

**PT INDOMARCO PRISMATAMA
AND SUBSIDIARY**

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS AND
CONSOLIDATED FINANCIAL INFORMATION REVIEW REPORT
FOR THE 6-MONTH PERIOD ENDED JUNE 30, 2013
WITH COMPARATIVE FIGURES CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 6-MONTH PERIODS ENDED JUNE 30, 2012 AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010**

**PT INDOMARCO PRISMATAMA AND SUBSIDIARY
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INTERIM CONSOLIDATED FINANCIAL INFORMATION REVIEW REPORT

Report No. 013101-A3/PA

The Shareholders, Commissioners and Directors
PT INDOMARCO PRISMATAMA AND SUBSIDIARY

We have reviewed the accompanying interim consolidated financial statements of **PT Indomarco Prismatama and Subsidiary**, which consists of the interim statement of financial position as of June 30, 2013, and 2012 and the related statement of comprehensive income, statement of changes in equity, and statement of cash flows for the interim period of 6-month ended June 30, 2013, and 2012 and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial statements in conformity with Indonesian Financial Accounting Standards. Our responsibility is to express a conclusion on this interim financial statements based on our review.

We conducted our review in accordance with Standards on Review Engagement Standards 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity", established by the Indonesian Institute of Certified Public Accountants. A review of interim financial information consists of the submission of inquiries, primarily to those who are responsible for finance and accounting matters, and applying of analytical and other review procedures. A review has a scope of which is substantially limited than an audit conducted in accordance with Auditing Standards established by the Indonesian Institute of Certified Public Accountants and consequently, does not enable us to obtain an assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not present fairly, in all material respects, the consolidated financial position of **PT Indomarco Prismatama and Subsidiary** as of June 30, 2013 and 2012 financial performance and cash flows for period of 6-month then ended in conformity with Indonesian Financial Accounting Standards.

JOHAN MALONDA MUSTIKA & REKAN
Licence No. 951/KM.1/2010

Drs Putu Astika
Public Accountant Registration AP. 0726

August 6, 2013

Notice to Readers

The accompanying Interim Consolidated Financial Statements are not intended to present the Interim Financial Position, Results of Operations, Changes in Equity and Cash Flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Indonesia. The standards, procedures and practices utilized to audit such Interim Financial Statements may differ from those generally accepted in countries and jurisdictions other than Indonesia. Accordingly the accompanying Interim Financial Statements and the interim financial information report thereon are not intended for use by those who are not informed about the Indonesian Financial Accounting Standards and Review Engagement Standards, and their application in practice.

**PT INDOMARCO PRISMATAMA AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2013, DECEMBER 31, 2012, 2011 AND 2010
(Expressed in Thousand Rupiah, except Otherwise Stated)**

A S S E T S					
	Notes	June 30 2013	December 31 2012	December 31 2011	2010
CURRENT ASSETS					
Cash and Cash Equivalents	2 & 3	2,621,308,704	1,238,164,822	648,475,396	539,628,369
Pledged Time Deposits	2	15,000,000	15,000,000	15,000,000	-
Trade Receivables	2 & 4	1,608,017,963	966,957,573	524,244,028	432,071,893
Other Receivables	2 & 5	178,309,996	236,100,753	180,567,787	96,090,942
Inventories - Net of Allowance for Damaged Inventory of Rp 27,653,430 as of June 30, 2013 and Rp 27,314,255, Rp 20,295,655 and Rp 14,521,273, as of December 31, 2012, 2011 and 2010, respectively	3 & 6	3,102,351,153	2,414,482,492	1,703,189,378	1,235,837,301
Prepaid Taxes	2 & 15	219,492,795	151,284,172	162,749,234	129,783,674
Advances and Prepaid Expenses	2 & 7	639,406,665	661,699,600	410,712,292	343,116,682
Total Current Assets		<u>8,383,887,276</u>	<u>5,683,689,412</u>	<u>3,644,938,115</u>	<u>2,776,528,861</u>
NON CURRENT ASSETS					
Marketable Securities	2 & 8	428,000,000	428,000,000	428,000,000	428,000,000
Property and Equipment - Net of Accumulated Depreciation of Rp 840,801,059 as of June 30, 2013 and Rp 802,064,263, Rp 624,370,930 and Rp 455,855,903, as of December 31, 2012, 2011 and 2010, respectively	2 & 9	978,390,706	965,357,417	802,944,056	746,249,857
Deferred Rental and Outlet Renovation Charges - Net of Accumulated Amortization of Rp 1,553,042,869 as of June 30, 2013 and Rp 1,272,366,191, Rp 824,763,359, and Rp 510,703,138 as of December 31, 2012, 2011 and 2010, respectively	2 & 10	2,210,042,870	1,719,723,231	1,241,488,802	833,329,527
Other Assets	2 & 11	106,999,474	72,964,561	78,278,487	55,991,887
Total Non Current Assets		<u>3,723,433,050</u>	<u>3,186,045,209</u>	<u>2,550,711,345</u>	<u>2,063,571,271</u>
TOTAL ASSETS		<u><u>12,107,320,326</u></u>	<u><u>8,869,734,621</u></u>	<u><u>6,195,649,460</u></u>	<u><u>4,840,100,132</u></u>

See Interim Consolidated Financial Information Review Report
Notes to Consolidated Financial Statements
which are an integral part of these Interim Consolidated Financial Statements
and Consolidated Financial Statements

PT INDOMARCO PRISMATAMA AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Continued)
AS OF JUNE 30, 2013, DECEMBER 31, 2012, 2011 AND 2010
(Expressed in Thousand Rupiah, except Otherwise Stated)

LIABILITIES AND EQUITY					
	June 30	December 31			
Notes	2013	2012	2011	2010	
CURRENT LIABILITIES					
Trade Payables	12 & 35	3,784,195,084	2,790,395,971	2,026,730,871	1,604,943,418
Deferred Income	13	146,463,196	31,932,841	25,980,455	18,516,621
Due to Franchisees	14	68,631,653	70,197,994	36,036,588	48,996,715
Taxes Payable	2 & 15	20,090,869	36,341,129	20,697,589	13,691,250
Other Payables	16	350,599,513	343,134,857	139,101,077	53,713,798
Accrued Expenses	2 & 17	239,066,773	129,737,485	89,880,933	80,908,527
Current Maturities of Long-term Liabilities:					
Bank Loans	18	2,430,574,056	1,896,914,721	1,071,191,983	396,720,406
Consumer Financing Loans	19	47,877,825	39,404,164	21,977,740	17,767,153
Total Current Liabilities		<u>7,087,498,969</u>	<u>5,338,059,162</u>	<u>3,431,597,236</u>	<u>2,235,257,888</u>
NON CURRENT LIABILITIES					
Deferred Tax Liabilities	2 & 15	1,128,885	35,697,177	74,030,641	42,864,876
Post-Employment Benefit Liabilities	2,31&36	216,564,213	216,998,794	171,404,838	130,136,963
Long-term Liabilities :					
Bank Loans	18	-	1,034,929,394	886,326,616	1,117,092,304
Consumer Financing Loans	19	79,499,592	58,775,679	37,809,533	52,955,334
Total Non Current Liabilities		<u>297,192,690</u>	<u>1,346,401,044</u>	<u>1,169,571,628</u>	<u>1,343,049,477</u>
E Q U I T Y					
Share Capital, par value of Rp 250 per share					
Authorized - 3,000,000,000 shares as of June 30, 2013 and 1,400,000,000 shares as of December 31, 2012, 2011 and 2010					
Subscribed and Fully Paid - 1,846,800,000 shares as of June 30, 2013 and 1,108,080,000 shares as of December 31, 2012, 2011 and 2010	21	461,700,000	277,020,000	277,020,000	277,020,000
Paid-in Capital	22	2,437,776,000	-	-	-
Differences in Value of Restructuring Transactions among Entities under Common Control		(38,193,807)	(17,686,195)	(17,686,195)	(17,686,195)
Retained Earnings :					
Appropriated for General Reserve	24	14,877,842	11,670,219	300,000	300,000
Unappropriated		1,842,668,632	1,855,495,120	1,303,320,446	974,818,751
T o t a l		<u>4,718,828,667</u>	<u>2,126,499,144</u>	<u>1,562,954,251</u>	<u>1,234,452,556</u>
NON-CONTROLLING INTEREST	2 & 20	<u>3,800,000</u>	<u>58,775,271</u>	<u>31,526,345</u>	<u>27,340,211</u>
Total Equity		<u>4,722,628,667</u>	<u>2,185,274,415</u>	<u>1,594,480,596</u>	<u>1,261,792,767</u>
TOTAL LIABILITIES AND EQUITY		<u>12,107,320,326</u>	<u>8,869,734,621</u>	<u>6,195,649,460</u>	<u>4,840,100,132</u>

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**PT INDOMARCO PRISMATAMA AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE 6-MONTH PERIOD ENDED JUNE 30, 2013
WITH COMPARATIVE CONSOLIDATED FIGURES
FOR THE 6-MONTH PERIOD ENDED JUNE 30, 2012 AND
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010
(Expressed in Thousand Rupiah, except Otherwise Stated)**

	Notes	June 30		December 31		
		2013	2012	2012	2011	2010
NET REVENUES	2 & 25	16,317,926,249	13,478,571,085	29,657,589,495	22,321,020,640	17,478,465,934
COST OF REVENUES	2 & 26	(13,323,392,701)	(11,354,608,308)	(24,650,279,156)	(18,711,426,575)	(14,790,888,258)
GROSS PROFIT		2,994,533,548	2,123,962,777	5,007,310,339	3,609,594,065	2,687,577,676
OPERATING EXPENSES	2 & 20	(2,764,469,104)	(1,886,169,972)	(4,294,725,966)	(3,119,903,638)	(2,439,766,989)
INCOME FROM OPERATIONS		230,064,444	237,792,805	712,584,373	489,690,427	247,810,687
OTHER INCOME (CHARGES) - NET	2 & 29	(65,868,050)	(43,605,912)	(121,358,875)	(123,792,055)	(62,286,958)
INCOME BEFORE PROVISION FOR INCOME TAX		164,196,394	194,186,893	591,225,498	365,898,372	185,523,729
PROVISION FOR INCOME TAX	2 & 15					
Current		(44,385,115)	(394,215)	(52,165,143)	(2,044,778)	(1,008,882)
Deferred		32,908,125	22,974,602	38,333,464	(31,165,765)	(28,840,274)
Total Provision for Income Tax		(11,476,990)	22,580,387	(13,831,679)	(33,210,543)	(29,849,156)
NET INCOME FOR THE PERIOD		152,719,404	216,767,280	577,393,819	332,687,829	155,674,573
OTHER COMPREHENSIVE INCOME		-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		152,719,404	216,767,280	577,393,819	332,687,829	155,674,573
Total Comprehensive Income						
Attributable to :						
Equity Holders of the Parent Company		150,381,140	214,070,276	568,510,935	328,501,695	151,987,343
Non-Controlling Interest		2,338,264	2,697,004	8,882,884	4,186,134	3,687,230
T o t a l		152,719,404	216,767,280	577,393,819	332,687,829	155,674,573

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PT INDOMARCO PRISMATAMA AND SUBSIDIARY
INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE 6-MONTH PERIOD ENDED JUNE 30, 2013
WITH COMPARATIVE CONSOLIDATED FIGURES
FOR THE 6-MONTH PERIOD ENDED JUNE 30, 2012 AND
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010
(Expressed in Thousand Rupiah, except Otherwise Stated)

	Notes	Capital Stock	Paid in Capital	Difference in Value of Restructuring Transactions among Entities under Common Control	Retained Earnings		Total	Non-Controlling Interest	Total Equity
					Appropriated for General Reserve	Unappropriated			
BALANCE AS OF DECEMBER 31, 2009		277.020.000	-	(17.686.195)	300.000	822.831.408	1.082.465.213	23.652.981	1.106.118.194
CONSOLIDATED COMPREHENSIVE INCOME IN 2010 (Restated)		-	-	-	-	151.987.343	151.987.343	3.687.230	155.674.573
BALANCE AS OF DECEMBER 31, 2010 (Restated)		277.020.000	-	(17.686.195)	300.000	974.818.751	1.234.452.556	27.340.211	1.261.792.767
CONSOLIDATED COMPREHENSIVE INCOME IN 2011		-	-	-	-	328.501.695	328.501.695	4.186.134	332.687.829
BALANCE AS OF DECEMBER 31, 2011		277.020.000	-	(17.686.195)	300.000	1.303.320.446	1.562.954.251	31.526.345	1.594.480.596
ADDITIONAL PAID-IN CAPITAL		-	-	-	-	-	-	13.400.000	13.400.000
A D J U S T M E N T S		-	-	-	-	(4.966.042)	(4.966.042)	4.966.042	-
CONSOLIDATED COMPREHENSIVE INCOME IN 2012		-	-	-	11.370.219	557.140.716	568.510.935	8.882.884	577.393.819
BALANCE AS OF DECEMBER 31, 2012		277.020.000	-	(17.686.195)	11.670.219	1.855.495.120	2.126.499.144	58.775.271	2.185.274.415
CONSOLIDATED COMPREHENSIVE INCOME FOR 6-MONTH IN 2013		-	-	-	3.207.623	147.173.512	150.381.135	(58.775.271)	91.605.864
D I V I D E N D	23	-	-	-	-	(160.000.000)	(160.000.000)	-	(160.000.000)
DIFFERENCE ARISING FROM RESTRUCTURING TRANSACTIONS AMONG ENTITIES UNDER COMMON CONTROL		-	-	(20.507.612)	-	-	(20.507.612)	-	(20.507.612)
NON CONTROLLING INTEREST		-	-	-	-	-	-	3.800.000	3.800.000
INCREASE IN CAPITAL STOCK		184.680.000	-	-	-	-	184.680.000	-	184.680.000
ADDITIONAL PAID IN CAPITAL	22	-	2.437.776.000	-	-	-	2.437.776.000	-	2.437.776.000
BALANCE AS OF JUNE 30, 2013		461.700.000	2.437.776.000	(38.193.807)	14.877.842	1.842.668.632	4.718.828.667	3.800.000	4.722.628.667

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PT INDOMARCO PRISMATAMA AND SUBSIDIARY
INTERIM STATEMENTS OF CASH FLOWS
FOR THE 6-MONTH PERIOD ENDED JUNE 30, 2013
WITH COMPARATIVE CONSOLIDATED FIGURES
FOR THE 6-MONTH PERIOD ENDED JUNE 30, 2012 AND
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010
(Expressed in Thousand Rupiah, except Otherwise Stated)

	June 30		December 31		
	2013	2012	2012	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Receipts from Customers	14,604,147,714	13,072,307,833	28,903,364,161	22,192,777,612	17,421,891,889
Cash Payments to Suppliers	(11,990,976,970)	(11,240,528,649)	(24,286,395,376)	(18,765,613,154)	(14,926,863,590)
Cash Payment to Operating Expenses	(2,387,164,436)	(1,743,744,729)	(4,224,064,390)	(3,058,938,762)	(2,036,701,961)
Tax Payment	(53,445,464)	(92,684)	(67,530,572)	(1,952,094)	(37,670,181)
Cash Receipts from Tax Refunds	-	-	53,712,406	423,496	15,759,828
Interest Payment	(127,282,080)	(93,277,009)	-	-	(133,275,100)
Other Cash Receipts/Payment	13,225,435	41,095,995	34,161,405	(5,901,412)	-
Net Cash Provided by Operating Activities	58,504,199	35,760,757	413,247,634	360,795,686	303,140,885
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of Property and Equipment	(220,084,785)	(154,410,833)	(372,539,395)	(256,852,825)	(267,025,698)
Increase in Other Assets	(45,809,150)	(21,666,103)	(472,920,504)	(430,445,873)	(28,742,553)
Proceeds from Sale of Property and Equipment	28,601,591	17,918,806	42,487,676	18,652,047	8,228,620
Addition to Investment in Bonds	-	-	-	-	(277,000,000)
Receipts of Interest on Time Deposits and Bank Current Accounts	5,934,053	5,843,505	11,669,626	8,809,812	7,672,044
Increase (Decrease) in Investments	700,000	-	(45,000)	-	-
Addition to Deferred Rental and Outlet Renovation Charges	(490,319,638)	(227,253,913)	-	-	(538,351,937)
Proceeds from Sale of Investment in Subsidiaries	81,000,000	-	-	-	-
Dividend Received from Subsidiaries	45,753,500	-	-	-	-
Net Cash Used in Investing Activities	(594,224,429)	(379,568,538)	(791,347,597)	(659,836,839)	(1,095,219,524)
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase (Decrease) in Bank Loans	(466,270,058)	616,325,591	974,325,517	443,705,889	858,917,417
Decrease of Consumer Financing Loans	(5,693,276)	(11,832,808)	(19,936,128)	(20,817,709)	(18,606,493)
Increase in Share Capital	184,680,000	13,400,000	13,400,000	-	-
Paid in Capital	2,437,776,000	-	-	-	-
Dividend Payment	(160,000,000)	-	-	-	-
Minority Interest Paid in Capital	3,800,000	-	-	-	-
Pledged Time Deposits	-	-	-	(15,000,000)	-
Net Cash Provided by Financing Activities	1,994,292,666	617,892,783	967,789,389	407,888,180	840,310,924
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,458,572,436	274,085,002	589,689,426	108,847,027	48,232,285
CASH AND CASH EQUIVALENT, BEGINNING BALANCE OF DECONSOLIDATED SUBSIDIARY	(75,428,554)	-	-	-	-
CASH AND CASH EQUIVALENTS, BEGINNING	1,238,164,822	648,475,396	648,475,396	539,628,369	491,396,084
CASH AND CASH EQUIVALENTS, ENDING	2,621,308,704	922,560,398	1,238,164,822	648,475,396	539,628,369

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PT INDOMARCO PRISMATAMA AND SUBSIDIARY
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 6-MONTH PERIOD ENDED JUNE 30, 2013 AND
WITH COMPARATIVE CONSOLIDATED FIGURES
FOR THE 6-MONTH PERIOD ENDED JUNE 30, 2012 AND
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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(Expressed in Thousand Rupiah, except Otherwise Stated)

1. GENERAL

PT Indomarco Prismatama ("the Company") was established based on Notarial Deed No. 207 dated November 21, 1998 of Benny Kristianto SH., public notary in Jakarta. The deed was approved by the Minister of Justice of the Republic of Indonesia under Decision Letter No. C2-2908.HT.01.01.Th.89 dated April 6, 1989.

The Company's Articles of Association have been amended several times by Notarial Deed No. 21 dated June 10, 2013 of Popie Savitri Martosuhardjo Pharmanto, SH., public notary in Jakarta regarding the increase in the subscribed and fully paid capital from Rp 277,020,000 (1,108,080,000 shares) to Rp 401,700,000 (1,846,800,000 shares). These changes were approved by the Minister of Law and Human Rights of the Republic Indonesia in Decision Letter No. AHU-36812.AH.01.02.Tahun 2013 dated July 8, 2013.

The latest amended by Notarial Deed No. 34 dated May 8, 2013 of Popie Savitri Martosuhardjo Pharmanto, SH., public notary in Jakarta regarding the increase in the subscribed and fully paid capital from Rp 277,120,000,000 (1,108,080,000 shares) to Rp 461,700,000,000 (1,846,800,000 shares).

The Company's main activity is engaging in retail tradings with its head office at Jl. Ancol I No. 9-10, Jakarta and establishes outlets selling daily needs in various places in Indonesia. The details of the Company's business locations are as follows:

1. Jakarta branch office I, Jl. Ancol VIII No. 2, West Ancol, Jakarta 14430.
2. Jakarta branch office II, Jl. Raya Alternatif Sentul KM. 46 Cijujung, Sukaraja, Bogor District 16710.
3. Tangerang I branch office, Jl. Raya Serang KM 09, Zona Industri Manis No. 1A, RT 003/ RW 001 Tangerang, Banten.
4. Bandung branch office, Jl. Jend. Ahmad Yani No. 806 Bandung 40282.
5. Surabaya branch office, Jl. Jenggolo No. 22 Gedangan, Sidoarjo 61254.
6. Semarang branch office, Jl. Industri Tugu I Kav. 2-4 Kawasan Industri Wijaya Kusuma, Randu Garut, Tugu, Semarang 50153.
7. Bekasi branch office, Jl. Jababeka Raya Blok A No. 6-15 RT 004/006 Pasir Gombang, North Cikarang, Bekasi.
8. Parung branch office, Jl. Pembangunan Raya Gunung Sindur No. 21A, RT 01/02 Gunung Sindur, Bogor 16340.
9. Jember branch office, Jl. Pierre Tendean No. 99A, Tegal Bai Village, Karangrejo, Summersari, Jember 68127.
10. Bandar Lampung branch office, Jl. Tembesu No. 8, Campang Raya Village, Kali Balok, Bandar Lampung 35122.
11. Medan branch office, Jl. Industri Dusun I No. 60 Tanjung Morawa B, Tanjung Morawa, Deli Serdang 20582.
12. Yogyakarta branch office, Jl. Ringroad Barat No. 99, Padukuhan, Salakan RT 08 RW 26 Trihanggo Gamping, Sleman, Yogyakarta 55514.
13. Malang branch office, Jl. Mayjen Sungkono No. 99 RT 01 RW 02, Wonokoyo, Kedung Kandang, Malang.
14. Cirebon branch office, Jl. Pangeran Antasari Blok Petapan RT 02 RW 01, Kejuden Village, Depok Subdistrict, Cirebon District 45653.
15. Makassar branch office, Jl. Kima 10 Kav. A5-A5a, Bringkanaya, Makassar District.

PT INDOMARCO PRISMATAMA AND SUBSIDIARY
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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1. GENERAL (Continued)

16. Palembang branch office, Jl. Pangeran Ayin RT 05 RW 03, Sukamaju - Sako, Palembang 30164.
17. Bali branch office, Jl. Raya Mengwi-Singaraja No. 17, Br. Binong, Werdhi Bhuwana Village, Mengwi Subdistrict, Badung District – Bali 80351.
18. Pekanbaru branch office, Jl. Imam Munandar/Jl. Harapan Raya, Komplek Pergudangan Platinum, Kel. Tangkerang Utara, Bukit Raya Subdistrict, Pekanbaru 28289.
19. Samarinda branch office, Jl. PM Noor No. 2-3, RT 39, Sempaya Selatan, Samarinda Utara District – Samarinda 75119.
20. Tangerang 2 branch office, Jl. Raya Serang KM. 009, Zona Industri Manis No. 1 B, RT 003/ RW 001, Tangerang, Banten

Number of permanent employees as of :

	June 30, 2013	December 31,		
		2012	2011	2010
PT Indomarco Prismatama	40,852	35,262	28,752	24,596
PT Inti Cakrawala Citra	-	1,788	1,601	1,510
PT Indosato Jaya Makmur	-	-	-	-

The Company commenced commercial operations in 1988 and since 1997, has applied a franchise system on the use of "Indomaret" brand.

Based on Notarial Deed No. 31 dated April 12, 2012 of Popie Savitri Martosuhardjo, SH., the shareholders approved the resignation of Mr. Davis Masli Langlangbuana from his position as Director of the Company, so that the composition of the Boards of Commissioners and Directors of the Company as of June 30, 2013 and December 31, 2012, 2011 and 2010 is as follows:

	June 2013, December 31, 2012 and 2011	December 31, 2010
President Commissioner :	Mr. Djisman Simandjuntak	Mr. Djisman Simandjuntak
Commissioners :	Mr. Soenardi Winarto Mr. Soedarsono	Mr. Soenardi Winarto Mr. Soedarsono
President Director :	Mr. Sinarman Jonatan	Mr. Sinarman Jonatan
Directors :	Mr. Hendarto Josojuwono Mr. Laurensius Tirta Widjaja Mr. Wiwiek Yusuf Mr. Haliman Kustedjo Mr. Darmawie Alie Mr. Stephanus Krisgianto	Mr. Hendarto Josojuwono Mr. Laurensius Tirta Widjaja Mr. Wiwiek Yusuf Mr. Haliman Kustedjo Mr. Darmawie Alie Mr. Stephanus Krisgianto Mr. Davis Masli Langlangbuana

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies applied by the Company and Subsidiary in preparing these Interim Consolidated Financial Statements and Consolidated Financial Statements:

a. Basis of Interim Consolidated Financial Statements and Consolidated Financial Statement Presentation

The Interim Consolidated Financial Statements and Consolidated Financial Statements have been prepared using Indonesian Financial Accounting Standards. The Interim Consolidated Financial Statements and Consolidated Financial Statements, except for the Interim Consolidated Statements of Cash Flows and Consolidated Statements of Cash Flows, are prepared under the Accrual basis of accounting.

The Company's Interim Consolidated Financial Statements and Consolidated Financial Statements have been prepared based on the Historical Cost concept, except for certain accounts which are measured on the basis described in the related accounting policies.

The Interim Consolidated Financial Statements and Consolidated Financial Statements are prepared in accordance with Statement of Financial Accounting Standards ("SFAS") No. 1 (Revised 2009), "Presentation of Financial Statements".

SFAS No. 1 (Revised 2009) regulates presentation of Interim Consolidated Financial Statements and Consolidated Financial Statements as to, among others, the objective, component of financial statements, fair presentation, materiality and aggregate, offsetting, distinction between current and non-current assets and current and non-current liabilities, comparative information and consistency and introduces new disclosures such as, among others, key estimations and judgements, capital management, other comprehensive income, departures from accounting standards and statement of compliance.

The said adoption of SFAS No. 1 (Revised 2009) had no significant impact on the related presentation and disclosures in the Interim Consolidated Financial Statements and Consolidated Financial Statements.

The Interim Consolidated Statements of Cash Flows and Consolidated Statements of Cash Flows present the Company's cash receipts and disbursements classified into operating, investing and financing activities and are prepared using the Direct method.

The reporting currency used in the preparation of the Interim Consolidated Financial Statements and Consolidated Financial Statements is the Indonesian Rupiah, which is the functional currency for the Company.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Consolidation Principles

The Consolidated Financial Statements consist of the Financial Statements of PT Indomarco Prismatama and Financial Statements of Subsidiaries, PT Inti Cakrawala Citra, with percentage of 78.99 % in 2012 and 79.93 % in 2011 and 2010 ownership and PT Indosato Jaya Makmur with percentage of 81 % in 2013.

PT Inti Cakrawala Citra commenced operations in November 1993 and applies a franchise system for the use of "OMI" brand. While PT Indosato Jaya Makmur is still in pre-operating.

PT Inti Cakrawala Citra is headquartered at Jl. Ancol I No. 9 - 10, Jakarta. As of December 31, 2012, the Subsidiary had 10 branches and 3 division located in Jakarta, Surabaya, Yogyakarta Tangerang, Bandung, Medan, Palembang, Bekasi, Jember, Depok and Pekanbaru.

The Company retrospectively adopted SFAS No. 4 (Revised 2009), "Consolidated and Separate Financial Statements", except for the following items that were applied prospectively : (i) losses of a subsidiary resulting in a deficit balance to non-controlling interests ("NCI"); (ii) loss of control over a subsidiary; (iii) change in the ownership interest in a subsidiary that does not result in a loss of control; (iv) potential voting rights in determining the existence of control; and (v) consolidation of a subsidiary that is subject to a long-term restriction.

SFAS No. 4 (Revised 2009) provides for the preparation and presentation of Consolidated Financial Statements for a group of entities under the control of a parent, and the accounting for investments in subsidiaries, jointly controlled entities and associated entities when Separate Financial Statements are presented as additional information.

The adoption of SFAS No. 4 (Revised 2009) had no significant impact on the financial reporting including for the related disclosures in Consolidated Financial Statements.

The Consolidated Financial Statements include the accounts of the Company and Subsidiary mentioned, in which the Company maintains (directly or indirectly) equity ownership of more than 50 %.

All significant intercompany transactions and account balances (including the related significant unrealized gains or losses) have been eliminated.

Subsidiary are fully consolidated from the date of acquisitions, that is the date on which the Company obtained control, and continue to be consolidated until the date such control ceases. Control is presumed to exist if the Company owns, directly or indirectly through Subsidiary, more than a half of the voting power of an entity.

Losses of a non-wholly owned subsidiary are attributed proportionally to the NCI even if that results in a deficit balance.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Consolidation Principles (Continued)

In case of losing control over a subsidiary, the Company:

- derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- derecognizes the carrying amount of any NCI;
- derecognizes the cumulative translation differences, recorded in equity, if any;
- recognizes the fair value of the consideration received;
- recognizes the fair value of any investment retained;
- recognizes any surplus or deficit in profit or loss in Statements of Comprehensive Income; and
- reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

NCI represents the portion of the profit or loss and net assets of the Subsidiaries attributable to equity interest that are owned directly or indirectly by the Company, which are presented respectively in the Consolidated Statements of Comprehensive Income and under the equity section of the Consolidated Statements of Financial Position, respectively, separately from the corresponding portion attributable to the equity holders of the Parent Company.

Losses attributable to the NCI in certain non-wholly owned subsidiaries that have exceeded the NCI's portion in the equity of the said subsidiaries were temporarily charged against the controlling shareholder unless the NCI has a binding obligation to cover these losses. Subsequent profits of the said subsidiaries shall be allocated to the controlling shareholder until the NCI's share of losses previously absorbed by the controlling shareholder has been recovered.

Acquisitions of NCI were accounted for using the Parent-entity Extension method, whereby the difference between the consideration given/received and the carrying amount of the underlying net assets acquired or given up is recognized as goodwill for "positive excess", and to profit and loss for "negative excess".

The Company has direct ownership interest of more than 50% in the following subsidiaries:

Subsidiary	Domicile	June 2013	Percentage of Ownership		
			December 2012	December 2011	December 2010
		%	%	%	%
PT Inti Cakrawala Citra	Jakarta	-	70.39	79.93	79.93
PT Indosato Jaya Makmur	Jakarta	81.00	-	-	-

In March 2013, the Company sold its investment of PT Inti Cakrawala Citra with a 70.39% ownership to PT Indomarco Perdana. The sales and transfer transaction is recorded as "Differences in Value of Restructuring Transaction Among Entities under Common Control".

In March 2013, the Company invest in PT Indosato Jaya Makmur (IJM) based on Notarial Deed No. 3 dated March 4, 2013 for 16,200 shares amounting to Rp 16,200,000. IJM has not started its commercial operations.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Cash and Cash Equivalents

Cash and cash equivalents consist cash on hand and in banks, and time deposits with maturities of three months or less, not restricted and not pledged as collateral.

d. Receivables

The Company and Subsidiary provide an allowance for doubtful accounts based on management's review of the status of individual receivable accounts at year-end.

e. Inventory

Inventory is recorded at the lower of cost or net realizable value, whichever is lower. Merchandise inventories are recorded at cost determined by the Average method. Such cost includes the costs incurred to acquire the stock and bring it to the present location and condition. Net realizable value is the estimated selling price less the reasonable estimated cost to complete and sell the inventory of goods produced.

Losses arising from damage and loss of merchandise inventory determined by observation carried out on a regular basis and charged to the Interim Statements of Comprehensive Income and Consolidated Statements of Comprehensive Income.

f. Property and Equipment

Effective January 1, 2012, the Company and Subsidiary applied SFAS No. 16 (2011 Revision), "Property, Plant and Equipment". SFAS No. 16 (2011 Revision) establishes the scope of properties under construction or in progress to be used in the future as investment properties, but not yet meeting the criteria determined in SFAS No. 13 (2011 Revision), "Investment Properties".

Property and equipment are recorded based on acquisition cost and depreciated using the Straight-line method with the depreciation percentage for each fixed asset as follows:

Buildings and Warehouses	20 Year
Office Equipment	5 Year
Outlet and Warehouse Equipment	5 Year
EDP Equipment	5 Year
V e h i c l e s	5 Year
Workshop Equipment	5 Year

Land is stated at cost and not depreciated

Based on this SFAS, that affects the asset recognition, the determination of the carrying amount and depreciation expense and loss on impairment recognized in relation to the asset.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Property and Equipment (Continued)

The Company owns land rights for 43 locations used as the Company's outlets, valid for 20 years to fall due on various dates. The land rights can be extended for another 20 years as long as the Company settles the extension cost before the period ends. Based on the Company's relationship with the Government handling land matters and as long as there are no changes in Indonesian land regulations, the Company sees no obstacles in extending the land rights. Since the land right extension cost is very small compared to the land acquisition cost, the Company has charged the cost in the Interim Statements of Comprehensive Income and Consolidated Statements of Comprehensive Income.

The Subsidiary owns a land right for a location in Medan used as the Company's outlet valid for 20 years.

When assets are retired or otherwise disposed of, the cost and its related accumulated depreciation and impairment are removed from the accounts. An item of fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any resulting gain or loss is included in the Consolidated Statement of Comprehensive Income in the current year.

Expenditures for repairs and maintenance of property and equipment to keep the future economic benefits are charged to the Interim Statements of Comprehensive Income and Consolidated Statement of Comprehensive Income at the time of transactions. Improvements which increase the value (utility) and the estimated useful life of the assets and significant renewals are capitalized. When assets are retired or otherwise disposed of, the cost and its related accumulated depreciation and impairment are removed from the accounts, recognized as gains or losses in the Interim Statements of Comprehensive Income and Consolidated Statement of Comprehensive Income.

g. Deferred Outlet Renovation and Rental Charges

All costs incurred for the renovation of the Company's outlets are capitalized. Deferred outlet renovation and rental charges are amortized over the rental period.

h. Deferred Costs

Deferred software costs represent computer program licences capitalized based on the acquisition cost. Acquisition cost is amortized at an estimated useful life of five years using the Straight-line method. Costs arising from interior and exterior office equipment rentals are amortized based on the useful life.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Provision for Income Tax

Income tax is computed on the basis of taxable income for the period. Deferred income tax is provided by Company and Subsidiary for the timing differences in the recognition of income and expenses for financial reporting and income tax purpose. The accounting treatment is in conformity with SFAS No. 46, "Accounting for Income Taxes".

Deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between carrying amounts of assets and liabilities according to the Interim Statements of Financial Position and Consolidated Statements of Financial Position with the tax bases of assets and liabilities. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for temporary differences can be reduced, along the most likely can be utilized to reduce future taxable income.

Deferred tax is accounted for using the current tax tarif or substantially applicable at the Interim Statements of Comprehensive Income and Consolidated Statement of Financial Position date. Deferred tax are charged or credited to the Interim Statements of Comprehensive Income and Consolidated Statement of Comprehensive Income in the current year.

j. Post-employment Benefit Liabilities

The Company and Subsidiary have established a Defined Benefit Pension Plan for permanent employees. Pension contributions have been charged to the current year Interim Statements of Comprehensive Income and Consolidated Statements of Comprehensive Income.

In addition, the Company through actuary also has calculated the post-employment benefits in accordance with Labor Law No.13/2003 dated March 25, 2003.

The Interim Financial Statements and Consolidated Financial Statements of the Company have implemented SFAS No. 24 (Revised 2004), "Employee Benefits". This statement requires the Company and Subsidiary to recognize all post-employment benefits provided and calculate the estimated post-employment benefit liabilities based on the Law.

