings comprise mainly factories, retail outlets and offices. Land and buildings are shown at fair value, based on periodic valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

47p2(b)

Material amounts of legal costs associated with land rights are capitalised and amortised over their useful lives.

16Rp13,7
16Rp72
16Rp12

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

16Rp39,40
16Rp41

Increases in the carrying amount arising on revaluation of land and buildings are credited to “asset revaluation reserve” in shareholders’ equity. Decreases that offset previous increases of the same asset are charged against “asset revaluation reserve” directly in equity; all other decreases are charged to the profit or loss. Each reporting period the difference between depreciation based on the revalued carrying amount of the asset charged to the profit or loss and depreciation based on the asset’s original cost is transferred from “asset revaluation reserve” to “retained earnings”.

47p17
16Rp53, 75(b)
16Rp75 (c)

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

– Buildings	25-40 years
– Machinery	10-15 years
– Vehicles	3-5 years
– Furniture, fittings and equipment	3-8 years

16Rp54

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

48Rp59

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount (note 2.13).

16Rp70,73

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within “Other (losses)/gains – net” in the profit or loss.

16Rp41

When revalued assets are sold, the amounts included in equity are transferred to retained earnings.

The accumulated costs of the construction of buildings and the installation of machinery are capitalised as construction in progress. These costs are reclassified to property, plant and equipment when the construction or installation is complete. Depreciation is charged from the date the assets are ready for use.

¹ Management may choose to keep these gains in equity until the acquired asset affects profit or loss. At this time, management should re-classify the gains to profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Property, plant and equipment (continued)

26Rp8	Interest and other borrowing costs, such as discount fees on loans either directly or indirectly used in financing the construction of a qualifying asset, are capitalised up to the date when construction is complete. For borrowings that are directly attributable to a qualifying asset, the amount to be capitalised is determined as the actual borrowing cost incurred during the period, less any income earned on the temporary investment of such borrowings. For borrowings that are not directly attributable to a qualifying asset, the amount to be capitalised is determined by applying a capitalisation rate to the amount expended on the qualifying assets. The capitalisation rate is the weighted average of the total borrowing costs applicable to the total borrowings outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.
26Rp22	
26Rp14	

2.12 Intangible assets

(a) Goodwill

22Rp32	Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in "intangible assets". Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.
48Rp91	
48Rp119	

48Rp80 Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

(b) Trademarks and licences

19Rp25	Separately acquired trademarks and licences are shown at historical cost. Trademarks and licences acquired in a business combination are recognised at fair value at the acquisition date. Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives of 15 to 20 years.
19Rp33	
19Rp97	

19Rp25
19Rp97 Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of three to five years.

(c) Contractual customer relationships

Contractual customer relationships acquired in a business combination are recognised at fair value at the acquisition date. The contractual customer relations have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the customer relationship.

(d) Computer software

19Rp67	Costs associated with maintaining computer software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:
19Rp56	

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Intangible assets (continued)

- 19Rp65 Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.
- 19Rp76, 71 Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.
- 19Rp97 Computer software development costs recognised as assets are amortised over their estimated useful lives, which does not exceed three years.
19Rp119(a),(b)

2.13 Impairment of non-financial assets

- 19Rp107,108 Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready for use – are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.
- 48Rp59
48Rp18
48Rp6

2.14 Non-current assets (or disposal group) held for sale

- 58Rp8 Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.
- 58Rp19

2.15 Trade payables

- 1Rp66 Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.
- 55Rp43,47 Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.16 Borrowings

- 55Rp43 Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest method.
- 55Rp47
- 50Rp14(a) Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.
- 50Rp31 Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in the profit or loss as interest expense.
- Borrowings are classified as current liabilities unless the Group has an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Compound financial instruments

50Rp24 Compound financial instruments issued by the Group comprise convertible loans that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

50RPA31 The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

2.18 Share capital

50Rp14(a) Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities (note 2.16).

50Rp33 Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

50Rp29 Where any Group company purchases the company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the company's equity holders.

2.19 Provisions

57Rp14 Provisions for environmental restoration, restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

57Rp72

57Rp63

57Rp24 Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

57Rp45 Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

2.20 Employee benefits

(a) Pension obligations

24p26 Group companies operate various pension schemes. The Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

24p8

24p28

24p126(b)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Employee benefits (continued)

- 24p54 The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of Government Bonds (considering currently there is no deep market for high-quality corporate bonds) that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.
- 24p66
24p80,82
- 24p94,95 Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions in excess of the greater of 10% of the fair value of plan assets or 10% of the present value of the defined benefit obligation are charged or credited to income over the employees expected average remaining working lives.
- 24p98 Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.
- 24p45 For defined contribution plans, the Group pays contributions to pension plans on a mandatory, contractual or voluntary basis. However, since Labor Law no. 13 of 2003 requires an entity to pay to a worker entering into pension age a certain amount based on, mainly, the worker's length of service, the entity is exposed to the possibility of having to make further payments to reach that certain amount in particular when the cumulative contributions are less than that amount. Consequently for financial reporting purposes the defined contributions plans are effectively treated as if they were defined benefit plans.
- (b) Other post-employment obligations
- 24p126(b) Some Group companies provide post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the profit or loss in the period in which they arise. These obligations are valued annually by independent qualified actuaries.
- 24p126(a)
- (c) Termination benefits
- 24p139 Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits.
- 24p140 The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the reporting date are discounted to their present value.
- 24p145
- (d) Profit-sharing and bonus plans
- 24p18 The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Share-based payments

- 53p11 The Group operates a number of equity-settled, share-based compensation plans, under which the Group grants options to employees as a payment for their services. The total amount of compensation to be expensed is determined by reference to the fair value of the options granted, after deduction for any amount to be paid by the employees for the option.
- 53p34, 53p37 Service conditions (i.e where an employee is required to perform services for the Group for a certain number of periods before the options can be exercised) are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the service conditions.
- 53p12 The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of options granted, measured at the grant date, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

2.22 Current and deferred income tax

- 46p37,40 The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.
- 3RpB12 Income tax expense in the interim consolidated financial statement is recognised based on management's estimate of the weighted average annual income tax rate expected for the full financial year.
- 46p29,13 Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Where appropriate, it establishes provisions based on the amounts expected to be paid to the tax authorities.
- 46p21 Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Tax loss carryforward is recognised as a deferred tax asset when it is probable that there will be future taxable profit available against which the unused tax losses can be utilised. Deferred income tax is determined using tax rates pursuant to laws or regulations that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.
- 46p14
- 46p26
- 46p30
- 46p21 Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.23 Revenue recognition

- 23Rp8,9 Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.
- 23Rp13 The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.23 Revenue recognition (continued)

(a) Sales of goods – wholesale

The Group manufactures and sells a range of footwear products in the wholesale market. Sales of goods are recognised when a Group entity has delivered products to the wholesaler, the wholesaler has full discretion over the channel and price at which to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery does not occur until the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The footwear products are often sold with volume discounts; customers have a right to return faulty products in the wholesale market. Sales are recorded based on the price specified in the sales contracts, net of the estimated volume discounts and returns at the time of sale. Accumulated experience is used to estimate and provide for the discounts and returns. The volume discounts are assessed based on anticipated annual purchases. No element of financing is deemed present as the sales are made with a credit term of 60 days, which is consistent with the market practice.

(b) Sales of goods – retail

The Group operates a chain of retail outlets for selling shoes and other leather products. Sales of goods are recognised when a Group entity sells a product to the customer. Retail sales are usually made in cash or by credit card.

It is the Group's policy to sell its products to the retail customer with a right to return it within 28 days. Accumulated experience is used to estimate and provide for such returns at the time of sale. The Group does not operate any loyalty programmes.

(c) Sales of services

The Group sells design services and transportation services to other shoe manufacturers. These services are provided on a time and material basis or as a fixed-price contract, with contract terms generally ranging from less than one year to three years.

23Rp20

Revenue from time and material contracts, typically from delivering design services, is recognised under the percentage-of-completion method. Revenue is generally recognised at the contractual rates. For time contracts, the stage of completion is measured on the basis of labour hours delivered as a percentage of the total hours to be delivered. For material contracts, the stage of completion is measured on the basis of direct expenses incurred as a percentage of the total expenses to be incurred.

Revenue from fixed-price contracts for delivering design services is also recognised under the percentage-of-completion method. Revenue is generally recognised based on the services performed to date as a percentage of the total services to be performed.

Revenue from fixed-price contracts for delivering transportation services is generally recognised in the period the services are provided, using a straight-line basis over the term of the contract.

If circumstances arise that may change the original estimates of revenues, costs or extent of progress toward completion, estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs and are reflected in income in the period in which the circumstances that give rise to the revision become known by management.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.23 Revenue recognition (continued)

(d) Interest income

23Rp29(a) Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

(e) Royalty income

23Rp29(b) Royalty income is recognised on an accruals basis in accordance with the substance of the relevant agreements.

(f) Dividend income

23Rp29(c) Dividend income is recognised when the right to receive payment is established.

2.24 Leases

30Rp8 Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on a straight-line basis over the period of the lease.

30Rp29

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases.

30Rp8
30Rp16

Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased asset and the present value of the minimum lease payments.

30Rp21

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

30Rp23

2.25 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

50Rp48 The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by a central treasury department (Group treasury) under policies approved by the board of directors. The Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

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3. FINANCIAL RISK MANAGEMENT¹ (continued)

3.1 Financial risk factors (continued)

50Rp48(a)	<p>(a) Market risk</p> <p>(i) Foreign exchange risk</p> <p>The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.</p>
50Rp54	<p>Management has set up a policy that requires Group companies to manage their foreign exchange risk against their functional currency. The Group companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. To manage their foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, entities in the Group use forward contracts, transacted with the Group treasury. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional recording nor its reporting currency.</p>
50Rp52	<p>The Group treasury's risk management policy is to hedge between x% and x% of anticipated cash flows (mainly purchase of property, plant and equipment) for the subsequent 12 months.</p> <p>Each subsidiary designates contracts with the Group treasury as fair value hedges or cash flow hedges, as appropriate. External foreign exchange contracts are designated at Group level as hedges of foreign exchange risk on specific assets, liabilities or future transactions on a gross basis.</p>
DV	<p>As at 31 March 2011, if the currency had weakened/strengthened by x% against the US dollar with all other variables held constant, post-tax profit for the year would have been Rpxxx (2010: Rpxxx) higher/lower, mainly as a result of foreign exchange gains/losses on translation of US dollar-denominated financial assets at fair value through profit or loss, and debt securities classified as available for sale. Profit is more sensitive to movement in currency/US dollar exchange rates in 2011 than 2010 because of the increased amount of US dollar-denominated borrowings.</p> <p>(ii) Price risk</p>
50Rp48(a)(iii)	<p>The Group is exposed to equity securities price risk because of investments held by the Group and classified on the statement of financial position either as available for sale or at fair value through profit or loss. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.</p> <p>(iii) Cash flow and fair value interest rate risk</p>
50Rp71	<p>As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.</p>
50Rp56,53	<p>The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. Group policy is to maintain approximately x% of its borrowings in fixed rate instruments. During 2011 and 2010, the Group's borrowings at fixed rate were denominated in the Rupiah.</p>
50Rp71	<p>The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Group calculates the impact on profit or loss of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions.</p>
50Rp54(b)(c)	<p>Based on the simulations performed, the impact on post tax profit of a x% shift would be a maximum increase of Rpxxx (2010: Rpxxx) or decrease of Rpxxx (2010: Rpxxx), respectively. The simulation is done on a quarterly basis to verify that the maximum loss potential is within the limit given by the management.</p>

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3. FINANCIAL RISK MANAGEMENT¹ (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

The Group enters into fixed-to-floating interest rate swaps to hedge the fair value interest rate risk arising where it has borrowed at fixed rates in excess of the x% target.

50Rp71 As at 31 March 2010, if interest rates on Rupiah-denominated borrowings had been x% higher/lower with all other variables held constant, post-tax profit for the year would have been Rpxxx (2010: Rpxxx) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings; other components of equity would have been Rpxxx (2010: Rpxxx) lower/higher mainly as a result of a decrease/increase in the fair value of fixed rate financial assets classified as available for sale.

(b) Credit risk

50Rp72 (b) The Group has no significant concentrations of credit risk. It has policies in place to ensure that wholesale sales of products are made to customers with an appropriate credit history. Sales to retail customers are made in cash or via major credit cards. Derivative counterparties and cash transactions are limited to high-credit-quality financial institutions. The Group has policies that limit the amount of credit exposure to any financial institution.

DV Credit risk is managed on a Group basis. Credit risk arises from short-term bank deposits, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of "A" are accepted. If wholesale customers are independently rated, these ratings are used. If there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparties.

50Rp48(c) (c) Liquidity risk

50Rp52 Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

50Rp52 Management monitors rolling forecasts of the Group's liquidity reserve (which comprises an undrawn borrowing facility (note 19) and cash and cash equivalents (note 6) on the basis of expected cash flow. This is generally carried out at local level in the operating companies of the Group in accordance with practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cashflows and considering the level of liquid assets necessary to meet these; monitoring liquidity ratios against internal and external regulatory requirements; and maintaining debt financing plans.

DV The table below analyses the Group's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows¹. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

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3. FINANCIAL RISK MANAGEMENT¹ (continued)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

	Less than 1 year ²	Between 1 and 2 years ²	Between 2 and 5 years ²	Over 5 years ²
As at 31 December 2010				
Borrowings (excluding finance liabilities)	XXXXX	XXXXX	XXXXX	XXXXX
Finance lease liabilities	XXXXX	XXXXX	XXXXX	XXXXX
Derivative financial instruments	XXXXX	XXXXX	XXXXX	XXXXX
Trade and other payables	XXXXX ³	XXXXX	XXXXX	XXXXX
As at 31 March 2011				
Borrowings (excluding finance liabilities)	XXXXX	XXXXX	XXXXX	XXXXX
Finance lease liabilities	XXXXX	XXXXX	XXXXX	XXXXX
Derivative financial instruments	XXXXX	XXXXX	XXXXX	XXXXX
Trade and other payables	XXXXX ³	XXXXX	XXXXX	XXXXX

¹ As the amounts included in the table are the contractual undiscounted cash flows, these amounts will not reconcile to the amounts disclosed on the statement of financial position for borrowings, derivative financial instruments and trade and other payables. Entities can choose to add a reconciling column and a final total which ties into the statement of financial position if they so wish.

² The specific time buckets presented are not mandated by the standard but are based on a choice by management.

³ The maturity analysis applies to financial instruments only and therefore statutory liabilities are not included.

1Rp131,132,133

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as "equity" as shown in the statement of financial position plus net debt.

During 2011, the Group's strategy, which was unchanged from 2010, was to maintain the gearing ratio within x% to x% and a BB credit rating. The BB credit rating has been maintained throughout the period. The gearing ratios as at 31 March 2011 and 31 December 2010 were as follows:

	31 March 2011	31 December 2010
Total borrowings (note 19)	XXXXXX	XXXXXX
Less: cash and cash equivalents (note 6)	XXXXXX	XXXXXX
Net debt	XXXXXX	XXXXXX
Total equity	XXXXXX	XXXXXX
Total capital	XXXXXX	XXXXXX
Gearing ratio	x%	x%

The decrease in the gearing ratio during 2011 resulted primarily from the issue of share capital.

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3. FINANCIAL RISK MANAGEMENT¹ (continued)

3.3 Fair value estimation

50Rp89

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the reporting date.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

Guidance notes – Financial risk management

The publication illustrates some disclosures that may be required for financial risk management. The matters and level of detail to be disclosed depend on the circumstances and the extent of financial risks faced by the entity.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

1Rp122

4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next 12 months are addressed below.

(a) Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2.13. The recoverable amounts of Cash Generating Units (“CGU”) have been determined based on value-in-use calculations. These calculations require the use of estimates (note 16).

