

PT MANDOM INDONESIA Tbk
BALANCE SHEETS
JUNE 30, 2008 AND 2007

| | 2008 | 2007 |
|--|------------------------|------------------------|
| | Rp | Rp |
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | 13,079,927,155 | 60,007,231,833 |
| Investments | 2,756,352,312 | 2,669,183,631 |
| Trade accounts receivable | | |
| Related parties | 149,236,176,998 | 164,989,606,637 |
| Third parties | 37,449,174,376 | 8,597,339,852 |
| Other accounts receivable | | |
| Related party | 261,296,295 | 689,219,964 |
| Third parties | 471,664,626 | 456,241,235 |
| Inventories | 210,359,180,410 | 145,093,078,980 |
| Advances | 1,103,503,886 | 1,081,189,457 |
| Advance for purchase of fixed asset | 34,969,435,470 | - |
| Prepaid taxes | 327,894,454 | - |
| Prepaid expenses | 8,840,592,345 | 7,087,343,849 |
| Total Current Assets | 458,855,198,327 | 390,670,435,438 |
| NONCURRENT ASSETS | | |
| Other accounts receivable | 539,368,105 | 663,231,343 |
| Prepaid expenses | 1,579,718,499 | 874,069,516 |
| Deferred tax assets - net | 12,042,990,556 | 9,995,611,784 |
| Property, plant, and equipment - net of accumulated depreciation of Rp 284,395,107,789 in 2008 and Rp 239,491,302,046 in 2007 | 315,880,004,148 | 319,250,276,846 |
| Computer software | 2,277,331,949 | 1,682,688,181 |
| Deferred charges for landrights | 1,231,131,221 | 1,532,632,733 |
| Guarantee deposits | 3,337,402,272 | 3,215,266,616 |
| Total Noncurrent Assets | 336,887,946,750 | 337,213,777,019 |
| TOTAL ASSETS | 795,743,145,077 | 727,884,212,457 |

PT MANDOM INDONESIA Tbk
BALANCE SHEETS
JUNE 30, 2008 AND 2007 (Continued)

| | <u>2008</u> | <u>2007</u> |
|--|------------------------|------------------------|
| | Rp | Rp |
| <u>LIABILITIES AND EQUITY</u> | | |
| CURRENT LIABILITIES | | |
| Trade accounts payable | | |
| Related party | 21,773,018 | 2,663,304 |
| Third parties | 17,892,618,916 | 13,078,550,867 |
| Other accounts payable to third parties | 1,615,333,240 | 273,807,852 |
| Taxes payable | 18,662,970,268 | 27,399,634,512 |
| Accrued expenses | | |
| Related parties | 7,593,953,938 | 5,114,204,468 |
| Third parties | 18,869,140,883 | 18,755,225,245 |
| Advances received | 1,985,360,312 | 1,870,154,131 |
| Total Current Liabilities | <u>66,641,150,575</u> | <u>66,494,240,379</u> |
| NONCURRENT LIABILITY | | |
| Post-employment benefits obligation | <u>31,255,359,656</u> | <u>26,310,024,428</u> |
| EQUITY | | |
| Capital stock - Rp 500 per value per share | | |
| Authorized - 723,840,000 shares | | |
| Subscribed and paid up - 180,960,000 shares | 90,480,000,000 | 90,480,000,000 |
| Additional paid-in capital | 120,244,351,316 | 120,244,351,316 |
| Retained earnings | | |
| Appropriated | 18,096,000,000 | 18,096,000,000 |
| Unappropriated | 469,026,283,530 | 406,259,596,334 |
| Total Equity | <u>697,846,634,846</u> | <u>635,079,947,650</u> |
| TOTAL LIABILITIES AND EQUITY | <u>795,743,145,077</u> | <u>727,884,212,457</u> |