Actuarial gains or losses are recognized as income or expense when the accumulated unrecognized actuarial gains and losses that exceed 10% of the present value of the defined benefit obligations is recognized on the Straight-line basis over the expected average remaining working lives of the participating employees. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortized on a Straight-line basis over the average period until the benefits become vested.

k. Revenue and Expense Recognition

The Company and Subsidiary adopted SFAS No. 23 (Revised 2010), "Revenue". This revised SFAS identifies the circumstances in which the criteria on revenue recognition will be met and, therefore, revenue maybe recognized and prescribes the accounting treatment of revenue recognition. The adoption of this revised SFAS had no significant impact on the Interim Financial Statements and Consolidated Financial Statements.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Revenue and Expense Recognition (Continued)

Revenue from sale of goods is recognized when the Company and Subsidiary's have significantly, transferred the risks and benefits of the goods ownership to the buyers. Franchise revenues and income from joint promotions are recognized on an Accrual basis and the amount is in accordance with the agreement between the Company and Subsidiary's and franchisees and the Company's and Subsidiary's suppliers. Expenses are recognized when incurred.

l. Financial Assets and Liabilities

Effective January 1, 2012, the Company and Subsidiary applied SFAS No. 50 (2010 Revision), "Financial Instruments : Presentation", SFAS No. 55 (2011 Revision), "Financial Instruments : Recognition and Measurement", and SFAS No. 60, "Financial Instruments : Disclosures". These revised SFASs have been applied prospectively.

In the application of SFAS No. 50 (2010 Revision), SFAS No. 55 (2011 Revision) and SFAS No. 60, the Company and Subsidiary classify financial instruments in the form of financial assets and financial liabilities.

Financial Assets

Management determines the classification of its financial assets at initial recognition in accordance with the purpose for which the financial assets were acquired. The classification of financial assets is as follows:

(i) Financial Assets at Fair Value through Profit or Loss

Financial assets at fair value through profit or loss include financial assets held for trading, if they are acquired for the purpose of selling them in the near term or for which there is evidence of a recent actual pattern of short-term profit taking. Derivatives are also categorised as held for trading unless they are designated and effective as hedging instruments. Financial assets at fair value through profit or loss are carried in the Interim Statement of Financial Position and Consolidated Statement of Financial Position at fair value with unrealized gains or losses recognized in the Interim Statement of Comprehensive Income and Consolidated Statement of Comprehensive Income.

The Company and Subsidiary had no financial assets held classified as for trading.

(ii) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost using the Effective Interest Rate method.

The Company and Subsidiary had loans and receivables consisting of cash and cash equivalent, trade receivables, other receivables and pledged time deposit.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Financial Assets and Liabilities (Continued)

Financial Assets (Continued)

(iii) Held-to-Maturity Financial Assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the management has the positive intention and ability to hold them to maturity, except for:

- a) Financial assets upon initial recognition designated as financial assets at fair value through profit or loss;
- b) Financial assets designated as available for sale; and
- c) Financial assets that meet the definition of loans and receivables.

Held-to-maturity financial assets are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost using the Effective Interest Rate method.

The Company and Subsidiary marketable securities is classified as held-to-maturity financial assets.

(iv) Available-for-Sale Financial Assets

Available-for-sale financial assets are financial assets that are intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or that do not meet the criteria for other categories.

Available-for-sale financial assets are initially recognised at fair value, plus transaction costs, and measured subsequently at fair value, until the financial assets are derecognised. Unrealized gains and losses being recognised in the Interim Statement of Comprehensive Income and Consolidated Statement of Comprehensive Income, except for impairment losses and foreign exchange gains and losses. If an available-for-sale financial asset is determined to be impaired, the cumulative gain or loss previously recognised in the Interim Statement of Changes in Equity and Consolidated Statement of Changes in Equity is recognised in the Interim Statement of Comprehensive Income and Consolidated Statement of Comprehensive Income. Interest income is calculated using the Effective Interest Rate method, and foreign currency gains or losses on monetary assets classified as available-for-sale are recognised in the Interim Statement of Comprehensive Income and Consolidated Statement of Comprehensive Income.

The Company and Subsidiary had no financial assets classified as available-for-sale financial assets

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Financial Assets and Liabilities (Continued)

Financial Liabilities

Management determines the classification of financial liabilities is as follows:

(i) Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial assets held for trading, if they are acquired for the purpose of repurchasing them in the near term or for which there is evidence of a recent actual pattern of short-term profit taking. Derivatives are also categorised as held for trading unless they are designated and effective as hedging instruments.

The Company and Subsidiary had no financial liabilities classified as held for trading.

(ii) Financial Liabilities at Amortised Cost

Financial liabilities not classified as financial liabilities at fair value through profit or loss are categorized and measured at amortised cost. After early recognition, the Company and its subsidiaries measure all financial liabilities at amortized cost using the effective interest method.

The Company and Subsidiary had financial liabilities at amortised cost consisting of bank loans, due to franchisees, trade payables, other payables, accrued expenses and consumer financing loans.

m. Transactions with Related Parties and Subsidiary

Effective January 1, 2011, the Company and Subsidiary applied SFAS No. 7 (2010 Revision), "Related Party Disclosures".

The revised SFAS requires disclosure of related party relationships, transactions and outstanding balances, including commitments, in the Interim Financial Statements and Consolidation Financial Statements. The adoption of the said revised SFAS had no impact on the related disclosures in the Interim Financial Statements and Consolidated Financial Statements.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Transactions with Related Parties and Subsidiary (Continued)

A party is considered to be related to the Company and Subsidiary if:

- (a) A person or a close member of the person's family is related to the Company if that person:
 - (i) has control or joint control over the Company;
 - (ii) has significant influence over the Company; or
 - (iii) is a member of the key management personnel of the Company.
- (b) An entity is related to the Company if any of the following conditions applies:
 - (i) The entity and the Company are members of the same company.
 - (ii) The entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a company of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) The entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company are themselves such a plan, the sponsoring employers are also related to the Company.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) The entity identified in (a) (i) has significant influence over the Company or is a member of the key management personnel of the Company.

The transactions with related parties are made based on terms agreed by the parties in which such terms may not be the same as those of the transactions between unrelated parties.

All significant transactions and balances with related parties, which have been made with or without a price level, at normal terms and conditions as those given to third parties or otherwise, are disclosed in the Notes to Interim Financial Statements and Notes to the Consolidated Financial Statements.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Impairment of Non Financial Asset Value

The recoverable value of assets is estimated at the time or when the changes occur indicating that the carrying value cannot be recovered. If any, the decline in asset value is recorded as loss in the Interim Statements of Comprehensive Income and Consolidated Statements of Comprehensive Income.

o. Use of Estimates

The preparation of the Interim Financial Statements and Consolidated Financial Statements to conform with Indonesian Financial Accounting Standards requires management to make estimates and assumptions that effect the amounts of assets and liabilities reported at the date of the Interim Financial Statements and Consolidated Financial Statements as well as the amounts of revenues and expenses during the reported period. Actual results may differ from the estimates.

3. CASH AND CASH EQUIVALENTS

The details are as follows:

	June 30,	December 31,		
	2013	2012	2011	2010
Cash on Hand	219,372,106	267,645,016	151,423,721	83,409,111
Cash in Banks				
PT Bank Central Asia Tbk	291,491,235	268,716,435	207,032,692	272,419,025
PT Bank Mandiri (Persero) Tbk	201,942,080	229,250,800	235,697,798	116,288,553
PT Bank Rakyat Indonesia (Persero) Tbk	40,259,801	41,943,026	1,000	-
PT Bank CIMB Niaga Tbk	9,594,480	6,641,954	5,650,804	63,765
PT Bank of Tokyo	260,824	-	-	-
PT Bank Sumsel Babel	210,498	705,923	-	-
PT Bank Mega Tbk	81,739	45,537,241	24,761,258	8,293,809
PT Bank DKI	48,155	676,630	734,461	367,911
PT Bank International Indonesia Tbk	36,663	8,458	177,529	-
PT Bank Danamon Tbk	6,355	10,293	165,987	76,014
Bank Pembangunan Daerah Kaltim	4,768	-	-	-
T o t a l	543,936,598	593,490,760	474,221,529	397,509,077

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3. CASH AND CASH EQUIVALENTS (Continued)

	June 30,	December 31,		
	2013	2012	2011	2010
Time Deposits :				
PT Bank CIMB Niaga Tbk	1,046,000,000	150,000,000	-	-
PT Bank Mandiri (Persero) Tbk	790,000,000	100,000,000	-	-
PT Bank Danamon Tbk	22,000,000	-	-	-
PT Bank Rakyat Indonesia (Persero) Tbk	-	100,000,000	-	-
PT Bank Central Asia Tbk	-	20,150,000	20,150,000	20,150,000
PT Bank Mega Tbk	-	6,879,046	2,680,146	38,560,181
Total Time Deposits	1,858,000,000	377,029,046	22,830,146	58,710,181
Total Cash and Cash Equivalents	2,621,308,704	1,238,164,822	648,475,396	539,628,369

The average interest rates of time deposits are as follows :

	June 30,	December 31,		
	2013	2012	2011	2010
PT Bank CIMB Niaga Tbk	4.5 % - 4.75 %	6.25 %	6.25 %	-
PT Bank Rakyat Indonesia (Persero) Tbk	-	6 %	-	-
PT Bank Mega Tbk	-	4.75 % - 5.5 %	6 % - 7.50 %	7 % - 7.51 %
PT Bank Mandiri (Persero) Tbk	4.0 %	3.40 %	-	-
PT Bank Central Asia Tbk	-	3.25 %	5.75 % - 6 %	4.99 % - 5.75 %
PT Bank Danamon Tbk	6.25 %	-	-	-

4. TRADE RECEIVABLES

The details are as follows:

	June 30,	December 31,		
	2013	2012	2011	2010
Franchisee Trade Receivables	1,353,636,749	798,485,807	447,184,663	362,760,045
Franchisee Other Receivables	155,236,800	109,609,683	27,436,963	21,456,600
Joint Promotion Income	62,115,096	33,174,008	23,943,317	13,581,046
Debit Card	26,308,562	14,156,096	13,491,591	24,175,841
Incentive and Rebate Income	6,986,244	4,742,122	3,494,774	587,192
Building and Distribution Management				
Revenue Receivables	1,963,053	2,066,110	4,037,308	1,554,334
Merchandise Management Service	1,098,138	-	451	14,622
Bakery	-	2,547,764	1,249,036	881,323
Others	673,321	886,188	2,444,237	5,884,534
T o t a l	1,608,017,963	965,667,778	523,282,340	430,895,537
Allowance for Doubtful Accounts	-	(817,768)	(711,841)	(782,214)
N e t	1,608,017,963	964,850,010	522,570,499	430,113,323

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4. TRADE RECEIVABLES (Continued)

	June 30, 2 0 1 3	December 31,		
		2 0 1 2	2 0 1 1	2 0 1 0
Related Parties:				
PT Lion Superindo	-	1,824,828	1,451,710	1,739,828
PT Inti Idola Anugerah	-	282,735	221,819	175,789
PT Indorealty Surya Persada	-	-	-	42,953
T o t a l	-	<u>2,107,563</u>	<u>1,673,529</u>	<u>1,958,570</u>
T O T A L	<u>1,608,017,963</u>	<u>966,957,573</u>	<u>524,244,028</u>	<u>432,071,893</u>

The details of trade receivable aging calculated from the invoice date are as follows:

	June 30, 2 0 1 3	December 31,		
		2 0 1 2	2 0 1 1	2 0 1 0
Up to 1 Month	1,287,579,587	907,606,238	516,557,657	371,594,068
> 1 - 3 Months	296,238,385	30,014,834	6,716,299	30,313,402
> 3 - 6 Months	17,486,040	10,786,837	264,715	20,806,393
> 6 Months - 1 Year	6,579,040	2,095,580	581,344	8,982,012
> 1 Year	134,911	16,454,084	124,013	376,018
T o t a l	<u>1,608,017,963</u>	<u>966,957,573</u>	<u>524,244,028</u>	<u>432,071,893</u>

The trade receivables arose from the sales of merchandise to the franchisees. Until now, the franchisees' all business activities including the financial management are handled by the Company so that the franchisees' ability to settle payables can be monitored by the Company.

The sales to the franchisees for the 6-month periods ended June 30, 2013 and 2012 represent 33 % and 30 % and for the years ended December 31, 2012, 2011 and 2010 represent 29 %, 36 % and 41 % of the total sales respectively.

Joint promotion income receivable arose from joint promotions with the Company's merchandise goods suppliers. The Company's Joint Promotion Income is presented in the Interim Consolidated Statements of Comprehensive Income as "Joint Promotion Income" amounting to Rp 193,806,462 and Rp 114,074,054 for the 6-month periods ended June 30, 2013 and 2012 and Consolidated Statements of Comprehensive Income Rp 398,507,210, Rp 195,518,078 and Rp 185,061,522 for the years ended December 31, 2012, 2011 and 2010, respectively.

The trade receivables are used as collateral for bank loans (Note 18).

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5. OTHER RECEIVABLES

The details are as follows:

	June 30,	December 31,		
	2013	2012	2011	2010
Promotion Reimbursements	75,850,010	91,254,659	-	-
Employee Loans and Subsidies	23,716,801	23,305,059	17,525,893	9,431,824
Assortment Fee Receivables	4,238,468	6,459,044	-	-
Franchise Reimbursements	3,258,609	2,381,533	-	-
Remittances	2,196,928	4,422,149	-	-
Other Deposits	263,473	2,216,819	-	-
Franchise Receivables	8,798	1,871,870	1,868,920	1,380,110
Taxes Receivable (Note 15e)	-	20,445,829	65,518,317	-
Supplier Deposits	-	5,182,947	-	-
Promotion Receivables	-	3,586,067	5,187,451	2,382,649
Unearned Revenue	-	245,312	3,676	385,866
Other Receivables	68,776,909	74,729,465	90,317,736	82,397,086
T o t a l	178,309,996	236,100,753	180,421,993	95,977,535
Related Party				
PT Indomarco Adiprima	-	-	145,794	113,407
T O T A L	178,309,996	236,100,753	180,567,787	96,090,942

Employee loans and subsidies represent loans given to employees for boarding house rentals, insurance premiums, vehicle purchases. The amounts of loans and subsidies are given based on the employee's settlement ability and position.

Promotion reimbursements represents invoices to suppliers for the promotion programs held by the suppliers to increase their product sales.

6. INVENTORIES

The details are as follows:

	June 30,	December 31,		
	2013	2012	2011	2010
Merchandise Inventories	3,130,004,583	2,438,831,453	1,720,869,736	1,247,830,521
Bakery Raw Materials	-	2,679,834	2,181,329	1,040,613
Allowance for Damaged and Lost Goods	(27,653,430)	(27,314,255)	(20,295,655)	(14,521,273)
Others	-	285,460	433,968	1,487,440
T o t a l	3,102,351,153	2,414,482,492	1,703,189,378	1,235,837,301

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6. INVENTORIES (Continued)

All inventories were insured against losses from fire and other risks with PT Asuransi Jaya Proteksi, PT AS Harta Aman Pratama Tbk, PT Asuransi Umum Mega and PT Asuransi Central Asia. Management believes that the insurance coverage as of June 30, 2013 amounting to Rp 2,599,279,817 is sufficient to cover the possibility of risk of fire and other risks that may be suffered by the Company and Subsidiary and as of December 31, 2012, 2011 and 2010 and amounting to Rp 2,579,957,543, Rp 1,761,281,227 and Rp 1,416,928,337, respectively, is sufficient to cover the possibility of risk of fire and other risks that may be suffered by the Company and Subsidiary.

Allowance for damaged goods was calculated based on the management's estimate in anticipating damages to unsold merchandise.

The Company and Subsidiary's inventories are used as collateral for bank loans (Note 18).

7. ADVANCES AND PREPAID EXPENSES

The details are as follows:

	June 30, 2013	December 31,		
		2012	2011	2010
Office Advances	342,725,739	312,438,255	203,151,430	175,445,472
Store Opening	165,821,244	124,968,650	55,617,822	92,308,884
Pulse Wallet	40,761,138	44,807,518	37,225,027	-
Store Operational Support	29,533,994	20,597,093	17,196,492	11,717,544
Prepaid License	25,875,426	-	-	-
Insurance	13,881,434	5,318,380	4,778,543	4,799,815
Purchase Advances	3,224,576	99,008,665	40,619,016	13,366,918
Deferred Promotion Expenses	1,251,405	-	-	-
Rentals	-	39,344,585	42,245,300	41,841,585
Others	16,331,709	15,216,454	9,878,662	3,636,464
T o t a l	639,406,665	661,699,600	410,712,292	343,116,682

8. MARKETABLE SECURITIES

The details are as follows:

	June 30, 2013	December 31,		
		2012	2011	2010
Convertible Bonds:				
PT Andhika Wahana Putra	428,000,000	428,000,000	428,000,000	428,000,000

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8. MARKETABLE SECURITIES (Continued)

Based on Convertible Bond No. 001/CB/AWP/ IX/2009, the Company purchased convertible bonds bearing no interest from PT Andhika Wahana Putra amounting to Rp 50,000,000, to be converted into share capital at maturity on April 30, 2014.

Based on Convertible Bond No. 002/CB/AWP/ X/2009, the Company purchased convertible bonds bearing no interest from PT Andhika Wahana Putra amounting to Rp 101,000,000, to be converted into share capital at maturity on October 2, 2014.

Based on Convertible Bond No. 003/CB/AWP/ I/2010, the Company purchased convertible bonds bearing no interest from PT Andhika Wahana Putra amounting to Rp 99,000,000, to be converted into share capital at maturity on January 5, 2015.

Based on Convertible Bond No. 0014CB/AWP/ XII/2010, the Company purchased convertible bonds bearing no interest from PT Andhika Wahana Putra amounting to Rp 178,000,000, to be converted into share capital at maturity on December 31, 2015.

The Company has the option to redeem the bonds at maturity.

At maturity all the bonds' principal amounts will be converted into 50 % shares of PT Andhika Wahana Putra.

9. PROPERTY AND EQUIPMENT

The details are as follows:

	June 30, 2013			Deconciliation of Subsidiary - PT ICC	Ending Balance
	Beginning Balance	Addition	Deduction		
Acquisition Cost					
Land	77,495,929	17,116,227	-	-	94,612,156
Buildings and Warehouses	167,216,383	3,748,718	-	30,039,419	140,925,682
Office Equipment	45,758,520	7,573,532	707,137	49,602,215	3,022,700
Outlet and Warehouse Equipment	584,073,199	104,341,694	26,363,404	2,252,006	659,799,483
EDP Equipment	291,830,347	53,314,683	13,771,884	37,670,547	293,702,599
Vehicles	476,030,573	66,272,830	14,060,079	13,891,258	514,352,066
Workshop Equipment	556,245	166,452	3,500	28,819,643	(28,100,446)
Refrigeration Equipment	124,460,484	24,527,005	8,109,964	-	140,877,525
Total	<u>1,767,421,680</u>	<u>277,061,141</u>	<u>63,015,968</u>	<u>162,275,088</u>	<u>1,819,191,765</u>

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9. PROPERTY AND EQUIPMENT (Continued)

	June 30, 2013				
	Beginning Balance	Addition	Deduction	Deconsolidation of Subsidiary - PT ICC	Ending Balance
Accumulated Depreciation					
Buildings and Warehouses	35,571,398	3,817,538	114	3,988,068	35,400,754
Office Equipment	22,455,897	3,855,870	677,245	1,479,952	24,154,570
Outlet and Warehouse Equipment	280,729,423	50,518,839	15,417,263	24,159,584	291,671,415
EDP Equipment	135,460,149	25,814,370	9,081,124	6,821,681	145,371,714
Vehicles	278,691,504	33,643,555	4,937,198	19,717,327	287,680,534
Workshop Equipment	278,788	53,890	1,650	-	331,028
Refrigeration Equipment	48,877,104	11,613,720	4,299,780	-	56,191,044
T o t a l	<u>802,064,263</u>	<u>129,317,782</u>	<u>34,414,374</u>	<u>56,166,612</u>	<u>840,801,059</u>
N e t	<u>965,357,417</u>				<u>978,390,706</u>
	December 31, 2012				
	Beginning Balance	Addition	Deduction		Ending Balance
Acquisition Cost					
Land	70,901,456	8,459,499	1,865,026		77,495,929
Buildings and Warehouses	130,648,106	36,586,913	18,636		167,216,383
Office Equipment	36,913,520	11,155,490	1,696,257		45,758,520
		4,119,728 *	4,733,961 *		
Outlet and Warehouse Equipment	604,378,336	168,352,433	59,221,251		584,073,199
		510,957 *	129,947,276 *		
EDP Equipment	191,864,795	68,754,007	16,023,384		291,830,347
		48,203,337 *	968,408 *		
Vehicles	392,140,063	92,454,335	8,563,825		476,030,573
Workshop Equipment	468,710	85,317	27,857		556,245
		30,075 *			
Refrigeration Equipment	-	45,020,098	3,345,162		124,460,484
		82,816,633 *	31,085 *		
T o t a l	<u>1,427,314,986</u>	<u>430,868,092</u>	<u>90,761,398</u>		<u>1,767,421,680</u>
		<u>135,680,730 *</u>	<u>135,680,730 *</u>		
Accumulated Depreciation					
Buildings and Warehouses	28,694,891	6,895,133	18,626		35,571,398
Office Equipment	19,651,102	6,534,714	1,046,941		22,455,897
		276,111 *	2,960,590 *		
		1,503 **	2 **		
Outlet and Warehouse Equipment	258,771,348	95,693,768	27,989,433		280,729,423
		471,591 *	46,217,851 *		
EDP Equipment	90,414,201	42,861,222	8,635,667		135,460,149
		10,899,482 *	79,089 *		
Vehicles	226,645,003	60,361,621	8,321,688		278,691,504
		6,568 **			
Workshop Equipment	194,385	91,137	22,519		278,788
		18,786 *	3,001 *		
Refrigeration Equipment	-	13,529,461	2,246,918		48,877,104
		37,599,166 *	4,605 *		
T o t a l	<u>624,370,930</u>	<u>225,967,056</u>	<u>48,281,792</u>		<u>802,064,263</u>
		<u>49,265,136 *</u>	<u>49,265,136 *</u>		
		<u>8,071 **</u>	<u>2 **</u>		
N e t	<u>802,944,056</u>				<u>965,357,417</u>

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9. PROPERTY AND EQUIPMENT (Continued)

	December 31, 2011			
	Beginning Balance	Addition	Deduction	Ending Balance
Acquisition Cost				
Land	67,743,678	3,157,778	-	70,901,456
Buildings and Warehouses	130,603,657	44,449	-	130,648,106
Office Equipment	29,717,707	9,461,204	2,265,391	36,913,520
Outlet and Warehouse Equipment	455,652,382	176,987,149	28,261,195	604,378,336
EDP Equipment	148,761,382	49,835,568	6,732,155	191,864,795
Vehicles	369,352,881	27,046,886	4,259,704	392,140,063
Workshop Equipment	274,073	202,287	7,650	468,710
T o t a l	<u>1,202,105,760</u>	<u>266,735,321</u>	<u>41,526,095</u>	<u>1,427,314,986</u>
Accumulated Depreciation				
Buildings and Warehouses	21,815,858	6,879,033	-	28,694,891
Office Equipment	15,680,590	4,787,519	817,007	19,651,102
Outlet and Warehouse Equipment	181,210,742	92,119,094	14,558,488	258,771,348
EDP Equipment	65,992,156	28,227,907	3,805,862	90,414,201
Vehicles	171,020,377	59,314,745	3,690,119	226,645,003
Workshop Equipment	136,180	60,776	2,571	194,385
T o t a l	<u>455,855,903</u>	<u>191,389,074</u>	<u>22,874,047</u>	<u>624,370,930</u>
N e t	<u>746,249,857</u>			<u>802,944,056</u>
	December 31, 2010			
	Beginning Balance	Additions	Deductions	Ending Balance
Acquisition Cost				
Land	67,512,139	231,540	-	67,743,679
Buildings and Warehouses	111,059,356	20,908,553	1,364,252	130,603,657
Office Equipment	22,988,900	6,951,396	222,589	29,717,707
Outlet and Warehouse Equipment	290,803,318	173,620,073	8,771,008	455,652,383
EDP Equipment	105,863,428	48,587,271	5,689,318	148,761,381
Vehicles	266,448,437	98,231,714	4,178,371	369,352,880
		8,851,100 *		
Workshop Equipment	214,895	70,476	11,298	274,073
Asset in Transit	8,851,100	-	8,851,100 *	-
T o t a l	<u>873,741,573</u>	<u>348,601,023</u>	<u>20,236,836</u>	<u>1,202,105,760</u>
		8,851,100 *	8,851,100 *	
Accumulated Depreciation				
Direct Ownership				
Buildings and Warehouses	15,012,078	6,803,780	-	21,815,858
Office Equipment	12,181,890	3,932,799	433,913	15,680,776
Outlet and Warehouse Equipment	124,554,308	63,778,998	7,122,750	181,210,556
EDP Equipment	48,010,192	20,988,853	3,006,890	65,992,155
Vehicles	129,037,247	44,042,422	2,059,291	171,020,378
Workshop Equipment	94,192	50,246	8,258	136,180
T o t a l	<u>328,889,907</u>	<u>139,597,098</u>	<u>12,631,102</u>	<u>455,855,903</u>
N e t	<u>544,851,666</u>			<u>746,249,857</u>

* Reclassification

** Correction

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9. PROPERTY AND EQUIPMENT (Continued)

Depreciation costs are allocated to:

	June 30, 2013 (6 Months)	December 31,		
		2012	2011	2010
Operating Expenses	128,843,115	224,094,137	190,284,650	139,077,327
Factory Overhead	474,667	1,872,919	1,104,424	519,771
T o t a l	129,317,782	225,967,056	191,389,074	139,597,098

Deductions as of June 30, 2013, and as of December 2012 and 2011 and 2010 represent the sales to the franchisees, disposals due to damage and differences in periodic physical count results.

The Company and Subsidiary insured their property and equipment against risk of losses from fire and other risks with PT Asuransi Jaya Proteksi, PT AS Harta Aman Pratama Tbk, PT Asuransi Umum Mega and PT Asuransi Central Asia. Management believes that the insurance coverage as of June 30, 2013 and 2012 amounting to Rp 4,466,922,739 and Rp 3,269,201,142, is sufficient to cover the possibility at risk of fire and other risk that may be suffered by the Company and Subsidiary as of December 31, 2012, 2011 and 2010 amounting to Rp 3,476,884,941, Rp 2,627,557,829, and Rp 1,897,936,815, respectively, is sufficient to cover the possibility of risk of fire and other risks that may be suffered by the Company and Subsidiary.

Some of the Company's and Subsidiary's plots of land have been pledged as collateral for bank loans (Note 18).

10. DEFERRED OUTLET RENTAL AND RENOVATION CHARGES

The details are as follows:

	June 30, 2013	December 31,		
		2012	2011	2010
Acquisition Cost				
Prepaid Rentals	2,455,031,676	1,909,795,036	1,246,998,346	770,069,277
Deferred Renovation Expenses	1,269,503,240	1,036,841,648	784,760,866	548,220,423
Renovation in Process Expenses	39,054,203	45,452,738	34,492,949	25,742,965
T o t a l	3,763,589,119	2,992,089,422	2,066,252,161	1,344,032,665
Accumulated Amortization				
Prepaid Rentals	(935,347,361)	(756,822,364)	(487,188,729)	(302,290,138)
Deferred Renovation Expenses	(618,198,888)	(515,543,827)	(337,574,630)	(208,413,000)
T o t a l	(1,553,546,249)	(1,272,366,191)	(824,763,359)	(510,703,138)
T O T A L	2,210,042,870	1,719,723,231	1,241,488,802	833,329,527

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11. OTHER ASSETS

The details are as follows:

	June 30,	December 31,		
	2013	2012	2011	2010
Other Prepaid Expenses	44,838,363	27,652,699	20,684,068	8,351,384
Deferred Software Expenses	35,627,529	34,109,507	31,169,890	23,645,591
Prepaid DC Equipment	13,155,644	-	-	-
Deferred Provision Expenses	10,670,000	-	-	-
Rental and Customers Deposits	2,691,678	2,030,903	16,583,183	-
Leased Building Renovation Expenses	-	9,116,881	9,822,153	5,913,881
Employee Rental and Guarantee Deposits	-	-	-	16,557,795
Software Licences	-	-	-	1,502,443
Others	16,260	54,571	19,193	20,793
T o t a l	<u>106,999,474</u>	<u>72,964,561</u>	<u>78,278,487</u>	<u>55,991,887</u>

12. TRADE PAYABLES

The details are as follows :

	June 30,	December 31,		
	2013	2012	2011	2010
Third Parties	<u>3,784,195,084</u>	<u>2,790,395,971</u>	<u>2,026,730,871</u>	<u>1,604,943,418</u>

The details of trade payable aging calculated from the invoice date are as follows:

	June 30,	December 31,		
	2013	2012	2011	2010
Not Yet Due	2,656,466,099	1,903,838,005	1,511,411,344	1,050,046,162
> 1 - 7 days	465,330,905	393,167,497	241,576,971	278,885,465
> 8 - 30 days	364,786,195	259,930,097	149,900,275	159,926,314
> 31 - 60 days	285,058,489	230,873,970	120,383,310	112,971,251
> 60 days	12,553,396	2,586,402	3,458,971	3,114,226
T o t a l	<u>3,784,195,084</u>	<u>2,790,395,971</u>	<u>2,026,730,871</u>	<u>1,604,943,418</u>

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13. DEFERRED INCOME

The details are as follows:

	June 30,	December 31,		
	2013	2012	2011	2010
Terrace Rental Income	27,115,967	21,117,386	8,927,022	2,530,624
Display Space Rental Income	46,126,427	9,341,090	15,388,680	13,443,485
Joint Promotion Income	44,121,222	1,078,750	1,060,417	1,158,333
Office Rental Income	404,407	395,615	589,336	773,512
Insentif and Rebate Income	28,695,173	-	-	-
Franchise Service Income	-	-	15,000	610,667
T o t a l	146,463,196	31,932,841	25,980,455	18,516,621

14. DUE TO FRANCHISEES

The details are as follows:

	June 30,	December 31,		
	2013	2012	2011	2010
Due to Franchisees	68,631,653	55,406,217	24,419,298	33,805,015
Supplier Deposits	-	6,512,773	5,290,036	8,089,860
Advances from Franchisees	-	4,640,106	4,045,370	2,980,436
Unearned Revenue	-	3,602,738	2,251,259	1,418,098
O t h e r s	-	36,160	30,625	2,703,306
T o t a l	68,631,653	70,197,994	36,036,588	48,996,715

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15. TAXATION

a. Prepaid Taxes

The details are as follows:

	June 30,	December 31,		
	2013	2012	2011	2010
The Company				
Income Tax Article 22	5,769,931	5,740,410	10,169,592	9,305,113
Income Tax Article 23	68,294,720	68,571,896	118,253,640	91,020,743
Income Tax Article 25	-	-	153,182	231,982
Income Tax Article 28 (A)	13,954,883	16,356,885	-	-
Value Added Tax	131,473,261	48,844,924	27,975,759	17,565,306
T o t a l	<u>219,492,795</u>	<u>139,514,115</u>	<u>156,552,173</u>	<u>118,123,144</u>
Subsidiary				
Income Tax Article 23	-	763,334	763,334	-
Corporate Income Tax - 2010	-	911,831	911,831	911,831
Corporate Income Tax - 2009	-	1,460,220	1,460,220	1,460,220
Corporate Income Tax - 2005	-	-	-	401,593
Value Added Tax	-	8,634,672	3,061,676	8,886,886
T o t a l	<u>-</u>	<u>11,770,057</u>	<u>6,197,061</u>	<u>11,660,530</u>
T o t a l	<u><u>219,492,795</u></u>	<u><u>151,284,172</u></u>	<u><u>162,749,234</u></u>	<u><u>129,783,674</u></u>

b. Taxes Payable

The details are as follows:

	June 30,	December 31,		
	2013	2012	2011	2010
The Company				
Income Tax Article 4 (2)	10,131,320	9,145,979	6,920,731	3,543,109
Income Tax Article 21	2,976,651	15,299,663	10,928,372	8,322,781
Income Tax Article 23	2,088,363	1,082,567	1,106,636	424,195
Income Tax Article 25	4,894,535	-	-	-
Value Added Tax	-	7,503,745	-	-
T o t a l	<u>20,090,869</u>	<u>33,031,954</u>	<u>18,955,739</u>	<u>12,290,085</u>
Subsidiary				
Income Tax Article 21	-	1,832,784	1,308,965	1,008,268
Income Tax Article 23	-	42,954	65,068	26,354
Income Tax Article 25	-	7,724	-	-
Income Tax Article 29	-	1,076,416	92,684	-
Final Income Tax	-	349,297	275,133	366,543
T o t a l	<u>-</u>	<u>3,309,175</u>	<u>1,741,850</u>	<u>1,401,165</u>
T O T A L	<u><u>20,090,869</u></u>	<u><u>36,341,129</u></u>	<u><u>20,697,589</u></u>	<u><u>13,691,250</u></u>

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15. TAXATION (Continued)

c. Income Tax Expense

The details are as follows:

	June 30,		December 31,		
	2013 (6 Months)	2012 (6 Months)	2012	2011	2010
Current Income Tax	(44,385,115)	(394,125)	(52,165,143)	(2,044,778)	(1,008,882)
Deferred Tax Income (Expense)	32,908,125	22,974,062	38,333,464	(31,165,765)	(28,840,274)
T o t a l	(11,476,990)	22,579,937	(13,831,679)	(33,210,543)	(29,849,156)

The reconciliation between income before income tax according to the Interim Statements of Comprehensive Income and the Consolidated Statements of Comprehensive Income and estimated taxable income calculated by the Company is as follows:

	June 30,		December 31,		
	2013 (6 Months)	2012 (6 Months)	2012	2011	2010
Interim Commercial Income and Consolidated Commercial Income before Provision for Interim Income Tax Based on Interim Statements of Comprehensive Income and Consolidated Statements of Comprehensive Income	164,196,394	194,186,893	591,225,498	365,898,372	185,523,729
Income before Provision for Income Tax of Subsidiary	(2,338,269)	(9,456,341)	(34,160,329)	(23,295,514)	(19,105,766)
Commercial Income before Provision for Income Tax Based on Cost Method on Investments	161,858,125	184,730,552	557,065,169	342,602,858	166,417,963
Fiscal Corrections :					
Permanent Differences :					
Salaries, Wages and Allowances	14,438,276	8,914,223	22,771,055	14,079,069	8,034,359
Donations and Contributions	4,669,769	4,936,077	14,983,394	5,874,130	7,006,350
Electricity and Energy	5,068,010	4,554,543	9,526,587	8,118,885	7,319,783
Damaged and Lost Goods	728,193	3,227,815	7,215,418	5,349,045	-
Maintenance and Repairs	2,420,982	2,302,978	4,484,196	4,137,096	3,761,160
T a x e s	1,487,834	243,418	924,297	853,914	517,787
Rental Income	(291,495,472)	(232,659,557)	(493,858,130)	(537,568,522)	(429,834,177)
Asset Transfer Income	(32,829,283)	(12,958,439)	(41,211,356)	(14,279,873)	-
Giro Service Income	(5,934,053)	(5,103,321)	(10,161,482)	(8,809,812)	(5,089,726)
Other Income	-	(223,566)	(600,463)	(844,633)	(1,206,580)
Promotion Costs	-	1,173,362	2,873,472	(4,557)	-
O t h e r s	185,495,579	115,287,452	265,024,081	223,938,848	186,088,489
Total Permanent Differences	(115,950,165)	(110,305,015)	(218,028,931)	(299,156,410)	(223,402,555)