An impairment charge of Rpxxx arose in the wholesale cash generating unit in PT Sepatu Anak during the period, resulting in the carrying amount of the CGU being written down to its recoverable amount. If the budgeted gross margin used in the value-in-use calculation for the wholesale CGU in PT Sepatu Anak had been x% lower than management’s estimates as at 31 March 2011 (for example, x% instead of x%), the Group would have recognised a further impairment of goodwill by Rpxxx and would need to reduce the carrying value of property, plant and equipment by Rpxxx.

If the estimated cost of capital used in determining the pre-tax discount rate for the wholesale CGU in PT Sepatu Anak had been x% higher than management’s estimates (for example, x% instead of x%), the Group would have recognised a further impairment against goodwill of Rpxxx.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS² (continued)

1Rp122

4.1 Critical accounting estimates and assumptions (continued)

(b) Income taxes

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Were the actual final outcome (on the judgement areas) of expected cash flows to differ by x% from management's estimates, the Group would need to:

- increase the income tax liability by Rpxxx and the deferred tax liability by Rpxxx, if unfavourable; or
- decrease the income tax liability by Rpxxx and the deferred tax liability by Rpxxx, if favourable.

(c) Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. The Group has used discounted cash flow analysis for various available-for-sale financial assets that are not traded in active markets.

The carrying amount of available-for-sale financial assets would be an estimated Rpxxx lower or Rpxxx higher were the discount rate used in the discount cash flow analysis to differ by x% from management's estimates.

(d) Revenue recognition

The Group uses the percentage-of-completion method in accounting for its fixed-price contracts to deliver design services. The use of the percentage-of-completion method requires the Group to estimate the services performed to date as a proportion of the total services to be performed. Were the proportion of services performed to total services to be performed to differ by x% from management's estimates, the amount of revenue recognised in the period would be increased by Rpxxx if the proportion performed were increased, or would be decreased by Rpxxx if the proportion performed were decreased.

(e) Pension benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each reporting period. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in note 21.

Were the discount rate used to differ by x% from management's estimates, the carrying amount of pension obligations would be an estimated Rpxxx lower or Rpxxx higher.

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS² (continued)

1Rp114

4.2 Critical judgments in applying the entity's accounting policies

(a) Revenue recognition

The Group has recognised revenue amounting to Rpxxx for sales of goods to L&Co during the first quarter of 2011. The buyer has the right to return the goods if their customers are dissatisfied. Based on past experience with similar sales, the Group believes that the dissatisfaction rate will not exceed x%. The Group has, therefore, recognised revenue on this transaction with a corresponding provision against revenue for estimated returns. If the estimate changes by x%, revenue will be reduced/increased by Rpxxx.

(b) Impairment of available-for-sale equity investments

The Group follows the guidance of SFAS 55 (Revised 2007) to determine when an available-for-sale equity investment is impaired. This determination requires significant judgement. In making this judgement, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and short term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

If all of the declines in fair value below cost were considered significant or prolonged, the Group would suffer an additional loss of Rpxxx in its 2011 interim financial statements, being the transfer of the accumulated fair value adjustments recognised in equity on the impaired available-for-sale financial assets to the profit or loss.

Guidance notes – Critical accounting estimates and judgments

These disclosures must be tailored to another reporting entity as they are specific to an entity's particular circumstances.

3Rp16(i)

5. BUSINESS COMBINATIONS

22RpB64(a)-(d)

On 1 March 2011, the Group acquired 90% of the share capital of PT Sepatu Resmi, a shoe and leather goods retailer. The total consideration was Rpxxx. As a result of the acquisition, the Group is expected to increase its presence in these markets. It also expects to reduce costs through economies of scale. None of the goodwill is expected to be deductible for tax purposes.

22RpB64(e)

The goodwill of Rpxxx arises from a number of factors such as expected synergies through combining a highly skilled workforce and obtaining economies of scale expected and unrecognised assets such as the workforce.

22RpB64(k)

The following table summarises the consideration paid for PT Sepatu Resmi and the amounts of the assets acquired and liabilities assumed recognised at the acquisition date.

Consideration:

1 March 2011

22RpB64(f)(i)

22RpB64(g)(i)

- Cash paid
- Contingent consideration

XXXXXX

XXXXXX

22RpB64(f)

Total consideration

XXXXXX

22RpB64(m)

Acquisition-related costs (included in administrative expenses in the profit or loss for the period ended 31 March 2011)

XXXXXX

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3Rp16(i)	5. BUSINESS COMBINATIONS (continued)	
22RpB64(i)	Recognised amounts of identifiable assets acquired and liabilities assumed	Provisional fair value
	Cash and cash equivalents	XXXXXX
	Property, plant and equipment (note 15)	XXXXXX
	Trademarks (included in intangibles) (note 16)	XXXXXX
	Licences (included in intangibles) (note 16)	XXXXXX
	Contractual customer relationship (included in intangible) (note 16)	XXXXXX
	Available-for-sale financial assets (note 10)	XXXXXX
	Inventories	XXXXXX
	Trade and other receivables	XXXXXX
	Trade and other payables	(XXXXXX)
	Post-employment benefit obligations:	
	- Pensions (note 21)	(XXXXXX)
	- Other post-employment obligations (note 21)	(XXXXXX)
	Borrowings	(XXXXXX)
	Net deferred tax assets/(liabilities) (note 12)	(XXXXXX)
	Total identifiable net assets	<u>XXXXXX</u>
22RpB64(o)(i)	Non-controlling interest	(XXXXXX)
	Goodwill (note 16)	<u>XXXXXX</u>
		<u>XXXXXX</u>
22RpB64(f)(iii) 22RpB64(g) 22RpB67(b)	The contingent consideration arrangement requires the Group to pay the former owners of PT Sepatu Resmi x% of the profit of PT Sepatu Resmi, in excess of Rpxxx for 2011, up to a maximum undiscounted amount of Rpxxx.	
	The potential undiscounted amount of all future payments that the Group could be required to make under this arrangement is between Rpxxx and Rpxxx.	
	The fair value of the contingent consideration arrangement of Rpxxx was estimated by applying the income approach. The fair value estimates are based on a discount rate of x% and assumed probability-adjusted profit in PT Sepatu Resmi of Rpxxx to Rpxxx.	
22RpB64(h)	The fair value of trade and other receivables is Rpxxx and includes trade receivables with a fair value of Rpxxx. The gross contractual amount for trade receivables due is Rpxxx, of which Rpxxx is expected to be uncollectible.	
22RpB67(a)	The fair value of the acquired identifiable intangible assets of Rpxxx (including trademarks and licences) is provisional pending receipt of the final valuations for those assets. Deferred tax of Rpxxx has been provided in relation to these fair value adjustments.	
22RpB64(o)	The non-controlling interest has been recognised as a proportion of the net assets acquired.	
22RpB64(q)(i)	The revenue included in the profit or loss since 1 March 2011 contributed by PT Sepatu Resmi was Rpxxx. PT Sepatu Resmi also contributed a profit of Rpxxx over the same period.	
22RpB64(q)(ii)	Had PT Sepatu Resmi been consolidated from 1 January 2011, the profit or loss would show revenue of Rpxxx and a profit of Rpxxx.	
	See note 35 for disclosures regarding the business combination that took place after the reporting date but before the approval of these financial statements.	

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6. CASH AND CASH EQUIVALENTS

	<u>31 March 2011</u>	<u>31 December 2010</u>
Cash at bank and on hand	XXXXXX	XXXXXX
Short-term bank deposits	<u>XXXXXX</u>	<u>XXXXXX</u>
	<u>XXXXXX</u>	<u>XXXXXX</u>

7. TRADE AND OTHER RECEIVABLES

	<u>31 March 2011</u>	<u>31 December 2010</u>
1Rp74	Trade receivables	XXXXXX
	Less: provision for impairment of trade receivables	<u>(XXXXXX)</u>
1Rp75(b)	Trade receivables – net	XXXXXX
1Rp75(b)	Prepayments	XXXXXX
1Rp75(b)	Receivables from related parties (note 32)	XXXXXX
1Rp75(b)	Loans to related parties (note 32)	<u>XXXXXX</u>
		<u>XXXXXX</u>
1Rp63	Less non-current portion: loans to related parties	<u>(XXXXXX)</u>
1Rp63	Current portion	<u>XXXXXX</u>

All non-current receivables are due within five years from the end of the reporting period.

50Rp82 The fair values of trade and other receivables are as follows:

	<u>31 March 2011</u>	<u>31 December 2010</u>
	Trade receivables	XXXXXX
	Receivables from related parties	XXXXXX
	Loans to related parties	<u>XXXXXX</u>
		<u>XXXXXX</u>

50Rp89(a) The fair values of loans to related parties are based on cash flows discounted using a rate based on the borrowings rate of x% (2010: x%). The discount rate is equal to JIBOR plus appropriate credit rating.

50Rp63(b)
24Rp17(b)(i) The effective interest rates on non-current receivables were as follows:

	<u>31 March 2011</u>	<u>31 December 2010</u>
	Loans to related parties (note 32)	x%
		x%

DV As of 31 March 2011, trade receivables of Rpxxx (2010: Rpxxx) were fully performing.

50Rp91(i) As of 31 March 2011, trade receivables of Rpxxx (2010: Rpxxx) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

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7. TRADE AND OTHER RECEIVABLES (continued)

	<u>31 March</u> <u>2011</u>	<u>31 December</u> <u>2010</u>
Up to 3 months	XXXXXX	XXXXXX
3 to 6 months	<u>XXXXXX</u>	<u>XXXXXX</u>
	<u>XXXXXX</u>	<u>XXXXXX</u>

50Rp91(i) As of 31 March 2011, trade receivables of Rpxxx (2010: Rpxxx) were impaired and provided for. The amount of the provision was Rpxxx as of 31 March 2011 (2010: Rpxxx). The individually impaired receivables mainly relate to wholesalers, which are in unexpectedly difficult economic situations. It was assessed that a portion of the receivables is expected to be recovered. The ageing of these receivables is as follows:

	<u>31 March</u> <u>2011</u>	<u>31 December</u> <u>2010</u>
3 to 6 months	XXXXXX	XXXXXX
Over 6 months	<u>XXXXXX</u>	<u>XXXXXX</u>
	<u>XXXXXX</u>	<u>XXXXXX</u>

DV The carrying amounts of the Group's trade and other receivables are denominated in Rupiah :

DV Movements in the Group's provision for impairment of trade receivables are as follows:

	<u>31 March</u> <u>2011</u>	<u>31 December</u> <u>2010</u>
At beginning period	XXXXXX	XXXXXX
Provision for receivables impairment	XXXXXX	XXXXXX
Receivables written off during the year as uncollectible	(XXXXXX)	(XXXXXX)
Unused amounts reversed	(XXXXXX)	(XXXXXX)
Unwind of discount (note 28)	<u>XXXXXX</u>	<u>XXXXXX</u>
At end period	<u>XXXXXX</u>	<u>XXXXXX</u>

The creation and release of provision for impaired receivables have been included in "other expenses" (note 27) in the profit or loss. Unwind of discount is included in "finance costs" in the profit or loss (note 28). Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The other classes within trade and other receivables do not contain impaired assets.

50Rp72(a) The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

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8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

		<u>31 March</u> <u>2011</u>	<u>31 December</u> <u>2010</u>
50Rp89 (b)	Listed securities – held-for-trading		
	– Equity securities – Indonesia	XXXXXX	XXXXXX
	– Equity securities – US	<u>XXXXXX</u>	<u>XXXXXX</u>
		<u>XXXXXX</u>	<u>XXXXXX</u>

Changes in fair values of financial assets at fair value through profit or loss are recorded in “other (losses)/gains – net” in the profit or loss (note 30).

50Rp89 (b) The fair value of all equity securities is based on their current bid prices in an active market.

9. DERIVATIVE FINANCIAL INSTRUMENTS

	<u>31 March 2011</u>		<u>31 December 2010</u>	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
50Rp54(a),(b)				
	Interest rate swaps – cash flow hedges	XXXXXX	XXXXXX	XXXXXX
	Interest rate swaps – fair value hedges	XXXXXX	XXXXXX	XXXXXX
	Forward foreign exchange contracts – cash flow hedges	XXXXXX	XXXXXX	XXXXXX
	Forward foreign exchange contracts – held-for-trading	<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>
	Total	<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>
1Rp63	Less non-current portion:			
	Interest rate swaps – cash flow hedges	XXXXXX	XXXXXX	XXXXXX
	Interest rate swaps – fair value hedges	<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>
		<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>
1Rp63	Current portion	<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>

55Rp98(b) The ineffective portion recognised in the profit or loss that arises from fair value hedges amounts to a loss of Rpxxx (2010: loss of Rpxxx) (note 30). The ineffective portion recognised in the profit or loss that arises from cash flow hedges amounts to a gain of Rpxxx (2010: a gain of Rpxxx) (note 30).

(a) Forward foreign exchange contracts

50Rp59(a) The notional principal amounts of the outstanding forward foreign exchange contracts as at 31 March 2011 were Rpxxx (2010: Rpxxx).

50Rp55 The hedged highly probable forecast transactions denominated in foreign currency are expected to occur at various dates during the next 12 months. Gains and losses recognised in the hedging reserve in equity on forward foreign exchange contracts as of 31 March 2011 are recognised in the profit or loss in the period or periods during which the hedged forecast transaction affects the profit or loss. This is generally within 12 months from the reporting date unless the gain or loss is included in the initial amount recognised for the purchase of property, plant and equipment, in which case recognition is over the lifetime of the asset (five to 10 years).

50Rp59(a) (b) Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts as at 31 March 2011 were Rpxxx (2010: Rpxxx).

50Rp55 As at 31 March 2011, the fixed interest rates vary from x% to x% (2010: x% to x%), and the main floating rates are JIBOR. Gains and losses recognised in the hedging reserve in equity on interest rate swap contracts as of 31 March 2011 will be continuously released to the profit or loss until the repayment of the bank borrowings (note 19).

50Rp72(a) The maximum exposure to credit risk at the reporting date is the fair value of the derivative assets in the statement of financial position.

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10. AVAILABLE-FOR-SALE FINANCIAL ASSETS

		31 March	31 December
		2011	2010
	At beginning of period	XXXXXX	XXXXXX
	Exchange differences	XXXXXX	(XXXXXX)
	Acquisition of subsidiary (note 5)	XXXXXX	-
	Additions	XXXXXX	XXXXXX
	Disposals	(XXXXXX)	-
	Net gains/(losses) transfer from equity	(XXXXXX)	(XXXXXX)
1Rp103(c)	Net gains/(losses) transfer to equity	<u>XXXXXX</u>	<u>XXXXXX</u>
	At end of period	XXXXXX	XXXXXX
1Rp63	Less: non-current portion	<u>(XXXXXX)</u>	<u>(XXXXXX)</u>
1Rp63	Current portion	<u>XXXXXX</u>	-
55Rp56(b), 68 50Rp91(i)	The Group removed profits of Rpxxx (2010: Rpxxx) and losses Rpxxx (2010: Rpxxx) from equity into the profit or loss.		
50Rp89(b)	Available-for-sale financial assets include the following:		
		31 March	31 December
		2011	2010
50Rp89(b), 55RPA86-88	Listed securities		
	- Equity securities – Indonesia	XXXXXX	XXXXXX
	- Equity securities – US	XXXXXX	XXXXXX
50Rp63	- Debentures with fixed interest of x% and maturity date of 27 August 2013	XXXXXX	-
50Rp63	- Non-cumulative x% non-redeemable preference shares	XXXXXX	-
50Rp63, 55RPA89-95	Unlisted securities:		
	- Debt securities with fixed interest ranging from x% to x% and maturity dates between July 2012 and May 2014	<u>XXXXXX</u>	<u>XXXXXX</u>
		<u>XXXXXX</u>	<u>XXXXXX</u>
DV	Available-for-sale financial assets are denominated in the following currencies:		
		31 March	31 December
		2011	2010
	Rupiah	XXXXXX	XXXXXX
	US Dollars	<u>XXXXXX</u>	<u>XXXXXX</u>
		<u>XXXXXX</u>	<u>XXXXXX</u>
50Rp89(a),(b)	The fair value of unlisted securities are based on cash flows discounted using a rate based on the market interest rate and the risk premium specific to the unlisted securities (2011: x%; 2010: x%).		
50Rp72(a)	The maximum exposure to credit risk at the reporting date is the carrying value of the debt securities classified as available for sale.		