PT MANDOM INDONESIA Tbk
 STATEMENTS OF INCOME
 FOR THE SIX MONTHS PERIOD ENDED
 JUNE 30, 2008 AND 2007

| | <u>2008</u> | <u>2007</u> |
|--|-------------------------|-------------------------|
| | Rp | Rp |
| NET SALES | 630,114,358,840 | 537,180,174,117 |
| COST OF GOODS SOLD | <u>408,595,590,287</u> | <u>328,498,987,621</u> |
| GROSS PROFIT | <u>221,518,768,553</u> | <u>208,681,186,496</u> |
| OPERATING EXPENSES | | |
| Selling | 64,124,050,733 | 66,484,715,511 |
| General and administrative | <u>51,813,603,254</u> | <u>43,972,844,880</u> |
| Total Operating Expenses | <u>115,937,653,987</u> | <u>110,457,560,391</u> |
| INCOME FROM OPERATIONS | <u>105,581,114,566</u> | <u>98,223,626,105</u> |
| OTHER INCOME (CHARGES) | | |
| Interest Income | 1,783,880,879 | 2,087,984,759 |
| Gain on sale of property and equipment | 419,639,008 | 2,919,411,975 |
| Loss on foreign exchange - net | (409,643,059) | (407,417,298) |
| Others - net | <u>1,002,280,203</u> | <u>1,988,495,031</u> |
| Other Income - Net | <u>2,796,157,031</u> | <u>6,588,474,467</u> |
| INCOME BEFORE TAX | <u>108,377,271,597</u> | <u>104,812,100,572</u> |
| TAX BENEFIT (EXPENSE) | | |
| Current tax | (38,296,784,300) | (36,177,043,700) |
| Deferred tax | <u>4,794,726,183</u> | <u>4,036,957,229</u> |
| Tax Expense - Net | <u>(33,502,058,117)</u> | <u>(32,140,086,471)</u> |
| NET INCOME | <u>74,875,213,480</u> | <u>72,672,014,101</u> |
| BASIC EARNINGS PER SHARE | 414 | 402 |

PT MANDOM INDONESIA Tbk
 STATEMENTS OF CHANGES IN EQUITY
 FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2008 AND 2007

| | Paid-up capital stock Rp | Additional paid-in capital Rp | Retained earnings | | Total equity Rp |
|-------------------------------------|-----------------------------|-------------------------------------|-----------------------|------------------------|------------------------|
| | | | Appropriated Rp | Unappropriated Rp | |
| Balance as of January 1, 2007 | 90,480,000,000 | 120,244,351,316 | 18,096,000,000 | 378,827,582,233 | 607,647,933,549 |
| Cash dividends | - | - | - | (45,240,000,000) | (45,240,000,000) |
| Net Income for January - June 2007 | - | - | - | 72,672,014,101 | 72,672,014,101 |
| Balance as of June 30, 2007 | 90,480,000,000 | 120,244,351,316 | 18,096,000,000 | 406,259,596,334 | 635,079,947,650 |
| Net Income for July - December 2007 | - | - | - | 38,560,273,716 | 38,560,273,716 |
| Balance as of December 31, 2007 | 90,480,000,000 | 120,244,351,316 | 18,096,000,000 | 444,819,870,050 | 673,640,221,366 |
| Cash dividends | - | - | - | (50,668,800,000) | (50,668,800,000) |
| Net Income for January - June 2008 | - | - | - | 74,875,213,480 | 74,875,213,480 |
| Balance as of June 30, 2008 | <u>90,480,000,000</u> | <u>120,244,351,316</u> | <u>18,096,000,000</u> | <u>469,026,283,530</u> | <u>697,846,634,846</u> |

PT MANDOM INDONESIA Tbk
 STATEMENTS OF CASH FLOWS
 FOR THE SIX MONTHS PERIOD ENDED
 JUNE 30, 2008 AND 2007

| | 2008 Rp | 2007 Rp |
|--|------------------------------|------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash receipts from customers | 607,605,195,179 | 550,724,715,253 |
| Cash received from (payment for): | | |
| Interest income | 1,783,880,879 | 2,097,174,277 |
| Suppliers | (378,973,837,446) | (253,868,258,590) |
| Employees | (54,480,477,624) | (48,193,544,136) |
| Royalty | (19,794,431,481) | (18,734,566,407) |
| Selling expenses | (64,448,150,341) | (71,907,335,369) |
| Income tax | (26,865,701,919) | (25,007,181,467) |
| Other expenses | (38,449,395,951) | (22,682,110,270) |
| Net Cash Provided by Operating Activities | <u>26,377,081,296</u> | <u>112,428,893,291</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Proceeds from sale of property and equipment | 486,636,364 | 3,154,681,826 |
| Acquisitions of property, plant and equipment | (65,300,820,984) | (41,415,940,414) |
| Placement of time deposit | (1,985,360,312) | (1,870,154,131) |
| Acquisitions of computer software | (263,713,910) | (189,776,030) |
| Net Cash Used in Investing Activities | <u>(67,063,258,842)</u> | <u>(40,321,188,749)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Payment of dividends | (50,665,405,000) | (45,215,342,650) |
| Net Cash Used in Financing Activities | <u>(50,665,405,000)</u> | <u>(45,215,342,650)</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | (91,351,582,546) | 26,892,361,892 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | 104,859,857,682 | 33,531,932,746 |
| Effect of foreign exchange rate changes on cash and cash equivalents | <u>(428,347,981)</u> | <u>(417,062,805)</u> |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | <u><u>13,079,927,155</u></u> | <u><u>60,007,231,833</u></u> |