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15. TAXATION (Continued)

c. Income Tax Expense (Continued)

	June 30,		December 31,		
	2 0 1 3 (6 Months)	2 0 1 2 (6 Months)	2 0 1 2	2 0 1 1	2 0 1 0
Time Differences :					
Allowance for Employee Benefits	24,816,969	20,877,191	41,754,381	33,704,499	31,553,195
Depreciation	40,101,432	(7,967,926)	(19,453,471)	(26,906,710)	(31,507,095)
Amortization	66,714,100	78,775,441	133,794,813	(129,889,352)	(116,507,053)
Total Time Differences	131,632,501	91,684,706	156,095,723	(123,091,563)	(116,460,953)
Current Year Fiscal Income (Loss)	177,540,461	166,110,243	495,131,961	(79,645,115)	(173,445,545)
Prior Year's Accumulated Fiscal Loss :					
2 0 0 6	-	-	-	(89,621,669)	-
2 0 0 7	-	(47,274,540)	(47,274,540) *)	(47,274,540) *)	-
2 0 0 8	-	-	-	4,265,463 *)	-
2 0 0 9	-	-	-	75,348,457	-
2 0 1 0	-	(173,445,545)	(173,445,545)	(173,445,545)	(71,382,795)
2 0 1 1	-	(79,645,115)	(79,645,115)	-	-
Total Accumulated Fiscal Income (Loss)	177,540,461	(134,254,957)	194,766,761	(310,372,949)	(244,828,340)
Income Tax	44,385,115	-	48,691,690	-	-
Deduct : Prepaid Taxes	(181,596)	-	-	-	-
Income Tax Article 22	(43,474,798)	-	(2,225,450)	-	-
Income Tax Article 23	(14,683,604)	-	(62,823,125)	-	-
Income Tax Article 28 (A)	(13,954,883)	-	(16,356,885)	-	-
Income Tax Expense - Subsidiary	-	(394,215)	(3,473,453)	(2,044,778)	(1,008,882)

*) Based on Tax Court Decision Letter

d. Deferred Tax Assets (Liabilities)

The calculation of deferred tax assets and liabilities using the maximum tax rate of 25 % for the years are as follows:

	June 30, 2013			
	December 31, 2012	Credited (Charged) to Interim Statement of Comprehensive Income	Adjustment	June 30, 2013
The Company				
Deferred Tax Assets (Liabilities)				
Depreciation of Property and Equipment	(37,586,597)	(10,025,358)	-	(27,561,239)
Amortization	(43,633,004)	(16,678,525)	-	(26,954,479)
Provision for Employee Benefits	47,182,591	(6,204,242)	-	53,386,833
T o t a l	(34,037,010)	(32,908,125)	-	(1,128,885)

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15. TAXATION (Continued)

d. Deferred Tax Assets (Liabilities)

	June 30, 2013			
	December 31, 2012	Credited (Charged) to Interim Statement of Comprehensive Income	Adjustment	June 30, 2013
Subsidiary				
Deferred Tax Assets (Liabilities)				
Depreciation and Amortization	(7,984,334)	-	7,984,334	-
Provision for Inventory Loss	40,124	-	(40,124)	-
Provision for Employee Benefits	6,284,043	-	(6,284,043)	-
T o t a l	<u>(1,660,167)</u>	<u>-</u>	<u>1,660,167</u>	<u>-</u>
Deferred Tax Assets (Liabilities)	<u>(35,697,177)</u>	<u>(32,908,125)</u>	<u>1,660,167</u>	<u>(1,128,885)</u>
	June 30, 2012			
	December 31, 2011	Credited (Charged) to Consolidated Statements of Comprehensive Income	Adjustment	June 30, 2012
The Company				
Deferred Tax Assets (Liabilities)				
Depreciation of Property and Equipment	(32,723,229)	(1,991,982)	-	(34,715,211)
Amortization	(77,081,708)	19,693,860	-	(57,387,848)
Provision for Employee Benefits	36,743,996	5,219,298	-	41,963,294
T o t a l	<u>(73,060,941)</u>	<u>22,921,176</u>	<u>-</u>	<u>(50,139,765)</u>
Subsidiary				
Deferred Tax Assets (Liabilities)				
Depreciation and Amortization	(6,511,934)	(516,424)	(836)	(7,029,194)
Provision for Inventory Loss	40,124	-	-	40,124
Provision for Employee Benefits	5,324,149	570,685	-	5,894,834
Allowance for Doubtful Accounts	177,961	-	-	177,961
T o t a l	<u>(969,700)</u>	<u>54,261</u>	<u>(836)</u>	<u>(916,275)</u>
Deferred Tax Assets (Liabilities)	<u>(74,030,641)</u>	<u>22,975,437</u>	<u>(836)</u>	<u>(51,056,040)</u>

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15. TAXATION (Continued)

d. Deferred Tax Assets (Liabilities)

	December 31, 2012			December 31, 2012
	December 31, 2011	Credited (Charged) to Consolidated Statements of Comprehensive Income	Deduction	
The Company				
Deferred Tax Assets (Liabilities)				
Depreciation of Property and Equipment	(32,723,229)	(4,863,368)	-	(37,586,597)
Amortization	(77,081,708)	33,448,704	-	(43,633,004)
Employee Benefits	36,743,996	10,438,595	-	47,182,591
T o t a l	(73,060,941)	39,023,931	-	(34,037,010)
Subsidiary				
Deferred Tax Assets (Liabilities)				
Depreciation and Amortization	(6,511,934)	(1,471,563)	(837)	(7,984,334)
Provision for Inventory Loss	40,124	-	-	40,124
Provision for Employee Benefits	5,324,149	959,894	-	6,284,043
Allowance for Doubtful Accounts	177,961	(83,218)	(94,743)	-
T o t a l	(969,700)	(594,887)	(95,580)	(1,660,167)
Deferred Tax Assets (Liabilities)	(74,030,641)	38,429,044	(95,580)	(35,697,177)
December 31, 2011				
	December 31, 2010	Credited (Charged) to Consolidated Statements of Comprehensive Income	Deduction	December 31, 2011
The Company				
Deferred Tax Assets (Liabilities)				
Depreciation of Property and Equipment	(25,996,551)	(6,726,678)	-	(32,723,229)
Amortization	(44,609,370)	(32,472,338)	-	(77,081,708)
Employee Benefits	28,317,871	8,426,125	-	36,743,996
T o t a l	(42,288,050)	(30,772,891)	-	(73,060,941)
Subsidiary				
Deferred Tax Assets (Liabilities)				
Depreciation and Amortization	(5,028,874)	(1,483,060)	-	(6,511,934)
Provision for Inventory Loss	40,124	-	-	40,124
Provision for Employee Benefits	4,216,370	1,107,779	-	5,324,149
Allowance for Doubtful Accounts	195,554	-	(17,593)	177,961
T o t a l	(576,826)	(375,281)	(17,593)	(969,700)
Deferred Tax Assets (Liabilities)	(42,864,876)	(31,148,172)	(17,593)	(74,030,641)

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15. TAXATION (Continued)

d. Deferred Tax Assets (Liabilities)

	December 31, 2010			December 31, 2010
	December 31, 2009	Credited (Charged) to Consolidated Statements of Comprehensive Income	Adjustment	
The Company				
Deferred Tax Assets (Liabilities)				
Depreciation of Property and Equipment	(18,119,777)	(7,876,774)	-	(25,996,551)
Amortization	(15,482,607)	(29,126,763)	-	(44,609,370)
Provision for Employee Benefits	20,429,572	7,888,299	-	28,317,871
T o t a l	(13,172,812)	(29,115,238)	-	(42,288,050)
Subsidiary				
Deferred Tax Assets (Liabilities)				
Depreciation and Amortization	(4,450,788)	(578,086)	-	(5,028,874)
Provision for Inventory Loss	299,580	(259,455)	-	40,125
Provision for Employee Benefits	3,103,864	1,112,505	-	4,216,369
Allowance for Doubtful Accounts	195,554	-	-	195,554
T o t a l	(851,790)	274,964	-	(576,826)
Deferred Tax Assets (Liabilities)	(14,024,602)	(28,840,274)	-	(42,864,876)

e. Tax Assessment Letters

The Company

Fiscal Year 2007

On September 16, 2009, the Company received Tax Assessment and Collection Letters for fiscal year 2007 from the Directorate General of Taxes, as follows:

Tax Type	Decision Letter No.	Total Overpayment (Underpayment) Rp
Tax Assessment Letter on Underpayment of Value Added Tax January	00208/207/07/092/09	(20,275)
Tax Assessment Letter on Underpayment of Value Added Tax February	00209/207/07/092/09	(20,275)
Tax Assessment Letter on Underpayment of Value Added Tax March	00210/207/07/092/09	(20,275)
Tax Assessment Letter on Underpayment of Value Added Tax April	00211/207/07/092/09	(20,275)
Tax Assessment Letter on Underpayment of Value Added Tax May	00212/207/07/092/09	(20,275)
Tax Assessment Letter on Underpayment of Value Added Tax June	00213/207/07/092/09	(20,275)
Tax Assessment Letter on Underpayment of Value Added Tax July	00214/207/07/092/09	(20,275)
Tax Assessment Letter on Underpayment of Value Added Tax August	00215/207/07/092/09	(20,275)
Tax Assessment Letter on Underpayment of Value Added Tax September	00216/207/07/092/09	(20,275)
Tax Assessment Letter on Underpayment of Value Added Tax October	00217/207/07/092/09	(20,001)
Tax Assessment Letter on Underpayment of Value Added Tax November	00218/207/07/092/09	(19,727)
Tax Assessment Letter on Underpayment of Value Added Tax December	00219/207/07/092/09	(1,422,019)
Tax Collection Letter on Value Added Tax January-December	00056/107/07/092/09	(32,879)
Tax Assessment Letter on Underpayment of Corporate Income Tax	00012/206/07/092/09	(34,483,792)
Tax Assessment Letter on Income Tax Article 21	00034/201/07/092/09	(69,939)
Tax Assessment Letter on Income Tax Article 23	00038/203/07/092/09	(11,219)
Tax Assessment Letter on Income Tax Article 4 (2)	00021/240/07/092/09	(17,539)

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15. TAXATION (Continued)

e. Tax Assessment Letters (Continued)

The Company (Continued)

Fiscal Year 2007 (Continued)

All Tax Assessment and Collection Letters were settled by the Company in 2009.

On November 5, 2009, the Company filed an objection to the Directorate General of Taxes against Tax Assessment Letter on Underpayment of Corporate Income Tax No. 00012/206/07/092/09.

Decision Letter the Directorate General of Taxes No. KEP-564/WPJ.19/BD.05/2010 dated October 29, 2010, the Company's objection was rejected.

On December 22, 2010, the Company filed an appeal against the above Tax Assessment Letter to the Tax Court.

Tax Court Decision Letter No. Put.34927/PP/M.I/15/2011 dated November 9, 2011, the Company's objection was granted so that the Company's fiscal loss year 2007 amounted to Rp 47,274,540.

Fiscal Year 2008

On August 27, 2010, the Company received Tax Assessment and Collection Letters for fiscal year 2008 from the Directorate General of Taxes, as follows:

Tax Type	Decision Letter No.	Total Overpayment (Underpayment) Rp
Tax Assessment Letter on Underpayment of Value Added Tax January	00416/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax February	00417/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax March	00418/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax April	00419/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax May	00420/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax June	00421/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax July	00427/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax August	00422/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax September	00423/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax October	00424/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax November	00425/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax December	00426/207/08/092/10	(2,263,843)
Tax Assessment Letter on Underpayment of Corporate Income Tax	00019/206/08/092/10	(30,829,563)
Tax Assessment Letter on Underpayment of Income Tax Article 21	00041/201/08/092/10	(379,013)
Tax Assessment Letter on Underpayment of Income Tax Article 23 January-December	00048/203/08/092/10	(12,624)
Tax Assessment Letter on Underpayment of Income Tax Article 4 (2) January-December	00026/240/08/092/10	(295,504)

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15. TAXATION (Continued)

e. Tax Assessment Letters (Continued)

The Company (Continued)

Fiscal Year 2008 (Continued)

All Tax Assessment and Collection Letters were settled by the Company in 2010.

On November 9, 2010, the Company filed an objection to the Directorate General of Taxes against Tax Assessment Letter on Underpayment of Corporate Income Tax No. 00019/206/08/ 092/10.

Decision Letter of the Directorate General of Taxes No. KEP-1126/WPJ.19/BD.05/2011 dated October 28, 2011, the Company's objection was rejected.

On December 7, 2011, the Company filed an appeal against the above Tax Assessment Letter to the Tax Court.

Tax Court Decision Letter No. 38363/PP/MI/15/2012 dated May 28, 2012, the Company's objection was granted so that the Company's fiscal loss year 2008 became fiscal income of Rp 4,265,463.

Fiscal Year 2009

June 24, 2011, the Company received Tax Assessment and Collection Letters for fiscal year 2009 from the Directorate General of Taxes, as follows:

Tax Type	Decision Letter No.	Total Overpayment (Underpayment) Rp
Nil Tax Assessment Letter on Value Added Tax January	00214/507/09/092/11	-
Nil Tax Assessment Letter on Value Added Tax February	00215/507/09/092/11	-
Nil Tax Assessment Letter on Value Added Tax March	00216/507/09/092/11	-
Nil Tax Assessment Letter on Value Added Tax April	00217/507/09/092/11	-
Nil Tax Assessment Letter on Value Added Tax May	00218/507/09/092/11	-
Nil Tax Assessment Letter on Value Added Tax June	00219/507/09/092/11	-
Nil Tax Assessment Letter on Value Added Tax July	00220/507/09/092/11	-
Nil Tax Assessment Letter on Value Added Tax August	00221/507/09/092/11	-
Nil Tax Assessment Letter on Value Added Tax September	00222/507/09/092/11	-
Nil Tax Assessment Letter on Value Added Tax October	00223/507/09/092/11	-
Nil Tax Assessment Letter on Value Added Tax November	00224/507/09/092/11	-
Tax Assessment Letter on Underpayment of Value Added Tax December	00269/207/09/092/11	(345,082)
Tax Assessment Letter on Underpayment of Corporate Income Tax	00009/206/09/092/11	(101,472,285)
Nil Tax Assessment Letter on Income Tax Article 21 January	00023/501/09/092/11	-
Nil Tax Assessment Letter on Income Tax Article 21 February	00024/501/09/092/11	-
Nil Tax Assessment Letter on Income Tax Article 21 March	00025/501/09/092/11	-

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15. TAXATION (Continued)

e. Tax Assessment Letters (Continued)

The Company (Continued)

Fiscal Year 2009 (Continued)

Tax Type	Decision Letter No.	Total Overpayment (Underpayment) Rp
Nil Tax Assessment Letter on Income Tax Article 21 April	00026/501/09/092/11	-
Nil Tax Assessment Letter on Income Tax Article 21 May	00027/501/09/092/11	-
Nil Tax Assessment Letter on Income Tax Article 21 June	00028/501/09/092/11	-
Nil Tax Assessment Letter on Income Tax Article 21 July	00029/501/09/092/11	-
Nil Tax Assessment Letter on Income Tax Article 21 August	00030/501/09/092/11	-
Nil Tax Assessment Letter on Income Tax Article 21 September	00031/501/09/092/11	-
Nil Tax Assessment Letter on Income Tax Article 21 October	00032/501/09/092/11	-
Nil Tax Assessment Letter on Income Tax Article 21 November	00033/501/09/092/11	-
Tax Assessment Letter on Underpayment of Income Tax Article 21 December	00029/201/09/092/11	(408,995)
Tax Assessment Letter on Underpayment of Income Tax Tax Article 23 January-December	00019/203/09/092/11	(25,356)
Tax Assessment Letter on Underpayment of Income Tax Article 4 (2) January-December	00012/240/09/092/11	(21,513)
Tax Collection Letter on Value Added Tax December	00059/107/09/092/11	(34,508)
Nil Tax Assessment Letter on Value Added Tax- Self Construction Activities January-December	00003/557/09/092/11	-

All Tax Assessment and Collection Letters had been paid by the Company except for the Tax Assessment Letter on Underpayment of Corporate Income Tax.

On September 13, 2011, the Company filed an objection to the Directorate General of Taxes against Assessment Letter on Underpayment of Corporate Income Tax year 2009 No. 110/CEO/IX/2011.

Decision Letter of the Directorate General of Taxes No. KEP-1042/WPJ.19/2012 dated August 1, 2012, the Company's objection against Underpayment of Income Tax Fiscal year 2009 amounting to Rp 101,472,285 became overpayment of Rp 31,496,546.

Decision Letter of the Directorate General of Taxes No. KEP-00134.PPH/WPJ.19/KP.203/2012 the excess payment of Corporate Income Tax Articles 25/29 year 2009 amounting to Rp 31,496,546 had been calculated with a tax payable of Rp 12,678 compensated to be paid to a number of Taxes Payable.

The remaining excess Income Tax payments year 2009 were fully received by the Company on September 6, 2012.

Based on Decision Letter of the Directorate General of Taxes No. KEP-00007/IB.PPH/WPJ.19/KP.0230/2013 dated June 14, 2013, the Company received an interest benefit related to decision Letter of the Directorate General of Taxes No. KEP-00134.PPH/WPJ.19/KP.203/2012 amounting to Rp 8,819,032.

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15. TAXATION (Continued)

e. Tax Assessment Letters (Continued)

The Company (Continued)

Fiscal Year 2010

On September 11, 2012, the Company received Tax Assessment Letters for fiscal year 2010 from the Directorate General of Taxes, as follows:

Tax Type	Decision Letter No.	Total Overpayment (Underpayment) Rp
Tax Assessment Letter on Underpayment of Income Tax Article 21	00037/201/10/092/12	(81,538)
Tax Assessment Letter on Underpayment of Income Tax Article 23 January-December	00046/203/10/092/12	(27,318)
Tax Assessment Letter on Underpayment of Income Tax Article 4 (2) January-December	00024/240/10/092/12	(148,588)
Tax Assessment Letter on Underpayment of Corporate Income Tax	00010/206/10/092/12	(32,412,875)

On October 1, 2012, the Company filed an objection through letter No. 2005/CEO/X/2012, against Assessment Letter on Underpayment of Corporate Income Tax No. 00010/206/10/092/12 to the Directorate General of Taxes.

Based on Decision Letter of the Directorate General of Taxes No. KEP-780/WPJ.19/2013 dated June 18, 2013, the Directorate General of Taxes decided to granted the company is objection inspection fiscal year 2010 amounting to Rp 32,412,875.

Subsidiary

Tax Assessment Letter on Overpayment of Corporate Income Tax No. 00052/406/ 08/046/10 dated August 27, 2010 and Instruction Letter to Pay Overpayment of Corporate Income Tax No. 46-0129-2010 dated October 1, 2010, it was stated that the prepaid taxes year 2008 based on the tax office's audit amounted to Rp 903,831 compensated with other taxes payable amounting to Rp 518,695 and the rest was received by the Subsidiary amounting to Rp 385,135.

In 2007, the Subsidiary received several Tax Assessment Letters on Underpayment for fiscal year 2005 as follows:

Tax Assessment Letter on Underpayment No. 0013/206/05/044/07 - Corporate Income Tax	780,714
Tax Assessment Letter on Underpayment No. 00035/207/05/044/07 - Goods and Services Value Added Tax	1,384,151
Tax Assessment Letter on Underpayment No. 00693/107/05/044/07 - Goods and Services Value Added Tax	212,946
Tax Assessment Letter on Underpayment No. 0028/240/05/044/07 - Income Tax Article 4 (2)	714,131
Tax Assessment Letter on Underpayment No. 0027/240/05/041/07 - Income Tax Article 4 (2)	286,492
Tax Assessment Letter on Underpayment No. 0052/203/05/044/07 - Income Tax Article 23	23,000
Tax Assessment Letter on Underpayment No. 0097/207/05/041/07 - Goods and Services Value Added Tax	14,464
T o t a l	3,415,898

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15. TAXATION (Continued)

e. Tax Assessment Letters (Continued)

S u b s i d i a r y (Continued)

The Subsidiary filed an objection against those Tax Assessment Letters on Underpayment through Letter No. 133/FAD-YuA/OWS/VI/07 dated June 18, 2007. Then in 2008 the Directorate General of Taxes partly granted the Subsidiary's objections and on September 22, 2009, the Subsidiary's filed and appeal against such decision. Up to the date of these Financial Statements and Consolidated Financial Statements, the Subsidiary has not received a decision on the appeal.

Based on Decision Letter of the Directorate General of Taxes No. Kep-00066.Pph/ WPJ.21/ Kp.0603/2011 dated July 22, 2011 Directorate General of Taxation decided to grant the company objected inspection of fiscal year 2005 amounting to Rp 423,496 above the amount received by the Subsidiary's on August 3, 2011.

On July 1, 2011, the Company received a Letter of Tax Underpayment of Corporate Income Tax for fiscal year 2009No. 00006/206/09/046/11, where the Directorate General of Taxation establish underpayment of Rp 501,002 of the Subsidiary's demand for restitution amounting to Rp 1,460,220

The assessment is appealed through letter No. 1069/CEO/ICC/2011 dated August 25, 2011. Furthermore, based on the Decree of the Directorate General of Tax. Kep-182/WPJ.21/2012 dated May 11, 2012 the Directorate General of Taxation decided to grant the Company's objection to the 2009 financial year examination of underpayment of Rp 501,002 to Rp 208,010 underpayment of Companies still appeal the decision. As of the date of the Financial Statements, the Subsidiary's has not yet received the results.

Under tax laws in force in Indonesia, as well as the Subsidiary's profit or loss of tax reconciliation calculations done by the taxpayer (self assessment system) in its annual tax return.

Based on Law No. 28 year 2007 dated July 17, 2007, starting 2008 the tax authorities may assess or amend taxes within five years after the date such taxes become due. Should there be no assessment from the tax authorities within such period, the Company and Subsidiary's annual tax return is considered final. Other tax liabilities, if any, will be calculated and settled by the Subsidiary's, as and when they fall due.

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16. OTHER PAYABLES

The details are as follows:

	June 30,	December 31,		
	2013	2012	2011	2010
Other Deposits	24,476,386	105,248,248	41,271,969	-
Due to Franchisees	46,520,196	38,698,259	9,238,340	-
Virtual Deposit	25,457,785	20,905,929	530,505	-
Discount Coupons	10,536,988	15,864,423	11,585,355	8,840,045
Others	243,608,158	162,417,998	76,474,908	44,873,753
T o t a l	350,599,513	343,134,857	139,101,077	53,713,798

17. ACCRUED EXPENSES

The details are as follows:

	June 30,	December 31,		
	2013	2012	2011	2010
Building Rentals	97,318,820	5,698,814	5,884,943	16,264,964
Yearly Allowances	95,188,876	41,492,747	31,476,945	22,063,485
Telephone, Electricity and Water	21,226,837	20,360,622	19,827,798	13,474,690
Store Equipment	11,776,143	14,680,164	6,655,673	6,441,411
Employee Social Security	415,275	3,700	11,830	9,674
Promotion	3,658,190	20,654,799	8,746,389	9,560,718
Uniforms	-	8,276,209	598,633	359,408
Interest	-	4,193,985	4,249,395	3,857,563
Pension Funds	-	2,870,915	2,870,915	2,873,957
Employee Benefits	-	627,021	-	-
Training	-	394,860	399,060	399,060
Operational	-	331,087	340,841	375,872
Maintenance	-	11,286	7,272	25,109
Land and Building Taxes	-	-	-	535,797
Vehicles	-	-	-	52,679
Toll Manufacturing	-	-	-	33,439
Post and Mail	-	-	-	7,500
Store and Warehouse Equipment	-	-	-	6,246
Others	9,482,632	10,141,276	8,811,239	4,566,955
T o t a l	239,066,773	129,737,485	89,880,933	80,908,527

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18. BANK LOANS

The details are as follows:

	June 30, 2013	2012	December 31, 2011	2010
Bank Loans - Current Maturities				
The Company				
PT Bank Mega Tbk				
Term Loan II	-	-	5,114,795	1,474,733
Term Loan III	-	-	-	6,819,727
Term Loan V	-	10,000,000	10,000,000	10,000,000
Term Loan VI	-	18,000,000	18,000,000	18,000,000
Term Loan VII	-	-	10,860,000	10,860,000
Term Loan VIII	-	-	31,040,000	31,040,000
Term Loan IX	-	-	22,000,000	11,000,000
Demand Loan	-	-	70,000,000	-
Other Loan	-	-	-	33,000,000
T o t a l	-	28,000,000	167,014,795	122,194,460
PT Bank Mandiri (Persero) Tbk				
KMK I	117,545,440	404,331,390	449,864,064	-
KMK II	200,000,000	200,000,000	200,000,000	200,000,000
KMK III	660,000,000	300,000,000	100,000,000	-
PTK I	82,500,000	33,000,000	33,000,000	-
PTK II	253,526,616	80,000,000	-	-
PTK III	450,002,000	100,000,000	-	-
Fixed Loan	-	50,000,000	-	-
T o t a l	1,763,574,056	1,167,331,390	782,864,064	200,000,000
PT Bank CIMB Niaga Tbk				
PRK	-	-	49,999,500	52,589,582
Fixed Loan	-	-	50,000,000	-
KI	367,000,000	71,250,000	-	-
Seasonal	-	200,000,000	-	-
T o t a l	367,000,000	271,250,000	99,999,500	52,589,582
PT Bank Rakyat Indonesia (Persero) Tbk				
	-	124,986,109	-	-
PT Bank of Tokyo				
	300,000,000	300,000,000	-	-

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18. BANK LOANS (Continued)

	June 30, 2013	December 31,		
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Subsidiary				
PT Bank Central Asia Tbk				
Kredit Rekening Koran (KRK)	-	-	21,313,624	-
Kredit Investasi I	-	5,347,222	-	-
PT Bank Mega Tbk	-	-	-	21,936,364
T o t a l	<u>-</u>	<u>5,347,222</u>	<u>21,313,624</u>	<u>21,936,364</u>
T o t a l	<u>2,430,574,056</u>	<u>1,896,914,721</u>	<u>1,071,191,983</u>	<u>396,720,406</u>
Long Term - Net of Current Maturities				
The Company				
PT Bank Mega Tbk				
Term Loan III	-	-	-	5,114,795
Term Loan V	-	-	10,000,000	20,000,000
Term Loan VI	-	-	18,000,000	36,000,000
Term Loan VII	-	-	21,720,000	32,580,000
Term Loan VIII	-	-	62,080,000	93,120,000
Term Loan IX	-	-	77,000,000	99,000,000
Term Loan X	-	-	150,000,000	150,000,000
Term Loan XI	-	-	75,000,000	60,000,000
Demand Loan	-	-	-	100,000,000
T o t a l	<u>-</u>	<u>-</u>	<u>413,800,000</u>	<u>595,814,795</u>
PT Bank Mandiri (Persero) Tbk				
KMK I	-	-	-	440,794,367
PTK I	-	66,000,000	99,000,000	80,483,142
PTK II	-	213,526,616	373,526,616	-
PTK III	-	400,000,000	-	-
T o t a l	<u>-</u>	<u>679,526,616</u>	<u>472,526,616</u>	<u>521,277,509</u>
PT Bank CIMB Niaga Tbk				
KI	-	325,750,000	-	-
Subsidiary				
PT Bank Central Asia Tbk				
Kredit Rekening Koran (KRK)	-	-	-	-
Kredit Investasi I	-	29,652,778	-	-
T o t a l	<u>-</u>	<u>29,652,778</u>	<u>-</u>	<u>-</u>
Total Long Term - Net of Current Maturities	<u>-</u>	<u>1,034,929,394</u>	<u>886,326,616</u>	<u>1,117,092,304</u>

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18. BANK LOANS (Continued)

C o m p a n y

PT Bank Mega Tbk

Based on Credit Agreement No. 20 dated April 15, 2002 of Imas Fatimah, SH., notary in Jakarta, the Company obtained Investment Credit Loans with floating interest rates up to Rp 75,000,000 from PT Bank Mega Tbk secured by the Company's fixed assets and inventories. The loan facilities will be used to refinance and construct the Company's outlets. The loans must be settled within 78 months (including a grace period of 6 months) since the agreement was signed.

Based on Amendment XXVIII to Deed of Credit Agreement No. 16 dated May 8, 2012 of Sri Ismiyati, SH, notary in Jakarta, the Company and PT Bank Mega Tbk agreed to amend the agreement.

The bank credit facilities consist of:

- Overdraft Facility amounting to Rp 80,000,000.
- Term Loan III Facility amounting to Rp 8,524,658.
- Term Loan V Facility amounting to Rp 25,000,000.
- Term Loan VI Facility amounting to Rp 45,000,000.
- Term Loan VII Facility amounting to Rp 38,010,000.
- Term Loan VIII Facility amounting to Rp 108,640,000.
- Term Loan IX Facility amounting to Rp 110,000,000.
- Term Loan X Facility amounting to Rp 150,000,000.
- Term Loan XI Facility amounting to Rp 75,000,000.
- Demand Loan 3 Facility amounting to Rp 100,000,000.
- Demand Loan 4 Facility amounting to Rp 100,000,000.

The credit facility bear interest is 13 % from outstanding credit facility.

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18. BANK LOANS (Continued)

C o m p a n y (Continued)

PT Bank Mega Tbk (Continued)

The loan facility periods are as follows:

- Overdraft Facility from May 10, 2012 until May 10, 2013.
- Term Loan III Facility for 84 months from October 03, 2005 until October 03, 2013.
- Term Loan V Facility for 78 months from April 27, 2007 until October 27, 2013.
- Term Loan VI Facility for 78 months from April 27, 2007 until October 27, 2013.
- Term Loan VII Facility for 78 months from May 29, 2008 until November 29, 2014.
- Term Loan VIII Facility for 78 months from May 29, 2008 until November 29, 2014.
- Term Loan IX Facility for 78 months from December 16, 2009 until June 16, 2016, including a grace period of 18 months.
- Term Loan X Facility for 84 months from May 10, 2010 until May 10, 2017, including a grace period of 24 months.
- Term Loan XI Facility for 84 months from November 09, 2010 until November 09, 2017, including a grace period of 24 months.

The collateral for the credit facilities consists of:

- 47 plots of land under the name of the Company.
- 2 plots of land under the name of Bernanto Tanusaputra.
- The Company's 185 units of vehicles located in Jakarta, Bandung, Cirebon, Tangerang, Bekasi and Surabaya.
- The Company's 46 units of vehicles located in Semarang and Yogyakarta.
- The Company's 90 units of vehicles located in Gunung Sindur.
- The Company's 30 units of vehicles located in Jember.
- The Company's merchandise inventories.
- The Company's receivables.
- The Company's Distribution Center equipment in Randugarut, Semarang.
- The Company's existing and future outlet equipment.
- Corporate guarantee from PT Indomarco Perdana.
- 237,600,000 shares owned by PT Indomarco Perdana in Company.
- 57,168,000 shares owned by PT Lentera Bumi Mas in the Company.
- Other collateral as may be requested by the bank from time to time.

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18. BANK LOANS (Continued)

C o m p a n y (Continued)

PT Bank Mega Tbk (Continued)

Term Loan VII, Term Loan VIII, Term Loan IX, Term Loan X and Term Loan XI facilities were settled by the Company based on Letter No. 075/CBPM-CRP/12 dated June 4, 2012.

Term Loan V and VI facilities were settled by the Company based on Letter No. 797/CCOP-ACC/13 dated June 28, 2013.

As of July 15, 2013, all collateral has been withdrawn by the Company.

PT Bank Mandiri (Persero) Tbk

Based on Letter No. CBG.CB1/SPPK/009/2013 dated March 19, 2013, the Company obtained new credit facilities, extensions and changes as follows:

- Extension for Working Capital Credit I Facility (KMK I) of Rp 450,000,000.
- Extension for Working Capital Credit II Facility (KMK II) of Rp 200,000,000.
- Change for Working Capital Credit III Facility (KMK III) from Rp 300,000,000 to Rp 660,000,000.
- New Credit Facility (PTK 4) of Rp 340,000,000.

The credit facilities bear interest at 8.50 % per year for a one-year period from August 13, 2013 until August 12, 2014 for KMK I , 8.25 % per year for a one-year period from August 13, 2013 until August 12, 2014 for KMK II and KMK III and 8.50 % for PTK 4 for a period until December 23, 2018.

The collateral for the credit facilities consists of:

- Receivables and inventories financed using the working capital credit facility for DC Jakarta 1, DC Bogor, DC Tangerang, DC Bekasi, DC Bandung, DC Cirebon, DC Palembang, DC Makassar, and DC Bali of Rp 306,237,000 (receivables) and Rp 900,000,000 (inventories).
- 3 plots of land with Building Usage Right Certificates No. 942, No. 943 , and No. 944 located in West Java, Tangerang, Serpong Subdistrict, Lengkong Wetan Village under the name of PT Indorealty Suryapersada with a collateral value of Rp 107.123.000
- 4 plots of land with Building Usage Right Certificates No. 02614/Babakan, No. 00513/Purwasari, No. 01540/Cibalongsari and No. 02553/Duren under the name of the Company with a collateral value of Rp 1,043,800
- Bank time deposits under the name of the Company No. AC 873304 and AC 873303 of Rp 15,000,000.
- Office equipment ifor 5 Indomaret DC (Jakarta, Bekasi, Tangerang, Bogor and Bandung) with a collateral value of Rp 18,429,000

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18. BANK LOANS (Continued)

C o m p a n y (Continued)

PT Bank Mandiri (Persero) Tbk (Continued)

Based on Letter No. CBG.CB1/SPK/ D02/2013/2012 dated August 1, 2012, the Company obtained credit facilities as follows:

- Working Capital Credit I Facility (KMK I) of Rp 450,000,000.
- Working Capital Credit II Facility (KMK II) of Rp 200,000,000.
- Additional Fixed Loan Working Capital Credit Facility of Rp 50,000,000.

The credit facilities bear interest at 9% per year, and period for KMK I and KMK II is one-year from August 13, 2012 and for Fixed Loan is six-months since the credit agreement was signed.

The collateral for the credit facilities consists of:

- Receivables and inventories financed using the working capital credit facility for DC Jakarta 1, DC Bogor, DC Tangerang, DC Bekasi, DC Bandung, DC Cirebon, DC Palembang, DC Makassar, and DC Bali of Rp 250,000,000 (receivables) and Rp 900,000,000 (inventories).
- Fixed asset collateral associated with PTK's collateral.
- Associated with collateral existing facilities.

Based on Agreement No. CRO.KP/ 159/KMK/11. No. 01 notarized by Yaumi Azhar, SH. LLM, Notary in Jakarta, on May 1, 2012, the Company obtained Working Capital Credit III Facility (KMK III) with a limit of Rp 300,000,000 bearing interest at 9 % for a period from May 1, 2012 until August 12, 2013.