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11. INVENTORIES

		31 March	31 December
		2011	2010
14Rp34(b)	Raw materials	XXXXXX	XXXXXX
	Work in progress	XXXXXX	XXXXXX
	Finished goods	XXXXXX	XXXXXX
		<u>XXXXXX</u>	<u>XXXXXX</u>
14Rp34(d)	The cost of inventories recognised as expense and included in “cost of sales” amounted to Rpxxx (2010: Rpxxx).		
14Rp34(f) 3Rp17(a)	The Group reversed Rpxxx of a previous inventory write-down in July 2010. The Group has sold all the goods that were written down to an independent retailer at original cost. The amount reversed has been included in “cost of sales” in the profit or loss.		

12. TAXATION

a) Prepaid taxes

	31 March	31 December
	2011	2010
Corporate income tax	XXXXXX	XXXXXX
Value added tax	XXXXXX	XXXXXX
	<u>XXXXXX</u>	<u>XXXXXX</u>

b) Taxes payable

	31 March	31 December
	2011	2010
Income taxes:		
Article 25/29	XXXXXX	XXXXXX
Other taxes :		
Withholding taxes art. 21	XXXXXX	XXXXXX
Withholding taxes art. 23	XXXXXX	XXXXXX
	<u>XXXXXX</u>	<u>XXXXXX</u>

c) Income tax expenses

		Three-month	
		ended 31 March	
		2011	2010
46p56(a)	Current :		
	Non Final	XXXXXX	XXXXXX
	Final	XXXXXX	XXXXXX
	Deferred	XXXXXX	XXXXXX
		<u>XXXXXX</u>	<u>XXXXXX</u>

3RpB12 The tax expense for the first quarter is determined by applying the Group’s estimated average tax rate for the whole of 2011 (including deferred tax) to the pre-tax profit. This rate is adjusted if necessary for the tax effects of exceptional items recognised in the period.

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12. TAXATION (continued)

46p56(d)(i) The reconciliation between income tax expenses and the theoretical tax amount on the profit before income tax is as follows:

	Three-month ended 31 March	
	2011	2010
Consolidated profit before income taxes	XXXXXX	XXXXXX
Consolidation eliminations	<u>XXXXXX</u>	<u>XXXXXX</u>
Consolidated profit before income tax and eliminations	XXXXXX	XXXXXX
Less:		
Profit before income tax of subsidiaries	<u>(XXXXXX)</u>	<u>(XXXXXX)</u>
Profit before income tax of the Company	XXXXXX	XXXXXX
Tax calculated at weighted average annual income tax	XXXXXX	XXXXXX
Tax effects of:		
- Income not subject to tax	(XXXXXX)	(XXXXXX)
- Income subject to final tax	(XXXXXX)	(XXXXXX)
- Expenses not deductible	XXXXXX	XXXXXX
Re-measurement of deferred tax – change in the corporate income tax rate	<u>-</u>	<u>XXXXXX</u>
Tax charge	<u>XXXXXX</u>	<u>XXXXXX</u>

46p56(b) The income tax charged/(credited) relating to other comprehensive income during the period is as follows:

	Three-month ended 31 March	
	2011	2010
Deferred tax:		
Land and buildings	-	XXXXXX
Hedging reserve	XXXXXX	XXXXXX
Available-for-sale financial assets	<u>XXXXXX</u>	<u>XXXXXX</u>
	<u>XXXXXX</u>	<u>XXXXXX</u>

46p56(b) The income tax charged/(credited) relating to equity during the period is as follows:

	Three-month ended 31 March	
	2011	2010
Deferred tax:		
Convertible bond – equity component	XXXXXX	XXXXXX
Share options - impact of difference in fair values between grant date and exercise date	<u>XXXXXX</u>	<u>XXXXXX</u>
	<u>XXXXXX</u>	<u>XXXXXX</u>

In addition, deferred income tax of Rpxxx (2010: Rpxxx) was transferred from “asset revaluation reserves” to “retained earnings”. This represents deferred tax on the difference between the actual depreciation on buildings and the equivalent depreciation based on the historical cost of buildings.

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12. TAXATION (continued)

d) Deferred tax assets and liabilities

1Rp58

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	<u>31 March 2011</u>	<u>31 December 2010</u>
Deferred tax assets:		
– Deferred tax assets to be recovered after more than 12 months	(XXXXXXX)	(XXXXXXX)
– Deferred tax assets to be recovered within 12 months	<u>(XXXXXXX)</u>	<u>(XXXXXXX)</u>
	<u>(XXXXXXX)</u>	<u>(XXXXXXX)</u>
Deferred tax liabilities:		
– Deferred tax liabilities to be recovered after more than 12 months	XXXXXXX	XXXXXXX
– Deferred tax liabilities to be recovered within 12 months	<u>XXXXXXX</u>	<u>XXXXXXX</u>
	<u>XXXXXXX</u>	<u>XXXXXXX</u>
Deferred tax liabilities (net)	<u>XXXXXXX</u>	<u>XXXXXXX</u>

The gross movement in the deferred income tax account is as follows:

	<u>31 March 2011</u>	<u>31 December 2010</u>
At beginning of period	XXXXXXX	XXXXXXX
Exchange differences	(XXXXXXX)	(XXXXXXX)
Acquisition of subsidiary (note 5)	XXXXXXX	-
Charge to profit or loss	XXXXXXX	XXXXXXX
Tax charged/(credited) relating to the components of other comprehensive income	XXXXXXX	XXXXXXX
Tax charged/(credited) directly to equity	<u>XXXXXXX</u>	<u>XXXXXXX</u>
At end of period	<u>XXXXXXX</u>	<u>XXXXXXX</u>

46p56(g)

The movement in deferred income tax assets and liabilities during the period, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	Deferred tax liabilities	Property, plant and equipment	Fair value gains of financial instrument	Convertible bond	Other	Total
46p56(g)(ii)	As at 1 January 2010	xxxxxx	xxxxxx	-	xxxxxx	xxxxxx
	Charged/(credited) to the profit or loss	xxxxxx	-	-	xxxxxx	xxxxxx
	Charged to other comprehensive income	xxxxxx	xxxxxx	-	-	xxxxxx
46p56(b)	Charged directly to equity	-	-	-	-	-
46p56(g)(i)	As at 31 December 2010	xxxxxx	xxxxxx	-	xxxxxx	xxxxxx
46p56(g)(ii)	Charged/(credited) to the profit or loss	xxxxxx	-	-	xxxxxx	xxxxxx
	Charged to other comprehensive income	-	xxxxxx	-	-	xxxxxx
46p56(b)	Charged directly to equity	-	-	xxxxxx	-	xxxxxx
	Acquisition of subsidiary (note 5)	<u>(xxxxxx)</u>	<u>(xxxxxx)</u>	<u>-</u>	<u>(xxxxxx)</u>	<u>(xxxxxx)</u>
46p56(g)(i)	As at 31 March 2011	<u>xxxxxx</u>	<u>xxxxxx</u>	<u>xxxxxx</u>	<u>xxxxxx</u>	<u>xxxxxx</u>

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12. TAXATION (continued)

	Deferred tax asset	Post employment benefit	Provisions for trade receivables	Impairment losses	Other	Total
	As at 1 January 2010	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)
46p56(g)(ii)	Charged/(credited) to the profit or loss	-	xxxxxx	-	(xxxxxx)	xxxxxx
46p56(b)	Charged directly to equity	-	-	-	(xxxxxx)	(xxxxxx)
	As at 31 December 2011	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)
46p56(g)(i)	(Credited)/charged to the profit or loss	-	(xxxxxx)	(xxxxxx)	(xxxxxx)	xxxxxx
46p56(b)	Charged/ (credited) directly to equity	-	-	-	(xxxxxx)	(xxxxxx)
	Acquisition of subsidiary (note 5)	xxxxxxx	(xxxxxx)	-	(xxxxxx)	xxxxxxx
46p56(g)(i)	As at 31 March 2011	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)

46p56(e) Deferred tax assets and liabilities as at 31 March 2011 and 31 December 2010 have been calculated taking into account tax rates expected to be applicable for each respective period.

e) Tax administration in Indonesia

The taxation laws of Indonesia require that each company in the Group within Indonesia submits individual tax returns on the basis of self assessment. Under prevailing regulations the Director General of Tax may assess or amend taxes within a certain period. For the fiscal years of 2007 and before, this period is within ten years of the time the tax become due, but not later than 2013, while for the fiscal years of 2008 and onwards, the period is within five years of the time the tax becomes due.

3Rp16(c),(i)

13. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUING OPERATIONS

58Rp48(a),(b),
(d)
2p38(d)

The assets and liabilities related to the company PT Sepatu (part of the wholesale segment) have been presented as held for sale following the approval of the Group's management and shareholders on 23 March 2010 to sell PT Sepatu. The completion date for the transaction is expected to be July 2011.

	Three-month ended 31 March	
	2011	2010
Operating cash flows	XXXXX	XXXXX
Investing cash flows	XXXXX	XXXXX
Financing cash flows	XXXXX	XXXXX
Total cash flows	XXXXX	XXXXX

58Rp45

(a) Assets of disposal group classified as held for sale

	31 March 2011	31 December 2010
Property, plant and equipment	XXXXX	XXXXX
Intangible assets	XXXXX	XXXXX
Inventory	XXXXX	XXXXX
Other current assets	XXXXX	XXXXX
Total	XXXXX	XXXXX

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3Rp16(c),(i)	13. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUING OPERATIONS (continued)		
58Rp45	(b) Liabilities of disposal group classified as held for sale		
		31 March	31 December
		2011	2010
	Trade and other payables	XXXXX	XXXXX
	Other current liabilities	XXXXX	XXXXX
	Provisions	<u>XXXXX</u>	<u>XXXXX</u>
	Total	<u>XXXXX</u>	<u>XXXXX</u>
58Rp38(b)	Analysis of the result of discontinued operations, and the result recognised on the remeasurement of assets or disposal group, is as follows:		
		Three-month	
		ended 31 March	
		2011	2010
	Revenues	XXXXX	XXXXX
	Expenses	<u>XXXXX</u>	<u>XXXXX</u>
	Profit before tax of discontinued operations	XXXXX	XXXXX
46p26(h)(i)	Tax	<u>XXXXX</u>	<u>XXXXX</u>
	Profit after tax of discontinued operations	<u>XXXXX</u>	<u>XXXXX</u>
	Pre-tax gain/(loss) recognised on the re-measurement of assets of disposal group	(XXXXX)	-
46p26(h)(i)	Tax	<u>(XXXXX)</u>	<u>-</u>
	After tax gain/(loss) recognised on the re-measurement of assets of disposal group	<u>XXXXX</u>	<u>XXXXX</u>

14. INVESTMENTS IN ASSOCIATES

		31 March	31 December
		2011	2010
15Rp33	At beginning of period	XXXXXX	XXXXXX
	Share of (loss)/profit ¹	(XXXXXX)	XXXXXX
	Other equity movements: available-for-sale reserve	<u>(XXXXXX)</u>	<u>(XXXXXX)</u>
	At end of period	<u>XXXXXX</u>	<u>XXXXXX</u>

¹ Share of profit/(loss) is after tax and non controlling interest in associates

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14. INVESTMENTS IN ASSOCIATES (continued)

Investments in associates as at 31 March 2011 include goodwill of Rpxxx (2010: Rpxxx).

15Rp32(b) The Group's share of the results of its principal associates, all of which are unlisted, and its aggregated assets (including goodwill) and liabilities, are as follows:

	Country of incorporation	Assets	Liabilities	Revenues	Profit/(loss)	% interest held
2011						
PT Alfa	Indonesia	xxxxxx	xxxxxx	xxxxxx	xxxxxx	25
PT Beta	Indonesia	xxxxxx	xxxxxx	xxxxxx	(xxxxxx)	30
PT Delta	Indonesia	xxxxxx	xxxxxx	xxxxxx	(xxxxxx)	42
		xxxxxx	xxxxxx	xxxxxx	xxxxxx	
2010						
PT Alfa	Indonesia	xxxxxx	xxxxxx	xxxxxx	xxxxxx	25
PT Beta	Indonesia	xxxxxx	xxxxxx	xxxxxx	xxxxxx	30
PT Delta	Indonesia	xxxxxx	xxxxxx	xxxxxx	(xxxxxx)	42
		xxxxxx	xxxxxx	xxxxxx	(xxxxxx)	

15p32(g) The Group has not recognised losses amounting to Rpxxx (2010: nil) for PT Delta. The accumulated losses not recognised were Rpxxx (2010: nil).

15. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Vehicles and machinery	Furniture, fittings and equipment	Total
16Rp75(d)	As at 1 January 2010			
	xxxxxx	xxxxxx	xxxxxx	xxxxxx
	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)
	xxxxxx	xxxxxx	xxxxxx	xxxxxx
	Period ended 31 December 2010			
	xxxxxx	xxxxxx	xxxxxx	xxxxxx
16Rp75(e)(iv)	xxxxxx	-	-	xxxxxx
16Rp75(e)(i)	xxxxxx	xxxxxx	xxxxxx	xxxxxx
16Rp75(e)(ix)	-	(xxxxxx)	(xxxxxx)	(xxxxxx)
16Rp75(e)(vii)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)
	xxxxxx	xxxxxx	xxxxxx	xxxxxx
16Rp75(d)	As at 31 December 2010 and 1 January 2011			
	xxxxxx	xxxxxx	xxxxxx	xxxxxx
	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)
	xxxxxx	xxxxxx	xxxxxx	xxxxxx
	Period ended 31 March 2011			
	xxxxxx	xxxxxx	xxxxxx	xxxxxx
16Rp75(e)(iii)	xxxxxx	xxxxxx	xxxxxx	xxxxxx
16Rp75(e)(i), 3Rp17(d)	xxxxxx	xxxxxx	xxxxxx	xxxxxx
16Rp75(e)(ix), 3Rp17(d)	-	(xxxxxx)	(xxxxxx)	(xxxxxx)
16Rp75(e)(vii)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)
	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)
	xxxxxx	xxxxxx	xxxxxx	xxxxxx

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15. PROPERTY, PLANT AND EQUIPMENT (continued)

	<u>Land and buildings</u>	<u>Vehicles and machinery</u>	<u>Furniture, fittings and equipment</u>	<u>Total</u>
16Rp75(d)	As at 31 March 2011			
	xxxxxx	xxxxxx	xxxxxx	xxxxxx
	<u>(xxxxxx)</u>	<u>(xxxxxx)</u>	<u>(xxxxxx)</u>	<u>(xxxxxx)</u>
	Net book amount			
	<u>xxxxxx</u>	<u>xxxxxx</u>	<u>xxxxxx</u>	<u>xxxxxx</u>
16Rp79	The Group's land and buildings were last revalued on 31 January 2010 by independent valuers.			
1p55(b)	Valuations were made on the basis of recent market transactions on arm's length terms. The revaluation surplus net of applicable deferred income taxes was credited to "asset revaluation reserves" in shareholders' equity.			
DV	Depreciation expense of Rpxxx (2010: Rpxxx) has been charged in "cost of sales" Rpxxx (2010: Rpxxx) in "selling and marketing costs" and Rpxxx (2010: Rpxxx) in "administrative expenses". Depreciation charge for the year ended 31 December 2010 includes an amount of Rpxxx for the interim period ended 31 March 2010.			
47p30(a)				
30Rp31(c)	Land rights are held under renewable Building Right Titles (Hak Guna Bangunan) which expire between 2014 and 2017.			
	Lease rentals amounting to Rpxxx (2010: Rpxxx) and Rpxxx (2010: Rpxxx) relating to the lease of machinery and property, respectively, are included in the profit or loss (note 27).			
	Property, plant and equipment disposed of during 2011 and 2010 were sold on the asset's net book amount.			
16Rp79(e)	If land and buildings were stated on the historical cost basis, the amounts would be as follows:			
		<u>31 March 2011</u>	<u>31 December 2010</u>	
	Cost	xxxxxx	xxxxxx	
	Accumulated depreciation	<u>(xxxxxx)</u>	<u>(xxxxxx)</u>	
	Net book amount	<u>xxxxxx</u>	<u>xxxxxx</u>	
16Rp76(a)	Bank borrowings are secured on land and buildings for the value of Rpxxx (2010: Rpxxx) (note 19).			
	Vehicles and machinery include the following amounts where the Group is a lessee under a finance lease:			
		<u>31 March 2011</u>	<u>31 December 2010</u>	
	Cost – capitalised finance leases	xxxxxx	xxxxxx	
	Accumulated depreciation	<u>(xxxxxx)</u>	<u>(xxxxxx)</u>	
	Net book amount	<u>xxxxxx</u>	<u>xxxxxx</u>	
30Rp27	The remaining balance of undiscounted total minimum lease payments relating to vehicles and machinery is Rpxxx (2010: Rpxxx)			
30Rp44(f)	The Group leases out various vehicles and machinery under non-cancellable finance lease agreements. The lease terms are between three and 15 years, and ownership of the assets lies within the Group.			