The collateral for the credit facilities consists of:

- Equipment on Indomaret outlets financed by the Bank, office equipment, warehouses, computers and Tail Hydrolic in 5 DC Indomaret (Jakarta, Bekasi, Tangerang, Bogor and Bandung) in a fiduciary binding with a guarantee value of Rp 18,249,320.
- The Company's receivables in a fiduciary binding with a guarantee value of Rp 273,346,000.
- Inventories located in Jembatan Hitam, Cijunjung Village, Sukaraja Subdistrict, Bogor with a guarantee value of Rp 306,273,000.
- The Company's inventories in DC Cirebon and Palembang with a guarantee value of Rp 66,329,510.
- The Company's receivables in DC Cirebon and Palembang with a guarantee value of Rp 24,934,163.

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18. BANK LOANS (Continued)

C o m p a n y (Continued)

PT Bank Mandiri (Persero) Tbk (Continued)

- Several plots of land with:
 1. Building Usage Right Certificate No. 942/Lengkong Wetan, covering an area of 5,360 M2 with a guarantee value of Rp 64,080,000.
 2. Building Usage Right Certificate No. 943/Lengkong Wetan, covering an area of 9,430 M2 with a guarantee value of Rp 64,080,000.
 3. Building Usage Right Certificate No. 944/Lengkong Wetan, covering an area of 1,210 M2 with a guarantee value of Rp 64,080,000.
- Time Deposit under the name of the Company placed in the Bank No. AC 873304 bound by a Time Deposit Mortgage Deed with a guarantee value of Rp 10,000,000 dated August 18, 2011.
- Time Deposit under the name of the Company placed in the Bank No. AC873303 bound by a Time Deposit Mortgage Deed with a guarantee value of Rp 5,000,000 dated August 18, 2011.

Based on Agreement No. CRO.KP/085/ PTK/12 and notarized by Yaumi Azhar, SH. LLM, notary in Jakarta, on May 1, 2012, the Company obtained credit facilities (PTK III) with a limit of Rp 500,000,000 bearing interest at 9% for a period from May 1, 2012 until January 23, 2017.

The collateral for the credit facilities consists of:

- Equipment on Indomaret outlets financed by the Bank, office equipment, warehouses, computers and Tail Hydrolic in 5 DC Indomaret (Jakarta, Bekasi, Tangerang, Bogor and Bandung) in a fiduciary binding with a guarantee value of Rp 18,249,320
- The Company's receivables in a fiduciary binding with a guarantee value of Rp 273,346,000
- Inventories located in Jembatan Hitam, Cijunjung Village, Sukaraja Subdistrict, Bogor with a guarantee value of Rp 306,273,000.
- The Company's inventories in DC Cirebon and Palembang with a guarantee value of Rp 66,329,510.
- The Company's receivables in DC Cirebon and Palembang with a guarantee value of Rp 24,934,163.
- Several plots of land with:
 1. Building Usage Right Certificate No. 942/Lengkong Wetan, covering an area of 5,360 M2 with a guarantee value of Rp 64,080,000.
 2. Building Usage Right Certificate No. 943/Lengkong Wetan, covering an area of 9,430 M2 with a guarantee value of Rp 64,080,000.
 3. Building Usage Right Certificate No. 944/Lengkong Wetan, covering an area of 1,210 M2 with a guarantee value of Rp 64,080,000.

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18. BANK LOANS (Continued)

The Company (Continued)

PT Bank Mandiri (Persero) Tbk (Continued)

- Time Deposit under the name of the Company placed in the PT Bank Mandiri (Persero) Tbk No. AC 873304 bound by a Time Deposit Mortgage Deed with a guarantee value of Rp 10,000,000 dated August 18, 2011.
- Time Deposit under the name of the Company placed in the PT Bank Mandiri (Persero) Tbk No. AC 873303 bound by a Time Deposit Mortgage Deed with a guarantee value of Rp 5,000,000 dated August 18, 2011.

Based on Deed of Working Capital Credit Agreement No. CRO.KP/160/KMK/11 of Sri Ismayati SH, notary in Jakarta, dated June 10, 2011, the Company obtained a Special Transaction Loan Facility amounting to Rp 400,000,000 bearing interest at of 10.50 %.

The credit period is from June 10, 2011 until December 31, 2016.

The Collateral for the credit facilities consists of:

- Indomaret's outlet equipment financed through the working capital credit facilities and the PTK-I facilities.
- Land and buildings, as follows :
 1. Building Usage Right Certificate No. 00001/Tempuran.
 2. Building Usage Right Certificate No. 1696/Besar.
- Bank time deposits of Rp 5,000,000 Serial No. AC 873303, Account No. 120-02-4070882-5 under the name of the Company.

Based on Deed of Working Capital Credit Agreement No. KP-CRO/014/PTK/2010, of Notary Sri Ismiyati, SH., the Company obtained a credit facility amounting to Rp 165.000.000 for financing the opening of 325 Indomaret's outlets bearing interest at 10.75 %.

The credit period is from November 4, 2010 to November 3, 2015.

The collateral for the credit facilities consists of :

- The Company's all inventories with a collateral object value of Rp 273,346,285 with a collateral value of to Rp 273,346,000.
- The Company's all receivable bills with a collateral object value of Rp 306,237,623 with a collateral value of to Rp 306,237,000.
- 3 plots of land with Building Usage Right certificates located in West Java Province registered under the name of PT Indorealty Surya Persada, as follows :
 1. No. 942/Lengkong Wetan, covering an area of 5,360 M2.
 2. No. 943/Lengkong Wetan, covering an area of 9,430 M2.
 3. No. 944/Lengkong Wetan, covering an area of 1,210 M2.

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18. BANK LOANS (Continued)

The Company (Continued)

PT Bank Mandiri (Persero) Tbk (Continued)

- A plot of 180 M2 land with Building Usage Right Certificate No. 02614/Babakan, located in West Java, Tangerang, Serpong Subdistrict, Babakan Village, valid until August 31, 2034, under the name of the Company.
- A plot of 364 M2 land with Building Usage Right Certificate No. 00513/Purwasari, located in West Java, Tangerang, Purwasari Subdistrict, Purwasari Village valid until December 12, 2036, under the name of the Company.
- A plot of 90 M2 land with Building Usage Right Certificate No. 02553/Duren, located in West Java Province, Karawang, Klai Subdistrict, Duren Village valid until March 16, 2034, under the name of the Company.
- A plot of 84 M2 land with Building Usage Right Certificate No. 01540/Cibalongsari, located in West Java Province, Karawang, Klai Subdistrict, Cibalongsari Village valid until March 16, 2034, under the name of the Company.
- A time deposit in PT Bank Mandiri (Persero) Tbk of Rp 10,000,000.

PTK Loan I, PTK Loan II and PTK Loan III facilities were settled by the Company based on Letter No. CBG CBI/436/2013 dated July 2, 2013.

PT Bank Rakyat Indonesia (Persero) Tbk

Based on Working Capital Loan Agreement No. 53 notarized by Sri Ismiyati SH, Notary in Jakarta on July 17, 2012, the Company obtained a Working Capital Credit Facility with a limit of Rp 200,000,000 bearing interest at 9 %. The period of the agreement is six months from the agreement signing to January 17, 2013. There is no collateral for this agreement.

PT Bank of Tokyo

Based on Credit Agreement No. 12-0594 LN dated August 9, 2012, the Company obtained a Credit Facility with a limit of Rp. 300,000,000 bearing interest at of 6.5 % with a 2 % margin per year. The period of the agreement is seven months from the agreement signing to March 9, 2013. There is no collateral for this agreement.

This Credit Agreement has been extended until March 5, 2014 through a letter from PT Bank of Tokyo.

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18. BANK LOANS (Continued)

The Company (Continued)

PT Bank CIMB Niaga Tbk

Based on Deed of Working Capital Credit Agreement No. 126 of Notary Veronica Nataadmadja, SH, M Corp Admin, M Com dated July 29, 2011, the Company obtained credit facilities as follows:

- Overdraft Loan Facility amounting to Rp 50,000,000 for a twelve-month period bearing interest at 10.75 %.
- Fixed Loan Facility amounting to Rp 50,000,000 for a twelve-month period bearing interest at 10.25 %.

The collateral for the credit facilities consists of:

- Building Usage Right Certificate No. 01189 covering an area of 10,780 M2.
- Building Usage Right Certificate No. 01176 covering an area of 37,604 M2.
- Building Usage Right Certificate No. 01213 covering an area of 6,265 M M2.
All of them above under the name of PT Ukanik with a total coverage value of at least Rp 100,000,000.
- The Company's fiduciary inventories located in the Semarang Distribution Center with a minimum collateral value of Rp 90,000,000

The credit facilities will mature on July 29, 2012.

Based on Deed of Credit Agreement. No. 36 dated August 9, 2012 of Antoni Halim, SH., notary in Jakarta, the Company obtained an extension of credit facilities and new credit facilities as follows:

- Extension of Overdraft facility amounting to Rp 50,000,000 for a twelve-month period from July 29, 2012 to July 29, 2013, bearing interest at 10.75 % with a 0.5 % provision.
- Extension of Fixed Loan Facility amounting to Rp 50,000,000 for a twelve-month period from July 29, 2012 to July 29, 2013, bearing interest at 10.25 % with a 0.5 % provision.
- Investment Loan Facility amounting to Rp 450,000,000 for a maximum 72-month period since the credit agreement signing from May 29, 2012 to May 29, 2018, bearing interest at 11 % with a 0.1 % flat provision and a Rp 10,000 administration fee.
- Special Transactions Loan Facility amounting to Rp 200,000,000 for a period from the credit agreement signing to January 9, 2014, bearing interest at 10.25 % with a 0.5 % annual provision

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18. BANK LOANS (Continued)

The Company (Continued)

PT Bank CIMB Niaga Tbk (Continued)

The collateral for the credit facilities consists of :

- Building Usage Right Certificate No. 01176/ Kadu covering an area of 37,604 M2 with a coverage right of Rp 70,000,000.
- Building Usage Right Certificate No. 01189/ Kadu covering an area of 10,780 M2 with a coverage right of Rp 21,000,000.
- Building Usage Right Certificate No. 01213/ Kadu covering an area of 6,265 M2 with a coverage right of Rp 9,000,000.
- For the Investment Loan:
 1. Building Usage Right Certificate No. 01214/ Kadu covering an area of 1,715 M2 with a coverage right of Rp 7,500,000.
 2. Building Usage Right Certificate No. 01215/ Kadu covering an area of 1,735 M2 with a coverage right of Rp 7,587,000.
 3. Building Usage Right Certificate No. 01216/ Kadu covering an area of 3,135 M2 with a coverage right of Rp 13,709,000.
 4. Building Usage Right Certificate No. 01217/ Kadu covering an area of 3,910 M2 with a coverage right of Rp 17,098,000.
 5. Building Usage Right Certificate No. 01218/ Kadu covering 640 M2 with a coverage right of Rp 2,799,000.
 6. Building Usage Right Certificate No. 01219/ Kadu covering an area of 1,370 M2 with a coverage right of Rp 5,991,000.

KI facility was settled by the Company based on Letter No. 056/VJK/GCI/VII/JKT/2013 dated July 9, 2013.

PT Bank Central Asia Tbk

Based on Credit Agreement No. 10087/GBK/2013 dated February 28, 2013, the Company obtained new credit facilities :

- Working Capital - Local Credit Facility of Rp 300,000,000.
- Working Capital - Time Loan Revolving Facility of Rp 200,000,000.

The credit facilities bear interest 8.5 % per year, and period for the facilities is one year from February 28, 2013.

The collateral for the facilities for the credit facilities consists of BCA Fund Products of PT Indomarco Prismatama.

Until now the Company has not utilized the facilities.

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18. BANK LOANS (Continued)

S u b s i d i a r y

PT Bank Central Asia Tbk

Based on Deed of Credit Agreement No. 15 dated June 21, 2011 of Notary Veronica Sandra Irawaty Purnadi, SH, the Company obtained a credit facility in the form of Overdraft Facility from PT Bank Central Asia Tbk with a maximum credit of Rp 50,000,000, bearing annual interest at 9.5 % and to mature on June 21, 2012.

The overdraft facility is collateralized by inventories of raw materials, semi-finished and finished goods with a fiduciary value of Rp 54,879,296 according to Letter No. 428/CLG-VI/2011 dated June 20, 2011 existing or to exist in the future or to be anywhere else, stored at:

- Indogrosir Yogyakarta, Jalan Raya Magelang Km. 6 ex Karoseri Gajah Mada, Yogyakarta 55284, and
- Indogrosir Bandung, Jalan Ahmad Yani No. 806 Cicaheum, Bandung 40282.

This credit facility has been paid by the Company in 2012.

Credit Agreement that has been amended several times, most recently by Credit Agreement No. 3 dated November 6, 2012 of Notary Veronica Sandra Irawaty Purnadi, SH, stating that the Company obtained investment credit facilities with the following details:

- Credit Investment I

The maximum credit amount is Rp 35,000,000 used to finance the investment of the Company's one new outlet unit in Samarinda, including the land purchase, building construction and equipment and vehicle provision. The credit facility bears annual interest at 9.5% and will mature on January 10, 2019.

- Credit Investment II

The maximum credit amount is Rp 22,000,000, used to finance the investment of the Company's one new outlet unit in Pekanbaru, including the land purchase, building construction and equipment and vehicle provision. The credit facility bears annual interest at 9.5 %. Up to the issuance date of this audit report, the Company has not used this credit Investment II.

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19. CONSUMER FINANCING LOANS

The details are as follows:

	June 30,	December 31,		
	2013	2012	2011	2010
Short Term				
PT Mandiri Tunas Finance	34,593,996	26,987,795	10,022,203	7,656,348
PT BCA Finance	10,142,314	12,343,143	11,118,960	9,117,327
PT Bringin Indotama Sejahtera Finance	211,578	61,468	-	-
PT Indomobil Finance	2,929,937	11,758	836,577	993,478
Total Short Term	<u>47,877,825</u>	<u>39,404,164</u>	<u>21,977,740</u>	<u>17,767,153</u>
Long Term				
PT Mandiri Tunas Finance	72,750,617	53,106,172	20,129,751	25,335,551
PT BCA Finance	1,273,029	5,111,959	17,345,134	26,448,559
PT Bringin Indotama Sejahtera Finance	312,903	557,548	-	-
PT Indomobil Finance	5,163,043	-	334,648	1,171,224
Total Long Term	<u>79,499,592</u>	<u>58,775,679</u>	<u>37,809,533</u>	<u>52,955,334</u>

PT Mandiri Tunas Finance

Several financing agreements between the Company and PT Mandiri Tunas Finance declared that the Company obtained a credit facility for the purchase or supply of goods from the sellers/suppliers/dealers bearing interest at 4.90 % and 6.65 % for the 6-month periods ended June 30, 2013 and for the years ended December 31, 2012, 2011 and 2010 flat p.a. (12.65 % eff p.a.), for a period of 36 to 48 months.

PT BCA Finance

Based on several financing agreements between the Company and PT BCA Finance representing PT Bank Central Asia Tbk, the Company obtained a credit facility for the purchase or supply of goods from the sellers/suppliers/dealers bearing interest at 6.85 % flat p.a. (13 % eff p.a.), for a period of 36 to 48 months in advance and vehicle is secured with an insurance type of Total Loss Only (TLO).

PT Bringin Indotama Sejahtera Finance

Financial agreement between the Company and PT Bringin Indotama Sejahtera Finance declared that the Company obtained a credit facility for the purchase or supply of goods from the sellers/suppliers/dealers bearing interest at 7.75 % flat p.a., for a period of 36 months.

PT Indomobil Finance Indonesia

Several financing agreements between the Company and PT Indomobil Finance Indonesia declared that the Company obtained a credit facility for the purchase or supply of goods from the sellers/suppliers/dealers bearing interest at 4.91 % and 7.49% for the 6-month periods ended June 30, 2013 and for the years ended December 31, 2012, 2011 and 2010 flat p.a. for a period of 36 to 48 months.

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20. NON-CONTROLLING INTEREST

This account represents the minority shareholder's ownership right in the Consolidated.

21. SHARE CAPITAL

Based on Notarial Deed No. 21 dated June 10, 2013 of Public Notary Popie Savitri Martosuhardjo Pharmanto, SH, agreed to increase the Authorized shares from Rp 350,000,000 into Rp 750,000,000, Subscribed and fully paid 1,108,080,000 shares or Rp 277,020,000 with par value of Rp 250 (full amount) into 1,846,800,000 shares or Rp 461,700,000 and issue 738,720,000 new shares or Rp 184,680,000 which to be taken by PT Dyviacom Intrabumi Tbk. These changes were approved by the Minister of Law and Human Rights of the Republic Indonesia in Decision Letter No. AHU-36812.AH.01.02.Tahun 2013 dated July 8, 2013.

The composition of the Company's shareholders as of June 30, 2013 is as follows :

Name of Stockholder	Number of Shares	Percentage of Ownership %	Amount
PT Indomarco Perdana	1,026,912,000 Shares	55.60 %	Rp 256,728,000
PT Dyviacom Intrabumi Tbk	738,720,000	40.00	184,680,000
PT Lentera Bumi Mas	57,168,000	3.10	14,292,000
Sinarman Jonatan	24,000,000	1.30	6,000,000
J u m l a h	<u>1,846,800,000 Shares</u>	<u>100.00 %</u>	<u>Rp 461,700,000</u>

The composition of the Company's shareholders as of December 31, 2012, 2011 and 2010 is as follows:

Name of Stockholder	Number of Shares	Percentage of Ownership %	Amount
PT Indomarco Perdana	1,026,912,000 Shares	92.67 %	Rp 256,728,000
PT Lentera Bumi Mas	57,168,000	5.16	14,292,000
Sinarman Jonatan	24,000,000	2.17	6,000,000
J u m l a h	<u>1,108,080,000 Shares</u>	<u>100 %</u>	<u>Rp 277,020,000</u>

As of December 31, 2012, 2011 and 2010, the Company's shares owned by PT Indomarco Perdana and PT Lentera Bumi Mas are pledged as collateral to PT Bank Mega Tbk based on Deed of Credit Agreement No. 16 of Notary Sri Ismiyati, SH., dated May 8, 2012 (Note 18).

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22. PAID IN CAPITAL

This Account Represents the difference between the share par value and the paid in amount.

23. DIVIDEND

Based on the annual general meeting of shareholder of PT Indomarco Prismatama on April 17, 2013, The Shareholders approved the distribution of dividend amounting to Rp 160,000,000.

24. GENERAL RESERVES

Based on Article 70 of Law 40 year 2007 regarding Limited Companies, the Company is required to set aside its net income as a reserve fund, until the reserve fund reaches at least 20 % of the total subscribed capital to be used to cover possible losses in the future that can not be met by other reserves. In 2011 and 2013, the Company set aside Rp 300,000 and Rp 200,000 of its income and the management provided no more reserve because so far there is no risk from operations encountered by the Company.

25. NET REVENUES

The details are as follows:

	June 30,		December 31,		
	2013	2012	2012	2011	2010
Sales	15,137,506,514	12,724,459,188	27,721,235,074	20,854,996,094	16,295,513,540
Other Operating Income					
Display Rental Income	265,044,540	230,912,047	484,046,077	514,219,115	415,077,751
Joint Promotion Income	193,806,462	114,074,054	398,507,210	195,518,078	185,061,522
Rebate Income	164,951,271	55,665,162	176,350,738	156,804,365	95,478,640
Labor Procurement Services	143,454,123	92,359,502	195,823,195	150,427,097	114,760,822
Royalty Income	91,516,761	65,483,496	165,564,287	107,566,207	101,249,248
Other Income (Accounts with balances below Rp 100,000,000, each)	321,646,578	195,617,636	516,062,914	341,489,684	271,324,411
T o t a l	1,180,419,735	754,111,897	1,936,354,421	1,466,024,546	1,182,952,394
T O T A L	16,317,926,249	13,478,571,085	29,657,589,495	22,321,020,640	17,478,465,934

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26. COST OF REVENUES

The details are as follows:

	June 30,		December 31,		
	2013	2012	2012	2011	2010
Raw Material Inventories at Beginning of the Year	2,679,834	2,181,329	2,181,329	1,040,613	968,599
Purchases	16,226,785	26,510,975	29,169,010	19,034,143	24,598,262
Goods Available for Production	18,906,619	28,692,304	31,350,339	20,074,756	25,566,861
Raw Material Inventories at End of the Year	(2,547,780)	(2,768,673)	(2,679,834)	(2,181,329)	(1,040,613)
Cost of Production	16,358,839	25,923,631	28,670,505	17,893,427	24,526,249
Direct Labour	3,199,567	4,514,427	9,090,113	6,286,081	4,355,542
Factory Overhead (Note 27)	1,939,992	3,638,914	7,449,995	5,221,014	2,501,825
T o t a l	21,498,398	34,076,972	45,210,613	29,400,522	31,383,616
Inventories at Beginning of the Year	2,438,831,453	1,720,869,735	1,720,869,736	1,247,830,522	959,650,096
Purchases	14,904,272,821	12,664,906,271	26,536,713,277	20,092,570,085	15,594,680,805
Purchase Discounts	(187,134,269)	(126,540,404)	(274,095,628)	(196,101,698)	(149,685,068)
Returns to Suppliers	(258,496,787)	(218,202,881)	(751,623,036)	(629,197,043)	(305,307,241)
Adjustments	(54,029,985)	(42,777,045)	(73,880,846)	(33,497,504)	(11,459,830)
Difference in Cost of Revenues	(4,361,397)	(5,876,469)	(9,638,030)	(8,790,684)	(9,126,219)
Provision for Damaged and Lost Inventories	(80,133,550)	(38,819,696)	(104,445,477)	(69,917,889)	(71,417,380)
Goods Available for Sale	16,780,446,684	13,987,636,483	27,089,110,609	20,432,296,311	16,038,718,779
Inventories at End of the Year	(3,130,004,583)	(2,633,028,175)	(2,438,831,453)	(1,720,869,736)	(1,247,830,521)
Deconsolidation of Subsidiary's Inventories	(327,048,400)	-	-	-	-
Cost of Revenues	13,323,393,701	11,354,608,308	24,650,279,156	18,711,426,575	14,790,888,258

27. FACTORY OVERHEAD

The details are as follows:

	June 30,		December 31,		
	2013	2012	2012	2011	2010
Depreciation	474,667	917,746	1,872,919	1,104,424	519,771
Amortization	247,308	487,724	981,390	685,896	194,531
Kitchen Expenses	336,379	673,055	1,244,737	818,022	522,384
Electricity	320,925	525,012	1,172,666	854,909	558,859
Office and Building Rentals	237,183	474,467	948,834	808,918	300,000
Factory Maintenance and Repairs	70,567	149,329	333,640	85,549	37,202
Factory Supplies	137,971	231,801	502,532	600,372	242,885
Uniforms	63,309	99,578	215,632	88,479	50,556
Insurance	7,612	14,625	29,925	24,657	11,102
Factory Equipment Repairs	44,071	65,577	147,720	149,788	64,535
T o t a l	1,939,992	3,638,914	7,449,995	5,221,014	2,501,825

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28. OPERATING EXPENSES

The details are as follows:

	June 30,		December 31,		
	2 0 1 3	2 0 1 2	2 0 1 2	2 0 1 1	2 0 1 0
Salaries, Wages, and Allowances	912,584,626	634,346,483	1,337,151,475	1,059,966,620	894,483,177
Management Fee	367,630,830	102,323,922	254,144,183	82,238,118	693,340
Electricity and Power	256,264,882	188,170,111	408,038,731	334,128,934	249,461,974
Building Rentals	181,480,161	130,100,817	156,164,635	189,249,676	163,378,267
Depreciation	128,843,115	106,706,421	224,094,137	190,284,650	139,068,345
Outlet Equipment	113,731,511	71,149,696	219,006,821	147,360,422	115,006,008
Amortization of Renovation and Insurance	110,408,164	83,296,060	366,748,662	143,024,177	85,902,711
Maintenance and Repairs	73,505,203	48,305,341	103,340,764	122,887,258	90,622,620
Equipment Rentals	66,726,657	50,715,909	145,133,674	77,152,612	24,850,638
Final Income Tax	63,768,086	47,526,163	101,745,632	90,033,695	67,906,756
Damaged and Lost Inventories	55,442,613	37,391,718	91,861,799	51,843,826	54,273,013
Equipment Amortization	33,150,620	21,227,393	53,419,050	34,639,969	17,287,278
Office Equipment	26,931,648	19,147,859	42,893,125	36,493,109	33,382,679
Post-Employment Benefits	26,602,098	23,159,933	46,508,511	41,267,874	37,556,272
Insurance	26,227,575	18,738,074	39,173,904	29,429,209	32,948,190
Pension Funds	25,087,633	18,055,299	39,471,300	28,006,587	21,988,056
Traveling	23,226,828	16,321,561	48,176,461	24,253,445	28,882,571
Business Licences and Trademarks	16,130,812	12,463,292	3,665,192	38,709,001	23,916,533
Donations and Contributions	15,005,697	15,212,541	37,453,255	18,573,561	16,569,987
Telephone, Telex and Postage	14,310,129	13,083,159	27,440,730	21,369,573	20,658,800
IT Development Expenses	12,000,000	7,893,000	6,601,000	-	-
Internship	8,032,699	82,923,797	163,206,044	134,755,288	93,813,543
Land and Building Taxes and Vehicle	4,366,744	3,957,369	9,380,119	7,124,046	5,370,424
Honorariums	2,452,462	1,624,252	5,047,442	5,301,727	7,641,213
Advertising and Promotion	1,919,663	6,607,419	14,063,614	2,682,403	2,008,214
Others	198,638,648	125,722,383	350,795,706	209,127,858	212,096,380
T o t a l	2,764,469,104	1,886,169,972	4,294,725,966	3,119,903,638	2,439,766,989

29. OTHER INCOME (EXPENSES)

The details are as follows :

	June 30,		December 31,		
	2 0 1 3	2 0 1 2	2 0 1 2	2 0 1 1	2 0 1 0
Other Income					
Interest Income	6,118,598	5,843,505	11,669,626	10,515,840	7,672,045
Incentives/Rebates and Discounts	6,018,206	9,933,423	22,057,774	14,714,557	18,184,161
Space Rentals and Building Maintenance	5,452,361	202,971	454,988	39,189	67,959
Promotion	2,922,625	3,023,765	7,789,477	11,642,582	6,967,035
Cash Discounts	1,562,140	2,702,076	5,711,122	3,900,090	3,305,988
Electricity and Water Management Income	1,026,494	772,270	1,661,707	1,690,717	1,996,598
Securities Service Management	818,282	449,833	931,709	1,493,998	1,543,077
Office Rentals	742,437	383,891	886,511	1,162,176	1,699,274
Recruitment and Training Services	456,090	261,445	609,320	540,830	564,000
Listing Fees	353,455	605,741	1,990,211	1,567,184	1,624,794
External Vehicle Services	16,348	101,012	132,626	261,804	290,383
Others	37,047,847	27,404,945	33,734,094	30,192,983	29,994,097
T o t a l	62,534,883	51,684,877	87,629,165	77,721,950	73,909,411

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29. OTHER INCOME (EXPENSES) (Continued)

	June 30,		December 31,		
	2013	2012	2012	2011	2010
Other Expenses					
Interest Expenses	(127,282,080)	(93,277,009)	(208,988,040)	(198,485,978)	(133,546,610)
Final Income Tax	(1,047,350)	(1,917,654)	-	(2,864,229)	(2,539,310)
Employee Credit Subsidiaries	(73,503)	(96,126)	-	(163,798)	(110,449)
T o t a l	<u>(128,402,933)</u>	<u>(95,290,789)</u>	<u>(208,988,040)</u>	<u>(201,514,005)</u>	<u>(136,196,369)</u>
T O T A L	<u>(65,868,050)</u>	<u>(43,605,912)</u>	<u>(121,358,875)</u>	<u>(123,792,055)</u>	<u>(62,286,958)</u>

30. PENSION PROGRAM

The Company and Subsidiary have their defined benefit pension plan for all local permanent employees managed by PT Central Asia Raya and PT Indolife Pensiontama. In this program, the retirement benefits to be paid are calculated based on the last basic salary with a salary increase per year and the period of employment with an assumption of retirement at age 56.

The pension fund is 5% from the Company's contribution. The pension expense is calculated by PT Dayamandiri Dharmakonsilindo using the Projected Unit Credit method.

31. POST-EMPLOYMENT BENEFITS

Based on the Company's Actuarial Calculation Report No. 0391/ST-GG/PSAK24-IMPT/II/2013 dated February 21, 2013 and 0498/ST-GG/PSAK24-IDM/IV/2012 dated April 12, 2012 and Subsidiary's Actuarial Calculation Report No. 0392/ST-GG-PSAK24-ICRC/II/2013 dated February 21, 2013 and 0499/ST-GG-PSAK24-ICC/IV/2012 dated April 12, 2012 by an independent actuary, PT Dayamandiri Dharmakonsilindo, the estimated post-employment benefit liabilities as of June 30, 2013, December 31, 2012, 2011 and 2010 amounted to Rp 216,564,213, Rp 216,998,794, Rp 171,404,838 and Rp 130,136,963, respectively.

The main assumptions used in determining the termination of employment expenses by PT Dayamandiri Dharmakonsilindo, an independent actuary, are as follows:

Mortality Rate	:	The 1958 Commissioners Standard Ordinary Mortality Table
Normal Retirement Age	:	56 years
Salary Increment Rate	:	6.25 %, 7.1% and 9.25 % for 2012, 2011 and 2010
Technical Interest Rate	:	6.25 %, 7.1% and 9.25 % for 2012, 2011 and 2010

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31. POST-EMPLOYMENT BENEFITS (Continued)

Post-employment benefit expenses recognized in the Interim Statements of Comprehensive Income and Consolidated Statements of Comprehensive Income are as follows:

	June 30,		December 31,		
	2 0 1 3 (6 Months)	2 0 1 2 (6 Months)	2 0 1 2	2 0 1 1	2 0 1 0
Current Service Cost	18,204,677	15,752,601	31,505,201	23,550,829	20,466,028
Interest Cost	7,261,736	6,878,985	13,757,970	16,270,002	14,707,734
Loss on Actuarial	-	(519,776)	(850,905)	(905,189)	1,514,764
Net Amortization for the Year	1,135,685	1,048,123	2,096,245	2,352,232	867,746
T o t a l	<u>26,602,098</u>	<u>23,159,933</u>	<u>46,508,511</u>	<u>41,267,874</u>	<u>37,556,272</u>

Post-employment benefit liabilities in the Interim Statements of Financial Position and Consolidated Statements of Financial Position are as follows:

	June 30,	December 31,		
	2 0 1 3	2 0 1 2	2 0 1 1	2 0 1 0
Unrecognized Present Value of Liabilities	-	243,943,965	196,139,883	178,288,682
Expenses Recognized in Profit or Loss	-	10,414,470	(11,370,256)	(31,550,909)
Unrecognized Past Service Cost	-	(37,359,641)	(13,364,789)	(16,600,810)
Net Liabilities	<u>-</u>	<u>216,998,794</u>	<u>171,404,838</u>	<u>130,136,963</u>

Changes in net liabilities in the Interim Statements of Financial Position and Consolidated Statements of Financial Position are as follows:

	June 30,	December 31,		
	2 0 1 3	2 0 1 2	2 0 1 1	2 0 1 0
Beginning Balance	191,862,627	171,404,838	130,136,964	94,133,748
Current Year Expenses	24,816,969	46,508,511	41,267,874	37,556,272
Payment of Post-Employment Defined Benefits	(115,383)	(914,555)	-	(1,553,057)
Ending Balance	<u>216,564,213</u>	<u>216,998,794</u>	<u>171,404,838</u>	<u>130,136,963</u>

The post-employment benefit expenses amounting to Rp 24,816,970 and Rp 23,159,933 for the 6-months period ended June 30, 2013 and 2012 is presented as part of "Operating Expenses" in the interim Consolidated Statements of Comprehensive Income. The post employment benefit expenses amounting to Rp 46,508,611, Rp 41,267,874 and Rp 37,556,272 for the years 2012, 2011 and 2010 are presented as part of "Operating Expenses" in the Consolidated Statements of Comprehensive Income.

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32. AGREEMENTS

Based on Rental Agreement with PT Ukanik No. 32/CLG-XII/2010, dated December 31, 2010, the Company rented warehouses and office buildings on 12 plots of land located on Jalan Gatot Subroto, Kadu Village, Curug Subdistrict, Tangerang District, Banten Province as follows:

- Building Usage Right Certificate No. 01176/Kadu covering an area of 37,604 m2.
- Building Usage Right Certificate No. 01189/Kadu covering an area of 10,780 m2.
- Building Usage Right Certificate No. 01214/Kadu covering an area of 1,715 m2.
- Building Usage Right Certificate No. 01221/Kadu covering an area of 2,220 m2.
- Building Usage Right Certificate No. 01220/Kadu covering an area of 1,090 m2.
- Building Usage Right Certificate No. 01222/Kadu covering an area of 4,766 m2.
- Building Usage Right Certificate No. 01215/Kadu covering an area of 1,735 m2.
- Building Usage Right Certificate No. 01219/Kadu covering an area of 1,370 m2.
- Building Usage Right Certificate No. 01217/Kadu covering an area of 3,910 m2.
- Building Usage Right Certificate No. 01218/Kadu covering an area of 640 m2.
- Building Usage Right Certificate No. 01213/Kadu covering an area of 6,265 m2.
- Building Usage Right Certificate No. 01216/Kadu covering an area of 3,135 m2.

The rental is for a 15-year period since the completed building is handed over by PT Ukanik through the signing of the Handover Report by PT Ukanik and PT Indomarco Prismatama. The buildings shall be handed over on January 1, 2011. All building have been handed to PT Indomarco Prismatama.

The payment schedule is as follows:

<i>Stage</i>	<i>Month</i>	<i>Amount (In Rupiah)</i>	<i>Stage</i>	<i>Month</i>	<i>Amount (In Rupiah)</i>
1	January 2011	22,200,000	13	January 2014	3,900,000
2	April 2011	3,900,000	14	April 2014	3,900,000
3	July 2011	3,900,000	15	July 2014	3,900,000
4	October 2011	3,900,000	16	October 2014	3,900,000
5	January 2012	3,900,000	17	January 2015	3,900,000
6	April 2012	3,900,000	18	April 2015	3,900,000
7	July 2012	3,900,000	19	July 2015	3,900,000
8	October 2012	3,900,000	20	October 2015	3,900,000
9	January 2013	3,900,000	21	January 2016	3,900,000
10	April 2013	3,900,000	22	April 2016	3,900,000
11	July 2013	3,900,000	23	July 2016	3,900,000
12	October 2013	3,900,000	24	October 2016	3,000,000

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32. AGREEMENTS (Continued)

Based on Rental Agreement with PT Ukanik No. 1014//CLG-XI/2011 dated November 18, 2011, amended by Addendum 1 dated December 1, 2011 No. 1065B/CLG-XII/2011 and Addendum II No. 683/CLG-VI/2013 dated June 3, 2013, the Company rented warehouses and office buildings as Distribution Centers located in Tangerang 2 on 12 plots of land on Jalan Gatot Subroto, Kadu Village, Curug Subdistrict, Tangerang District, Banten Province.