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16. INTANGIBLE ASSETS

		<u>Goodwill</u>	<u>Trademarks And licences</u>	<u>Contractual customers relationships</u>	<u>Internally generated software development cost</u>	<u>Total</u>
19Rp119(c)	As at 1 January 2010					
	Cost	XXXXXX	XXXXXX	-	XXXXXX	XXXXXX
	Accumulated amortisation and impairment	-	(XXXXXX)	-	(XXXXXX)	(XXXXXX)
	Net book amount	XXXXXX	XXXXXX	-	XXXXXX	XXXXXX
19Rp119(e)	Year ended 31 December 2010					
19Rp119(e)(i)	Opening net book amount	XXXXXX	XXXXXX	-	XXXXXX	XXXXXX
	Additions	-	XXXXXX	-	-	XXXXXX
	Amortisation charge (note 27)	(XXXXXX)	(XXXXXX)	-	(XXXXXX)	(XXXXXX)
	Closing net book amount	XXXXXX	XXXXXX	-	XXXXXX	XXXXXX
19Rp119(c)	As at 31 December 2010 and 1 January 2011					
	Cost	XXXXXX	XXXXXX	-	XXXXXX	XXXXXX
	Accumulated amortisation and impairment	-	(XXXXXX)	-	(XXXXXX)	(XXXXXX)
	Net book amount	XXXXXX	XXXXXX	-	XXXXXX	XXXXXX
19Rp119(c)	Period ended 31 March 2011					
19Rp119(e)(i)	Opening net book amount	XXXXXX	XXXXXX	-	XXXXXX	XXXXXX
	Additions	-	XXXXXX	-	-	XXXXXX
	Acquisition of subsidiary (note 5)	XXXXXX	XXXXXX	XXXXXX	-	XXXXXX
3Rp17(b)	Impairment of charge (note 27)	(XXXXXX)	-	-	-	(XXXXXX)
	Amortisation charge (note 27)	-	(XXXXXX)	(XXXXXX)	(XXXXXX)	(XXXXXX)
58Rp38	Transferred to disposal group classified as held for sale	-	(XXXXXX)	-	(XXXXXX)	(XXXXXX)
	Closing net book amount	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
19Rp119(c)	As at 31 March 2011					
	Cost	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
	Accumulated amortisation and impairment	(XXXXXX)	(XXXXXX)	(XXXXXX)	(XXXXXX)	(XXXXXX)
	Net book amount	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX

19Rp119(d) Amortisation of Rpxxx (2010: Rpxxx) is included in the “cost of sales”; Rpxxx (2010: Rpxxx) in “distribution costs”; and Rpxxx (2010: Rpxxx) in “administrative expenses”. Amortisation charge for the year ended 31 December 2010 includes an amount of Rpxxx for the interim period ended 31 March 2010.

48Rp121(a) The carrying amount of the asset has been reduced to its recoverable amount through recognition of an impairment loss against goodwill. This loss has been included in the profit or loss.

DV The trademark transferred to the disposal group classified as “held for sale” relates to the PT Sepatu trademark (part of the wholesale segment), which was previously recognised by the Group upon the acquisition of the entity in 2006. A further net book amount of Rpxxx transferred to the disposal group relates to software that was specifically developed for PT Sepatu. See note 13 for further details regarding the disposal group held-for-sale,

48Rp129(d) *Impairment tests for goodwill*

Goodwill is allocated to the Group’s CGUs expected to benefit from the acquisition.

48Rp129(a) A summary of the goodwill allocation is presented as follow:

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16. INTANGIBLE ASSETS (continued)

	31 March 2011			31 December 2010		
	Wholesale	Retail	Total	Wholesale	Retail	Total
Java	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Sumatera	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Kalimantan	XXXXXX	-	XXXXXX	XXXXXX	-	XXXXXX
Sulawesi	XXXXXX	-	XXXXXX	XXXXXX	-	XXXXXX
Bali	XXXXXX	-	XXXXXX	XXXXXX	-	XXXXXX
All other segments	XXXXXX	-	XXXXXX	XXXXXX	-	XXXXXX
	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX

48Rp125(e) The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations
48Rp129(c) use pre-tax cash flow projections based on financial budgets approved by management covering a five-
48Rp129(d)(iii) year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates
stated below. The growth rate does not exceed the long-term average growth rate for the shoe business
in which the CGU operates.

48Rp129(d)(i) The key assumptions used for value-in-use calculations are as follows:

		Wholesale						Retail	
		Java	Sumatera	Kalimantan	Sulawesi	Bali	All other segments	Java	Sumatera
48Rp129(d)	Gross margin ¹	x%	x%	x%	x%	x%	x%	x%	x%
48Rp129(d)(iv)	Growth rate ²	x%	x%	x%	x%	x%	x%	x%	x%
48Rp129(d)(v)	Discount rate ³	x%	x%	x%	x%	x%	x%	x%	x%
48Rp125(g)									

¹ Budgeted gross margin.

² Weighted average growth rate used to extrapolate cash flows beyond the budget period.

³ Pre-tax discount rate applied to the cash flow projections.

48Rp129(d)(ii) These assumptions have been used for the analysis of each CGU.

48Rp129(d)(ii) Management determined budgeted gross margin based on past performance and its expectations of
market development. The weighted average growth rates used are consistent with the forecasts included
in industry reports. The discount rates used are pretax and reflect specific risks relevant to each region.

48Rp125(a) The impairment charge arose in a wholesale CGU in PT Sepatu Anak (included in the Bali region)
following a decision to reduce the manufacturing output allocated to these operations (see also note 20).
This was a result of a redefinition of the Group's allocation of manufacturing volumes across all CGUs in
order to benefit from advantageous market conditions. Following this decision, the Group reassessed
the depreciation policies of its property, plant and equipment in this region and estimated that their
useful lives would not be affected. No other class of asset than goodwill was impaired. The pre-tax
discount rate used in the previous years for the wholesale CGU in PT Sepatu Anak was x%.

48Rp129(f) In Sumatera wholesale, the recoverable amount calculated based on value in use exceeded carrying
value by Rpxxx. A reduction in gross margin of x%, a fall in growth rate to x% or a rise in discount rate
to x% would remove the remaining headroom.

3Rp16(b) **17. SEASONALITY OF OPERATIONS**

Due to the seasonal nature of the retail market, higher revenues and operating profits are usually
expected in the second and fourth quarter of the year than the first three months. Wholesale revenues
and operating profits are more evenly spread among the four quarters. In the financial period ended 31
March 2011, x% of revenues accumulated in the first quarter of the year, with x%, x% and x% expected to
be accumulating in the second, third and fourth quarter respectively.

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18. TRADE AND OTHER PAYABLES

		<u>31 March</u> <u>2011</u>	<u>31 December</u> <u>2010</u>
1Rp74	Trade payables	XXXXXX	XXXXXX
7Rp17	Amounts due to related parties (note 32)	XXXXXX	XXXXXX
	Social security	XXXXXX	XXXXXX
	Accrued expenses	<u>XXXXXX</u>	<u>XXXXXX</u>
		<u>XXXXXX</u>	<u>XXXXXX</u>

19. BORROWINGS

		<u>31 March</u> <u>2011</u>	<u>31 December</u> <u>2010</u>
	Current		
	Bank overdrafts	XXXXXX	XXXXXX
	Bank borrowings	XXXXXX	XXXXXX
	Finance lease liabilities	<u>XXXXXX</u>	<u>XXXXXX</u>
		<u>XXXXXX</u>	<u>XXXXXX</u>
	Non-current		
	Bank borrowings	XXXXXX	XXXXXX
	Convertible bond	XXXXXX	XXXXXX
	Redeemable preference shares	XXXXXX	XXXXXX
	Finance lease liabilities	<u>XXXXXX</u>	<u>XXXXXX</u>
	Total borrowings	<u>XXXXXX</u>	<u>XXXXXX</u>

(a) Bank borrowings

50Rp59(b),(f)
3Rp16(d) On 1 March 2011, the Group obtained bank borrowings. The borrowings will mature until 2015 and bear average coupons of x% annually (2010: x% annually).

50Rp91(b) The bank borrowings are secured by the land and buildings of the Group (note 15).

50Rp67(a) The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates on the reporting dates are as follows:

		<u>31 March</u> <u>2011</u>	<u>31 December</u> <u>2010</u>
	6 months or less	XXXXXX	XXXXXX
	6-12 months	XXXXXX	XXXXXX
	1-5 years	XXXXXX	XXXXXX
	Over 5 years	<u>XXXXXX</u>	<u>XXXXXX</u>
		<u>XXXXXX</u>	<u>XXXXXX</u>

50Rp82 The carrying amounts and fair value of the non-current borrowings are as follows:

	<u>Carrying amount</u>		<u>Fair value</u>	
	<u>31 March</u> <u>2011</u>	<u>31 December</u> <u>2010</u>	<u>31 March</u> <u>2011</u>	<u>31 December</u> <u>2010</u>
Bank borrowings	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Redeemable preference shares	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Debentures and other loans	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Convertible bond	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Finance lease liabilities	<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>
	<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>

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19. BORROWINGS (continued)

50Rp84 The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant. The fair values are based on cash flows discounted using a rate based on the borrowing rate of x% (2010: x%).

50Rp59(h) The carrying amounts of the Group's borrowings are denominated in Rupiah.

DV The Group has the following undrawn borrowing facilities:

	<u>31 March</u> <u>2011</u>	<u>31 December</u> <u>2010</u>
Floating rate:		
– Expiring within one year	XXXXXX	XXXXXX
– Expiring beyond one year	XXXXXX	XXXXXX
Fixed rate:		
– Expiring within one year	<u>XXXXXX</u>	<u>XXXXXX</u>
	<u>XXXXXX</u>	<u>XXXXXX</u>

The facilities expiring within one year are annual facilities subject to review at various dates throughout 2011. The other facilities have been arranged to help finance the proposed expansion of the Group's activities.

(b) Convertible bond

50Rp91(d) The Company issued xxxx x% convertible bonds at a par value of Rpxxx on 2 January 2011. The bonds
3Rp16(e) mature five years from the issue date at their nominal value of Rpxxx or can be converted into shares at the holder's option at the maturity date at the rate of x shares per Rpxxx. The values of the liability component and the equity conversion component were determined upon issue of the bond.

50Rp24,27 The fair value of the liability component, included in non-current borrowings, was calculated using a market interest rate for an equivalent non-convertible bond. The residual amount, representing the value of the equity conversion option, is included in the shareholders' equity, net of income taxes.

The convertible bond recognised in the statement of financial position is calculated as follows:

	<u>31 March</u> <u>2011</u>	<u>31 December</u> <u>2010</u>
Face value of convertible bond issued on 2 January 2011	XXXXXX	-
Equity component	<u>(XXXXXX)</u>	<u>-</u>
Liability component on initial recognition as at 2 January 2011	XXXXXX	-
Interest expense (note 28)	XXXXXX	-
Interest paid	<u>(XXXXXX)</u>	<u>-</u>
Liability component as at 31 March 2011	<u>XXXXXX</u>	<u>-</u>

50Rp89(a) The fair value of the liability component of the convertible bond as at 31 March 2011 amounted to Rp xxx. The fair value is calculated using cash flows discounted at a rate based on the borrowings rate of x%.

(c) Redeemable preference shares

50Rp11,14(a) The Group issued x million cumulative redeemable preference shares with a par value of Rpxxx per share on 4 January 2010. The shares are mandatorily redeemable at their par value on 4 January 2014, and pay dividends at x% annually.

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19. BORROWINGS (continued)

(d) Finance lease liabilities

Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

		<u>31 March 2011</u>	<u>31 December 2010</u>
30Rp27(b)	Gross finance lease liabilities – minimum lease payments		
	No later than 1 year	XXXXXX	XXXXXX
	Later than 1 year and no later than 5 years	XXXXXX	XXXXXX
	Later than 5 years	<u>XXXXXX</u>	<u>XXXXXX</u>
		XXXXXX	XXXXXX
	Future finance charges on finance leases	<u>XXXXXX</u>	<u>XXXXXX</u>
	Present value of finance lease liabilities	<u>XXXXXX</u>	<u>XXXXXX</u>
		<u>31 March 2011</u>	<u>31 December 2010</u>
30Rp27(b)	The present value of finance lease liabilities is as follows:		
	No later than 1 year	XXXXXX	XXXXXX
	Later than 1 year and no later than 5 years	XXXXXX	XXXXXX
	Later than 5 years	<u>XXXXXX</u>	<u>XXXXXX</u>
		<u>XXXXXX</u>	<u>XXXXXX</u>

20. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

1Rp75(d)

		<u>Environmental restoration</u>	<u>Restructuring</u>	<u>Legal claims</u>	<u>Profit- sharing and bonuses</u>	<u>Total</u>
57Rp84(a)	At 1 January 2011	xxxxxx	-	xxxxxx	xxxxxx	xxxxxx
	Charged/(credited) in the profit or loss:					
	- Additional provisions	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
57Rp84(d)	- Unused amounts reversed	(xxxxxx)	-	(xxxxxx)	(xxxxxx)	(xxxxxx)
57Rp84(e)	- Unwinding of discount	xxxxxx	-	-	-	xxxxxx
57Rp84(c)	- Used during year	(xxxxxx)	-	(xxxxxx)	(xxxxxx)	(xxxxxx)
	- Transferred to disposal group classified as held for sale	<u>(xxxxxx)</u>	-	-	-	<u>(xxxxxx)</u>
57Rp84(a)	As at 31 March 2011	<u>xxxxxx</u>	<u>xxxxxx</u>	<u>xxxxxx</u>	<u>xxxxxx</u>	<u>xxxxxx</u>

		<u>31 March 2011</u>	<u>31 December 2010</u>
1Rp66	Analysis of total provisions:		
1Rp66	Non-current (environmental restoration)	xxxxxx	xxxxxx
	Current	<u>xxxxxx</u>	<u>xxxxxx</u>
		<u>xxxxxx</u>	<u>xxxxxx</u>

(a) Environmental restoration

57Rp85(a)-(c) The Group uses various chemicals in working with leather. A provision is recognised for the present value of costs to be incurred for the restoration of the manufacturing sites. It is expected that Rpxxx will be used during the rest of 2011 and Rpxxx during 2012. The total expected costs to be incurred are Rpxxx (2010: Rpxxx).

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20. PROVISIONS FOR OTHER LIABILITIES AND CHARGES (continued)

(b) Restructuring

57Rp85(a)-(c)
3Rp16(d) The reduction of the volumes assigned to manufacturing operations in PT Sepatu Anak will result in the reduction of a total of x jobs in two factories. An agreement was reached with the local union representatives that specifies the number of staff involved and the voluntary redundancy compensation package offered by the Group, as well as amounts payable to those made redundant, before the financial year-end. The estimated staff restructuring costs to be incurred are Rpxxx as at 31 March 2011 (note 31). Other direct costs attributable to the restructuring, including the lease termination, are Rpxxx. These costs were fully provided for in the first quarter of 2011. The provision of Rpxxx as at 31 March 2011 is expected to be fully utilised during the second quarter of 2011.

48Rp130 A goodwill impairment charge of Rpxxx was recognised in the cash-generating unit relating to PT Sepatu Anak as a result of this restructuring (note 16).

(c) Legal claims

57Rp85(a)-(c)
3Rp17(f) The amounts represent a provision for certain legal claims brought against the Group by customers of the subsidiary. The provision charge is recognised in profit or loss within “administrative expenses”. The balance as at 31 March 2011 is expected to be utilised in the second and third quarters of 2011. In the directors’ opinion, after taking appropriate legal advice, the outcome of these legal claims will not give rise to any significant loss beyond the amounts provided as at 31 March 2011.

(d) Profit-sharing and bonuses

57Rp85(a) The provision for profit-sharing and bonuses is payable within nine month of the finalisation of the audited financial statements.

21. POST-EMPLOYMENT BENEFIT OBLIGATIONS

The Group received approval from the Minister of Finance of Republic of Indonesia in Decision Letter No. Kep-XXX/KM.XX/2000 dated 10 August 2000 to establish a separate trustee-administrated pension fund, PT Dana Pensiun Perusahaan, from which all employees, after serving a qualifying period, are entitled to defined benefits upon retirement, disability or death.

3RpB9 No actuarial computation has been made on the reporting date considering there was no material change in these data in the first quarter of 2011. The expense for the first quarter in respect of post-employment benefit obligations is one-fourth the net expense calculated for 2011 on the basis of the actuarial assumptions as at 31 December 2010.

	<u>31 March 2011</u>	<u>31 December 2010</u>
Balance sheet obligations for:		
Pension benefits	XXXXXX	XXXXXX
Post-employment medical benefits	<u>XXXXXX</u>	<u>XXXXXX</u>
	<u>XXXXXX</u>	<u>XXXXXX</u>

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21. POST-EMPLOYMENT BENEFIT OBLIGATIONS (continued)

		Three-month ended 31 March	
		<u>2011</u>	<u>2010</u>
Profit or loss charge for (note 31):			
	Pension benefits	XXXXXX	XXXXXX
	Post-employment medical benefits	<u>XXXXXX</u>	<u>XXXXXX</u>
		<u>XXXXXX</u>	<u>XXXXXX</u>
 (a) Pension benefits			
24p126(c)	The amounts recognised in the statement of financial position are determined as follows:		
		<u>31 March</u>	<u>31 December</u>
		2011	2010
	Present value of funded obligations	XXXXXX	XXXXXX
	Fair value of plan assets	<u>(XXXXXX)</u>	<u>(XXXXXX)</u>
		XXXXXX	XXXXXX
	Present value of unfunded obligations	XXXXXX	XXXXXX
	Unrecognised actuarial losses	(XXXXXX)	(XXXXXX)
	Unrecognised past service cost	<u>(XXXXXX)</u>	<u>(XXXXXX)</u>
	Liability in the statement of financial position	<u>XXXXXX</u>	<u>XXXXXX</u>
24p126(e)	The movement in the defined benefit obligation over the period is as follows:		
		<u>31 March</u>	<u>31 December</u>
		2011	2010
	At beginning of period	XXXXXX	XXXXXX
	Current service cost	XXXXXX	XXXXXX
	Interest cost	XXXXXX	XXXXXX
	Contributions	XXXXXX	XXXXXX
	Actuarial losses/(gains)	(XXXXXX)	XXXXXX
	Benefits paid	(XXXXXX)	(XXXXXX)
	Liabilities acquired in a business combination (note 5)	XXXXXX	-
	Curtailments	<u>XXXXXX</u>	<u>-</u>
	At end of period	<u>XXXXXX</u>	<u>XXXXXX</u>
24p126(e)	The movement in the fair value of plan assets of the period is as follows:		
		<u>31 March</u>	<u>31 December</u>
		2011	2010
	At beginning of period	XXXXXX	XXXXXX
	Expected return on plan assets	XXXXXX	XXXXXX
	Actuarial (losses)/gains	(XXXXXX)	(XXXXXX)
	Employer contributions	XXXXXX	XXXXXX
	Employee contributions	XXXXXX	XXXXXX
	Benefits paid	(XXXXXX)	(XXXXXX)
	Business combinations (note 5)	<u>XXXXXX</u>	<u>XXXXXX</u>
	At end of period	<u>XXXXXX</u>	<u>XXXXXX</u>

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21. POST-EMPLOYMENT BENEFIT OBLIGATIONS (continued)

24p126(f) The amounts recognised in the profit or loss are as follows:

	Three-month ended 31 March	
	2011	2010
Current service cost	XXXXXX	XXXXXX
Interest cost	XXXXXX	XXXXXX
Expected return on plan assets	(XXXXXX)	(XXXXXX)
Net actuarial losses recognised during the period	XXXXXX	XXXXXX
Past service cost	XXXXXX	XXXXXX
Losses on curtailment	<u>XXXXXX</u>	<u>XXXXXX</u>
Total, included in staff costs (note 31)	<u>XXXXXX</u>	<u>XXXXXX</u>

Of the total charge, Rpxxx (2010: Rpxxx) and Rpxxx (2010: Rpxxx) were included in “cost of sales” and “administrative expenses” respectively.

24p126(g) The actual return on plan assets as at 31 December 2010 was Rpxxx.

24p126(h) The principal actuarial assumptions used by the independent qualified actuaries, PT Aktuaris Penilai were as follows:

Discount rate	x%
Inflation rate	x%
Expected return on plan assets	x%
Future salary increases	x%
Future pension increases	x%

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory. In Indonesia, the mortality assumptions used are based on the Indonesian Mortality Table 1999 (TMI'99)

DV The sensitivity of the overall pension liability to changes in the weighted principal assumptions is as follows:

	Change in assumption	Impact on overall liability
Discount rate	Increase/decrease by x%	Increase/decrease by x%
Inflation rate	Increase/decrease by x%	Increase/decrease by x%
Salary growth rate	Increase/decrease by x%	Increase/decrease by x%
Rate of mortality	Increase by x year	Increase by x%

(b) Post-employment medical benefits

24p128 The Group operates a number of post-employment medical benefit schemes. The method of accounting, assumptions and the frequency of valuations are similar to those used for defined benefit pension schemes. The majority of these plans are unfunded.

24p126(h) In addition to the assumptions set out above, the main actuarial assumption is a long-term increase in health costs of x% a year (2010: x%).

24p126(c) The amounts recognised in the statement of financial position were determined as follows:

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21. POST-EMPLOYMENT BENEFIT OBLIGATIONS (continued)

	<u>31 March 2011</u>	<u>31 December 2010</u>
Present value of funded obligations	XXXXXX	XXXXXX
Fair value of plan assets	<u>(XXXXXX)</u>	<u>(XXXXXX)</u>
Present value of funded obligations	<u>XXXXXX</u>	<u>XXXXXX</u>
Liability in the statement of financial position	<u>XXXXXX</u>	<u>XXXXXX</u>
24p126(e) The movement in the defined benefit obligation is as follows:		
	<u>31 March 2011</u>	<u>31 December 2010</u>
At beginning of period	XXXXXX	XXXXXX
Current service cost	XXXXXX	XXXXXX
Interest cost	XXXXXX	XXXXXX
Actuarial losses/(gains)	(XXXXXX)	XXXXXX
Liabilities acquired in a business combination (note 5)	<u>XXXXXX</u>	<u>XXXXXX</u>
At end of period	<u>XXXXXX</u>	<u>XXXXXX</u>
24p126(e) The movement in the fair value of plan assets of the period is as follows:		
	<u>31 March 2011</u>	<u>31 December 2010</u>
At beginning of period	XXXXXX	XXXXXX
Expected return on plan assets	XXXXXX	XXXXXX
Actuarial gains/(losses)	(XXXXXX)	(XXXXXX)
Employer contributions	XXXXXX	XXXXXX
Business combinations (note 5)	<u>XXXXXX</u>	<u>XXXXXX</u>
At end of period	<u>XXXXXX</u>	<u>XXXXXX</u>
24p126(f) The amounts recognised in the profit or loss were as follows:		
	<u>Three-month ended 31 March</u>	
	<u>2011</u>	<u>2010</u>
Current service cost	XXXXXX	XXXXXX
Interest cost	XXXXXX	XXXXXX
Expected return on plan assets	(XXXXXX)	(XXXXXX)
Net actuarial losses recognised during the period	<u>XXXXXX</u>	<u>XXXXXX</u>
Total, included in staff costs (note 31)	<u>XXXXXX</u>	<u>XXXXXX</u>
Of the total charge, Rpxxx (2010: Rpxxx) and Rpxxx (2010: Rpxxx) respectively were included in “cost of sales” and “administrative expenses”.		
24p126(g) The actual return on plan assets as at 31 December 2010 was Rpxxx.		

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21. POST-EMPLOYMENT BENEFIT OBLIGATIONS (continued)

(b) Post-employment medical benefits (continued)

DV The effect of a 1% movement in the assumed medical cost trend rate is as follows:

	<u>Increase</u>	<u>Decrease</u>
Effect on the aggregate of the current service cost and interest cost	xxx	(xxx)
Effect on the defined benefit obligation	xxx	(xxx)

24p126(d) Plan assets comprise the following :

	<u>31 December 2010</u>	
Equity instruments	XXXXXX	x%
Debt instruments	XXXXXX	x%
Property	XXXXXX	x%
Other	<u>XXXXXX</u>	<u>x%</u>
	<u>XXXXXX</u>	<u>x%</u>

24p126(d) As at 31 December 2010, pension plan assets include the Company's ordinary shares with a fair value of Rpxxx and a building occupied by the Group with a fair value of Rpxxx.

DV The expected return on plan assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the reporting date. Expected returns on equity and property investments reflect long-term real rates of return experienced in the respective markets.

DV Expected contributions to post-employment benefit plans for the three-month period ending 31 March 2012 are Rpxxx.

22. SHARE CAPITAL AND ADDITIONAL PAID-IN-CAPITAL

	<u>Number of shares (thousands)</u>	<u>Ordinary shares</u>	<u>Additional Paid-in capital</u>	<u>Total</u>
As at 1 January 2010	XXXXXX	XXXXXX	XXXXXX	XXXXXXX
Employee share option scheme:				
– Proceeds from shares issued	<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXXX</u>
As at 31 December 2010	XXXXXX	XXXXXX	XXXXXX	XXXXXXX
Employee share option scheme:				
– Proceeds from shares issued	<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXXX</u>
As at 31 March 2011	<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXXX</u>

Share options

53p52 Share options are granted to directors and to selected employees. The exercise price of the granted options is equal to the market price of the shares less x% on the date of the grant. Options are conditional on the employee completing three year's service (the vesting period). The options are exercisable starting three years from the grant date, subject to the Group achieving its target growth in earnings per share over the period of inflation plus x%; the options have a contractual option term of five years. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

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1p55(a) **22. SHARE CAPITAL AND ADDITIONAL PAID-IN-CAPITAL (continued)**

		2011		2010	
		Average exercise price in Rp per share	Options (thousands)	Average exercise price in Rp per share	Options (thousands)
53p53(a)(i)	As at 1 January	XXXXXX	XXXXXX	XXXXXX	XXXXXX
53p53(a)(iv)	Granted	XXXXXX	XXXXXX	XXXXXX	XXXXXX
53p53(a)(vi)	Forfeited	-	-	XXXXXX	(XXXXXX)
53p53(a)(v)	Exercised	XXXXXX	(XXXXXX)	XXXXXX	(XXXXXX)
53p53(a)(vii)	Expired	XXXXXX	(XXXXXX)	XXXXXX	(XXXXXX)
53p53(a)(ii)	As at 31 March	XXXXXX	XXXXXX	XXXXXX	XXXXXX

Out of the xxx outstanding options (2010: xxx options), xxx options (2010: xxx) were exercisable. Options exercised in 2010 resulted in xxx shares (2010: xxx shares) being issued at a weighted average price of Rpxxx each (2010: Rpxxx each). The related weighted average share price at the time of exercise was Rpxxx (2010: Rpxxx) per share. The related transaction costs amounting to Rpxxx (2010: Rpxxx) have been netted off with the proceeds received.

53p56 Share options outstanding at the end of the period have the following expiry dates and exercise prices:

Expiry date – 1 July	Exercise price in Rp per share	Shares	
		2011	2010
2010	XXX	XXXXXX	XXXXXX
2011	XXX	XXXXXX	XXXXXX
2012	XXX	XXXXXX	XXXXXX
2013	XXX	XXXXXX	XXXXXX
2014	XXX	XXXXXX	XXXXXX
2015	XXX	XXXXXX	-
		XXXXXX	XXXXXX

53p53(b),(d) The weighted average fair value of options granted during the period determined using the Black-Scholes valuation model was Rpxxx per option (2010: Rpxxx). The significant inputs into the model were weighted average share price of Rp xxx (2010: Rpxxx) on the grant date, exercise price shown above, volatility of x% (2010: x%), dividend yield of x% (2010: x%), an expected option life of three years, and an annual risk-free interest rate of x% (2010: x%). The volatility measured at the standard deviation of continuously compounded share returns is based on statistical analysis of daily share prices over the last three years. See note 31 for the total expense recognised in the profit or loss for share options granted to directors and employees.

8p18,19(f) On 1 January 2011, xxx share options were granted to directors and employees with an exercise price set at the market share prices less x% on that date of Rpxxx per share (share price: Rpxxx) (expiry date: 31 December 2015).

3Rp16(c) **23. EXCEPTIONAL ITEMS**

Items that are material either because of their size or their nature or that are nonrecurring are presented within their relevant profit or loss category, but highlighted separately in the profit or loss. The separate reporting of exceptional items helps provide a better picture of the Group's underlying performance.

An analysis of the amounts presented as exceptional items in these financial statements is given below.

Operating items	Three-month ended 31 March	
	2011	2010
Impairment charge relating to intangible assets	XXXXX	XXXXX
Inventory write-down reversal	XXXXX	XXXXX

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24. RETAINED EARNINGS

Under Indonesian Company Law, companies are required to set up a statutory reserve amounting to at least 20% of the company's issued and paid up capital.

The balance of the appropriated retained earnings as at 31 March 2011 and 31 December 2010 is Rpxxx.

25. DIVIDENDS PER SHARE

1Rp104
3Rp16(f) The dividends paid for the period ended 31 March 2011 and 2010 were Rpxxx (Rpxxx per share) and Rpxxx (Rpxxx per share) respectively.