The rental is for a 10-year period since the completed building is handed over by PT Ukanik through the signing of the Handover Report by PT Ukanik and PT Indomarco Prismatama on June 1, 2013, to end on May 31, 2013.

The payment schedule is as follows :

Stage	Month Payment	Payment Amount (in IDR)	Stage	Month Payment	Payment Amount (in IDR)
1	June 2013	30,000,000	12	March 2016	3,100,000
2	September 2013	3,100,000	13	June 2016	3,100,000
3	December 2013	3,100,000	14	September 2016	3,100,000
4	March 2014	3,100,000	15	December 2016	3,100,000
5	June 2014	3,100,000	16	March 2017	3,100,000
6	September 2014	3,100,000	17	June 2017	3,100,000
7	December 2014	3,100,000	18	September 2017	3,100,000
8	March 2015	3,100,000	19	December 2017	3,100,000
9	June 2015	3,100,000	20	March 2018	3,100,000
10	September 2015	3,100,000	21	June 2018	2,100,000
11	December 2015	3,100,000			

Based on Rental Agreement with PT Andalan Utama Prima No. 138/CLG-VI/2010, dated June 25, 2010, the Company rented the 36,725 m² building and land located in Kampung Jembatan Hitam, Cujujung Village, Sukaraja Subdistrict, Bogor District, West Java Province for a ten-year period since the building handover, at a total rental of Rp 97,500,000, paid in 24 installments as follows:

- Stage 1 amounting to Rp 19,500,000.
- Stages 2 to 23 amounting to Rp 3,400,000.
- Stage 24 amounting to Rp 3,200,000.

Payments are made every 3 months starting from dated June 25, 2010.

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33. AGREEMENTS WITH FRANCHISEES

a. The Company

Since 1997, the Company has applied a franchise system on the use of "Indomaret" brand by other parties and the Company's revenues consist of franchise services calculated based on the percentage of sales of franchise outlets and franchise revenues.

Effective October 1, 2006, a franchise fee at 2 % is charged to outlets whose sales range from Rp 175,000 – Rp 200,000, 3 % to outlets whose sales range from Rp 200,000 – Rp 225,000 and 4 % to outlets whose sales exceed Rp 225,000 and a receipt of Rp 36,000 from the franchisee at the beginning of cooperation is directly recorded as a revenue.

b. Subsidiary

Since 2003, the Subsidiary has applied a franchise system on the use of "OMI" brand by other parties and the Subsidiary's revenues consist of OMI Franchise Services calculated based on the percentage of sales of franchise outlets and franchise revenues and distribution fees. The OMI franchise fee is charged to outlets based on sales to customers as follows:

- i. For monthly sales up to Rp 60,000, the OMI franchise fee is at 1 % per month plus 10 % VAT or based on the prevailing tax regulations.
- ii. For monthly sales greater than Rp 60,000, the OMI franchise is at 2 % per month plus 10 % VAT or based on the prevailing tax regulations.
- iii. Sales are defined as sales less the VAT payable based on the Sale Report.

Receivables arising from the OMI franchise revenues are recorded as franchise other receivables. At the beginning of cooperation, a franchisee is required to pay a franchise fee between Rp 10,000 and Rp 40,000 depending on the store type agreed to open, excluding 10 % VAT. This franchise revenue is amortized by the Subsidiary over the franchise cooperation period of five years and the unamortized balance is recorded as deferred franchise revenue.

Distribution fee is charged at 2 % of the merchandise delivered to the OMI franchisees. The receivables arising from the merchandise delivery are recorded as trade receivables.

The trade receivables represent the receivables arising from the merchandise sales to the franchisees including the distribution fee charged by the Subsidiary. The sales to the franchisees for the years ended December 31, 2012 and 2011 and 2010 represent 11.31 %, 12.45 % and 14.74 % of the total sales.

The sales to the franchises for the years ended June 30, 2013 and 2012 represent 0.52 % and 0.67 % of the total sales.

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33. AGREEMENTS WITH FRANCHISEES (Continued)

b. Subsidiary (Continued)

Besides that, also for certain events conducts a joint promotion with the suppliers by involving the suppliers to contribute funds to finance the events such as purchasing promotional equipment, promotional printings and gifts for customers. Proceeds from this joint promotion is recorded as joint promotion income.

34. TRANSACTIONS WITH RELATED PARTIES

In its normal course of business, the Company entered into business and financial transactions with related parties. The management believes that the transactions were carried out at normal prices and terms as those to unrelated parties particularly regarding purchases and sales of merchandise.

Companies under the same management:

1. PT Andalan Utama Prima
2. PT Ukanik

The Company recorded building rental expenses from PT Andalan Utama Prima for the six months periods ended June 30, 2013 and 2012 amounting to Rp 36,397,476 and Rp 23,977,881 and for the years 2012, 2011 and 2010 amounting to Rp 58,508,969, Rp 36,169,556 and Rp 650,000, respectively, while the rental expenses with PT Ukanik for for the six months periods ended June 30, 2013 and 2012 amounting to Rp 4,458,333 and Rp 3,700,000 and for the years 2012 and 2011 amounted to Rp 7,400,000, each.

The companies mentioned above are a party either directly or indirectly, through one or more intermediaries (intermediaries), controls, or is controlled by, or is under common control with, the reporting Company including the Holding Company, Subsidiary and Associates.

S u b s i d i a r y

Transaction with Related Parties

In its normal course of business, the Subsidiary entered into business and financial transactions with related parties. The management believes that the transactions were carried out at normal prices and terms as those to unrelated parties particularly regarding purchases and sales of merchandise.

Transactions with Related Parties

In conducting its business, the Subsidiary sells merchandise to related parties, for the six months periods ended June 30, 2013 and 2012 amounting to 0.52 % and 0.67 % and for the years ended December 31, 2012, 2011 and 2010 amounting to 1.25 %, 0.72 % and 3.02 % of the total sales.

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34. TRANSACTIONS WITH RELATED PARTIES (Continued)

S u b s i d i a r y (Continued)

Transaction with Related Parties (Continued)

Nature of the Relationship

Companies under the same management:

1. PT Lion Superindo
2. PT Inti Idola Anugerah
3. PT Indorealty Surya Persada
4. PT Indomarco Adiprima

35. COMPANY RISK MANAGEMENT

The main risks arising from the Company and Subsidiary's financial instruments are interest rate risk, exchange rate risk, credit risk and liquidity risk. The management reviews and approves policies for managing each risk as follows:

Foreign Currency Risk

The Company and Subsidiary's reporting currency is Rupiah. The foreign currency exchange rate is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign currency exchange rates.

There is no concentration of foreign currency risk to the Company and Subsidiary because there is no operating revenue or loans in foreign currencies.

Capital Risk Management

The Company and Subsidiary's goal is to manage the capital for the Company and Subsidiary's ability to continue to maintain a constant effort to provide benefits to shareholders and other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company and Subsidiary actively and regularly review and manage the capital structure to ensure the optimal development results to shareholders by taking into account the future capital needs and the Company and Subsidiary's capital efficiency, profitability of the present and future, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities.

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35. COMPANY RISK MANAGEMENT (Continued)

Interest Rate Risk

Since the Company and Subsidiary have no significant assets that generate interest, the Company and Subsidiary's operating income and cash flows are substantially free from changes in market interest rates.

The Company and Subsidiary have interest rate risk arising from bank loans and overdrafts. Bank loans and overdrafts obtained are denominated in Rupiah and subject to variable interest rates. Loans with variable interest rates pose a risk to interest rate cash flows. The Company and Subsidiary have no fixed interest rate loans so they do not have the risk of fair value due to interest rates, however the interest rates of bank loans are not expected to cause significant impacts to the Company and Subsidiary.

For floating interest obligations, the sensitivity analysis was prepared on the assumption that the total liabilities at the Statement of Financial Position date was outstanding throughout the year. The change of 50 basis point of interest rates at reporting dates would increase the interest (loss) for the 6-month period ended June 30, 2013 and 2012 amounting to Rp 12,152,870 and Rp 12,869,221, respectively. This analysis assumed that all other variables, especially foreign exchange rates, remained constant. This change was mainly due to the Company and Subsidiary's exposure to loan interest rates whose variables increased. The change of 50 basis point of interest rates at reporting dates would increase the interest (loss) for the years ended December 31, 2012, 2011 and 2010 amounting to Rp 14,659,221, Rp 9,787,593 and Rp 7,569,064, respectively.

Credit Risk

Credit risk is the risk that the Company and Subsidiary will experience a loss arising from the customers if the customers fail to meet their obligations.

There is no concentration of credit risk to the Company and Subsidiary for the sales of merchandise are mainly from the cash and debit cards. While for there is credit risk from operational activities. The credit risk is managed by the management according to the Company and Subsidiary's policies, credit procedures and controls established relating to the management of customer credit risk.

Liquidity Risk

Liquidity risk is the risk of loss arising because the Company and Subsidiary do not have enough cash flows to meet the shortage of liabilities when due.

The Company and Subsidiary maintain adequate levels of liquidity for their operational needs by monitoring and managing cash flows. Company and Subsidiary Cash Ratio is 69 %.

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35. COMPANY RISK MANAGEMENT (Continued)

Classification of Financial Instruments

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in Note 2.

Classification of financial assets as of June 30, 2013, is as follows:

	<u>Groups Traded</u>	<u>Determined at Fair Value</u>	<u>Available for Sale</u>	<u>Loans and Receivables</u>	<u>Total</u>
Cash on Cash Equivalents	-	-	-	2,621,308,704	2,621,308,704
Pledged Time Deposits	-	-	-	15,000,000	15,000,000
Trade Receivables	-	-	-	1,608,017,963	1,608,017,963
Other Receivables	-	-	-	178,309,996	178,309,996
Marketable Securities	-	-	-	428,000,000	428,000,000
T o t a l	-	-	-	4,850,636,663	4,850,636,663

As of June 30, 2013, the fair values of financial assets were accordance with the carrying amounts.

Classification of financial liabilities as of June 30, 2013 is as follows:

	<u>Profit or Loss</u>	<u>Amortized Cost</u>	<u>Total</u>
Bank Loans	-	2,430,574,056	2,430,574,056
Trade Payables	-	3,784,195,084	3,784,195,084
Due to Franchisees	-	68,631,653	68,631,653
Other Payables	-	350,599,513	350,599,513
Accrued Expenses	-	239,066,773	239,066,773
Consumer Financing Loans	-	127,377,417	127,377,417
T o t a l	-	7,000,444,496	7,000,444,496

Fair Value of Financial Instruments

The carrying values of financial assets and liabilities approximated their fair values resulting from the insignificant discount.

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36. SEGMENT INFORMATION

Geographic Segment

All assets and sales are located in Indonesia.

The following table summarizes the segment current period income and net assets based on the business geographic regions:

Description	June 30, 2013			Consolidated
	Java	Outside Java	Eliminated	
Net Revenues	13,157,275,490	3,160,650,759	-	16,317,926,249
Segment Cost of Goods Sold	(10,624,733,303)	(2,698,659,398)	-	(13,323,392,701)
Gross Income before Other Operating Income	2,532,542,187	461,991,361	-	2,994,533,548
Segment Operating Expenses	(2,217,002,573)	(547,466,531)	-	(2,764,469,104)
Segment Operating Income	315,539,614	(85,475,170)	-	230,064,444
Other Income (Expenses) - Net	(70,260,314)	4,392,264	-	(65,868,050)
Income before Provision for Income Tax	245,279,300	(81,082,906)	-	164,196,394
Provision for Income Tax	(11,476,990)	-	-	(11,476,990)
Segment Income for the Period	233,802,310	(81,082,906)	-	152,719,404
Assets and Liabilities				
Current Assets	7,110,630,328	1,273,256,948	-	8,383,887,276
Non Current Assets	2,828,727,098	894,715,952	-	3,723,443,050
Total Assets	9,939,357,426	2,167,972,900	-	12,107,330,326
Current Liabilities	6,212,396,627	875,102,342	-	7,087,498,969
Non Current Liabilities	297,192,690	-	-	297,192,690
Total Liabilities	6,509,589,317	875,102,342	-	7,384,691,659
Total Segment Net Assets				4,722,638,667

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36. SEGMENT INFORMATION (Continued)

Geographic Segment (Continued)

Description	June 30, 2012			Consolidated
	Java	Outside Java	Eliminated	
Net Revenues	11,535,606,768	1,942,964,317		13,478,571,085
Segment Cost of Goods Sold	(9,674,042,707)	(1,680,565,601)		(11,354,608,308)
Gross Income before Other Operating Income	1,861,564,061	262,398,716	-	2,123,962,777
Segment Operating Expenses	(1,619,446,840)	(266,723,132)		(1,886,169,972)
Segment Operating Income	242,117,221	(4,324,416)	-	237,792,805
Other Income (Expenses) - Net	(46,292,033)	2,686,121		(43,605,912)
Income before Provision for Income Tax	195,825,188	(1,638,295)	-	194,186,893
Provision for Income Tax	22,580,387	-		22,580,387
Segment Income for the Period	218,405,575	(1,638,295)	-	216,767,280
Assets and Liabilities				
Current Assets	4,957,609,831	742,675,296	(18,622,023)	5,681,663,104
Non Current Assets	2,414,866,365	494,022,436	(74,264,505)	2,834,624,296
Total Assets	7,372,476,196	1,236,697,732	(92,886,528)	8,516,287,400
Current Liabilities	5,140,104,428	549,694,351	(18,622,023)	5,671,176,756
Non Current Liabilities	1,020,462,767			1,020,462,767
Total Liabilities	6,160,567,195	549,694,351	(18,622,023)	6,691,639,523
Total Segment Net Assets				1,824,647,877

Description	December 31, 2012			Consolidated
	Java	Outside Java	Eliminated	
Net Revenues	25,512,704,263	4,457,141,920	(312,256,688)	29,657,589,495
Segment Cost of Goods Sold	(21,118,825,616)	(3,843,710,228)	312,256,688	(24,650,279,156)
Gross Income before Other Operating Income	4,393,878,647	613,431,692	-	5,007,310,339
Segment Operating Expenses	(3,666,341,986)	(628,383,980)		(4,294,725,966)
Segment Operating Income	727,536,661	(14,952,288)	-	712,584,373
Other Income (Expenses) - Net	(126,325,069)	4,966,194		(121,358,875)
Income before Provision for Income Tax	601,211,592	(9,986,094)	-	591,225,498
Provision for Income Tax	-	-		(13,831,679)
Segment Income for the Period	601,211,592	(9,986,094)	-	577,393,819
Assets and Liabilities				
Current Assets	4,842,340,130	865,365,625	(24,016,343)	5,683,689,412
Non Current Assets	2,623,055,561	637,254,153	(74,264,505)	3,186,045,209
Total Assets	7,465,395,691	1,502,619,778	(98,280,848)	8,869,734,621
Current Liabilities	4,698,418,135	663,657,370	(24,016,343)	5,338,059,162
Non Current Liabilities	1,287,625,773	-	58,775,271	1,346,401,044
Total Liabilities	5,986,043,908	663,657,370	34,758,928	6,684,460,206
Total Segment Net Assets				2,185,274,415

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36. SEGMENT INFORMATION (Continued)

Geographic Segment (Continued)

Description	December 31, 2011			Consolidated
	Java	Outside Java	Eliminated	
Net Revenues	19,740,838,665	2,819,864,938	(239,682,963)	22,321,020,640
Segment Cost of Goods Sold	(16,489,947,080)	(2,461,162,458)	239,682,963	(18,711,426,575)
Gross Income before Other Operating Income	3,250,891,585	358,702,480	-	3,609,594,065
Segment Operating Expenses	(2,750,654,325)	(369,249,313)	-	(3,119,903,638)
Segment Operating Income	500,237,260	(10,546,833)	-	489,690,427
Other Income (Expenses) - Net	(129,765,334)	5,973,279	-	(123,792,055)
Income before Provision for Income Tax	370,471,926	(4,573,554)	-	365,898,372
Provision for Income Tax	-	-	-	(33,210,543)
Segment Income for the Period	370,471,926	(4,573,554)	-	332,687,829
Assets and Liabilities				
Current Assets	3,194,714,987	466,190,001	(15,966,873)	3,644,938,115
Non Current Assets	2,219,997,767	410,413,678	(79,700,100)	2,550,711,345
Total Assets	5,414,712,754	876,603,679	(95,666,973)	6,195,649,460
Current Liabilities	3,101,736,969	345,828,240	(15,967,973)	3,431,597,236
Non Current Liabilities	1,169,571,628	-	-	1,169,571,628
Total Liabilities	4,271,308,597	345,828,240	(15,967,973)	4,601,168,864
Total Segment Net Assets				1,594,480,596
December 31, 2010				
Information	Java	Outside Java	Elimination	Consolidated
Net Revenues	15,903,200,347	1,575,265,587	-	17,478,465,934
Segment Cost of Goods Sold	(13,411,909,873)	(1,378,978,385)	-	(14,790,888,258)
Gross Profit before Other Operating Income	2,491,290,474	196,287,202	-	2,687,577,676
Segment Operating Expenses	(2,220,801,794)	(218,965,195)	-	(2,439,766,989)
Segment Operating Income	270,488,680	(22,677,993)	-	247,810,687
Other Income (Expenses) - Net	(64,162,584)	1,875,626	-	(62,286,958)
Income before Provision for Income Tax	206,326,096	(20,802,367)	-	185,523,729
Provision for Income Tax	-	-	-	(29,849,156)
Segment Income for the Period	206,326,096	(20,802,367)	-	155,674,573
Assets and Liabilities				
Current Assets	2,527,013,974	262,328,141	(12,813,254)	2,776,528,861
Non Current Assets	1,879,299,926	263,970,345	(79,699,000)	2,063,571,271
Total Assets	4,406,313,900	526,298,486	(92,512,254)	4,840,100,132
Current Liabilities	2,064,742,032	183,329,110	(12,813,254)	2,235,257,888
Non Current Liabilities	1,343,049,477	-	-	1,343,049,477
Total Liabilities	3,407,791,509	183,329,110	(12,813,254)	3,578,307,365
Total Segment Net Assets				1,261,792,767

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37. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

J u d g m e n t s

The preparation of Interim Consolidated Financial Statements and Consolidated Financial Statements in conformity with Indonesian Financial Accounting Standards requires management to make estimations and assumptions that affect amounts reported thereon. Uncertainty about these assumptions and estimations could result in material adjustments to the carrying amount of assets and liabilities within the next financial reporting period.

The following judgments are made by management in the process of applying the Company and Subsidiary's accounting policies that have the most significant effects on the amounts recognized in the Financial Statements and Consolidated Financial Statements:

Going Concern

The Company and Subsidiary's management has made an assessment of the Company and Subsidiary ability to continue as a going concern and is satisfied that the Company and Subsidiary have the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cause significant doubt upon the Company and Subsidiary's ability to continue as a going concern. Therefore, the Interim Financial Statements and Consolidated Financial Statements continue to be prepared on the Going Concern basis.

Classification of Financial Assets and Liabilities

The Company and Subsidiary determine the classifications of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definition set forth in SFAS No. 50 "Financial Instrument: Presentation and Disclosure" paragraph 07 had been filled.

Fair Value Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Interim Statements of Financial Position and Consolidated Statements of Financial Position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are derived from observable market data where possible, but when observable market data are not available, management judgment is required to establish fair values. The management judgments include considerations of liquidity and model inputs such as volatility of long-term derivatives and discount rates, early payment rates and default rate assumptions.

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37. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial reporting period are disclosed below. The Company and Subsidiary base their assumptions and estimates on parameters which are available when the Interim Financial Statements and Consolidated Financial Statements were prepared.

Existing assumptions and circumstances about future developments may change due to market changes or circumstances arising beyond the control of the Company and Subsidiary. Such changes are reflected in the assumptions as they occur.

Liability for Post-Employment Benefits

The determination of the Company and Subsidiary liability for post-employment benefits is dependent on their selection of certain assumptions used by the independent actuaries in calculating such accounts. Those assumptions include among others, discount rate, annual salary increase rate, annual employee turn-over rate, disability rate because of work, retirement age and mortality rate. Actual results that differ from the Company and Subsidiary assumptions which affects more than 10 % of the defined benefit obligations are deferred and amortized using the Straight-line method over the expected average remaining service years of the qualified employees.

While the Company and Subsidiary believe that their assumptions are reasonable and appropriate, significant differences in the Company and Subsidiary's actual results or significant changes in the Company and Subsidiary's assumptions may materially affect their estimated liability for post-employment benefits and net employment benefits expense. The carrying amounts of the Company and Subsidiary's estimated liabilities for post-employment benefits as of June 2013 amounted to Rp 216,564,213 and December 31, 2012, 2011 and 2010 amounted to Rp 216,998,794, Rp 171,404,838, and Rp 130,136,963, respectively.

Depreciation of Property and Equipment

The costs of property and equipment are depreciated on the Straight-line method over their estimated useful lives. Management properly estimates the useful lives of these property and equipment ranging from four (4) to ten (10) years. These are common life expectancies applied in the industries where the Company conduct their businesses. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets and therefore future depreciation charges could be revised. The net carrying amount of the Company and Subsidiary property and equipment as of June 30, 2013, amounted to Rp 840,801,059 and December 31, 2012, 2011 and 2010 amounted to Rp 965,357,417, Rp 802,944,056 and Rp 746,249,857 respectively. Further details are disclosed in Note 9.

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37. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

Deferred Tax

Deferred tax assets are recognized for the future recoverable taxable income arising from deductible temporary differences.

Management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing on level of future taxable profits together with future strategic tax planning.

Allowance for Obsolescence of Inventories

Allowance for obsolescence of inventories is estimated based on available facts and circumstances, including but not limited to, the inventories' own physical conditions, their market selling prices, estimated costs of completion and estimated costs to be incurred for their sales. The provision is re evaluated and adjusted as additional received affects the amount estimated. The carrying value of the Company inventories before allowance for obsolescence of inventories as of June 2013 amounted to Rp 3,130,004,583 and December 31, 2012, 2011 and 2010 amounted to Rp 2,441,796.747, Rp 1,723,485,033 and Rp 1,250,358,574. Further details are disclosed in Note 6.

Impairment of Non-Financial Assets

An impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing the asset.

Sales Promotion Revenue

The Company and Subsidiary evaluate the appropriateness of marketing promotion accruals, such as sales incentive, sales rebate and discount at every end of reporting period based on actual and forecast of sales performance achievement and historical experience.

38. NON CASH ACTIVITIES

The details are as follows:

	June 30		December 31		
	2013	2012	2012	2011	2010
	Rp	Rp	Rp	Rp	Rp
Purchases of Equipment through Financing Company Loans	34,890,851	5,207,333	58,328,698	3,473,636	81,570,005

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39. MANAGEMENT'S RESPONSIBILITY FOR THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The Company management is responsible for the preparation and presentation of the Company's Interim Consolidated Financial Statements that were completed on August 6, 2013.

ATTACHMENT

FINANCIAL STATEMENTS PARENT ENTITY ONLY

**PT INDOMARCO PRISMATAMA
(PARENT ENTITY)
STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2013, DECEMBER 31, 2012, 2011 AND 2010
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A S S E T S					
	Notes	June 30, 2 0 1 3	2 0 1 2	December 31,	
				2 0 1 1	2 0 1 0
CURRENT ASSETS					
Cash and Cash Equivalents	2 & 3	2,601,480,099	1,162,736,267	606,767,792	473,787,890
Pledged Time Deposits	2	15,000,000	15,000,000	15,000,000	-
Trade Receivables	2 & 4	1,608,017,963	946,597,293	508,041,239	396,993,979
Other Receivables	2 & 5	178,309,996	226,740,634	169,280,226	87,671,122
Inventories - Net of Allowance for Damaged Inventories of Rp 27,653,430, Rp 26,925,237 and Rp 19,709,819 as of June 30, 2013, December 31, 2012 and 2011, respectively	3 & 6	3,102,351,153	2,087,764,110	1,425,507,319	1,018,345,857
Prepaid Taxes	2 & 16	219,492,795	139,514,115	156,552,173	118,123,144
Advances and Prepaid Expenses	2 & 7	<u>639,220,718</u>	<u>519,123,321</u>	<u>321,063,101</u>	<u>303,564,807</u>
Total Current Assets		<u>8,363,872,724</u>	<u>5,097,475,740</u>	<u>3,202,211,850</u>	<u>2,398,486,799</u>
NON CURRENT ASSETS					
Marketable Securities	2 & 8	428,000,000	428,000,000	428,000,000	428,000,000
Investments in Shares	2,11&32	16,200,000	74,264,506	79,699,000	79,699,000
Property and Equipment - Net of Accumulated Depreciation of Rp 840,801,058 and Rp 749,158,135, Rp 579,447,230 and Rp 417,467,767 as of June 30, 2013, December 31, 2012, 2011 and 2010	2 & 9	978,390,706	878,073,959	746,802,804	695,432,903
Deferred Outlet Rental and Renovation Charges - Net of Accumulated Amortization of Rp 1,533,546,249, Rp 1,272,366,191, Rp 824,763,359 and Rp 510,703,138 as of June 30, 2013, December 31, 2012, 2011 and 2010	2 & 10	2,210,042,870	1,719,723,231	1,241,488,802	833,329,527
Other Assets	2 & 12	<u>106,999,474</u>	<u>61,190,324</u>	<u>65,560,000</u>	<u>48,554,770</u>
Total Non Current Assets		<u>3,739,633,050</u>	<u>3,161,252,020</u>	<u>2,561,550,606</u>	<u>2,085,016,200</u>
TOTAL ASSETS		<u>12,103,505,774</u>	<u>8,258,727,760</u>	<u>5,763,762,456</u>	<u>4,483,502,999</u>

See accompanying Notes to Financial Statements
which are an integral part of these Financial Statements

**PT INDOMARCO PRISMATAMA
(PARENT ENTITY)
STATEMENTS OF FINANCIAL POSITION (Continued)
AS OF JUNE 30, 2013, 2012, DECEMBER 31, 2012, 2011 AND 2010
(Expressed in Thousand Rupiah, except Otherwise Stated)**

LIABILITIES AND EQUITY					
	Notes	June 30, 2013	2012	December 31,	
				2011	2010
CURRENT LIABILITIES					
Trade Payables	13 & 33	3,784,195,084	2,428,853,986	1,754,986,155	1,379,010,428
Deferred Income	14	146,463,196	31,932,841	25,980,455	18,516,621
Due to Franchisees	15	68,631,653	55,406,217	24,419,298	33,805,015
Taxes Payable	2 & 16	20,078,317	33,031,954	18,955,739	12,290,085
Other Payables	17	350,597,514	328,596,928	132,042,363	53,834,037
Accrued Expenses	2 & 18	239,066,773	101,621,857	71,819,544	63,320,945
Current Maturities of Long-term Liabilities :					
Bank Loans	19	2,430,574,056	1,891,567,499	1,049,878,359	374,784,042
Consumer Financing Loans	20	47,877,825	39,404,164	21,977,740	17,767,153
Total Current Liabilities		<u>7,087,484,418</u>	<u>4,910,415,446</u>	<u>3,100,059,653</u>	<u>1,953,328,326</u>
NON CURRENT LIABILITIES					
Deferred Tax Liabilities	2 & 16	1,128,884	34,037,010	73,060,941	42,288,050
Post-Employment Benefit Liabilities	2,29&30	216,564,213	191,862,627	150,108,246	113,271,485
Long-term Liabilities :					
Bank Loans	19	-	1,005,276,616	886,326,616	1,117,092,304
Consumer Financing Loans	20	79,499,592	58,775,679	37,809,533	52,955,334
Total Non Current Liabilities		<u>297,192,689</u>	<u>1,289,951,932</u>	<u>1,147,305,336</u>	<u>1,325,607,173</u>
EQUITY					
Share Capital, par value of Rp 250 (full amount) per share					
Authorized - 3,000,000,000 shares as of June 30, 2013					
and 1,400,000,000 shares as of December 31, 2012,					
2011 and 2010					
Subscribed and Fully Paid - 1,846,800,000 shares					
as of June 30, 2013 and 1,108,080,000 shares as of					
December 31, 2012, 2011 and 2010	21	461,700,000	277,020,000	277,020,000	277,020,000
Differences Arising from Restructuring Transactions					
among Entities under Common Control	24	(38,591,214)	(23,120,690)	(17,686,195)	(17,686,195)
Paid-in Capital	22	2,437,776,000	-	-	-
Retained Earnings :					
Appropriated for General Reserves	24	14,455,571	11,247,948	300,000	300,000
Unappropriated		<u>1,843,488,310</u>	<u>1,793,213,124</u>	<u>1,256,763,662</u>	<u>944,933,695</u>
Total Equity		<u>4,718,828,667</u>	<u>2,058,360,382</u>	<u>1,516,397,467</u>	<u>1,204,567,500</u>
TOTAL LIABILITIES AND EQUITY		<u><u>12,103,505,774</u></u>	<u><u>8,258,727,760</u></u>	<u><u>5,763,762,456</u></u>	<u><u>4,483,502,999</u></u>

See accompanying Notes to Financial Statements
which are an integral part of these Financial Statements

**PT INDOMARCO PRISMATAMA
(PARENT ENTITY)
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE 6-MONTH PERIODS ENDED JUNE 30, 2013 AND 2012
AND FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010
(Expressed in Thousand Rupiah, except Otherwise Stated)**

	Notes	June 30,		December 31,		
		2 0 1 3	2 0 1 2	2 0 1 2	2 0 1 1	2 0 1 0
		Rp	Rp	(Restated) Rp	Rp	Rp
NET REVENUES	2 & 25	15,265,568,383	11,501,245,028	25,927,938,927	19,248,045,196	14,919,088,572
COST OF REVENUES	2 & 26	(12,331,731,025)	(9,475,806,038)	(21,132,858,924)	(15,799,494,124)	(12,355,152,249)
GROSS PROFIT		2,933,837,358	2,025,438,990	4,795,080,003	3,448,551,072	2,563,936,323
OPERATING EXPENSES	27	(2,701,591,182)	(1,782,648,511)	(4,081,298,074)	(2,947,127,841)	(2,305,385,149)
INCOME FROM OPERATIONS		232,246,176	242,790,479	713,781,929	501,423,231	258,551,174
OTHER INCOME (CHARGES) - NET	28	(70,388,051)	(58,059,924)	(156,716,760)	(158,820,373)	(92,133,211)
INCOME BEFORE PROVISION FOR INCOME TAX		161,858,125	184,730,555	557,065,169	342,602,858	166,417,963
PROVISION FOR INCOME TAX	2 & 16					
Current		(44,385,115)	-	(48,691,690)	-	-
Deferred		32,908,125	22,921,176	39,023,931	(30,772,891)	(29,115,238)
Total Provision for Income Tax		(11,476,990)	22,921,176	(9,667,759)	(30,772,891)	(29,115,238)
NET INCOME FOR THE PERIOD		150,381,135	207,651,731	547,397,410	311,829,967	137,302,725
OTHER COMPREHENSIVE INCOME		-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		150,381,135	207,651,731	547,397,410	311,829,967	137,302,725

See accompanying Notes to Financial Statements
which are an integral part of these Financial Statements

**PT INDOMARCO PRISMATAMA
(PARENT ENTITY)
STATEMENTS OF CHANGES IN EQUITY
FOR THE 6-MONTH PERIODS ENDED JUNE 30, 2013 AND 2012
AND FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010
(Expressed in Thousand Rupiah, except Otherwise Stated)**

	Notes	Share Capital	Paid In Capital	Difference Arising from Restructuring Transactions among Entities under Common Control	Retained Earnings		T o t a l
					General Reserves	Unappropriated	
BALANCE AS OF DECEMBER 31, 2009		277,020,000	-	(17,686,195)	300,000	807,630,969	1,067,264,774
COMPREHENSIVE INCOME IN 2010		-	-	-	-	137,302,726	137,302,726
BALANCE AS OF DECEMBER 31, 2010		277,020,000	-	(17,686,195)	300,000	944,933,695	1,204,567,500
COMPREHENSIVE INCOME IN 2011		-	-	-	-	311,829,967	311,829,967
BALANCE AS OF DECEMBER 31, 2011		277,020,000	-	(17,686,195)	300,000	1,256,763,662	1,516,397,467
DIFFERENCE ARISING FROM RESTRUCTURING TRANSACTIONS AMONG ENTITIES UNDER COMMON CONTROL		-	-	(5,434,495)	-	-	(5,434,495)
COMPREHENSIVE INCOME IN 2012		-	-	-	10,947,948	536,449,462	547,397,410
BALANCE AS OF DECEMBER 31, 2012		<u>277,020,000</u>	<u>-</u>	<u>(23,120,690)</u>	<u>11,247,948</u>	<u>1,793,213,124</u>	<u>2,058,360,382</u>
A D J U S T M E N T		-	-	-	-	63,101,674	63,101,674
CONSOLIDATED COMPREHENSIVE INCOME FOR 6-MONTH PERIOD IN 2013		-	-	-	3,207,623	147,173,512	150,381,135
D I V I D E N D	23	-	-	-	-	(160,000,000)	(160,000,000)
DIFFERENCE ARISING FROM RESTRUCTURING TRANSACTIONS AMONG ENTITIES UNDER COMMON CONTROL		-	-	(15,470,524)	-	-	(15,470,524)
INCREASE IN SHARE CAPITAL		184,680,000	-	-	-	-	184,680,000
ADDITIONAL PAID IN CAPITAL	22	-	2,437,776,000	-	-	-	2,437,776,000
BALANCE AS OF JUNE 30, 2013		<u>461,700,000</u>	<u>2,437,776,000</u>	<u>(38,591,214)</u>	<u>14,455,571</u>	<u>1,843,488,310</u>	<u>4,718,828,667</u>

See accompanying Notes to Financial Statements
which are an integral part of these Financial Statements

**PT INDOMARCO PRISMATAMA
(PARENT ENTITY)
STATEMENTS OF CASH FLOWS
FOR THE 6-MONTH PERIODS ENDED JUNE 30, 2013 AND 2012
AND FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010
(Expressed in Thousand Rupiah, except Otherwise Stated)**

	June 30, 2 0 1 3	June 30, 2 0 1 2	December 31,		
	(Restated)		2 0 1 2 (Restated)	2 0 1 1 (Restated)	2 0 1 0 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Receipts from Customers	14,604,147,714	11,105,135,731	25,177,871,080	19,116,860,522	14,891,135,108
Cash Payments to Suppliers	(11,990,976,970)	(9,393,855,105)	(20,809,736,090)	(15,839,301,815)	(12,558,574,587)
Other Cash Receipts (Payments)	13,225,435	21,958,851	30,986,919	(9,385,716)	-
Cash Payments to Operating Expenses	(2,387,014,557)	(1,587,012,017)	(3,814,444,936)	(2,704,749,553)	(1,962,567,709)
Tax Payment	(53,445,464)	(31,694,834)	(65,048,575)	-	-
Cash Receipts from Tax Refunds	-	-	53,712,406	-	14,854,267
Interest Payments	(127,282,080)	(91,719,617)	(205,567,141)	(198,485,977)	(131,417,026)
Net Cash Provided by Operating Activities	58,654,078	22,813,009	367,773,663	364,937,461	253,430,053
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisitions of Property and Equipment	(220,084,785)	(153,130,304)	(331,099,637)	(242,738,952)	(253,656,655)
Increase in Other Assets	(45,809,150)	111,518	(473,864,754)	(425,164,505)	(27,584,593)
Proceeds from Sale of Property and Equipment	28,601,591	17,913,260	42,339,709	18,625,166	7,812,289
Increase in Investment in Bonds	-	-	-	-	(277,000,000)
Receipts of Interest on Time Deposits and Bank Current Accounts	5,955,570	5,103,321	10,161,482	8,809,812	5,089,726
Increase in Rental and Deferred Store Renovation Expenses	(490,319,638)	(227,227,246)	-	-	(473,950,878)
Decrease in Investment	(15,500,000)	-	(45,000)	-	(14,684,619)
Income from Sale of Investment in Subsidiaries	81,000,000	-	-	-	-
Dividend Received from Subsidiaries	45,753,500	-	-	-	-
Net Cash Used in Investing Activities	(610,402,912)	(357,229,451)	(752,508,200)	(640,468,479)	(1,033,974,730)
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase in Bank Loans	(466,270,058)	602,639,215	960,639,140	444,328,629	853,091,898
Decrease in Consumer Financing Loans	(5,693,276)	(11,832,808)	(19,936,128)	(20,817,709)	(34,717,338)
Pledged Time Deposits	-	-	-	(15,000,000)	-
Increase in Share Capital	184,680,000	-	-	-	-
Paid in Capital	2,437,776,000	-	-	-	-
Dividend Payments	(160,000,000)	-	-	-	-
Net Cash Provided by Financing Activities	1,990,492,666	590,806,407	940,703,012	408,510,920	818,374,560
INCREASE IN NET CASH	1,438,743,832	256,389,965	555,968,475	132,979,902	37,829,883
CASH AND CASH EQUIVALENTS, BEGINNING	1,162,736,267	606,767,792	606,767,792	473,787,890	435,958,007
CASH AND CASH EQUIVALENTS, ENDING	2,601,480,099	863,157,757	1,162,736,267	606,767,792	473,787,890

See accompanying Notes to Financial Statements
which are an integral part of these Financial Statements

**PT INDOMARCO PRISMATAMA
(PARENT ENTITY)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6-MONTH PERIODS ENDED JUNE 30, 2013 AND 2012
AND FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010
(Expressed in Thousand Rupiah, except Otherwise Stated)**

1. G E N E R A L

PT Indomarco Prismatama ("the Company") was established based on Notarial Deed No. 207 dated November 21, 1988 of Benny Kristianto SH., public notary in Jakarta. The deed was approved by the Minister of Justice of the Republic of Indonesia under Decision Letter No. C2-2908.HT.01.01.Th.89 dated April 6, 1989.