26. REVENUES

		Three-month ended 31 March	
		2011	2010
23p34(b)	Sales of goods	XXXXX	XXXXX
	Revenue from services	XXXXX	XXXXX
	Royalty income	XXXXX	XXXXX
		<u>XXXXX</u>	<u>XXXXX</u>

1Rp101 **27. EXPENSES BY NATURE**

		Three-month ended 31 March	
		2011	2010
	Changes in inventories of finished goods and work in progress	XXXXXX	XXXXXX
	Raw materials and consumables used	XXXXXX	XXXXXX
	Employee benefit expense (note 31)	XXXXXX	XXXXXX
	Depreciation, amortisation and impairment charges (notes 15 and 16)	XXXXXX	XXXXXX
	Transportation expenses	XXXXXX	XXXXXX
	Advertising costs	XXXXXX	XXXXXX
	Operating lease payments (note 15)	XXXXXX	XXXXXX
	Other expenses	XXXXXX	XXXXXX
	Total cost of sales, distribution costs and administrative expenses	<u>XXXXXX</u>	<u>XXXXXX</u>

28. FINANCE INCOME AND COSTS

		Three-month ended 31 March	
		2011	2010
50Rp91(h)(i)	Interest expense:		
	- Bank borrowings	(XXXXXX)	(XXXXXX)
	- Dividend on redeemable preference shares (note 19)	(XXXXXX)	(XXXXXX)
	- Convertible bond (note 19)	(XXXXXX)	-
	- Finance lease liabilities	(XXXXXX)	(XXXXXX)
57Rp84(e)	- Provisions: unwinding of discount (note 7, 20)	(XXXXXX)	(XXXXXX)
10p22(a)	Net foreign exchange gains on financing activities	XXXXXX	XXXXXX
	Fair value gains on financial instruments:		
50Rp55(b)	- Interest rate swaps: cash flow hedges, transfer from equity	XXXXXX	XXXXXX
	- Interest rate swaps: fair value hedges	XXXXXX	XXXXXX
	Fair value adjustment of bank borrowings attributable to interest rate risk	<u>(XXXXXX)</u>	<u>(XXXXXX)</u>
	Finance costs	<u>(XXXXXX)</u>	<u>(XXXXXX)</u>

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28. FINANCE INCOME AND COSTS (continued)

		Three-month ended 31 March	
		2011	2010
	Finance income:		
50Rp91	- Interest income on short-term bank deposits	XXXXXX	XXXXXX
50Rp91(h)(i)	- Interest income on available-for-sale financial assets	XXXXXX	XXXXXX
50Rp91(h)(i)	- Interest income on loans to related parties (note 32)	XXXXXX	XXXXXX
	Finance income	<u>XXXXXX</u>	<u>XXXXXX</u>
	Net finance costs	<u>(XXXXXX)</u>	<u>(XXXXXX)</u>

29. OTHER INCOME

		Three-month ended 31 March	
		2011	2010
23Rp33(b)(v)	Dividend income on available-for-sale financial assets	XXXXXX	XXXXXX
23Rp33(b)(v)	Dividend income on financial assets at fair value through profit or loss	XXXXXX	XXXXXX
	Investment income	<u>XXXXXX</u>	<u>XXXXXX</u>

30. OTHER (LOSSES)/GAINS – NET

		Three-month ended 31 March	
		2011	2010
55Rp56(a)	Financial assets at fair value through profit or loss (note 8):		
	- Fair value losses	(XXXXXX)	(XXXXXX)
	- Fair value gains	XXXXXX	XXXXXX
	Foreign exchange forward contracts:		
	- Held for trading	XXXXXX	XXXXXX
10p22(a)	- Net foreign exchange gains/(losses)	(XXXXXX)	XXXXXX
55Rp98(b)	Ineffectiveness on fair value hedges (note 9)	(XXXXXX)	(XXXXXX)
	Ineffectiveness on cash flow hedges (note 9)	(XXXXXX)	XXXXXX
		<u>XXXXXX</u>	<u>XXXXXX</u>

31. EMPLOYEE BENEFIT EXPENSE

		Three-month ended 31 March	
		2011	2010
24p148	Wages and salaries, including restructuring costs Rpxxx (2010: nil) (note 20) and other termination benefits Rpxxx (2010: nil)	XXXXXX	XXXXXX
	Social security costs	XXXXXX	XXXXXX
53p53(e)	Share options granted to directors and employees	XXXXXX	XXXXXX
24p47	Pension costs – defined contribution plans	XXXXXX	XXXXXX
24p126(f)	Pension costs – defined benefit plans (note 21)	XXXXXX	XXXXXX
24p126(f)	Other post-employment benefits (note 21)	XXXXXX	XXXXXX
		<u>XXXXXX</u>	<u>XXXXXX</u>

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3Rp17(i)	32. RELATED-PARTY TRANSACTIONS		
1Rp135(c) 7Rp12	The Group is controlled by PT Induk (incorporated in Indonesia), which owns 80% of the company's shares. The remaining 20% of the shares are widely held. The ultimate parent of the Group is PT Utama (incorporated in Indonesia).		
7Rp17,18,21	The following transactions were carried out with related parties:		
7Rp17(a)	(a) Sales of goods and services		
		Three-month ended 31 March	
		2011	2010
	Sales of goods		
	- Associates	XXXXX	XXXXX
	Sales of services		
	- The ultimate parent (legal and administration services)	XXXXX	XXXXX
	- Close family members of the ultimate controlling party (design services)	<u>XXXXX</u>	<u>XXXXX</u>
		<u>XXXXX</u>	<u>XXXXX</u>
	Goods are sold based on the price lists in force and terms that would be available to third parties. Sales of services are negotiated with related parties on a cost-plus basis, allowing a margin ranging from x% to x% (2010: x% to x%).		
7Rp17(a)	(b) Purchases of goods and services		
		Three-month ended 31 March	
		2011	2010
	Purchases of goods		
	- Associates	XXXXX	XXXXX
	Purchases of services		
	- An entity controlled by key management personnel	XXXXX	XXXXX
	- The immediate parent (management services)	<u>XXXXX</u>	<u>XXXXX</u>
		<u>XXXXX</u>	<u>XXXXX</u>
7Rp22	Goods and services are bought from associates and an entity controlled by key management personnel on normal commercial terms and conditions. The entity controlled by key management personnel is a firm belonging to Mr Galih, a commissioner of the company. Management services are bought from the immediate parent on a cost-plus basis, allowing a margin ranging from x% to x% (2010: x%)		
7Rp16	(c) Key management compensation		
	Key management includes directors, commissioners, the Corporate Secretary and the Head of Internal Audit. The compensation paid or payable to key management for employee services is shown below:		
		Three-month ended 31 March	
		2011	2010
7Rp16(a)	Salaries and other short-term employee benefits	XXXXX	XXXXX
7Rp16(d)	Termination benefits	XXXXX	-
7Rp16(b)	Post-employment benefits	XXXXX	XXXXX
7Rp16(c)	Other long-term benefits	XXXXX	XXXXX
7Rp16(e)	Share-based payments	<u>XXXXX</u>	<u>XXXXX</u>
		<u>XXXXX</u>	<u>XXXXX</u>

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32. RELATED-PARTY TRANSACTIONS (continued)

7Rp17(b)	(d) Period-end balances arising from sales/purchases of goods/services	31 March	31 December
		<u>2011</u>	<u>2010</u>
	Receivables from related parties (note 7):		
	- Ultimate parent	XXXXX	XXXXX
	- Close family members of key management personnel	XXXXX	XXXXX
	Payables to related parties (note 18):	XXXXX	XXXXX
	- Immediate parent	XXXXX	XXXXX
	- Associates	XXXXX	XXXXX
	- Entity controlled by key management personnel	XXXXX	XXXXX

The receivables from related parties arise mainly from sale transactions and are due two months after the date of sales. The receivables are unsecured in nature and bear no interest. There are no provisions held against receivables from related parties (2010: Rpxxx).

The payables to related parties arise mainly from purchase transactions and are due two months after the date of purchase. The payables bear no interest.

7Rp17	(e) Loans to related parties	31 March	31 December
		<u>2011</u>	<u>2010</u>
	Loans to key management of the Company (and their families):		
	At beginning of period	XXXXX	XXXXX
	Loans advanced during period	XXXXX	XXXXX
	Loans repayments received	(XXXXXX)	(XXXXXX)
	Interest charged	XXXXX	XXXXX
	Interest received	<u>(XXXXXX)</u>	<u>(XXXXXX)</u>
	At end of period	<u>XXXXX</u>	<u>XXXXX</u>
	Loans to associates:		
	At beginning period	XXXXX	XXXXX
	Loans advanced during period	XXXXX	XXXXX
	Loans repayments received	(XXXXXX)	(XXXXXX)
	Interest charged	XXXXX	XXXXX
	Interest received	<u>(XXXXXX)</u>	<u>(XXXXXX)</u>
	At end of period	<u>XXXXX</u>	<u>XXXXX</u>
	Loans to related parties:		
	At beginning of period	XXXXX	XXXXX
	Loans advanced during period	XXXXX	XXXXX
	Loans repayments received	(XXXXXX)	(XXXXXX)
	Interest charged	XXXXX	XXXXX
	Interest received	<u>(XXXXXX)</u>	<u>(XXXXXX)</u>
	At end of period	<u>XXXXX</u>	<u>XXXXX</u>

7Rp17(b)(i) The loans advanced to key management have the following terms and conditions:

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32. RELATED-PARTY TRANSACTIONS (continued)

	Name of key Management	Amount of loan	Term	Interest rate
	2011			
	Mr Charlie	xxx	Repayable monthly over 2 years	x%
	Mrs Eva	xxx	Repayable monthly over 2 years	x%
	2010			
	Mr Charlie	xxx	Repayable monthly over 2 years	x%
	Ms Eva	xxx	Repayable monthly over 1 year	x%
50Rp91(c)	Certain loans advanced to associates during the three-month period amounting to Rpxxx (2010: Rpxxx) are collateralised by shares in listed companies. The fair value of these shares was Rpxxx at the end of the reporting period (2010: Rpxxx).			
	The loans to associates are due on 1 January 2012 and carry interest at x% (2010: x%). The fair values and the effective interest rates of loans to associates are disclosed in note 7.			
7Rp17(c)	No provision has been required in 2011 and 2010 for the loans made to key management personnel and associates.			

3Rp16(j)

33. CONTINGENCIES

57Rp86

The Group has contingent liabilities in respect of legal claims arising in the ordinary course of business.

It is not anticipated that any material liabilities will arise from the contingent liabilities other than those provided for (note 20).

In respect of the acquisition of PT Sepatu Resmi on 1 March 2011 (note 5), additional consideration of x% of the profit of PT Sepatu Resmi may be payable in cash if the acquired operations achieve sales in excess of Rpxxx for 2011, up to a maximum undiscounted amount of Rpxxx. For details of the amount provided at acquisition and subsequent movements, see note 5.

34. COMMITMENTS

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

		<u>31 March 2011</u>	<u>31 December 2010</u>
16Rp76(c), 3Rp17(e)	Property, plant and equipment	XXXXXX	XXXXXX
19Rp123(e), 3Rp17(e)	Intangible assets	XXXXXX	XXXXXX
		<u>XXXXXX</u>	<u>XXXXXX</u>

(b) Operating lease commitments – Group company as lessee

30Rp53(c)

The Group leases various retail outlets, offices and warehouses under non-cancellable operating lease agreements. The lease terms are between five and 10 years, and the majority of lease agreements are renewable at the end of the lease period at the market rate.

30Rp53(c)

The Group also leases various plant and machinery under cancellable operating lease agreements. The Group is required to give a six-month notice for the termination of these agreements. The lease expenditure charged to the profit or loss during the year is disclosed in note 27.

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34. COMMITMENTS (continued)

30Rp53(a) The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	<u>31 March</u> <u>2011</u>	<u>31 December</u> <u>2010</u>
No later than 1 year	XXXXXX	XXXXXX
Later than 1 year and no later than 5 years	XXXXXX	XXXXXX
Later than 5 years	<u>XXXXXX</u>	<u>XXXXXX</u>
	<u>XXXXXX</u>	<u>XXXXXX</u>

3Rp16(h) **35. EVENTS AFTER THE REPORTING PERIOD**

(a) Business combinations

8p18
22RpB64(a)-(d) The Group acquired 100% of the share capital of K&Co, a group of companies specialising in the manufacture of shoes for extreme sports, for a cash consideration of Rpxxx on 1 May 2011.

Details of net assets acquired and goodwill are as follows:

22RpB64(f),(i)	Purchase consideration:	
	- Cash paid	XXXXXX
22RpB64(m)	- Direct cost relating to the acquisition – charged to profit or loss	<u>XXXXXX</u>
2Rp37(a)	Total purchase consideration	XXXXXX
	Fair value of assets acquired	<u>(XXXXXX)</u>
	Goodwill	<u>XXXXXX</u>

22RpB64(e) The above goodwill is attributable to K&Co's strong position and profitability in trading in the niche market for extreme-sports equipment.

22RpB64(i) The assets and liabilities arising from the acquisition, provisionally determined, are as follows:

	<u>Fair value</u>
Cash and cash equivalents	XXXXXX
Property, plant and equipment	XXXXXX
Trademarks	XXXXXX
Licences	XXXXXX
Contractual customer relationship	XXXXXX
Favourable lease agreements	XXXXXX
Inventories	XXXXXX
Trade and other receivables	XXXXXX
Trade and other payables	(XXXXXX)
Post-employment benefit obligations	(XXXXXX)
Borrowings	(XXXXXX)
Deferred tax assets	<u>(XXXXXX)</u>
Net assets acquired	<u>XXXXXX</u>

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35. EVENTS AFTER THE REPORTING PERIOD (continued)

(b) Associates

8p18 The Group acquired 40% of the share capital of L&Co, a group of companies specialising in the manufacture of leisure shoes, for a cash consideration of Rpxxx on 25 May 2011.

Details of net assets acquired and goodwill are as follows:

Purchase consideration:

- Cash paid	XXXXXX
- Direct cost relating to the acquisition	<u>XXXXXX</u>

Total purchase consideration	XXXXXX
Share of fair value of assets acquired	<u>(XXXXXX)</u>

Goodwill	<u><u>XXXXXX</u></u>
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DV The goodwill is attributable to L&Co's strong position and profitability in trading in the market of leisure shoes and to its workforce, which cannot be separately recognised as an intangible asset.

DV The assets and liabilities arising from the acquisition, provisionally determined, are as follows:

Fair value

Contractual customer relationships	XXXXXX
Property, plant and equipment	XXXXXX
Inventories	XXXXXX
Cash	XXXXXX
Trade creditors	(XXXXXX)
Borrowings	<u>(XXXXXX)</u>

Net assets acquired	<u><u>XXXXXX</u></u>
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Appendix I – Segment Information

NOTE- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Changes to the statement of financial accounting standards and interpretations of statement of financial accounting standards

SFAS 5 (Revised 2009), “Operating Segment”

The revised standard requires a “management approach”, under which segment information is presented on the same basis as that used for internal reporting purposes. Previously, an entity should determine the primary and secondary segment (either business or geographical segment) based on the nature and dominant source of the entity’s risks and returns. The revised standard has resulted in an increase in the number of reportable segments presented. In addition, the segments are reported in a manner that is more consistent with the internal reporting provided to the chief operating decision-maker. As goodwill is allocated by management to groups of cash-generating units on a segment level, the change in reportable segments has required a reallocation of goodwill of Rpxxx and Rpxxx from the “all other segments” operating segment to the newly identified operating segment, Bali. The reallocation has not resulted in any additional impairment of goodwill. Comparatives for 2010 have been restated.

2.x Operating segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

3Rp16(g)(v)	NOTE- SEGMENT INFORMATION
5Rp22(a)	Management has determined the operating segments based on the reports reviewed by the strategic steering committee that are used to make strategic decisions.
5Rp22(a)	The committee considers the business from both a geographic and product perspective. Geographically, management considers the performance of wholesale in Java, Sumatera, Kalimantan, Sulawesi and Bali. Java and Sumatera are further segregated into retail and wholesale, as all of the retail business is located in these two geographic areas.
5Rp22(a)	Although the Bali segment does not meet the quantitative thresholds required by SFAS 5 (Revised 2009), management has concluded that this segment should be reported, as it is closely monitored by the strategic steering committee as a potential growth region and is expected to materially contribute to group revenue in the future.
5Rp22(b)	The reportable operating segments derive their revenue primarily from the manufacture and sale of shoes on a wholesale basis, with the exception of Java and Sumatera, which are further segregated into retail shoe and leather goods sales.
5Rp16	Other services included within the Java and Kalimantan segments include the sale of design services and goods transportation services to other shoe manufacturers. These are not included within the reportable operating segments, as they are not included in the reports provided to the strategic steering committee. The wholesale shoe revenue from the Nusa Tenggara and Maluku regions is also not included, as this information is not reviewed by the strategic steering committee. The results of these operations are included in the “all other segments” column.
3Rp16(g)(iii)	The strategic steering committee assesses the performance of the operating segments based on a measure of adjusted EBITDA. This measurement basis excludes the effects of non-recurring expenditure from the operating segments such as restructuring costs, legal expenses and goodwill impairments when the impairment is the result of an isolated, non-recurring event. The measure also excludes the effects of equity-settled share-based payments and unrealised gains/losses on financial instruments. Interest income and expenditure are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group. Since the strategic steering committee reviews adjusted EBITDA, the results of discontinued operations are not included in the measure of adjusted EBITDA.