The Company's Articles of Association have been amended several times by Notarial Deed No. 45 dated June 18, 2009 of Popie Savitri Martosuhardjo Pharmanto, SH public notary in Jakarta regarding the increase in the subscribed and fully paid capital from Rp 272,020,000,000 (1,088,080,000 shares) to Rp 277,020,000,000 (1,108,080,000 shares) and changes in all the Company's Articles of Association to comply with Law No. 40 year 2007 regarding Limited Liability Companies. These changes were approved by the Minister of Law and Human Rights of the Republic of Indonesia in Decision Letter No. AHU-AH.01.10-09015 dated June 30, 2009.

The latest amended by Notarial Deed No. 34 dated May 8, 2013 of Popie Savitri Martosuhardjo Pharmanto, SH., public Notary in Jakarta regarding the increase in the subscribed and fully paid capital from Rp 277,020,000,000 (1,108,080,000 shares) to Rp 461,700,000,000 (1,846,800,000 shares).

The Company's main activity is engaging in retail tradings with its head office at Jl. Ancol I No. 9-10, Jakarta and establishes outlets selling daily needs in various places in Indonesia. The details of the Company's business locations are as follows :

1. Jakarta branch office I, Jl. Ancol VIII No. 2, West Ancol, Jakarta 14430.
2. Jakarta branch office II, Jl. Raya Alternatif Sentul KM. 46 Cijujung, Sukaraja, Bogor District 16710.
3. Tangerang branch office, Jl. Raya Serang KM 09, Zona Industri Manis No. 1A, RT 003/ RW 001 Tangerang, Banten.
4. Bandung branch office, Jl. Jend. Ahmad Yani No. 806 Bandung 40282.
5. Surabaya branch office, Jl. Jenggolo No. 22 Gedangan, Sidoarjo 61254.
6. Semarang branch office, Jl. Industri Tugu I Kav. 2-4 Kawasan Industri Wijaya Kusuma, Randu Garut, Tugu, Semarang 50153.
7. Bekasi branch office, Jl. Jababeka Raya Blok A No. 6-15 RT 004/006 Pasir Gombang, North Cikarang, Bekasi.
8. Parung branch office, Jl. Pembangunan Raya Gunung Sindur No. 21A, RT 01/02 Gunung Sindur, Bogor 16340.
9. Jember branch office, Jl. Pierre Tendean No. 99A, Tegal Bai Village, Karangrejo, Sumbersari, Jember 68127.
10. Bandar Lampung branch office, Jl. Tembesu No. 8, Campang Raya Village, Kali Balok, Bandar Lampung 35122.
11. Medan branch office, Jl. Industri Dusun I No. 60 Tanjung Morawa B, Tanjung Morawa, Deli Serdang 20582.
12. Yogyakarta branch office, Jl. Ringroad Barat No. 99, Padukuhan, Salakan RT 08 RW 26 Trihanggo Gamping, Sleman, Yogyakarta 55514.

**PT INDOMARCO PRISMATAMA
(PARENT ENTITY)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6-MONTH PERIODS ENDED JUNE 30, 2013 AND 2012
AND FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010
(Expressed in Thousand Rupiah, except Otherwise Stated)**

1. G E N E R A L (Continued)

13. Malang branch office, Jl. Mayjen Sungkono No. 99 RT 01 RW 02, Wonokoyo, Kedung Kandang, Malang.
14. Cirebon branch office, Jl. Pangeran Antasari Blok Petapan RT 02 RW 01, Kejuden Village, Depok Subdistrict, Cirebon District 45653.
15. Makassar branch office, Jl. Kima 10 Kav. A5-A5a, Bringkanaya, Makassar District.
16. Palembang branch office, Jl. Pangeran Ayin RT 05 RW 03, Sukamaju - Sako, Palembang 30164.
17. Bali branch office, Jl. Raya Mengwi-Singaraja No. 17, Br. Binong, Werdhi Bhuwana Village, Mengwi Subdistrict, Badung District – Bali 80351.
18. Pekanbaru branch office, Jl. Imam Munandar/Jl. Harapan Raya, Komplek Pergudangan Platinum, Kel. Tangkerang Utara, Bukit Raya Subdistrict, Pekanbaru 28289.
19. Samarinda branch office, Jl. PM Noor No. 2- 3, RT 39, Sempaya Selatan, Samarinda Utara District – Samarinda 75119.
20. Tangerang 2 branch office, Jl. Raya Serang KM. 009, Zona Industri Manis No. 1 B, RT 003/RW 001, Tangerang, Banten.

As of June 30, 2013, and 2012 the Company had 40,852 and 32,253 employees, respectively.

As of December 31, 2012, 2011 and 2010 the Company had 35,262, 28,752 and 24,596 employees, respectively.

The Company commenced commercial operations in 1988 and since 1997, has applied a franchise system on the use of “Indomaret” brand.

Based on Notarial Deed No. 31 dated April 12, 2011 of Popie Savitri Martosuhardjo Pharmanto, SH., the shareholders approved the resignation of Mr. Davis Masli Langlangbuana from his position as Director of the Company, so that the composition of the Boards of Commissioners and Directors of the Company as of June 30, 2013 and 2012 and December 31, 2012, 2011 and 2010 is as follows :

	June 30, 2013, 2012 and 2011	2010
President Commissioner Commissioners	: Mr. Djisman Simandjuntak : Mr. Soenardi Winarto Mr. Soedarsono	Mr. Djisman Simandjuntak Mr. Soenardi Winarto Mr. Soedarsono
President Director Director	: Mr. Sinarman Jonatan : Mr. Hendarto Josojuwono Mr. Laurensius Tirta Widjaja Mr. Wiwiek Yusuf Mr. Haliman Kustedjo Mr. Darmawie Alie Mr. Stephanus Krisgianto	Mr. Sinarman Jonatan Mr. Hendarto Josojuwono Mr. Laurensius Tirta Widjaja Mr. Wiwiek Yusuf Mr. Haliman Kustedjo Mr. Darmawie Alie Mr. Stephanus Krisgianto Mr. Davis Masli Langlangbuana

**PT INDOMARCO PRISMATAMA
(PARENT ENTITY)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6-MONTH PERIODS ENDED JUNE 30, 2013 AND 2012
AND FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010
(Expressed in Thousand Rupiah, except Otherwise Stated)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies applied by the Company in preparing the Financial Statements :

a. Basis of Financial Statement Preparation

The Financial Statements are prepared based on the Historical Cost concept, except for certain accounts presented with other measurements as described in the Notes to the Financial Statements.

The Financial Statements are prepared and presented in accordance with Indonesian Financial Accounting Standards which include statements and interpretation issued by the Financial Accounting Standards Board of the Indonesian Institute of Accountants. The Financial Statements, except for the Statements of Cash Flows, are prepared on the Accrual basis.

The Financial Statements are presented in accordance with Statement of Financial Accounting Standards ("SFAS") No. 1 (Revised 2009), "Presentation of Financial Statements", effective on January 1, 2011.

SFAS No. 1 (Revised 2009) regulates the presentation of Financial Statements as to, among others, the objective, component of financial statements, fair presentation, materiality and aggregate, offsetting, distinction between current and non-current assets and current and non-current liabilities, comparative information and consistency and introduces new disclosures such as, among others, key estimations and judgements, capital management, other comprehensive income, departures from accounting standards and statement of compliance.

The adoption of the SFAS No. 1 (Revised 2009) had no significant impact on the related presentation and disclosures in the Financial Statements.

The Financial Statements are presented on the Classification basis for the Statements of Financial Position and on the Multiple-step basis for the Statements of Comprehensive Income. The Statements of Cash Flow are prepared using the Direct method by classifying cash flows into operating, investing and financing activities.

The reporting currency used in the preparation of the Financial Statements is Indonesian Rupiah, which is the functional currency of the Company.

b. Cash and Cash Equivalents

Cash and cash equivalents consist cash on hand and in banks, and time deposits with maturities of three months or less, not restricted and not pledged as collateral.

**PT INDOMARCO PRISMATAMA
(PARENT ENTITY)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6-MONTH PERIODS ENDED JUNE 30, 2013 AND 2012
AND FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010
(Expressed in Thousand Rupiah, except Otherwise Stated)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Inventories

Inventories are recorded at the lower of cost or net realizable value, whichever is lower. Merchandise inventories are recorded at cost determined by the Average method. Such cost includes the costs incurred to acquire the stock and bring it to the present location and condition. Net realizable value is the estimated selling price less the reasonable estimated cost to complete and sell the inventory of goods produced.

Losses arising from damage and loss of merchandise inventory are determined by an observation carried out on a regular basis and charged to the Statement of Comprehensive Income.

d. Receivables

The Company provides an allowance for doubtful accounts based on management's review of the status of individual receivable accounts at year-end.

e. Property and Equipment

Effective January 1, 2012, the Company applied SFAS No. 16 (2011 Revision), "Property, Plant and Equipment". SFAS No. 16 (2011 Revision) establishes the scope of properties under construction or in progress to be used in the future as investment properties, but not yet meeting the criteria determined in SFAS No. 13 (2011 Revision), "Investment Properties".

The appliance of Statement of Financial Accounting Standards No. 16 (2011 revision) did not affect Company's Consolidated Financial Statements and the disclosure significantly.

Property and equipment are recorded based on the acquisition cost and depreciated using the Straight-line method with the depreciation percentage for each fixed asset as follows :

	<u>Year</u>
Buildings and Warehouses	20
Office Equipment	5
Outlet and Warehouse Equipment	5
EDP Equipment	5
V e h i c l e s	5
Workshop Equipment	5

Land is stated at cost and not depreciated

Based on this SFAS, that effects on the asset recognition, the determination of the carrying amount and depreciation expense and loss on impairment are recognized in relation to the asset.

**PT INDOMARCO PRISMATAMA
(PARENT ENTITY)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6-MONTH PERIODS ENDED JUNE 30, 2013 AND 2012
AND FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010
(Expressed in Thousand Rupiah, except Otherwise Stated)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Property and Equipment (Continued)

The Company owns land rights for 43 locations used as the Company's outlets, valid for 20 years to fall due on various dates. The land rights can be extended for another 20 years as long as the Company settles the extension cost before the period ends. Based on the Company's relationship with the Government handling land matters and as long as there are no changes in Indonesian land regulations, the Company sees no obstacles in extending the land rights. Since the land right extension cost is very small compared to the land acquisition cost, the Company has charged the cost in the Statements of Comprehensive Income.

When assets are retired or otherwise disposed of, the cost and its related accumulated depreciation and impairment are removed from the accounts. An item of fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any resulting gain or loss is included in the Statement of Comprehensive Income in the current year.

Expenditures for repairs and maintenance of property and equipment to keep the future economic benefits are charged to the Statement of Comprehensive Income at the time of transactions. Improvements which increase the value (utility) and the estimated useful life of the assets and significant renewals are capitalized. When assets are retired or otherwise disposed of, the cost and its related accumulated depreciation and impairment are removed from the accounts, recognized as gains or losses in the Statement of Comprehensive Income.

f. Deferred Outlet Renovation and Rental Charges

All costs incurred for the renovation of the Company's outlets are capitalized. Deferred outlet renovation and rental charges are amortized over the rental period.

g. Deferred Costs

Deferred software costs represent computer program licences capitalized based on the acquisition cost. Acquisition cost is amortized at an estimated useful life of five years using the Straight-line method. Costs arising from interior and exterior office equipment rentals are amortized based on the useful life.

h. Investments in Shares

Effectif January 1, 2011, the Company retrospectively adopted SFAS No. 4 (Revised 2009), "Consolidated and Separate Financial Statements", that investments are recorded using the Cost method. This revised SFAS requires that if the parent entity prepares separate Financial Statements as additional information, all investments in the subsidiaries are recorded using the Cost method.

i. Provision for Income Tax

Income tax is computed on the basis of taxable income for the period. Deferred income tax is provided by Company for the timing differences in the recognition of income and expenses for financial reporting and income tax purpose. The accounting treatment is in conformity with SFAS No. 46, "Accounting for Income Taxes".

**PT INDOMARCO PRISMATAMA
(PARENT ENTITY)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6-MONTH PERIODS ENDED JUNE 30, 2013 AND 2012
AND FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010
(Expressed in Thousand Rupiah, except Otherwise Stated)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Provision for Income Tax (Continued)

Deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between carrying amounts of assets and liabilities according to the Statements of Financial Position with the tax bases of assets and liabilities. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for temporary differences can be reduced, along the most likely can be utilized to reduce future taxable income.

Deferred tax is accounted for using the current tax tariff or substantially applicable at the Statement of Financial Position date. Deferred tax is charged or credited to the Statement of Comprehensive Income in the current year.

j. Post-Employment Benefit Liabilities

The Company has established a Defined Benefit Pension Plan for permanent employees. Pension contributions have been charged to the current year Statement of Comprehensive Income.

In addition, the Company also has calculated the post-employment benefits in accordance with Labor Law No.13/2003 dated March 25, 2003.

The Financial Statements of the Company have implemented SFAS No. 24 (Revised 2004), "Employee Benefits". This statement requires the Company to recognize all post-employment benefits provided and calculate the estimated post-employment benefit liabilities based on Labor Law No. 13 year 2003, in which the calculation is determined by an actuary using the Projected Unit Credit actuarial method.

Actuarial gains or losses are recognized as income or expense when the accumulated unrecognized actuarial gains and losses exceed 10% of the present value of the defined benefit obligations at that date. The gains or losses are recognized on the Straight-line basis over the expected average remaining working lives of the participating employees. Subsequently, the past service cost arising from the introduction of a defined benefit program or changes in liabilities of the defined benefits is amortized.

k. Revenue and Expense Recognition

Effective January 1, 2011, the Company adopted SFAS No. 23 (Revised 2010), "Revenue". This revised SFAS identifies the circumstances in which the criteria on revenue recognition will be met and, therefore, revenue maybe recognized and prescribes the accounting treatment of revenue recognition. The adoption of this revised SFAS had no impact on the Financial Statements.

Revenue from sale of goods is recognized when the Company has significantly transferred the risks and benefits of the goods ownership to the buyers. Franchise revenues and income from joint promotions are recognized on an Accrual basis and the amount is in accordance with the agreement between the Company and franchisees and the Company's suppliers.

Expenses are recognized when incurred.

**PT INDOMARCO PRISMATAMA
(PARENT ENTITY)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6-MONTH PERIODS ENDED JUNE 30, 2013 AND 2012
AND FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010
(Expressed in Thousand Rupiah, except Otherwise Stated)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Financial Assets and Liabilities

Effective January 1, 2012, the Company applied SFAS No. 50 (Revised 2010), "Financial Instruments : Presentation", SFAS No. 55 (Revised 2011), "Financial Instruments : Recognition and Measurement", and SFAS No. 60, "Financial Instruments : Disclosures". These revised SFASs have been applied prospectively.

In the application of SFAS No. 50 (Revised 2010), SFAS No. 55 (Revised 2011) and SFAS No. 60, the Company classifies financial instruments in the form of financial assets and financial liabilities.

Financial Assets

Management determines the classification of its financial assets at initial recognition in accordance with the purpose for which the financial assets were acquired. The classification of financial assets is as follows :

(i) Financial Assets at Fair Value through Profit or Loss

Financial assets at fair value through profit or loss include financial assets held for trading if they are acquired for the purpose of selling them in the near term or for which there is evidence of a recent actual pattern of short-term profit taking. Derivatives are also categorized as held for trading unless they are designated and effective as hedging instruments. Financial assets at fair value through profit or loss are carried in the Statement of Financial Position at fair value with unrealized gains or losses recognized in the Statement of Comprehensive Income.

The Company had no financial assets held for trading.

(ii) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost using the Effective Interest Rate method.

The Company had loans and receivables consisting of cash and cash equivalents, pledged time deposits, trade receivables and other receivables.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Financial Assets and Liabilities (Continued)

Financial Assets (Continued)

(iii) Held-to-Maturity Financial Assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the management has the positive intention and ability to hold them to maturity, except for :

- a) Financial assets upon initial recognition designated as financial assets at fair value through profit or loss;
- b) Financial assets designated as available for sale; and
- c) Financial assets that meet the definition of loans and receivables.

Held-to-maturity financial assets are initially recognized at fair value plus transaction costs and subsequently measured at amortized cost using the Effective Interest Rate method.

The Company had no financial assets classified as held-to-maturity.

(iv) Available-for-Sale Financial Assets

Available-for-sale financial assets are financial assets that are intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or that do not meet the criteria for other categories.

Available-for-sale financial assets are initially recognised at fair value, plus transaction costs, and measured subsequently at fair value, until the financial assets are derecognised. Unrealized gains and losses being recognised in the Statement of Comprehensive Income, except for impairment losses and foreign exchange gains and losses. If an available-for-sale financial asset is determined to be impaired, the cumulative gain or loss previously recognised in the Statement of Changes in Equity is recognised in the Statement of Comprehensive Income. Interest income is calculated using the Effective Interest Rate method, and foreign currency gains or losses on monetary assets classified as available-for-sale are recognized in the Statement of Comprehensive Income.

The Company had no financial assets classified as available-for-sale.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Financial Assets and Liabilities (Continued)

Financial Liabilities

The classification of financial liabilities is as follows :

(i) Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial assets held for trading if they are acquired for the purpose of repurchasing them in the near term or for which there is evidence of a recent actual pattern of short-term profit taking. Derivatives are also categorized as held for trading unless they are designated and effective as hedging instruments.

The Company had no financial liabilities held for trading.

(ii) Financial Liabilities at Amortized Cost

Financial liabilities not classified as financial liabilities at fair value through profit or loss are categorized and measured at amortized cost. After early recognition, the Company measures all financial liabilities at amortized cost using the Effective Interest Rate method.

The Company had financial liabilities at amortized cost consisting of bank loans, trade payables, due to franchisees, other payables, accrued expenses and consumer financing loans.

Fair Value Determination

The fair value of financial instruments traded in an active market is determined based on the quoted market value at Statement of Financial Position dates. The quoted market value used by the Company is the bid price for financial assets, and the ask price for financial liabilities. The fair value of financial instruments not traded in an active market is determined using certain valuation techniques.

Financial Asset Value Determination

At Statement of Financial Position dates, the Company's management reviews whether there is an impairment in a financial asset or a group of financial assets.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Transactions with Related Parties

Effective January 1, 2011, the Company applied SFAS No. 7 (2010 Revision), "Related Party Disclosures".

The revised SFAS requires the disclosure of related party relationships, transactions and outstanding balances, including commitments, in the financial statements. The adoption of the said revised SFAS had no impact on the related disclosures in the Financial Statements.

A party is considered to be related to the Company if :

- (a) A person or a close member of the person's family is related to the Company if that person :
 - (i) has control or joint control over the Company;
 - (ii) has significant influence over the Company; or
 - (iii) is a member of the key management personnel of the Company.
- (b) An entity is related to the Company if any of the following conditions applies :
 - (i) The entity and the Company are members of the same company.
 - (ii) The entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a company of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) The entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company are themselves such a plan, the sponsoring employers are also related to the Company.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) The entity identified in (a) (i) has significant influence over the Company or is a member of the key management personnel of the Company.

The transactions with related parties are made based on terms agreed by the parties in which such terms may not be the same as those of the transactions between unrelated parties.

All significant transactions and balances with related parties, which have been made with or without a price level, at normal terms and conditions as those given to third parties or otherwise, are disclosed in the Notes to the Financial Statements.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Impairment of Non Financial Asset Value

The recoverable value of assets is estimated at the time or when the changes occur indicating that the carrying value cannot be recovered. If any, the decline in asset value is recorded as loss in the Statements of Comprehensive Income.

o. Use of Estimates

The preparation of the Financial Statements to conform with Indonesian Financial Accounting Standards requires management to make estimates and assumptions that effect the amounts of assets and liabilities reported at the date of the Financial Statements as well as the amounts of revenues and expenses during the reported period. Actual results may differ from the estimates.

3. CASH AND CASH EQUIVALENTS

The details are as follows :

	June 30	December 31,		
	2013	2012	2011	2010
	Rp	Rp	Rp	Rp
Cash on Hand	219,372,106	262,057,833	146,835,553	82,262,869
Cash in Banks				
PT Bank Central Asia Tbk	291,491,235	254,456,428	198,834,152	256,785,875
PT Bank Mandiri (Persero) Tbk	201,942,080	225,703,021	233,342,492	113,721,975
PT Bank Rakyat Indonesia (Persero) Tbk	20,431,196	41,943,026	1,000	-
PT Bank CIMB Niaga Tbk	9,594,480	6,641,953	5,650,804	63,765
PT Bank of Tokyo	260,824	-	-	-
PT Bank Sumsel Babel	210,498	705,925	-	-
PT Bank Mega Tbk	81,739	3,654	496,768	-
PT Bank DKI Tbk	48,155	676,630	734,461	367,911
PT Bank International Indonesia Tbk	36,663	8,458	177,529	-
PT Bank Danamon Tbk	6,355	10,293	165,987	76,014
Bank Pembangunan Daerah Kaltim	4,768	-	-	-
Total Cash in Banks	524,107,993	530,149,388	439,403,193	371,015,540
Time Deposits				
PT Bank CIMB Niaga Tbk	1,046,000,000	150,000,000	-	-
PT Bank Mandiri (Persero) Tbk	790,000,000	100,000,000	-	-
PT Bank Danamon Tbk	22,000,000	-	-	-
PT Bank Rakyat Indonesia (Persero) Tbk	-	100,000,000	-	-
PT Bank Central Asia Tbk	-	20,150,000	20,150,000	20,150,000
PT Bank Mega Tbk	-	379,046	379,046	359,481
Total Time Deposits	1,858,000,000	370,529,046	20,529,046	20,509,481
Total Cash and Cash Equivalents	2,601,480,099	1,162,736,267	606,767,792	473,787,890

The time deposit average interest rates are as follows :

	June 30,	December 31,		
	2013	2012	2011	2010
PT Bank CIMB Niaga Tbk	4.5% - 4.75%	6.25%	-	-
PT Bank Rakyat Indonesia (Persero) Tbk	-	6%	-	-
PT Bank Mega Tbk	-	4.75% - 5.5%	6% - 7.50%	7%
PT Bank Central Asia Tbk	-	3.25%	5.75% - 6%	4.99% - 5.75%
PT Bank Mandiri (Persero) Tbk	4%	3.40%	-	-
PT Bank Danamon Tbk	6.25%	-	-	-

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4. TRADE RECEIVABLES

The details are as follows :

	June 30, 2 0 1 3	December 31,		
	Rp	2 0 1 2 Rp	2 0 1 1 Rp	2 0 1 0 Rp
Franchisee Trade Receivables	1,353,636,749	785,321,484	435,552,219	351,437,582
Franchisee Other Receivables	155,236,800	106,516,164	27,436,963	21,456,600
Joint Promotion Income Receivables	62,115,096	33,825,293	23,943,317	5,238,015
Debit Card Receivables	26,308,562	13,616,910	13,491,591	8,242,364
Incentive and Rebate Income Receivables	6,986,244	4,742,122	3,494,774	587,192
Building and Distribution Management Revenue Receivables	1,963,053	2,066,110	4,037,308	1,674,573
Merchandise Management Service Receivables	1,098,138	-	-	-
Joint Promotion Receivables	-	-	-	8,343,031
Others	673,321	509,210	85,067	14,622
T o t a l	<u>1,608,017,963</u>	<u>946,597,293</u>	<u>508,041,239</u>	<u>396,993,979</u>

The trade receivables arose from the sales of merchandise to the franchisees. Until now, the franchisees' all business activities, including the financial management are handled by the Company so that the franchisees' ability to settle payables can be monitored by the Company and management believes that trade receivables will be collectible, therefore allowance for doubtful accounts is not needed.

Joint promotion income receivables arose from joint promotions with the Company's merchandise goods suppliers. The Company's Joint Promotion Income is presented in the Statements of Comprehensive Income as "Joint Promotion Income" amounting to Rp 190,641,462, Rp 390,563,510, Rp 195,518,078 and Rp 185,061,522 for the 6-month periods ended June 30, 2013 and the years ended December 31, 2012, 2011 and 2010, respectively.

The trade receivables are used as collateral for bank loans (see Notes 19).

5. OTHER RECEIVABLES

The details are as follows :

	June 30, 2 0 1 2	December 31,		
	Rp	2 0 1 2 Rp	2 0 1 1 Rp	2 0 1 0 Rp
Employee Loans and Subsidies	23,716,801	19,950,281	14,505,913	6,678,329
Taxes Receivable	-	20,445,829	65,518,317	-
Other Receivables	154,593,195	186,344,524	89,255,996	80,992,793
T o t a l	<u>178,309,996</u>	<u>226,740,634</u>	<u>169,280,226</u>	<u>87,671,122</u>

Employee loans and subsidies represent loans given to employees for boarding house rentals, insurance premiums and vehicle purchases. The amounts of loans and subsidies are given based on the employee's settlement ability and position.

Taxes receivable represent the payment of Tax Assessment Letter on Underpayment of Income Tax year 2010 based on the Decision Letter of the Directorate General of Taxes.

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6. INVENTORIES

The details are as follows :

	June 30, 2013	December 31,		
	Rp	2012 Rp	2011 Rp	2010 Rp
Merchandise Inventories	3,130,004,583	2,114,689,347	1,445,217,138	1,032,706,630
Allowance for Damaged Goods	<u>(27,653,430)</u>	<u>(26,925,237)</u>	<u>(19,709,819)</u>	<u>(14,360,773)</u>
T o t a l	<u>3,102,351,153</u>	<u>2,087,764,110</u>	<u>1,425,507,319</u>	<u>1,018,345,857</u>

All inventories were insured against losses from fire and other risks with PT Asuransi Jaya Proteksi, PT AS Harta Aman Pratama Tbk, PT Asuransi Umum Mega and PT Asuransi Central Asia. Management believes that the insurance coverage as of June 30, 2013, December 31, 2012, 2011 and 2010 amounting to Rp 2,559,279,817, Rp 2,180,707,543, Rp 1,402,231,227 and Rp 1,141,578,337, respectively, is sufficient to cover the possibility of risk of fire and other risks that may be suffered by the Company.

Allowance for damaged goods as of December 31, 2012 was calculated based on the management's estimate in anticipating damages to unsold merchandise.

The Company's inventories are used as collateral for bank loans (see Notes 19).

7. ADVANCES AND PREPAID EXPENSES

The details are as follows :

	June 30, 2013	December 31,		
	Rp	2012 Rp	2011 Rp	2010 Rp
Office Advances	342,678,539	307,186,954	196,660,351	172,667,444
Store Opening	107,905,468	93,621,713	55,617,822	92,308,884
Other Equipment	57,777,029	31,346,937	-	-
Pulse Wallet	40,761,138	44,807,518	37,225,027	15,933,477
Store Operational Support	29,533,994	20,597,093	17,196,492	11,717,544
Prepaid Licenses	25,875,426	-	-	-
I n s u r a n c e	13,881,434	4,892,691	4,466,949	4,522,966
Purchase Advances	3,224,576	1,453,960	17,800	2,778,028
Deferred Promotion Expenses	1,251,405	-	-	-
O t h e r s	<u>16,331,709</u>	<u>15,216,455</u>	<u>9,878,660</u>	<u>3,636,464</u>
T o t a l	<u>639,220,718</u>	<u>519,123,321</u>	<u>321,063,101</u>	<u>303,564,807</u>

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8. MARKETABLE SECURITIES

The details are as follows :

	June 30, 2013 Rp	<u>2012</u> Rp	December 31, 2011 Rp	<u>2010</u> Rp
Convertible Bonds PT Andhika Wahana Putra	<u>428,000,000</u>	<u>428,000,000</u>	<u>428,000,000</u>	<u>428,000,000</u>

Based on Convertible Bond No. 001/CB/AWP/IX/2009, the Company purchased convertible bonds bearing no interest from PT Andhika Wahana Putra amounting to Rp 50,000,000, to be converted into share capital at maturity on April 30, 2014.

Based on Convertible Bond No. 002/CB/AWP/X/2009, the Company purchased convertible bonds bearing no interest from PT Andhika Wahana Putra amounting to Rp 101,000,000, to be converted into share capital at maturity on October 2, 2014.

Based on Convertible Bond No. 003/CB/AWP/II/2010, the Company purchased convertible bonds bearing no interest from PT Andhika Wahana Putra amounting to Rp 99,000,000, to be converted into share capital at maturity on January 5, 2015.

Based on Convertible Bond No. 0014CB/AWP/XII/2010, the Company purchased convertible bonds bearing no interest from PT Andhika Wahana Putra amounting to Rp 178,000,000, to be converted into share capital at maturity on December 31, 2015.

The Company has the option to redeem the bonds at maturity.

At maturity, all the bonds' principal amounts will be converted into 50 % shares of PT Andhika Wahana Putra.

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9. PROPERTY AND EQUIPMENT

The details are as follows :

	June 30, 2013			Ending Balance Rp
	Beginning Balance Rp	Addition Rp	Deduction Rp	
At Cost				
Land	62,402,337	2,170,400	-	64,572,737
Buildings and Warehouses	119,629,370	1,733,516	-	121,362,886
Outlet Equipment	427,975,104	94,064,063	24,646,174	497,392,993
Office Equipment	43,661,094	7,418,952	707,137	50,372,909
EDP Equipment	280,174,046	51,079,726	13,771,884	317,481,888
Warehouse Equipment	120,915,297	7,789,882	1,717,230	126,987,949
Workshop Equipment	556,244	166,452	3,500	719,196
Cooler Equipment	124,460,484	24,527,005	8,109,964	140,877,525
Vehicles	447,458,118	66,025,642	14,060,079	499,423,681
Total	1,627,232,094	254,975,638	63,015,968	1,819,191,764
Accumulated Depreciation				
Direct Acquisition				
Buildings and Warehouses	32,188,717	3,212,151	113	35,400,755
Outlet Equipment	180,581,923	40,855,060	13,971,230	207,465,753
Office Equipment	21,044,320	3,787,495	677,246	24,154,569
EDP Equipment	129,105,899	25,346,939	9,081,124	145,371,714
Warehouse Equipment	77,116,541	8,535,154	1,446,033	84,205,662
Workshop Equipment	278,789	53,890	1,650	331,029
Cooler Equipment	48,877,103	11,613,720	4,299,780	56,191,043
Vehicles	259,964,843	32,652,889	4,937,199	287,680,533
Total	749,158,135	126,057,298	34,414,375	840,801,058
Net	878,073,959			978,390,706

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9. PROPERTY AND EQUIPMENT (Continued)

	December 31, 2012			Ending Balance Rp
	Beginning Balance Rp	Addition Rp	Deduction Rp	
At Cost				
Land	55,807,863	8,459,500 *	1,865,026 *	62,402,337
Buildings and Warehouses	115,560,889	4,087,117	18,636	119,629,370
Outlet Equipment	462,148,763	147,508,579	54,171,267	427,975,104
		507,457 *	128,018,428 *	
Office Equipment	34,946,417	10,969,389	1,645,575	43,661,094
		4,119,728 *	4,728,865 *	
EDP Equipment	182,707,418	65,944,174	15,707,379	280,174,046
		48,198,241	968,408 *	
Warehouse Equipment	110,255,343	16,706,219	4,120,917	120,915,297
		3,500 *	1,928,848 *	
Workshop Equipment	468,709	85,317	27,857	556,244
		30,075 *		
Cooler Equipment	-	45,020,098	3,345,162	124,460,484
		82,816,633 *	31,085 *	
Vehicles	364,354,631	90,647,942	7,544,455	447,458,118
Total	1,326,250,033	429,167,076	87,549,656	1,627,232,094
		95,936,893 *	136,572,252 *	
Accumulated Depreciation				
Direct Acquisition				
Buildings and Warehouses	26,067,340	6,140,002	18,625	32,188,717
Outlet Equipment	174,080,653	74,661,255	23,836,826	180,581,923
		470,833 *	44,793,992 *	
Office Equipment	18,437,187	6,290,794	999,182	21,044,320
		276,111 *	2,960,590 *	
EDP Equipment	85,319,036	41,297,580	8,331,110	129,105,899
		10,899,482 *	79,089 *	
Warehouse Equipment	64,557,676	17,297,863	3,315,897	77,116,541
		758 *	1,423,859 *	
Workshop Equipment	194,386	91,137	22,519	278,789
		18,786 *	3,001 *	
Cooler Equipment	-	13,529,461	2,246,919	48,877,103
		37,599,166 *	4,605 *	
Vehicles	210,790,952	56,509,379	7,335,488	259,964,843
Total	579,447,230	215,817,471	46,106,566	749,158,135
		49,265,136 *	49,265,136 *	
Net	746,802,803			878,073,959

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9. PROPERTY AND EQUIPMENT (Continued)

	December 31, 2011			
	Beginning Balance	Addition	Deduction	Ending Balance
	Rp	Rp	Rp	Rp
At Cost				
Land	52,650,085	3,157,778	-	55,807,863
Buildings and Warehouses	115,516,440	44,449	-	115,560,889
Office Equipment	28,049,444	9,100,287	2,203,314	34,946,417
Outlet and Warehouse Equipment	431,103,862	168,657,848	27,357,604	572,404,106
EDP Equipment	140,595,603	48,622,525	6,510,710	182,707,418
Vehicles	344,711,163	22,836,274	3,192,806	364,354,631
Workshop Equipment	274,073	202,287	7,650	468,710
Total	<u>1,112,900,670</u>	<u>252,621,448</u>	<u>39,272,084</u>	<u>1,326,250,034</u>
Accumulated Depreciation				
Direct Acquisition				
Buildings and Warehouses	19,943,438	6,123,902	-	26,067,340
Office Equipment	14,616,140	4,585,813	764,766	18,437,187
Outlet and Warehouse Equipment	162,976,704	89,318,534	13,656,909	238,638,329
EDP Equipment	62,003,527	26,905,912	3,590,403	85,319,036
Vehicles	157,791,777	55,631,444	2,632,268	210,790,953
Workshop Equipment	136,180	60,776	2,571	194,385
Total	<u>417,467,766</u>	<u>182,626,381</u>	<u>20,646,917</u>	<u>579,447,230</u>
Net	<u>695,432,904</u>			<u>746,802,804</u>

	December 31, 2010			
	Beginning Balance	Addition	Deduction	Ending Balance
	Rp	Rp	Rp	Rp
At Cost				
Land	52,418,545	231,540	-	52,650,085
Building and Warehouses	95,972,139	20,908,553	1,364,252	115,516,440
Office Equipment	21,493,881	6,639,598	84,035	28,049,444
Outlet and Warehouse Equipment	267,020,722	170,911,544	6,828,404	431,103,862
EDP Equipment	99,279,615	45,810,757	4,494,769	140,595,603
Vehicles	248,851,287	90,654,192	3,645,416	344,711,163
		8,851,100 *		
Workshop Equipment	214,895	70,476	11,298	274,073
Asset in Transit	8,851,100	-	8,851,100 *	-
Total	<u>794,102,184</u>	<u>335,226,660</u>	<u>16,428,174</u>	<u>1,112,900,670</u>
		<u>8,851,100 *</u>	<u>8,851,100 *</u>	
Accumulated Depreciation				
Direct Acquisition				
Building and Warehouses	13,894,789	6,048,649	-	19,943,438
Office Equipment	11,137,376	3,787,790	309,026	14,616,140
Outlet and Warehouse Equipment	106,276,265	61,962,218	5,261,778	162,976,705
EDP Equipment	43,887,496	19,942,856	1,826,825	62,003,527
Vehicles	118,090,192	41,227,921	1,526,336	157,791,777
Workshop Equipment	94,192	50,246	8,258	136,180
Total	<u>293,380,310</u>	<u>133,019,680</u>	<u>8,932,223</u>	<u>417,467,767</u>
Net	<u>500,721,874</u>			<u>695,432,903</u>

* Reclassification

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9. PROPERTY AND EQUIPMENT (Continued)

Depreciation expenses for the 6-month periods ended June 30, 2013, and for the years ended December 31, 2012, 2011 and 2010 amounted to Rp 126,057,299, Rp 215,817,471, Rp 182,626,381, and Rp 133,019,680, respectively.

Deductions as of June 30, 2013, and December 31, 2012, 2011 and 2010 represent the sales to the franchisees, disposals due to damage and differences in periodic physical count results.

The Company insured its property and equipment against risk of losses from fire and other risks with PT Asuransi Jaya Proteksi, PT AS Harta Aman Pratama Tbk, PT Asuransi Umum Mega and PT Asuransi Central Asia. Management believes that the insurance coverage as of June 30, 2013, December 31, 2012, 2011 and 2010 amounting to Rp 4,466,922,739, Rp 3,337,843,706, Rp 2,528,267,097 and Rp 1,826,206,472, respectively, is sufficient to cover the possible losses on such risks.

Some of the Company's plots of land have been pledged as collateral for bank loans (see Note 19).

10. DEFERRED OUTLET RENTAL AND RENOVATION CHARGES

The details are as follows :

	June 30, 2013	December 31,		
	Rp	2012 Rp	2011 Rp	2011 Rp
Acquisition Cost				
Prepaid Rentals	2,455,031,676	1,909,795,036	1,246,998,346	770,069,277
Deferred Renovation Expenses	1,269,503,240	1,036,841,648	784,760,866	548,220,423
Renovation in Process Expenses	39,054,203	45,452,738	34,492,949	25,742,965
T o t a l	<u>3,763,589,119</u>	<u>2,992,089,422</u>	<u>2,066,252,161</u>	<u>1,344,032,665</u>
Accumulated Amortization				
Pepaid Rentals	(935,347,361)	(756,822,364)	(487,188,729)	(302,290,138)
Deferred Renovation Expenses	(618,198,888)	(515,543,827)	(337,574,630)	(208,413,000)
T o t a l	<u>(1,553,546,249)</u>	<u>(1,272,366,191)</u>	<u>(824,763,359)</u>	<u>(510,703,138)</u>
T O T A L	<u>2,210,042,870</u>	<u>1,719,723,231</u>	<u>1,241,488,802</u>	<u>833,329,527</u>

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11. INVESTMENTS IN SHARES

The details are as follows :

	June 30,	December 31,		
	2013	2012	2011	2010
	Rp	Rp	Rp	Rp
PT Inti Cakrawala Citra	-	73,564,505	78,999,000	78,999,000
Advances for Investment - PT Inti Cakrawala Citra	-	700,000	700,000	700,000
PT Indosato Jaya Makmur	16,200,000	-	-	-
PT Ace Global Consulting and Integration	-	1	-	-
T o t a l	16,200,000	74,264,506	79,699,000	79,699,000

Investment in PT Inti Cakrawala Citra was with a 70.39 % ownership in 2012 and 79.93 % ownership in 2011 and 2010, respectively.

In April 2013, the Company sold its investment of PT Ace Global Consulting and Integration ownership to PT Indomarco Perdana. The sales and transfer transaction is recorded as differences in value of restructuring transaction among entities under common control.

In March 2013, the Company invest in PT Indosato Jaya Makmur (IJM) based on Notarial Deed No. 3 dated March 4, 2013 for 16,200 shares amounting to Rp 16,200,000 IJM has not started its commercial operations.

12. OTHER ASSETS

The details are as follows :

	June 30,	December 31,		
	2013	2012	2011	2010
	Rp	Rp	Rp	Rp
Deferred Software Expenses	35,627,529	31,511,255	28,292,749	23,645,591
Prepaid DC Equipment	13,155,644	-	-	934,823
Deferred Provision Expenses	10,670,000	-	-	-
Rental and Employee Deposits	2,691,678	2,009,840	16,583,183	16,557,795
Other Asset Transfers	16,260	16,530	-	-
Other Prepaid Expenses	44,838,363	27,652,699	20,684,068	7,416,561
T o t a l	106,999,474	61,190,324	65,560,000	48,554,770

13. TRADE PAYABLES

The details are as follows :

	June 30,	December 31,		
	2013	2012	2011	2010
	Rp	Rp	Rp	Rp
Third Parties	3,782,692,237	2,404,837,643	1,739,131,021	1,366,317,413
PT Inti Cakrawala Citra (Note 31)	1,502,847	24,016,343	15,855,134	12,693,015
T o t a l	3,784,195,084	2,428,853,986	1,754,986,155	1,379,010,428

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14. DEFERRED INCOME

The details are as follows :

	June 30,	December 31,		
	2013	2012	2011	2010
	Rp	Rp	Rp	Rp
Display Space Rental Income	46,126,427	9,341,090	15,388,680	13,443,485
Joint Promotion Income	44,121,222	1,078,750	1,060,417	1,158,333
Incentive and Rebate Income	28,695,173	-	-	-
Terrace Rental Income	27,115,967	21,117,386	8,927,022	2,530,624
Office Rental Income	404,407	395,615	589,336	773,512
Franchise Service Income	-	-	15,000	610,667
T o t a l	146,463,196	31,932,841	25,980,455	18,516,621

15. FRANCHISE TRANSACTIONS

Since 1997, the Company has applied a franchise system on the use of "Indomaret" brand by other parties and the Company's revenues consist of franchise services calculated based on the percentage of sales of franchise outlets and franchise revenues.

Effective October 1, 2006, a franchise fee at 2 % is charged to outlets whose sales range from Rp 175,000 – Rp 200,000, 3 % to outlets whose sales range from Rp 200,000 – Rp 225,000 and 4 % to outlets whose sales exceed Rp 225,000 and a receipt of Rp 36,000 from the franchisee at the beginning of cooperation is directly recorded as a revenue.

Trade receivables represent the receivables arising from the merchandise sales to the franchisees. The sales to the franchisees for June 30, 2013, December 31, 2012, 2011 and 2010 represent 36 %, 34 %, 36 %, and 41 %, respectively.

The total due to the franchisees amounted to Rp 68,631,653, Rp 55,406,217, Rp 24,419,298, Rp 33,805,015 as of June 30, 2013, December 31, 2012, 2011 and 2010, respectively.

16. TAXATION

a. Prepaid Taxes

The details are as follows :

	June 30,	December 31,		
	2013	2012	2011	2010
	Rp	Rp	Rp	Rp
Income Tax Article 22	5,769,931	5,740,410	10,169,592	9,305,113
Income Tax Article 23	68,294,720	68,571,896	118,253,640	91,020,743
Income Tax Article 25	-	-	153,182	231,982
Value Added Tax	131,473,261	48,844,924	27,975,759	17,565,306
Income Tax Article 28 A - year 2013	13,954,883	-	-	-
Income Tax Article 28 A - year 2012	-	16,356,885	-	-
T o t a l	219,492,795	139,514,115	156,552,173	118,123,144

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16. TAXATION (Continued)

b. Taxes Payable

The details as of December 31, are as follows :

	June 30, 2 0 1 3	December 31,		
	Rp	2 0 1 2 Rp	2 0 1 1 Rp	2 0 1 0 Rp
Income Tax Article 4 (2)	10,118,768	9,145,979	6,920,731	3,543,109
Income Tax Article 21	2,976,651	15,299,663	10,928,372	8,322,781
Income Tax Article 23	2,088,363	1,082,567	1,106,636	424,195
Income Tax Article 25	4,894,535	-	-	-
Value Added Tax	-	7,503,745	-	-
T o t a l	<u>20,078,317</u>	<u>33,031,954</u>	<u>18,955,739</u>	<u>12,290,085</u>

c. Income Tax Expense

The details are as follows :

	June 30, 2 0 1 3	December 31,		
	Rp	2 0 1 2 Rp	2 0 1 1 Rp	2 0 1 0 Rp
Current Income Tax	(44,385,115)	(48,691,690)	-	-
Deferred Tax Income (Expense)	32,908,125	39,023,931	(30,772,891)	(29,115,238)
T o t a l	<u>(11,476,990)</u>	<u>(9,667,759)</u>	<u>(30,772,891)</u>	<u>(29,115,238)</u>

The reconciliation between income before income tax according to the Statements of Comprehensive Income and estimated taxable income calculated by the Company is as follows :

	June 30, 2 0 1 3	December 31,		
		2 0 1 2	2 0 1 1	2 0 1 0
Commercial Income before Provision for Income Tax	<u>161,858,125</u>	<u>557,065,169</u>	<u>342,602,858</u>	<u>166,417,963</u>
Fiscal Corrections :				
Permanent Differences :				
Salaries, Wages and Allowances	14,438,276	22,771,055	14,079,069	8,034,359
Electricity and Energy	5,068,010	9,526,587	8,118,885	7,319,783
Donations and Contributions	4,669,769	14,983,394	5,874,130	7,006,350
Damaged and Lost Goods	728,193	7,215,418	5,349,045	-
Maintenance and Repairs	2,420,982	4,484,196	4,137,096	3,761,160
T a x e s	1,487,834	924,297	853,914	-
Promotion Costs	-	2,873,472	(4,557)	-
Other Income	-	(600,463)	(844,633)	(1,206,580)
Giro Service Income	(5,934,053)	(10,161,482)	(8,809,812)	(5,089,726)
Rental Income	(291,495,472)	(493,858,130)	(537,568,522)	(429,834,177)
Asset Transfer Income	(32,829,283)	(41,211,356)	(14,279,873)	-
Income Tax Article 21	-	-	-	299,347
Income Tax Article 23	-	-	-	218,440
O t h e r s	185,495,579	265,024,081	223,938,848	186,088,489
Total Permanent Differences	<u>(115,950,165)</u>	<u>(218,028,931)</u>	<u>(299,156,410)</u>	<u>(223,402,555)</u>

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16. TAXATION (Continued)

c. Income Tax Expense (Continued)

	June 30, 2013	December 31,		
		2012	2011	2010
Time Differences :				
Allowance for Employee Benefits	24,816,969	41,754,381	33,704,499	31,553,195
Depreciation	40,101,432	(19,453,471)	(26,906,710)	(31,507,095)
Amortization	66,714,100	133,794,813	(129,889,352) *	(116,507,053)
Total Time Differences	<u>131,632,501</u>	<u>156,095,723</u>	<u>(123,091,563)</u>	<u>(116,460,953)</u>
Current Year Fiscal Income (Loss)	177,540,461	495,131,961	(79,645,115)	(173,445,545)
Prior Year's Accumulated Fiscal Loss :				
2006	-	-	(89,621,669)	-
2007	-	(47,274,540) *	(47,274,540)	-
2008	-	-	4,265,463	-
2009	-	-	75,348,457	-
2010	-	(173,445,545)	(173,445,545)	(71,382,795)
2011	-	(79,645,115)	-	-
Total Accumulated Fiscal Income (Loss)	<u>177,540,461</u>	<u>194,766,761</u>	<u>(310,372,949)</u>	<u>(244,828,340)</u>
Income Tax	44,385,115	48,691,690	-	-
Less : Prepaid Taxes				
Income Tax Article 22	(181,596)	(2,225,450)	-	-
Income Tax Article 23	(43,474,798)	(62,823,125)	-	-
Income Tax Article 25	(14,683,604)	-	-	-
Income Tax Article 28 (A)	<u>(13,954,883)</u>	<u>(16,356,885)</u>	<u>-</u>	<u>-</u>

d. Deferred Tax Assets (Liabilities)

The calculation of deferred assets and liabilities using the maximum tax rate of 25 % for the years 2012 and 2011 is as follows :

	June 30, 2013		
	December 31, 2012	Credited (Charged) to Statement of Comprehensive Income	June 30, 2013
	Rp	Rp	Rp
Deferred Tax Assets (Liabilities) :			
Depreciation of Property and Equipment	(37,586,597)	10,025,358	(27,561,239)
Amortization	(43,633,004)	16,678,525	(26,954,479)
Provision for Employee Benefits	47,182,591	6,204,243	53,386,834
Total	<u>(34,037,010)</u>	<u>32,908,126</u>	<u>(1,128,884)</u>

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16. TAXATION (Continued)

d. Deferred Tax Assets (Liabilities)

	2 0 1 2		
	Credited (Charged) to Statement of		
	December 31, 2011	Comprehensive Income	December 31, 2012
	Rp	Rp	Rp
Deferred Tax Assets (Liabilities) :			
Depreciation of Property and Equipment	(32,723,229)	(4,863,368)	(37,586,597)
A m o r t i z a t i o n	(77,081,708)	33,448,704	(43,633,004)
Employee Benefits	36,743,996	10,438,595	47,182,591
T o t a l	<u>(73,060,941)</u>	<u>39,023,931</u>	<u>(34,037,010)</u>
	2 0 1 1		
	Credited (Charged) to Statement of		
	December 31, 2010	Comprehensive Income	December 31, 2011
	Rp	Rp	Rp
Deferred Tax Assets (Liabilities) :			
Depreciation of Property and Equipment	(25,996,551)	(6,726,678)	(32,723,229)
A m o r t i z a t i o n	(44,609,370)	(32,472,338)	(77,081,708)
Employee Benefits	28,317,871	8,426,125	36,743,996
T o t a l	<u>(42,288,050)</u>	<u>(30,772,891)</u>	<u>(73,060,941)</u>
	2 0 1 0		
	Credited (Charged) to Statement of		
	December 31, 2009	Comprehensive Income	December 31, 2010
	Rp	Rp	Rp
Deferred Tax Assets (Liabilities) :			
Depreciation of Property and Equipment	(18,119,777)	(7,876,774)	(25,996,551)
A m o r t i z a t i o n	(15,482,607)	(29,126,763)	(44,609,370)
Employee Benefits	20,429,572	7,888,299	28,317,871
T o t a l	<u>(13,172,812)</u>	<u>(29,115,238)</u>	<u>(42,288,050)</u>

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16. TAXATION (Continued)

d. Deferred Tax Assets (Liabilities)

Based on management's evaluation, the fiscal loss cannot be utilized in the future, so the management did not recognize deferred tax assets on the fiscal loss.

Under the Indonesian tax regulations, the Company's income or loss and the reconciliation of the tax calculations are done by the taxpayer (self assessment system) in its annual tax return.

Based on Law No. 28 year 2007 dated July 17, 2007, starting 2008 the tax authorities may assess or amend taxes within five years after the date such taxes become due. Should there be no assessment from the tax authorities within such period, the Company's annual tax return is considered final. Other tax liabilities, if any, will be calculated and settled by the Company, as and when they fall due.

Fiscal Year 2007

On September 16, 2009, the Company received Tax Assessment and Collection Letters for fiscal year 2007 from the Directorate General of Taxes as follows :

Tax Type	Decision Letter No.	Total Over (Under) Payment Rp
Tax Assessment Letter on Underpayment of Value Added Tax January	00208/207/07/092/09	(20,275)
Tax Assessment Letter on Underpayment of Value Added Tax February	00209/207/07/092/09	(20,275)
Tax Assessment Letter on Underpayment of Value Added Tax March	00210/207/07/092/09	(20,275)
Tax Assessment Letter on Underpayment of Value Added Tax April	00211/207/07/092/09	(20,275)
Tax Assessment Letter on Underpayment of Value Added Tax May	00212/207/07/092/09	(20,275)
Tax Assessment Letter on Underpayment of Value Added Tax June	00213/207/07/092/09	(20,275)
Tax Assessment Letter on Underpayment of Value Added Tax July	00214/207/07/092/09	(20,275)
Tax Assessment Letter on Underpayment of Value Added Tax August	00215/207/07/092/09	(20,275)
Tax Assessment Letter on Underpayment of Value Added Tax September	00216/207/07/092/09	(20,275)

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16. TAXATION (Continued)

Fiscal Year 2007 (Continued)

Tax Type	Decision Letter No.	Total Over (Under) Payment Rp
Tax Assessment Letter on Underpayment of Value Added Tax October	00217/207/07/092/09	(20,001)
Tax Assessment Letter on Underpayment of Value Added Tax November	00218/207/07/092/09	(19,727)
Tax Assessment Letter on Underpayment of Value Added Tax December	00219/207/07/092/09	(1,422,019)
Tax Collection Letter on Value Added Tax January - December	00056/107/07/092/09	(32,879)
Tax Assessment Letter on Underpayment of Corporate Income Tax	00012/206/07/092/09	(34,483,792)
Tax Assessment Letter on Underpayment of Income Tax Article 21	00034/201/07/092/09	(69,939)
Tax Assessment Letter on Underpayment of Income Tax Article 23	00038/203/07/092/09	(11,219)
Tax Assessment Letter on Underpayment of Income Tax Article 4 (2)	00021/240/07/092/09	(17,539)

All the Tax Assessment and Collection Letters were settled by the Company in 2009.

On November 5, 2009, the Company filed an objection to the Directorate General of Taxes against Tax Assessment Letter on Underpayment of Corporate Income Tax No. 00012/206/07/092/09.

Based on Decision Letter of the Directorate General of Taxes No. KEP-564/WPJ.19/BD.05/2010 dated October 29, 2010, the Company's objection was rejected.

On December 22, 2010, the Company filed an appeal against the above Tax Assessment Letter to the Tax Court.

Based on Tax Court Decision Letter No. Put.34927/PP/M.I/15/2011 dated November 9, 2011, the Company's objection was granted so that the Company's fiscal loss year 2007 amounted to Rp 47,274,540.

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16. TAXATION (Continued)

Fiscal Year 2008

On August 27, 2010, the Company received Tax Assessment and Collection Letters for fiscal year 2008 from the Directorate General of Taxes as follows :

Tax Type	Decision Letter No.	Total Over (Under) Payment Rp
Tax Assessment Letter on Underpayment of Value Added Tax January	00416/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax February	00417/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax March	00418/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax April	00419/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax May	00420/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax June	00421/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax July	00427/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax August	00422/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax September	00423/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax October	00424/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax November	00425/207/08/092/10	(34,671)
Tax Assessment Letter on Underpayment of Value Added Tax December	00426/207/08/092/10	(2,263,843)
Tax Assessment Letter on Underpayment of Corporate Income Tax	00019/206/08/092/10	(30,829,563)
Tax Assessment Letter on Underpayment of Income Tax Article 21	00041/201/08/092/10	(379,013)
Tax Assessment Letter on Underpayment of Income Tax Article 23 January - December	00048/203/08/092/10	(12,624)
Tax Assessment Letter on Underpayment of Income Tax Article 4 (2) January - December	00026/240/08/092/10	(295,504)

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16. TAXATION (Continued)

Fiscal Year 2008 (Continued)

All the Tax Assessment and Collection Letters were settled by the Company in 2010.

On November 9, 2010, the Company filed an objection to the Directorate General of Taxes against Tax Assessment Letter on Underpayment of Corporate Income Tax No. 00019/206/08/092/10.

Based on Decision Letter of the Directorate General of Taxes No. KEP-1126/WPJ.19/BD.05/2011 dated October 28, 2011, the Company's objection was rejected.

On December 7, 2011, the Company filed an appeal against the above Tax Assessment Letter to the Tax Court.

Based on Tax Court Decision Letter No. 38363/PP/MI/15/2012 dated May 28, 2012, the Company's objection was granted so that the Company's fiscal loss year 2008 became fiscal income of Rp 4,265,463.

Fiscal Year 2009

On June 24, 2011, the Company received Tax Assessment and Collection Letters for fiscal year 2009 from the Directorate General of Taxes as follows :

Tax Type	Decision Letter No.	Total Over (Under) Payment Rp
Tax Assesment Letter on Value Added Tax January	00214/507/09/092/11	-
Tax Assesment Letter on Value Added Tax February	00215/507/09/092/11	-
Tax Assesment Letter on Value Added Tax March	00216/507/09/092/11	-
Tax Assesment Letter on Value Added Tax April	00217/507/09/092/11	-
Tax Assesment Letter on Value Added Tax May	00218/507/09/092/11	-
Tax Assesment Letter on Value Added Tax June	00219/507/09/092/11	-
Tax Assesment Letter on Value Added Tax July	00220/507/09/092/11	-
Tax Assesment Letter on Value Added Tax August	00221/507/09/092/11	-
Tax Assesment Letter on Value Added Tax September	00222/507/09/092/11	-
Tax Assesment Letter on Value Added Tax October	00223/507/09/092/11	-
Tax Assesment Letter on Value Added Tax November	00224/507/09/092/11	-
Tax Assesment Letter on Value Added Tax December	00269/207/09/092/11	(345,082)
Tax Assessment Letter on Underpayment of Corporate Income Tax	00009/206/09/092/11	(101,472,285)
Tax Assessment Letter on Income Tax Article 21 January	00023/501/09/092/11	-
Tax Assessment Letter on Income Tax Article 21 February	00024/501/09/092/11	-
Tax Assessment Letter on Income Tax Article 21 March	00025/501/09/092/11	-
Tax Assessment Letter on Income Tax Article 21 April	00026/501/09/092/11	-
Tax Assessment Letter on Income Tax Article 21 May	00027/501/09/092/11	-
Tax Assessment Letter on Income Tax Article 21 June	00028/501/09/092/11	-

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16. TAXATION (Continued)

Fiscal Year 2009 (Continued)

Tax Type	Decision Letter No.	Total Over (Under) Payment Rp
Tax Assesment Letter on Value Added Tax January	00214/507/09/092/11	-
Tax Assesment Letter on Value Added Tax February	00215/507/09/092/11	-
Tax Assesment Letter on Value Added Tax March	00216/507/09/092/11	-
Tax Assesment Letter on Value Added Tax April	00217/507/09/092/11	-
Tax Assesment Letter on Value Added Tax May	00218/507/09/092/11	-
Tax Assesment Letter on Value Added Tax June	00219/507/09/092/11	-
Tax Assesment Letter on Value Added Tax July	00220/507/09/092/11	-
Tax Assesment Letter on Value Added Tax August	00221/507/09/092/11	-
Tax Assesment Letter on Value Added Tax September	00222/507/09/092/11	-
Tax Assesment Letter on Value Added Tax October	00223/507/09/092/11	-
Tax Assesment Letter on Value Added Tax November	00224/507/09/092/11	-
Tax Assesment Letter on Value Added Tax December	00269/207/09/092/11	(345,082)
Tax Assessment Letter on Underpayment of Corporate Income Tax	00009/206/09/092/11	(101,472,285)
Tax Assessment Letter on Income Tax Article 21 January	00023/501/09/092/11	-
Tax Assessment Letter on Income Tax Article 21 February	00024/501/09/092/11	-
Tax Assessment Letter on Income Tax Article 21 March	00025/501/09/092/11	-
Tax Assessment Letter on Income Tax Article 21 April	00026/501/09/092/11	-
Tax Assessment Letter on Income Tax Article 21 May	00027/501/09/092/11	-
Tax Assessment Letter on Income Tax Article 21 June	00028/501/09/092/11	-

All the Tax Assessment and Collection Letters had been paid by the Company except for the Tax Assessment Letter on Underpayment of Corporate Income Tax.

On September 13, 2011, the Company filed an objection to the Directorate General of Taxes against Assessment Letter on Underpayment of Corporate Income Tax year 2009 No. 110/CEO/IX/2011.

Based on Decision Letter of the Directorate General of Taxes No. KEP-1042/WPJ.19/2012 dated August 1, 2012, the Company's objection against the Underpayment of Corporate Income Tax fiscal year 2009 amounting to Rp 101,472,285 became an overpayment of Rp 31,496,546.

Based on Decision Letter of the Directorate General of Taxes No. KEP-00134.PPH/WPJ.19/KP.203/2012 on the overpayment of Corporate Income Tax Articles 25/29 year 2009 amounting to Rp 31,496,546 had been calculated with a tax payable of Rp 12,678 compensated to be paid to a number of Taxes Payable.

The remaining overpayment of Income Tax fiscal year 2009 was fully received by the Company on September 6, 2012.

Based on Decision Letter of the Directorate General of Taxes No. KEP-00007/IB.PPH/WPJ.19/KP.0230/2013 dated June 14, 2013, the Company received an interest benefit related to Decision Letter of the Directorate General of Taxes No. KEP-00134.PPH/WPJ.19/KP.203/2012 amounting to Rp 8,819,032.

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16. TAXATION (Continued)

Fiscal Year 2010

On September 11, 2012, the Company received Tax Assessment Letters for fiscal year 2010 from the Directorate General of Taxes as follows :

Tax Type	Decision Letter No.	Total Over Payment (Underpayment) Rp
Tax Assessment Letter on Underpayment of Income Tax Article 21	00037/201/10/092/12	(81,538)
Tax Assessment Letter on Underpayment of Income Tax Article 23 January - December	00046/203/10/092/12	(27,318)
Tax Assessment Letter on Underpayment of Income Tax Article 4 (2) January - December	00024/240/10/092/12	(148,598)
Tax Assessment Letter on Underpayment of Corporate Income Tax	00010/206/10/092/12	(32,412,875)

On October 1, 2012, the Company filed an objection through letter No. 2005/CEO/X/2012, against Assessment Letter on Underpayment of Corporate Income Tax No. 00010/206/10/092/12 to the Directorate General of Taxes.

Based on Decision Letter of the Directorate General of Taxes No. KEP-780/WPJ.19/2013 dated June 18, 2013, the Directorate General of Taxes decided to granted the Company's objection fiscal year 2010 amounting to Rp 32,412,875.

17. OTHER PAYABLES

The details are as follows :

	June 30, 2013	December 31,		
	Rp	2012 Rp	2011 Rp	2010 Rp
Due to Franchisees	46,520,196	38,698,259	9,238,340	-
Virtual Deposits	25,457,785	20,905,929	530,505	-
Other Deposits	24,474,386	100,571,393	41,271,969	-
Discount Coupons	10,536,988	15,864,423	11,585,355	8,840,045
Others	243,608,159	152,556,924	69,416,194	44,993,992
Total	350,597,514	328,596,928	132,042,363	53,834,037

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18. ACCRUED EXPENSES

The details are as follows :

	June 30,	December 31,		
	2013	2012	2011	2010
	Rp	Rp	Rp	Rp
Building Rentals	97,318,820	5,698,814	5,884,943	16,264,964
Holiday Allowances	95,188,876	37,062,182	28,075,181	19,676,593
Telephone, Electricity and Water	21,226,837	19,774,902	19,360,803	13,088,530
Store Equipment	11,776,143	14,680,164	6,655,673	6,441,411
Employee Social Security	415,275	-	-	-
Interest	-	4,193,985	4,249,395	3,857,563
Others	13,140,822	20,211,810	7,593,549	3,991,884
T o t a l	239,066,773	101,621,857	71,819,544	63,320,945

19. BANK LOANS

The details are as follows :

	June 30,	December 31,		
	2013	2012	2011	2010
	Rp	Rp	Rp	Rp
Long-term - Current Maturities				
PT Bank Mega Tbk				
Term Loan II	-	-	5,114,795	122,194,460
Term Loan V	-	10,000,000	10,000,000	-
Term Loan VI	-	18,000,000	18,000,000	-
Term Loan VII	-	-	10,860,000	-
Term Loan VIII	-	-	31,040,000	-
Term Loan IX	-	-	22,000,000	-
Demand Loan	-	-	70,000,000	-
T o t a l	-	28,000,000	167,014,795	122,194,460
PT Bank Mandiri (Persero) Tbk				
KMK I	117,545,440	404,331,390	449,864,064	200,000,000
KMK II	200,000,000	200,000,000	200,000,000	-
KMK III	660,000,000	300,000,000	100,000,000	-
PTK I	82,500,000	33,000,000	33,000,000	-
PTK II	253,526,616	80,000,000	-	-
PTK III	450,002,000	100,000,000	-	-
Fixed Loan	-	50,000,000	-	-
T o t a l	1,763,574,056	1,167,331,390	782,864,064	200,000,000
PT Bank CIMB Niaga Tbk				
PRK	-	-	49,999,500	58,589,582
Fixed Loan	-	-	50,000,000	-
KI	367,000,000	71,250,000	-	-
Seasonal	-	200,000,000	-	-
T o t a l	367,000,000	271,250,000	99,999,500	58,589,582
PT Bank Rakyat Indonesia (Persero) Tbk				
	-	124,986,109	-	-
PT Bank of Tokyo				
	300,000,000	300,000,000	-	-
Long-term - Current Maturities	2,430,574,056	1,891,567,499	1,049,878,359	380,784,042

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19. BANK LOANS (Continued)

	June 30, 2013	December 31,		
	Rp	2012 Rp	2011 Rp	2010 Rp
Long-term - Current Maturities				
PT Bank Mega Tbk				
Term Loan V	-	-	10,000,000	595,814,795
Term Loan VI	-	-	18,000,000	-
Term Loan VII	-	-	21,720,000	-
Term Loan VIII	-	-	62,080,000	-
Term Loan IX	-	-	77,000,000	-
Term Loan X	-	-	150,000,000	-
Term Loan XI	-	-	75,000,000	-
T o t a l	-	-	413,800,000	595,814,795
PT Bank Mandiri (Persero) Tbk				
PTK I	-	66,000,000	99,000,000	521,277,509
PTK II	-	213,526,616	373,526,616	-
PTK III	-	400,000,000	-	-
T o t a l	-	679,526,616	472,526,616	521,277,509
PT Bank CIMB Niaga Tbk				
KI	-	325,750,000	-	-
Total Long-term	-	<u>1,005,276,616</u>	<u>886,326,616</u>	<u>1,117,092,304</u>

PT Bank Mega Tbk

Based on Credit Agreement No. 20 dated April 15, 2002 of Imas Fatimah, SH., notary in Jakarta, the Company obtained Investment Credit Loans with floating interest rates up to Rp 75,000,000 from PT Bank Mega Tbk secured by the Company's fixed assets and inventories. The loan facilities will be used to refinance and construct the Company's outlets. The loans must be settled within 78 months (including a grace period of 6 months) since the agreement was signed.

Based on Amendment XXVIII to Deed of Credit Agreement No. 16 dated May 8, 2012 of Sri Ismiyati, SH., notary in Jakarta, the Company and PT Bank Mega Tbk agreed to amend the agreement.

The bank credit facilities consist of :

- Overdraft Facility amounting to Rp 80,000,000.
- Term Loan III Facility amounting to Rp 8,524,658.
- Term Loan V Facility amounting to Rp 25,000,000.
- Term Loan VI Facility amounting to Rp 45,000,000.
- Term Loan VII Facility amounting to Rp 38,010,000.
- Term Loan VIII Facility amounting to Rp 108,640,000.
- Term Loan IX Facility amounting to Rp 110,000,000.
- Term Loan X Facility amounting to Rp 150,000,000.
- Term Loan XI Facility amounting to Rp 75,000,000.

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19. BANK LOANS (Continued)

PT Bank Mega Tbk Continued

The credit facility interest is at 13 % of the outstanding credit facility.

The loan facility periods are as follows :

- Overdraft Facility from May 10, 2012 until May 10, 2013.
- Term Loan III Facility for 84 months from October 03, 2005 until October 03, 2013.
- Term Loan V Facility for 78 months from April 27, 2007 until October 27, 2013.
- Term Loan VI Facility for 78 months from April 27, 2007 until October 27, 2013.
- Term Loan VII Facility for 78 months from May 29, 2008 until November 29, 2014.
- Term Loan VIII Facility for 78 months from May 29, 2008 until November 29, 2014.
- Term Loan IX Facility for 78 months from December 16, 2009 until June 16, 2016, including a grace period of 18 months.
- Term Loan X Facility for 84 months from May 10, 2010 until May 10, 2017, including a grace period of 24 months.
- Term Loan XI Facility for 84 months from November 09, 2010 until November 09, 2017, including a grace period of 24 months.