NOTE- SEGMENT INFORMATION (continued)

The segment information provided to the strategic steering committee for the reportable segments as at and for the period ended 31 March 2011 is as follows:

	Java		Sumatera		Kalimantan	Sulawesi	Bali	All other segments	Total
	Wholesale	Retail	Wholesale	Retail					
5Rp23(b), 3Rp16(g)(ii)	Total segment revenue	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
	Inter-segment revenue	(xxxxxx)	-	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)
5Rp23(a) 3Rp16(g)(i)	Revenue from external customer	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
5Rp23, 3Rp16(g)(iii)	Adjusted EBITDA	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
5Rp23(e)	Depreciation and amortisation	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)
5Rp23(i)	Goodwill impairment	-	-	-	-	-	(xxxxxx)	-	(xxxxxx)
5Rp23(i)	Restructuring costs	-	-	-	-	-	(xxxxxx)	-	(xxxxxx)
5Rp23(h)	Income tax expense	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)
5Rp23(g)	Share of profit/(loss) from associates	xxxxxx	-	-	-	-	(xxxxxx)	xxxxxx	(xxxxxx)
3Rp16(g)(iv)	Total assets	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
5Rp24(a)	Total assets includes: Investments in associate	xxxxxx	-	-	-	-	xxxxxx	xxxxxx	xxxxxx
5Rp24(b)	Additions to non-current (other than financial instruments and deferred tax asset)	-	xxxxxx	-	xxxxxx	-	xxxxxx	-	xxxxxx
5Rp23	Total liabilities	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx

The segment information as at 31 December 2010 and for the period ended 31 March 2010 is as follows:

	Java		Sumatera		Kalimantan	Sulawesi	Bali	All other segments	Total
	Wholesale	Retail	Wholesale	Retail					
5Rp23(b), 3Rp16(g)(ii)	Total segment revenue	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
	Inter-segment revenue	(xxxxxx)	-	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)
5Rp23(a) 3Rp16(g)(i)	Revenue from external customer	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
5Rp23, 3Rp16(g)(iii)	Adjusted EBITDA	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
5Rp23(e)	Depreciation and amortisation	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)
5Rp23(h)	Income tax expense	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)	(xxxxxx)
5Rp23(g)	Share of profit/(loss) from associates	xxxxxx	-	-	-	-	(xxxxxx)	xxxxxx	(xxxxxx)
3Rp16(g)(iv)	Total assets	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
5Rp24(a)	Total assets includes: Investments in associate	xxxxxx	-	-	-	-	xxxxxx	xxxxxx	xxxxxx
5Rp24(b)	Additions to non-current (other than financial instruments and deferred tax asset)	-	xxxxxx	-	xxxxxx	-	xxxxxx	-	xxxxxx
5Rp23	Total liabilities	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx

SFAS 5 (Revised 2009) has been amended so that a measure of segment assets is only required to be disclosed if the measure is regularly provided to the chief operating decision-maker. The amendment is effective for periods beginning on or after 1 January 2011.

5Rp23(i) Impairment of goodwill of Rpxxx in the Bali operating segment in 2011 was relating to the decision to reduce manufacturing output. There has been no further impact on the measurement of the company's assets and liabilities. There was no impairment charge or restructuring costs recognised in 2010.

5Rp27(a) Sales between segments are carried out at arm's length terms. The revenue from external parties reported to the strategic steering committee is measured in a manner consistent with that in the profit or loss.

NOTE- SEGMENT INFORMATION (continued)

5Rp28(b)
3Rp16(g)(vi) A reconciliation of adjusted EBITDA to profit before tax and discontinued operations is provided as follows:

	Three-month ended 31 March	
	2011	2010
Adjusted EBITDA for reportable segments	XXXXXX	XXXXXX
Other segments EBITDA	XXXXXX	XXXXXX
Total segments	<u>XXXXXX</u>	<u>XXXXXX</u>
Depreciation	(XXXXXX)	(XXXXXX)
Amortisation	(XXXXXX)	(XXXXXX)
Restructuring costs	(XXXXXX)	-
Legal expenses	(XXXXXX)	(XXXXXX)
Goodwill impairment	(XXXXXX)	-
Unrealised financial instrument gains	XXXXXX	XXXXXX
Share options granted to directors and employees	(XXXXXX)	(XXXXXX)
Finance costs – net	(XXXXXX)	(XXXXXX)
Other	<u>XXXXXX</u>	<u>XXXXXX</u>
Profit before tax and discontinued operations	<u>XXXXXX</u>	<u>XXXXXX</u>

The amounts provided to the strategic steering committee with respect to total assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Investment in shares (classified as available-for-sale financial assets or financial assets at fair value through profit or loss) held by the Group are not considered to be segment assets but rather are managed by the treasury function.

5Rp27(c) 'Reportable segments' assets are reconciled to total assets as follows:

	31 March 2011	31 December 2010
	Segment assets for reportable segments	XXXXXX
Other segments assets	XXXXXX	XXXXXX
Unallocated:		
Deferred tax	XXXXXX	XXXXXX
Available-for-sale financial assets	XXXXXX	XXXXXX
Financial assets at fair value through profit or loss	XXXXXX	XXXXXX
Derivatives	XXXXXX	XXXXXX
Assets of disposal group classified as held for sale	<u>XXXXXX</u>	<u>-</u>
Total assets per statement of financial position	<u>XXXXXX</u>	<u>XXXXXX</u>

The amounts provided to the strategic steering committee with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment.

The Group's interest-bearing liabilities are not considered to be segment liabilities but rather are managed by the treasury function.

5Rp27(d) 'Reportable segments' liabilities are reconciled to total assets as follows:

	31 March 2011	31 December 2010
	Segment liabilities for reportable segments	XXXXXX
Other segments liabilities	XXXXXX	XXXXXX
Unallocated:		
Deferred tax	XXXXXX	XXXXXX
Current tax	XXXXXX	XXXXXX
Current borrowings	XXXXXX	XXXXXX
Non-current borrowings	XXXXXX	XXXXXX
Derivatives	XXXXXX	XXXXXX
Liabilities of disposal group classified as held for sale	<u>XXXXXX</u>	<u>-</u>
Total liabilities per statement of financial position	<u>XXXXXX</u>	<u>XXXXXX</u>

NOTE- SEGMENT INFORMATION (continued)

5Rp32 Revenues from external customers are derived from the sales of shoes on a wholesale and retail basis. The breakdown of retail and wholesale results are provided above. The wholesale of shoes relates only to the Group’s own brand, Footsy Tootsy. The retail sales comprise not only the Group’s own brand, but other major retail shoe brands.

Breakdown of the revenue from all services is as follows:

	Three-month ended 31 March	
	2011	2010
Sales of goods	XXXXXX	XXXXXX
Revenue from services	XXXXXX	XXXXXX
Royalty income	XXXXXX	XXXXXX

5Rp33(a) The entity is domiciled in Indonesia. There is no revenue from external customer generated from other countries.

5Rp34 Revenues of approximately Rpxxx (2010: Rpxxx) are derived from a single external customer. These revenues are attributable to the Java retail and wholesale segments.

Appendix II – Interim reporting disclosure checklist

This disclosure checklist outlines the minimum disclosures required by SFAS 3 (Revised 2009), “Interim Financial Reporting”, and other SFASs published by the Indonesian Institute of Accountants effective for financial statements beginning periods on or after 1 January 2011 as they affect interim reports.

When preparing interim reports, consideration should be given to whether disclosure of the minimum information required by SFAS 3 (Revised 2009) is sufficient for the purposes of communication with investors. Additional information should be included when the information is necessary to help explain the current interim period’s performance.

This checklist is intended for general reference purposes only; it is not a substitute for reading the standards and interpretations themselves, or for professional judgement as to the fairness of presentation. Further specific information may be required in order to ensure fair presentation under Indonesian financial accounting standards depending on the circumstances.

This disclosure checklist does not deal with the measurement requirements of Indonesian financial accounting standards; a thorough understanding of standards and interpretations that are relevant to the reporting entity’s circumstances will be necessary. This checklist is presented in a format designed to facilitate the collection and review of disclosures for each component of the interim report. All disclosures have been grouped by subject, where appropriate. The references in the left-hand margin of the checklist refer to the paragraphs of the standards in which the disclosure requirements appear. Additional notes and explanations in the checklist are shown in *italics*.

The boxes in the right-hand margin of each page are designed to assist in completing the checklist. In the left-hand box (headed “Y-NA-NM”) one of the following should be entered for each disclosure item:

- Y (“Yes”) – the appropriate disclosure has been made;
- NA (“Not applicable”) – the item does not apply to the reporting entity; or
- NM (“Not material”) – the item is regarded as not material to the interim report of the reporting entity.

Materiality is defined in SFAS 1 (Revised 2009), “Presentation of Financial Statements” paragraph 7, and in paragraphs 29 and 30 of the Indonesian financial accounting standards’ “Framework for the preparation and presentation of financial statements”. Omissions or misstatements of items are material if they could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Materiality depends on the size and nature of the item. SFAS 1 (Revised 2009) paragraph 28 states that a specific disclosure requirement in a standard or an interpretation need not be satisfied if the information is not material. SFAS 3 (Revised 2009) paragraph 23 requires that, for the purpose of preparing the interim financial report, materiality is assessed in relation to the results of the interim period and not in relation to the annual results.

The right-hand box on each page (headed “Ref”) can be used to insert a reference to the relevant part of the financial statements (such as “Note 7”) for all items that have been marked “Y” in the left-hand box.

Interim reporting disclosure checklist

		Y-NA-NM	Ref
	General		
3Rp4,10	An entity should publish in its interim report either:		
	(a) a complete set of financial statements (described in SFAS 1 (Revised 2009)); or		
	(b) a set of condensed financial statements (described in SFAS 3 (Revised 2009)).		
	<p><i>Notes:</i></p> <p>(a) <i>If a complete set of financial statements is published in the interim report, the form and content of those statements should conform to the requirements of SFAS 1 (Revised 2009) for a complete set of financial statements. All disclosures required by SFAS 3 (Revised 2009) as well as all those required by other standards should be included.</i></p> <p>(b) <i>If a condensed set of financial information is published in the interim report, as a minimum, disclosures required by SFAS 3 (revised 2009) should be included. Disclosures required by other SFASs are not required for condensed interim financial information, except where they are material to an understanding of the current interim period.</i></p>		
	Statement of comprehensive income		
3Rp8,20	Does the interim report include a condensed statement of comprehensive income prepared for the interim period and cumulatively for the current financial year to date presented as either:		
	(a) a condensed single statement; or		
	(b) a condensed separate income statement and a condensed statement of comprehensive income?		
	<p><i>Notes:</i></p> <p>(a) <i>The same format should be followed in the interim statement of comprehensive income as was followed in the most recent annual financial statements (that is either as a single statement or a separate income statement and a statement of comprehensive income).</i></p> <p>(b) <i>Where a condensed income statement is presented, this should be immediately before the statement of comprehensive income.</i></p>		
3Rp11	Does the condensed statement of comprehensive income include, at a minimum, each of the headings and subtotals that were included in the most recent annual financial statements?		
	Does the condensed statement of comprehensive income include additional line items, without which the interim report would be misleading?		

Interim reporting disclosure checklist

		Y-NA-NM	Ref
3Rp20	Does the condensed statement of comprehensive income contain comparative information for the comparable interim periods (current period and financial year to date, if different) of the immediately preceding year?		
3Rp12	If SFAS 56 is applicable, are basic and diluted earnings per share presented in the condensed statement of comprehensive income?		
3Rp13	If an entity presents the components of profit or loss in a separate income statement it should present basic and diluted earnings per share in that separate statement.		
	Balance sheet		
3Rp8,20	Does the interim report include a condensed balance sheet prepared as at the end of the interim period?		
3Rp11	Does the condensed balance sheet include, at a minimum, each of the headings and subtotals that were included in the most recent annual financial statements?		
3Rp11	Does the condensed balance sheet include additional line items, without which the interim report would be misleading?		
3Rp20	Does the condensed balance sheet contain comparative information as at the end of the immediately preceding financial year?		
	Statement of changes in equity		
3Rp8	Does the interim report include a condensed statement of changes in equity showing all changes in equity?		
3Rp9	If an entity presents the components of profit or loss in a separate income statement as described in SFAS 1 (Revised 2009) para 81, it presents interim condensed information from that separate statement.		
3Rp11	Does the condensed statement of changes in equity include, at a minimum, each of the headings and subtotals that were included in the most recent annual financial statements?		
3Rp11	Does the condensed statement of changes in equity include additional line items, without which the interim report would be misleading?		
3Rp20	Is the condensed statement of changes in equity prepared cumulatively for the financial year to date?		
3Rp20	Is a comparative statement of changes in equity for the comparable year-to-date period of the immediately preceding financial year included in the interim report?		
	Statement of cash flows		
3Rp20	Does the interim report include a condensed statement of cash flows prepared cumulatively for the current financial year to date?		
3Rp11	Does the condensed statement of cash flows include, at a minimum, each of the headings and subtotals that were included in the most recent annual financial statements?		
3Rp11	Does the condensed statement of cash flows include additional line items, without which the interim report would be misleading?		

Interim reporting disclosure checklist

		Y-NA-NM	Ref
3Rp20	Does the condensed statement of cash flows show comparative information for the comparable year-to-date period of the immediately preceding financial year?		
	Explanatory notes		
3Rp15	<i>SFAS 3 (Revised 2009) assumes that a reader of the interim report will also have access to the most recent annual financial statements. It is not necessary for the notes to duplicate information already given in the most recent annual financial statements. Instead, an explanation of material events and transactions that are significant to an understanding of the changes in financial position and performance since the last annual financial statements should be given.</i>		
3Rp6,15	Does the interim report focus on new activities, events and circumstances and provide explanations of events and transactions that are significant to an understanding of the changes in financial position and performance of the entity since the last annual reporting date?		
3Rp6	Does the interim report include a discussion of the effect of economic turbulence and market conditions, liquidity difficulties or any going concern issues, together with management's plans for addressing them?		
3Rp19	Does the interim report contain a basis of preparation paragraph that states clearly whether the interim report has been prepared in accordance with Indonesian financial accounting standards?		
3Rp19	<i>Note:</i> <i>An interim report should not be described as complying with Indonesian financial accounting standards unless it complies with all the requirements of each applicable standard and each applicable interpretation.</i>		
3Rp16(a)	Does the interim report contain a statement that the same accounting policies, methods of computation and presentation have been followed in its preparation as were applied in the most recent annual financial statements; or, if those policies, methods or presentation have been changed, include a description of the nature and effect of the change?		
3Rp43	<i>Note:</i> <i>A change in accounting policy, other than one for which the transition is specified by a new Standard or Interpretation should be effected by restating the comparative information presented in the interim report in accordance with SFAS 25 (Revised 2009).</i>		
3Rp16(b)	Does the interim report contain explanatory comments about the seasonality or cyclicity of interim operations?		
3Rp21	<i>Note:</i> <i>Financial information for the 12 months ending on the interim reporting date and comparative information for the prior 12-month period may be useful for an entity whose business is highly seasonal. Such entities are encouraged to consider reporting such information in addition to the information required by SFAS 3 (Revised 2009) para 20.</i>		

Interim reporting disclosure checklist

		Y-NA-NM	Ref
3Rp16(c)	Does the interim report contain the nature and amount of items occurring in the financial year-to-date affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence?		
3Rp17(d)	Does the interim report contain details of any property, plant and equipment acquired or disposed of during the financial year to date?		
3Rp17(e)	Does the interim report contain details of any commitments to purchase property, plant and equipment after the end of the interim period?		
3Rp16(d)	Does the interim report contain the nature and amount of changes in estimates of amounts reported in prior interim periods of the current year, or in prior years, if those changes have a material effect in the current interim period (for example, changes in estimates relating to inventory write-downs, impairment losses, provision re-estimates etc)?		
3Rp16(j), 17(f)	Does the interim report contain details of changes in contingent liabilities and contingent assets, including litigation settlements, since the last annual balance sheet date?		
3Rp17(h)	Does the interim report contain details of any loan default or breach of a loan agreement since the last annual balance sheet date that has not been remedied on or before the end of the interim period?		
3Rp16(e)	Does the interim report contain details of issue, repurchase, and repayment of debt and equity securities since the last annual balance sheet date?		
3Rp16(f)	Does the interim report contain details of dividends paid (aggregate or per share), separately for ordinary shares and other shares during the financial year to date?		
3Rp16(h)	Does the interim report contain details of material events subsequent to the end of the interim period that have not been reflected in the interim financial statements?		
3Rp16(i)	Does the interim report detail the effect of changes in the composition of the entity during the interim period (for example, business combinations, acquisitions and disposals of subsidiaries and long-term investments, restructurings and discontinued operations)?		
3Rp17(g)	Does the interim report contain details of the correction of prior period errors (as defined in SFAS 25 (Revised 2009))?		
3Rp17(i)	Does the interim report contain details of related-party transactions (as defined in SFAS 7 (Revised 2010)) for the financial year-to-date?		
3Rp16(j)	Does the interim report contain details of changes in contingent liabilities or contingent assets?		
3Rp16	Does the interim report contain details of any other events or transactions that are material to an understanding of the current interim period?		
	Segment information		
	Does the interim report contain:		
3Rp16(g)(i)	<ul style="list-style-type: none"> • Revenues from external customers, if included in the measure of 		

Interim reporting disclosure checklist

		Y-NA-NM	Ref
	segment profit or loss provided to the chief operating decision maker?		
3Rp16(g)(ii)	<ul style="list-style-type: none"> Intersegment revenues, if included in the measure of segment profit or loss provided to the chief operating decision maker? 		
3Rp16(g)(iii)	<ul style="list-style-type: none"> A measure of segment profit or loss? 		
3Rp16(g)(iv)	<ul style="list-style-type: none"> Total assets for which there has been a material change from the amount disclosed in the last annual financial statements? 		
3Rp16(g)(v)	<ul style="list-style-type: none"> A description of the differences from the last annual financial statements in the basis of segmentation or in the basis of measurement of segment profit or loss? 		
3Rp16(g)(vi)	<ul style="list-style-type: none"> A reconciliation of the total of the reportable segments' profit or loss to the entity's profit or loss before tax and discontinued operations, with material reconciling items separately identified and described? 		
5Rp29	<p><i>Notes:</i></p> <p>(a) <i>If an entity changes the structure of its internal organization such that the composition of its reportable segments change, the corresponding information for earlier periods, including interim periods, should be restated unless the information is not available and the cost to develop it would be excessive.</i></p>		
5Rp30	<p>(b) <i>Following a change in reportable segments, an entity should disclose whether it has restated the corresponding amounts. If corresponding amounts are not restated, the entity shall disclose current period segment information on both the old and new bases, unless the information is not available and the cost to develop it would be excessive.</i></p>		
	SFAS 22 (Revised 2009)		
	For each business combination that was effected during the period does the entity disclose:		
22RpB64(a)	<ul style="list-style-type: none"> The name and a description of the acquiree? 		
22RpB64(b)	<ul style="list-style-type: none"> The acquisition date? 		
22RpB64(c)	<ul style="list-style-type: none"> The percentage of voting equity interests acquired? 		
22RpB64(d)	<ul style="list-style-type: none"> The primary reasons for the business combination and a description of how the acquirer obtained control of the acquiree? 		
22RpB64(e)	<ul style="list-style-type: none"> A qualitative description of the factors that make up the goodwill recognised, such as expected synergies from combining operations of the acquiree and the acquirer, and intangible assets that do not qualify for separate recognition or other factor? 		
22RpB64(f)	For each business combination that was effected during the period (or after the reporting period but before the financial statements are authorised for issue) does the entity disclose the acquisition-date fair value of the total consideration transferred and the acquisition-date fair value of each major class of consideration?		
	<i>This includes items such as:</i>		

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		Y-NA-NM	Ref
	(a) Cash;		
	(b) Other tangible or intangible assets, including a business or subsidiary of the acquirer;		
	(c) Liabilities incurred – for example, a liability for contingent consideration; and		
	(d) Equity interests of the acquirer, including the number of instruments or interests issued or issuable and the method of determining the fair value of those instruments or interests.		
	For each business combination that was effected during the period (or after the reporting period but before the financial statements are authorised for issue), for contingent consideration arrangements and indemnification assets, does the entity disclose:		
22RpB64(g)	<ul style="list-style-type: none"> The amount recognised as of the acquisition date? 		
22RpB64(g)	<ul style="list-style-type: none"> A description of the arrangement and the basis for determining the amount of the payment? 		
22RpB64(g)	<ul style="list-style-type: none"> An estimate of the range of outcomes (undiscounted) or, if a range cannot be estimated, that fact and the reasons why a range cannot be estimated? If the maximum amount of the payment is unlimited, the acquirer discloses that fact. 		
	For each business combination that was effected during the period (or after the reporting period but before the financial statements are authorised for issue), for acquired receivables does the entity disclose:		
	Notes: <i>The disclosures should be provided by major class of receivable, such as loans, direct finance leases and any other class of receivables.</i>		
22RpB64(h)	<ul style="list-style-type: none"> The fair value of the receivables? 		
22RpB64(h)	<ul style="list-style-type: none"> The gross contractual amounts receivable? 		
22RpB64(h)	<ul style="list-style-type: none"> The best estimate on the acquisition date of the contractual cash flows not expected to be collected? 		
22RpB64(i)	For each business combination that was effected during the period (or after the reporting period but before the financial statements are authorised for issue) does the entity disclose the amounts recognised as of the acquisition date for each major class of assets acquired and liabilities assumed?		
	For each business combination that was effected during the period (or after the reporting period but before the financial statements are authorised for issue), and for each contingent liability recognised in accordance with SFAS 22 (Revised 2010) do the financial statements include:		
22RpB64(j)	<ul style="list-style-type: none"> A brief description of the nature of the obligation and of the expected timing of any resulting outflows of economic benefits? 		
	Notes: <i>This would normally be expected to include disclosure of likely</i>		

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		Y-NA-NM	Ref
	<i>settlement period and discount rate (if used).</i>		
22RpB64(j)	<ul style="list-style-type: none"> An indication of the uncertainties about the amount or timing of those outflows (where necessary to provide adequate information, disclose the major assumptions made concerning future events)? 		
22RpB64(j)	<ul style="list-style-type: none"> The amount of any expected reimbursement, stating the amount of any asset that has been recognised for that expected reimbursement? 		
22RpB64(j)	<ul style="list-style-type: none"> Except where the possibility of any outflow in settlement is remote, the following information about each class of contingent liability: 		
	(a) A brief description of the nature of the contingent liability;		
	(b) Where practicable:		
	(i) an estimate of its financial effect, measured under SFAS 57 (Revised 2009) paragraphs 36-52,		
	(ii) an indication of the uncertainties about the amount or timing of any outflow, and		
	(iii) the possibility of any reimbursement; and		
	(c) Where relevant, the fact that the information is not disclosed because it is not practicable to do so?		
22Rp64(k)	For each business combination that was effected during the period (or after the reporting period but before the financial statements are authorised for issue), does the entity disclose the total amount of goodwill that is expected to be deductible for tax purposes?		
	For each business combination that was effected during the period, for transactions that are recognised separately from the acquisition of assets and assumption of liabilities in the business combination in accordance with SFAS 22 (Revised 2009) para 51, does the entity disclose:		
22Rp64(l)(i)	<ul style="list-style-type: none"> A description of each transaction? 		
22Rp64(l)(ii)	<ul style="list-style-type: none"> How the acquirer accounted for each transaction? 		
22Rp64(l)(iii)	<ul style="list-style-type: none"> The amounts recognised for each transaction and the line item in the financial statements in which each amount is recognised? 		
22Rp64(l)(iv)	<ul style="list-style-type: none"> If the transaction is the effective settlement of a pre-existing relationship, the method used to determine the settlement amount? 		
22Rp64(m)	<p>The disclosure of separately recognised transactions includes the amount of acquisition-related costs and, separately, the amount of those costs recognised as an expense and the line item or items in the statement of comprehensive income in which those expenses are recognised.</p> <p>Are the amount of any issue costs not recognised as an expense and how they were recognised disclosed?</p>		
	For each business combination that was effected during the period (or after the reporting period but before the financial statements are		

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	authorised for issue), and which resulted in a bargain purchase, does the entity disclose:		
22RpB64(n)	<ul style="list-style-type: none"> The amount of any gain recognised in accordance with SFAS 22 (Revised 2009) para 34 and the line item in the statement of comprehensive income in which the gain is recognised? 		
22RpB64(n)	<ul style="list-style-type: none"> A description of the reasons why the transaction resulted in a gain? 		
	For each business combination that was effected during the period (or after the reporting period but before the financial statements are authorised for issue), for each business combination in which the acquirer holds less than 100% of the equity interest in the acquiree at the acquisition date, does the entity disclose:		
	<p><i>Notes:</i></p> <p><i>A non-controlling interest is defined as the equity in a subsidiary not attributable, directly or indirectly to a parent.</i></p>		
22RpB64(o)	<ul style="list-style-type: none"> The amount of the non-controlling interest in the acquiree recognised at the acquisition date and the measurement basis for that amount? 		
22RpB64(o)	<ul style="list-style-type: none"> For each non-controlling interest in an acquiree measured at fair value, the valuation techniques and key model inputs used for determining that value? 		
	For each business combination that was effected during the period (or after the reporting period but before the financial statements are authorised for issue), does the entity disclose:		
22RpB64(p)	<ul style="list-style-type: none"> The acquisition-date fair value of the equity interest in the acquiree held by the acquirer immediately before the acquisition date? 		
22RpB64(p)	<ul style="list-style-type: none"> The amount of any gain or loss recognised as a result of remeasuring to fair value the equity interest in the acquiree held by the acquirer before the business combination and the line item in the statement of comprehensive income in which that gain or loss is recognised? 		
	For each business combination that was effected during the period (or after the reporting period but before the financial statements are authorised for issue), does the entity disclose:		
22RpB64(q)	<ul style="list-style-type: none"> The amounts of revenue and profit or loss of the acquiree since the acquisition date included in the consolidated statement of comprehensive income for the reporting period? 		
22RpB64(q)	<ul style="list-style-type: none"> The revenue and profit or loss of the combined entity for the current reporting period as though the acquisition date for all business combinations that occurred during the year had been as of the beginning of the annual reporting period? 		
	<p><i>Notes:</i></p> <p><i>If obtaining any of the information required is impracticable, the acquirer discloses that fact and explains why the disclosure is impracticable.</i></p>		
	For adjustments recognised in the current reporting period or		

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		Y-NA-NM	Ref
	previous reporting periods in relation to a business combination, does the acquirer disclose the following for each material business combination or in aggregate for individually immaterial business combinations that are material collectively:		
22RpB67(a)	<ul style="list-style-type: none"> • If the initial accounting for a business combination is incomplete for particular assets, liabilities, non-controlling interests or items of consideration and the amounts recognised in the financial statements for the business combination have been determined only provisionally: 		
	(a) The reasons why the initial accounting for the business combination is incomplete;		
	(b) The assets, liabilities, equity interests or items of consideration for which the initial accounting is incomplete; and		
	(c) The nature and amount of any measurement period adjustments recognised during the reporting period?		
22RpB67(b)	<ul style="list-style-type: none"> • For each reporting period after the acquisition date until the entity collects, sells or otherwise loses the right to a contingent consideration asset, or until the entity settles a contingent consideration liability or the liability is cancelled or expires: 		
	(a) Any changes in the recognised amounts, including any differences arising upon settlement;		
	(b) Any changes in the range of outcomes (undiscounted) and the reasons for those changes; and		
	(c) The valuation techniques and key model inputs used to measure contingent consideration?		
	Does the acquirer disclose for contingent liabilities recognised in a business combination, the following information for each class of provision:		
22RpB67(c)	<ul style="list-style-type: none"> • For each class of provision, an entity discloses: 		
	(a) The carrying amount at the beginning and end of the period;		
	(b) Additional provisions made in the period, including increases to existing provisions;		
	(c) Amounts used (that is, incurred and charged against the provision) during the period;		
	(d) Unused amounts reversed during the period; and		
	(e) The increase during the period in the discounted amount arising from the passage of time and the effect of any change in the discount rate.		
	For adjustments recognised in the current reporting period or previous reporting periods in relation to a business combination, and for each material business combination or in aggregate for individually immaterial business combinations that are material collectively, does the acquirer disclose a reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period showing separately:		

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		Y-NA-NM	Ref
22RpB67(d)	<ul style="list-style-type: none"> The gross amount and accumulated impairment losses at the beginning of the reporting period? 		
22RpB67(d)	<ul style="list-style-type: none"> Additional goodwill recognised during the reporting period, except goodwill included in a disposal group that, on acquisition, meets the criteria to be classified as held for sale in accordance with SFAS 58 (Revised 2009)? 		
22RpB67(d)	<ul style="list-style-type: none"> Adjustments resulting from the subsequent recognition of deferred tax assets during the reporting period in accordance with SFAS 22 (Revised 2009) para 67? 		
22RpB67(d)	<ul style="list-style-type: none"> Goodwill included in a disposal group classified as held for sale in accordance with SFAS 58 (Revised 2009) and goodwill derecognized during the reporting period without having previously been included in a disposal group classified as held for sale? 		
22RpB67(d)	<ul style="list-style-type: none"> Impairment losses recognised during the reporting period in accordance with SFAS 48 (Revised 2009)? 		
22RpB67(d)	<ul style="list-style-type: none"> If any portion of the goodwill recognised in a business combination during the period has not been allocated to a cash-generating unit (group of units) at the reporting date, does the acquirer disclose the amount of the unallocated goodwill together with the reasons why that amount remains unallocated? 		
22RpB67(d)	<ul style="list-style-type: none"> Net exchange rate differences arising during the reporting period in accordance with SFAS 10 (Revised 2010)? 		
22RpB67(d)	<ul style="list-style-type: none"> Any other changes in the carrying amount during the reporting period? 		
22RpB67(d)	<ul style="list-style-type: none"> The gross amount and accumulated impairment losses at the end of the reporting period? 		
22RpB67(e)	<p>For adjustments recognised in the current reporting period or previous reporting periods in relation to a business combination, and for each material business combination or in the aggregate for individually immaterial business combinations that are material collectively, does the acquirer disclose the amount and an explanation of any gain or loss recognised in the current reporting period that both:</p>		
	<p>(a) Relates to the identifiable assets acquired or liabilities assumed in a business combination that was effected in the current or previous reporting period; and</p>		
	<p>(b) Is of such a size, nature or incidence that disclosure is relevant to understanding the combined entity's financial statements?</p>		
22RpB63	<p>If the specific disclosures required by this and other SFASs do not enable users of the financial statements to evaluate the nature and financial effect of business combinations and of the impact of any adjustments arising from them, does the acquirer disclose whatever additional information is necessary to meet those objectives?</p>		

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