The collateral for the credit facilities consists of :

- 47 plots of land under the name of the Company.
- 2 plots of land under the name of Bernanto Tanusaputra.
- The Company's 185 units of vehicles located in Jakarta, Bandung, Cirebon, Tangerang, Bekasi and Surabaya.
- The Company's 46 units of vehicles located in Semarang and Yogyakarta.
- The Company's 90 units of vehicles located in Gunung Sindur.
- The Company's 30 units of vehicles located in Jember.
- The Company's merchandise inventories.
- The Company's receivables.
- The Company's Distribution Center equipment in Randugarut, Semarang.
- The Company's existing and future outlet equipment.
- Corporate guarantee from PT Indomarco Perdana.
- 237,600,000 shares owned by PT Indomarco Perdana in Company.
- 57,168,000 shares owned by PT Lentera Bumi Mas in the Company.
- Other collateral as may be requested by the bank from time to time.

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19. BANK LOANS (Continued)

PT Bank Mega Tbk (Continued)

Term Loan VII, Term Loan VIII, Term Loan IX, Term Loan X and Term Loan XI facilities were settled by the Company based on Letter No. 075/CBPM-CRP/12 dated June 4, 2012.

Term Loan V and VI facilities were settled by the Company based on Letter No. 797/CCOP-ACC/13 dated June 28, 2013.

As of July 15, 2013, all collateral has been withdrawn by the Company.

PT Bank Mandiri (Persero) Tbk

Based on Letter No. CBG.CB1/SPPK/009/2013 dated March 19, 2013, the Company obtained new credit facilities, extensions and changes as follows:

- Extension for Working Capital Credit I Facility (KMK I) of Rp 450,000,000.
- Extension for Working Capital Credit II Facility (KMK II) of Rp 200,000,000.
- Change for Working Capital Credit III Facility (KMK III) from Rp 300,000,000 to Rp 660,000,000.
- New Credit Facility (PTK 4) of Rp 340,000,000.

The credit facilities bear interest at 8.50 % per year for a one-year period from August 13, 2013 until August 12, 2014 for KMK I, 8.25 % per year for a one-year period from August 13, 2013 until August 12, 2014 for KMK II and KMK III and 8.50 % for PTK 4 for a period until December 23, 2018.

The collateral for the credit facilities consists of:

- Receivables and inventories financed using the working capital credit facility for DC Jakarta 1, DC Bogor, DC Tangerang, DC Bekasi, DC Bandung, DC Cirebon, DC Palembang, DC Makassar, and DC Bali of Rp 306,237,000 (receivables) and Rp 900,000,000 (inventories).
- 3 plots of land with Building Usage Right Certificates No. 942, No. 943, and No. 944 located in West Java, Tangerang, Serpong Subdistrict, Lengkong Wetan Village under the name of PT Indorealty Suryapersada with a guarantee value of Rp 107.123.000
- 4 plots of land with Building Usage Right Certificates No. 02614/Babakan, No. 00513/Purwasari, No. 01540/Cibalongsari and No. 02553/Duren under the name of the Company with a guarantee value of Rp 1,043,800
- Bank time deposits under the name of the Company No. AC 873304 and AC 873303 of Rp 15,000,000.
- Office equipment for 5 Indomaret DC (Jakarta, Bekasi, Tangerang, Bogor and Bandung) with a guarantee value of Rp 18,429,000

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19. BANK LOANS (Continued)

PT Bank Mandiri (Persero) Tbk (Continued)

Based on Letter No. CBG.CB1/SPK/ D02/2013/2012 dated August 1, 2012, the Company obtained credit facilities as follows :

- Working Capital Credit I Facility (KMK I) of Rp 450,000,000.
- Working Capital Credit II Facility (KMK II) of Rp 200,000,000.
- Additional Fixed Loan Working Capital Credit Facility of Rp 50,000,000.

The credit facilities bear interest at 9% per year, and the period of KMK I and KMK II is one year from August 13, 2013 and the Fixed Loan period is six months since the credit agreement was signed.

The collateral for the credit facilities consists of :

- Receivables and inventories financed using the working capital credit facility for DC Jakarta 1, DC Bogor, DC Tangerang, DC Bekasi, DC Bandung, DC Cirebon, DC Palembang, DC Makassar, and DC Bali of Rp 250,000,000 (receivables) and Rp 900,000,000 (inventories).
- Fixed asset collateral associated with PTK's collateral.
- Associated with collateral existing facilities.

Based on Agreement No. CRO.KP/159/KMK/11. No. 01 notarized by Yaumi Azhar, SH. LLM, Notary in Jakarta, on May 1, 2012, the Company obtained Working Capital Credit III Facility (KMK III) with a limit of Rp 300,000,000 bearing interest at 9 % for a period from May 1, 2012 until August 12, 2013.

The collateral for the credit facility consists of :

- Equipment on Indomaret outlets financed by the Bank, office equipment, warehouses, computers and Tail Hydrolic in 5 Indomaret DCs (Jakarta, Bekasi, Tangerang, Bogor and Bandung) in a fiduciary binding with a guarantee value of Rp 18,249,320.
- The Company's receivables in a fiduciary binding with a guarantee value of Rp 273,346,000.
- Inventories located in Jembatan Hitam, Cijunjung Village, Sukaraja Subdistrict, Bogor with a guarantee value of Rp 306,273,000.
- The Company's inventories in DC Cirebon and Palembang with a guarantee value of Rp 66,329,510.
- The Company's receivables in DC Cirebon and Palembang with a guarantee value of Rp 24,934,163.

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19. BANK LOANS (Continued)

PT Bank Mandiri (Persero) Tbk (Continued)

Several plots of land with :

1. Building Usage Right Certificate No. 942/ Lengkong Wetan, covering an area of 5,360 M² with a guarantee value of Rp 64,080,000.
2. Building Usage Right Certificate No. 943/ Lengkong Wetan, covering an area of 9,430 M² with a guarantee value of Rp 64,080,000.
3. Building Usage Right Certificate No. 944/ Lengkong Wetan, covering an area of 1,210 M² with a guarantee value of Rp 64,080,000.

- Time Deposit under the name of the Company placed in the Bank No. AC873304 bound by a Time Deposit Mortgage Deed with a guarantee value of Rp 10,000,000 dated August 18, 2011.
- Time Deposit under the name of the Company placed in the Bank No. AC873303 bound by a Time Deposit Mortgage Deed with a guarantee value of Rp 5,000,000 dated August 18, 2011.

Based on Agreement No. CRO.KP/085/ PTK/12 notarized by Yaumi Azhar, SH. LLM, notary in Jakarta, on May 1, 2012, the Company obtained a credit facility (PTK III) with a limit of Rp 500,000,000 bearing interest at 9% for a period from May 1, 2012 until January 23, 2017.

The collateral for the credit facility consists of :

- Equipment on Indomaret outlets financed by the Bank, office equipment, warehouses, computers and Tail Hydraulic in 5 Indomaret DCs (Jakarta, Bekasi, Tangerang, Bogor and Bandung) in a fiduciary binding with a guarantee value of Rp 18,249,320.
- The Company's receivables in a fiduciary binding with a guarantee value of Rp 273,346,000.
- Inventories located in Jembatan Hitam, Cijunjung Village, Sukaraja Subdistrict, Bogor with a guarantee value of Rp 306,273,000.
- The Company's inventories in DC Cirebon and Palembang with a guarantee value of Rp 66,329,510.
- The Company's receivables in DC Cirebon and Palembang with a guarantee value of Rp 24,934,163.
- Several plots of land with :
 1. Building Usage Right Certificate No. 942/ Lengkong Wetan, covering an area of 5,360 M² with a guarantee value of Rp 64,080,000.
 2. Building Usage Right Certificate No. 943/ Lengkong Wetan, covering an area of 9,430 M² with a guarantee value of Rp 64,080,000.
 3. Building Usage Right Certificate No. 944/ Lengkong Wetan, covering an area of 1,210 M² with a guarantee value of Rp 64,080,000.
- Time Deposit under the name of the Company placed in the PT Bank Mandiri (Persero) Tbk No. AC873304 bound by a Time Deposit Mortgage Deed with a guarantee value of Rp 10,000,000 dated August 18, 2011.

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19. BANK LOANS (Continued)

PT Bank Mandiri (Persero) Tbk (Continued)

- Time Deposit under the name of the Company placed in the PT Bank Mandiri (Persero) Tbk No. AC873304 bound by a Time Deposit Mortgage Deed with a guarantee value of Rp 5,000,000 dated August 18, 2011.

Based on Deed of Working Capital Credit Agreement No. CRO.KP/160/KMK/11 of Sri Ismayati SH., notary in Jakarta, dated June 10, 2011, the Company obtained a Special Transaction Loan Facility amounting to Rp 400,000,000 bearing interest at 10.50 %.

The credit period is from June 10, 2011 until December 31, 2016.

The collateral for the credit facility consists of :

- Indomaret's outlet equipment financed through the working capital credit facility and PTK-1 facility.
- Land and buildings, as follows :
 1. Building Use Right Certificate No. 00001/Tempuran.
 2. Building Use Right Certificate No. 1696/Besar.
- Bank time deposit of Rp 5,000,000 Serial No. AC873303, Account No. 120-02-4070882-5 under the name of the Company.

Based on Deed of Working Capital Credit Agreement No. KP-CRO/014/PTK/2010, of Notary Sri Ismiyati, SH., the Company obtained a credit facility amounting to Rp 165,000,000 for financing the opening of 325 Indomaret outlets bearing interest at 10.75 %.

The credit period is from November 4, 2010 to November 3, 2015.

The collateral for the credit facility consists of :

- The Company's all inventories with a collateral object value of Rp 273,346,285 with a collateral value of to Rp 273,346,000.
- The Company's all receivable bills with a collateral object value of Rp 306,237,623 with a collateral value of to Rp 306,237,000.
- 3 plots of land with Building Usage Right certificates located in West Java Province registered under the name of PT Indorealty Surya Persada, as follows :
 1. No. 942/Lengkong Wetan, covering an area of 5,360 M².
 2. No. 943/Lengkong Wetan, covering an area of 9,430 M².
 3. No. 944/Lengkong Wetan, covering an area of 1,210 M².
- A plot of 180 M² land with Building Usage Right Certificate No. 02614/Babakan, located in West Java, Tangerang Subdistrict, Serpong Subdistrict, Babakan Village, valid until August 8, 2034, under the name of the Company.
- A plot of 364 M² land with Building Usage Right Certificate No. 00513/Purwasari, located in West Java, Tangerang Subdistrict, Purwasari Subdistrict, Purwasari Village valid until December 12, 2036, under the name of the Company.

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19. BANK LOANS (Continued)

PT Bank Mandiri (Persero) Tbk (Continued)

- A plot of 90 M² land with Building Usage Right Certificate No. 02553/Duren, located Usage in West Java Province, Karawang Subdistrict, Klai Subdistrict, Duren Village valid until March 16, 2034, under the name of the Company.
- A plot of 84 M² land with Building Usage Right Certificate No. 01540/Cibalongsari, located in West Java Province, Karawang Subdistrict, Klai Subdistrict, Cibalongsari Village valid until March 16, 2034, under the name of the Company.
- A time deposit in PT Bank Mandiri (Persero) Tbk of Rp 10,000,000.

PTK Loan I, PTK Loan II and PTK Loan III facilities were settled by the Company based on Letter No. CBGCBI/436/2013 dated July 12, 2013.

PT Bank Rakyat Indonesia (Persero) Tbk

Based on Working Capital Loan Agreement No. 53 notarized by Sri Ismiyati SH., Notary in Jakarta, on July 17, 2012, the Company obtained a Working Capital Credit Facility with a limit of Rp 200,000,000 bearing interest at 9 %. The period of the agreement is six months from the agreement signing to January 17, 2013. There is no collateral for this agreement.

PT Bank of Tokyo

Based on Credit Agreement No. 12-0594 LN dated August 9, 2012, the Company obtained a Credit Facility with a limit of Rp 300,000,000 bearing interest at 6.5 % with a 2 % margin per year. The period of the agreement is seven months from the agreement signing to March 9, 2013. There is no collateral for this agreement.

This credit agreement has been extended until March 5, 2014 through a letter from PT Bank of Tokyo.

PT Bank CIMB Niaga Tbk

Based on Deed of Working Capital Credit Agreement No. 126 of Notary Veronica Nataadmadja, SH., M Corp Admin, M Com dated July 29, 2011, the Company obtained credit facilities as follows :

- Overdraft Loan Facility amounting to Rp 50,000,000 for a twelve-month period bearing interest at 10.75 %.
- Fixed Loan Facility amounting to Rp 50,000,000 for a twelve-month period bearing interest at 10.25 %.

The collateral for the credit facilities consists of :

- Building Usage Right Certificate No. 01189 covering an area of 10,780 M².
- Building Usage Right Certificate No. 01176 covering an area of 37,604 M².
- Building Usage Right Certificate No. 01213 covering an area of 6,265 M².

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19. BANK LOANS (Continued)

PT Bank CIMB Niaga Tbk (Continued)

All of them above under the name of PT Ukanik with a total coverage value of at least Rp 100,000,000.

- The Company's fiduciary inventories located in the Semarang Distribution Center with a minimum collateral value of Rp 90,000,000

The credit facilities matured on July 29, 2012.

Based on Deed of Credit Agreement No. 36 dated August 9, 2012 of Antoni Halim, SH., notary in Jakarta, the Company obtained an extension of credit facilities and new credit facilities as follows :

- Extension of Overdraft facility amounting to Rp 50,000,000 for a twelve-month period from July 29, 2012 to July 29, 2013, bearing interest at 10.75 % with a 0.5 % provision.
- Extension of Fixed Loan Facility amounting to Rp 50,000,000 for a twelve-month period from July 29, 2012 to July 29, 2013, bearing interest at 10.25 % with a 0.5 % provision.
- Investment Loan Facility amounting to Rp 450,000,000 for a maximum 72-month period since the credit agreement signing from May 29, 2012 to May 29, 2018, bearing interest at 11 % with a 0.1 % flat provision and a Rp 10,000 administration fee.
- Special Transactions Loan Facility amounting to Rp 200,000,000 for a period from the credit agreement signing to January 9, 2014, bearing interest at 10.25 % with a 0.5 % annual provision.

The collateral for the credit facilities consists of :

- Building Usage Right Certificate No. 01176/ Kadu covering an area of 37,604 M² with a coverage right of Rp 70,000,000.
- Building Usage Right Certificate No. 01189/ Kadu covering an area of 10,780 M² with a coverage right of Rp 21,000,000.
- Building Usage Right Certificate No. 01213/ Kadu covering an area of 6,265 M² with a coverage right of Rp 9,000,000.
- For the Investment Loan :
 1. Building Usage Right Certificate No. 01214/ Kadu covering an area of 1,715 M² with a coverage right of Rp 7,500,000.
 2. Building Usage Right Certificate No. 01215/ Kadu covering an area of 1,735 M² with a coverage right of Rp 7,587,000.
 3. Building Usage Right Certificate No. 01216/ Kadu covering an area of 3,135 M² with a coverage right of Rp 13,709,000.
 4. Building Usage Right Certificate No. 01217/ Kadu covering an area of 3,910 M² with a coverage right of Rp 17,098,000.

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19. BANK LOANS (Continued)

PT Bank CIMB Niaga Tbk (Continued)

5. Building Usage Right Certificate No. 01218/ Kadu covering on area of 640 M² with a coverage right of Rp 2,799,000.
6. Building Usage Right Certificate No. 01219/ Kadu covering an area of 1,370 M² with a coverage right of Rp 5,991,000.

PT Bank Central Asia Tbk

Based on Credit Agreement No. 10087/GBK/2013 dated February 28, 2013, the Company obtained new credit facilities :

- Working Capital - Local Credit Facility of Rp 300,000,000.
- Working Capital - Time Loan Revolving Facility of Rp 200,000,000.

The credit facilities bear interest 8.5% per year, and period for the facilities is one year from February 28, 2013.

The collateral for the facilities for the credit facilities consists of BCA Fund Products of PT Indomarco Prismatama.

Until now the Company has not utilized the facilities.

20. CONSUMER FINANCING LOANS

The details are as follows :

	June 30, 2013	December 31,		
		2012	2011	2010
Short-term				
PT Mandiri Tunas Finance	34,593,996	26,987,795	10,022,203	7,656,348
PT BCA Finance	10,142,314	12,343,143	11,118,960	9,117,327
PT Indomobil Finance Indonesia	2,929,937	11,759	836,577	993,478
PT Bringin Indotama Sejahtera Finance	211,578	61,467	-	-
Total Short-term	<u>47,877,825</u>	<u>39,404,164</u>	<u>21,977,740</u>	<u>17,767,153</u>
Long-term				
PT Mandiri Tunas Finance	72,750,617	53,106,172	20,129,751	25,335,551
PT Indomobil Finance	5,163,043	-	334,648	1,171,224
PT BCA Finance	1,273,029	5,111,959	17,345,134	26,448,559
PT Bringin Indotama Sejahtera Finance	312,903	557,548	-	-
Total Long-term	<u>79,499,592</u>	<u>58,775,679</u>	<u>37,809,533</u>	<u>52,955,334</u>

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20. CONSUMER FINANCING LOANS

PT BCA Finance :

Based on several financing agreements between the Company and PT BCA Finance representing PT Bank Central Asia Tbk, the Company obtained a credit facility for the purchase or supply of goods from the sellers/suppliers/dealers bearing interest at 6.85% flat per annum (13% effective per annum), for a period of 36 to 48 months in advance and the goods is secured with Total Loss Only (TLO) insurance.

PT Indomobil Finance Indonesia :

Based on several financing agreements between the Company and PT Indomobil Finance Indonesia, the Company obtained a credit facility for the purchase or supply of goods from the sellers/suppliers/dealers bearing interest at 4.91% and 7.49% for the 6-month periods ended June 30, 2013 and for the years ended December 31, 2012, 2011 and 2010 flat per annum for a period of 36 to 48 months.

PT Mandiri Tunas Finance :

Based on several financing agreements between the Company and PT Mandiri Tunas Finance, the Company obtained a credit facility for the purchase or supply of goods from the sellers/suppliers/dealers bearing interest at 4.90% and 6.65% for the 6-month periods ended June 30, 2013 and for the years ended December 31, 2012, 2011 and 2010 flat per annum (12.65% effective per annum), for a period of 36 to 48 months.

PT Bringin Indotama Sejahtera Finance :

Based on the financing agreement between the Company and PT Bringin Indotama Sejahtera Finance, the Company obtained a credit facility for the purchase or supply of goods from the sellers/suppliers/dealers bearing interest at 7.75% flat per annum, for a period of 36 months.

21. SHARE CAPITAL

Based on Notarial Deed No. 21 dated June 10, 2013 of Public Notary Popie Savitri Martosuhardjo Pharmanto, SH, agreed to increase the authorized shares from Rp 350,000,000 into Rp 750,000,000, subscribed and fully paid 1,108,080,000 shares or Rp 277,020,000 with par value of Rp 250 (full amount) into 1,846,800,000 shares or Rp 461,700,000 and issue 738,720,000 new shares or Rp 184,680,000 which to be taken by PT Dyviacom Intrabumi Tbk. These changes were approved by the Minister of Law and Human Rights of the Republic Indonesia in Decision Letter No. AHU-36812.AH.01.02.Tahun 2013 dated July 8, 2013.

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21. SHARE CAPITAL (Continued)

The composition of the Company's shareholders as of June 30, 2013 is as follows :

Name of Stockholder	Number of Shares	Percentage of Ownership %	Amount
PT Indomarco Perdana	1,026,912,000 Shares	55.60 %	Rp 256,728,000
PT Dyviacom Intrabumi Tbk	738,720,000	40.00	184,680,000
PT Lentera Bumi Mas	57,168,000	3.10	14,292,000
Sinarman Jonatan	24,000,000	1.30	6,000,000
J u m l a h	<u>1,846,800,000 Shares</u>	<u>100 %</u>	<u>Rp 461,700,000</u>

The composition of the Company's shareholders as of December 31, 2012, 2011 and 2010 is as follows:

Name of Stockholder	Number of Shares	Percentage of Ownership %	Amount
PT Indomarco Perdana	1,026,912,000 Shares	92.67 %	Rp 256,728,000
PT Lentera Bumi Mas	57,168,000	5.16	14,292,000
Sinarman Jonatan	24,000,000	2.17	6,000,000
J u m l a h	<u>1,108,080,000 Shares</u>	<u>100 %</u>	<u>Rp 277,020,000</u>

All the Company's shares owned by PT Indomarco Perdana and PT Lentera Bumi Mas are pledged as collateral (see Note 19).

22. PAID IN CAPITAL

This account represents the difference between the share par value and the paid-in amount.

23. DIVIDEND

Based on the annual general meeting of shareholder of PT Indomarco Prismatama on April 17, 2013, The Shareholders approved the distribution of dividend amounting to Rp 160,000,000.

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24. GENERAL RESERVES

Based on Article 70 of Law 40 year 2007 regarding Limited Liability Companies, the Company is required to set aside its net income as a reserve fund, until the reserve fund reaches at least 20% of the total subscribed capital to be used to cover possible losses in the future that cannot be met by other reserves.

In 2011 and 2013, the Company set aside Rp 300,000 and Rp 200,000 of its income and the management provided no more reserve because so far there is no risk from operations encountered by the Company.

25. DIFFERENCE ARISING FROM RESTRUCTURING TRANSACTION AMONG ENTITIES UNDER COMMON CONTROL

Transactions of entities under common control represent the excess of investment over the book value of Subsidiary taken over by the Company from Mr. Liem Agustinus and Mr. Soetojo Koerniawan in 2012.

In 2013, transaction of entities under common control represent loss of sale of investment to PT Indomarco Perdana.

The details of transactions among entities under common control are as follows :

	Acquisition	Book Value	Comprehensive Income		Difference from Transactions among under Common Control
	Cost		2013	2012	
	Rp	Rp	Rp	Rp	Rp
Investment in Subsidiary	73,999,000	56,312,805	(15,470,524)	(5,434,495)	(23,120,690)

26. NET REVENUES

The details are as follows :

	June 30,		December 31,		
	2013	2012	2012	2011	2010
	Rp	Rp	(Restated) Rp	Rp	Rp
Merchandise Sales	14,093,956,811	10,759,386,257	24,050,418,281	17,830,155,008	13,777,953,973
Other Operating Income					
Joint Promotion Income	190,641,462	110,627,054	390,563,510	195,518,077	185,061,522
Rebate Income	164,951,271	55,665,162	176,350,738	156,804,365	95,478,640
Labor Procurement Services	143,454,123	92,359,502	195,823,195	150,427,097	114,760,822
Royalty Income	88,968,230	60,904,245	155,856,670	107,566,207	101,249,248
Display Rental Income	257,615,159	217,968,961	458,316,434	514,219,115	415,077,751
Other Income (Accounts with balances below Rp 100,000,000, each)	325,981,327	204,333,847	500,610,099	293,355,327	229,506,616
T o t a l	<u>1,171,611,572</u>	<u>741,858,771</u>	<u>1,877,520,646</u>	<u>1,417,890,188</u>	<u>1,141,134,599</u>
T O T A L	<u>15,265,568,383</u>	<u>11,501,245,028</u>	<u>25,927,938,927</u>	<u>19,248,045,196</u>	<u>14,919,088,572</u>

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27. COST OF REVENUES

The details are as follows :

	June 30,		December 31,		
	2013	2012	2012	2011	2010
Inventories at Beginning of the Year	2,114,689,347	1,445,217,138	1,445,217,138	1,031,750,513	811,325,281
Purchases	13,920,976,058	10,735,960,088	22,982,171,098	16,763,810,524	13,105,179,615
Purchase Discounts	(187,134,269)	(126,540,404)	(274,095,628)	(196,101,698)	(149,685,068)
Return to Supplier	(248,425,043)	(201,491,623)	(717,625,537)	(242,541,999)	(287,913,638)
Adjustments	(53,875,538)	(42,777,045)	(74,035,293)	(33,497,505)	(11,459,829)
Difference in Cost of Revenues	(4,361,397)	(5,876,469)	(9,638,030)	(8,790,684)	(9,126,219)
Provision for Damaged and Lost Inventories	(80,133,550)	(38,819,696)	(104,445,477)	(69,917,889)	(71,417,380)
Goods Available for Sale	15,461,735,608	11,765,671,989	23,247,548,271	17,244,711,262	13,386,902,762
Inventories at End of the Year	(3,130,004,583)	(2,289,865,951)	(2,114,689,347)	(1,445,217,138)	(1,031,750,513)
Cost of Revenues	<u>12,331,731,025</u>	<u>9,475,806,038</u>	<u>21,132,858,924</u>	<u>15,799,494,124</u>	<u>12,355,152,249</u>

28. OPERATING EXPENSES

The details are as follows :

	June 30,		December 31,		
	2013	2012	2012	2011	2010
Salaries, Wages, and Allowances	884,191,408	593,504,452	1,252,984,276	988,051,680	844,988,476
Management Fee	367,630,830	102,321,044	254,137,985	82,238,118	693,340
Electricity and Power	242,019,912	175,141,418	382,404,707	291,457,909	216,575,490
Building Rentals	181,480,161	120,593,323	274,198,202	189,249,676	163,378,267
Depreciation	126,057,298	102,649,644	215,817,471	182,626,381	133,010,699
Outlet Equipment	113,731,511	68,154,993	212,372,873	147,360,422	115,006,008
Amortization of Renovation and Insurance	109,943,427	82,845,774	194,789,468	141,492,129	83,705,567
Equipment Rentals	66,726,657	50,715,473	121,651,231	77,152,612	24,850,638
Final Income Tax	63,768,086	47,526,163	101,745,632	90,033,695	67,906,756
Maintenance and Repairs	59,828,609	45,484,792	96,301,403	78,318,858	61,650,931
Damaged and Lost Inventories	55,442,613	28,369,018	76,799,240	51,843,826	54,273,014
Supplies Amortization	33,150,620	21,227,393	53,419,050	34,639,969	17,287,278
Office Equipment	26,931,648	18,512,061	41,244,883	36,493,110	33,382,679
Insurance	26,227,575	16,975,396	36,062,625	29,429,210	32,948,190
Pension Funds	25,087,633	16,851,358	37,041,958	28,006,587	21,988,056
Post-Employment Benefits	24,816,970	20,877,192	41,754,382	36,836,761	22,782,096
Traveling	23,226,828	15,381,051	45,096,190	24,253,446	28,882,571
Business Licences and Trademarks	16,130,812	12,372,805	58,091,000	38,709,001	23,916,533
Donations and Contributions	15,005,697	12,413,685	31,156,678	18,573,560	16,569,987
Telephone, Telex and Postage	14,310,129	11,613,540	24,426,168	21,369,573	20,658,800
IT Development	12,000,000	7,893,000	9,563,000	-	-
Internship	8,032,699	82,730,353	162,680,411	134,755,288	93,813,543
Land and Building Taxes and Vehicle Registration	4,366,744	3,403,381	8,240,853	7,124,046	5,370,424
Honorariums	2,452,462	1,459,449	4,270,811	5,301,727	7,641,213
Advertising and Promotion	1,919,663	1,173,362	2,873,472	2,682,403	2,008,214
Others	197,111,190	122,458,391	342,174,105	209,127,854	212,096,379
T o t a l	<u>2,701,591,182</u>	<u>1,782,648,511</u>	<u>4,081,298,074</u>	<u>2,947,127,841</u>	<u>2,305,385,149</u>

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29. OTHER INCOME (EXPENSES)

The details are as follows :

	June 30,		December 31,		
	2 0 1 3	2 0 1 2	2 0 1 2	2 0 1 1	2 0 1 0
	Rp	Rp	Rp	Rp	Rp
Interest Income	5,934,053	5,103,321	10,161,482	8,809,812	5,089,726
Equity and Subsidiary Income	5,557,846	-	-	-	-
Space Rentals and Building Maintenance	5,452,361	202,971	454,988	39,189	67,959
Electricity and Water Management Income	1,026,494	635,854	1,387,653	1,690,717	1,996,598
Security Service Management	818,282	449,833	931,709	1,493,998	1,543,077
Office Rentals	742,437	383,891	886,511	1,162,176	1,699,274
Recruitment and Training Services	456,090	261,445	609,320	540,830	564,000
External Vehicle Services	16,348	101,012	132,626	261,804	290,383
Interest Expense	(127,282,080)	(91,719,617)	(205,567,141)	(198,485,978)	(133,546,610)
Others	36,890,118	26,521,366	34,286,092	25,667,079	30,162,382
T o t a l	<u>(70,388,051)</u>	<u>(58,059,924)</u>	<u>(156,716,760)</u>	<u>(158,820,373)</u>	<u>(92,133,211)</u>

30. PENSION PROGRAM

The Company has its defined benefit pension plan for all local permanent employees managed by PT Central Asia Raya and PT Indolife Pensiontama. In this program, the retirement benefits to be paid are calculated based on the last basic salary with a salary increase per year and the period of employment with an assumption of retirement at age 56.

The pension fund is 5% from the Company's contribution. The pension expense is calculated by PT Dayamandiri Dharmakonsilindo using the Projected Unit Credit method.

31. POST-EMPLOYMENT BENEFITS

Based on the Company's Actuarial Calculation Report No. 0391/ST-GG/PSAK24-IMPT/II/2013 dated February 21, 2013 by an independent actuary, PT Dayamandiri Dharmakonsilindo, the estimated post-employment benefit liabilities as of December 31, 2012 and 2011 amounted to Rp 191,862,627 and Rp 150,108,246, respectively.

The main assumptions used in determining the termination of employment expenses by PT Dayamandiri Dharmakonsilindo, an independent actuary, are as follows :

Mortality Rate	:	The 1958 Commissioners Standard Ordinary Mortality Table
Normal Retirement Age	:	56 years
Salary Increment Rate	:	6.25 %, 7.1% and 9.25 % for 2012, 2011 and 2010
Technical Interest Rate	:	6.25 %, 7.1% and 9.25 % for 2012, 2011 and 2010

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31. POST-EMPLOYMENT BENEFITS (Continued)

Post-employment benefit expenses recognized in the Statements of Comprehensive Income are as follows :

	June 30,		December 31,		
	2 0 1 3	2 0 1 2	2 0 1 2	2 0 1 1	2 0 1 0
	Rp	Rp	Rp	Rp	Rp
Current Service Cost	17,194,438	14,470,730	28,941,460	21,529,731	18,551,443
Interest Cost	6,609,034	6,034,625	12,069,249	14,209,855	12,425,815
Loss on Actuarial	-	(618,288)	(1,236,575)	(1,139,060)	(1,660,297)
Net Amortization for the Year	1,013,499	990,125	1,980,247	2,236,234	2,236,234
T o t a l	<u>24,816,971</u>	<u>20,877,192</u>	<u>41,754,381</u>	<u>36,836,760</u>	<u>31,553,195</u>

Post-employment benefit liabilities in the Statement of Financial Position are as follows :

	June 30,	December 31,		
	2 0 1 3	2 0 1 2	2 0 1 1	2 0 1 0
	Rp	Rp	Rp	Rp
Unrecognize Present Value of Liabilities	-	213,855,850	171,966,079	155,711,852
Expenses Recognized in Profit or Loss	-	16,061,915	(5,372,940)	(25,203,724)
Unrecognized Past Service Cost	-	<u>(38,055,138)</u>	<u>(16,484,893)</u>	<u>(17,236,643)</u>
Net Liabilities	<u>-</u>	<u>191,862,627</u>	<u>150,108,246</u>	<u>113,271,485</u>

Changes in net liabilities in the Statements of Financial Position are as follows :

	June 30,	December 31,		
	2 0 1 3	2 0 1 2	2 0 1 1	2 0 1 0
	Rp	Rp	Rp	Rp
Beginning Balance	191,862,627	150,108,246	113,271,486	81,718,290
Current Year Expenses	24,816,970	41,754,381	36,836,760	31,553,195
Severance Payment	<u>(115,384)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Balance	<u>216,564,213</u>	<u>191,862,627</u>	<u>150,108,246</u>	<u>113,271,485</u>

32. AGREEMENTS

Based on Rental Agreement with PT Ukanik No. 32/CLG-XII/2010, dated December 31, 2010, the Company rented warehouses and office buildings on 12 plots of land located on Jalan Gatot Subroto, Kadu Village, Curug Subdistrict, Tangerang District, Banten Province as follows :

- Building Usage Right Certificate No. 01176/Kadu covering an area of 37,604 m².
- Building Usage Right Certificate No. 01189/Kadu covering an area of 10,780 m².
- Building Usage Right Certificate No. 01214/Kadu covering an area of 1,715 m².
- Building Usage Right Certificate No. 01221/Kadu covering an area of 2,220 m².
- Building Usage Right Certificate No. 01220/Kadu covering an area of 1,090 m².
- Building Usage Right Certificate No. 01222/Kadu covering an area of 4,766 m².
- Building Usage Right Certificate No. 01215/Kadu covering an area of 1,735 m².
- Building Usage Right Certificate No. 01219/Kadu covering an area of 1,370 m².
- Building Usage Right Certificate No. 01217/Kadu covering an area of 3,910 m².

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32. AGREEMENTS (Continued)

- Building Usage Right Certificate No. 01218/Kadu covering an area of 640 m².
- Building Usage Right Certificate No. 01213/Kadu covering an area of 6,265 m².
- Building Usage Right Certificate No. 01216/Kadu covering an area of 3,135 m².

The rental is for a 15-year period since the completed building is handed over by PT Ukanik through the signing of the Handover Report by PT Ukanik and PT Indomarco Prismaatama. The buildings shall be handed over on January 1, 2011.

The payment schedule is as follows :

STAGE	MONTH	AMOUNT (In Rp)	STAGE	MONTH	AMOUNT (In Rp)
1	January 2011	22,200,000	13	January 2014	3,900,000
2	April 2011	3,900,000	14	April 2014	3,900,000
3	July 2011	3,900,000	15	July 2014	3,900,000
4	October 2011	3,900,000	16	October 2014	3,900,000
5	January 2011	3,900,000	17	January 2015	3,900,000
6	April 2012	3,900,000	18	April 2015	3,900,000
7	July 2012	3,900,000	19	July 2015	3,900,000
8	October 2012	3,900,000	20	October 2015	3,900,000
9	January 2013	3,900,000	21	January 2016	3,900,000
10	April 2013	3,900,000	22	April 2016	3,900,000
11	July 2013	3,900,000	23	July 2016	3,900,000
12	October 2013	3,900,000	24	October 2016	3,000,000
				TOTAL	111,000,000

Based on Rental Agreement with PT Ukanik No. 1014//CLG-XI/2011 dated November 18, 2011, amended by Addendum 1 dated December 1, 2011 No. 1065B/CLG-XII/2011 and Addendum II No. 683/CLG-VI/2013 dated June 3, 2013, the Company rented warehouses and office buildings as Distribution Centers located in Tangerang 2 on 12 plots of land on Jalan Gatot Subroto, Kadu Village, Curug Subdistrict, Tangerang District, Banten Province.

The rental is for a 10-year period since the completed building is handed over by PT Ukanik through the signing of the Handover Report by PT Ukanik and PT Indomarco Prismaatama on June 1, 2013, to end on May 31, 2013.

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32. AGREEMENTS (Continued)

The payment schedule is as follows :

Stage	Month	Amount (in Rp)	Stage	Month	Amount (in Rp)
1	June 2013	30,000,000	12	March 2016	3,100,000
2	September 2013	3,100,000	13	June 2016	3,100,000
3	December 2013	3,100,000	14	September 2016	3,100,000
4	March 2014	3,100,000	15	December 2016	3,100,000
5	June 2014	3,100,000	16	March 2017	3,100,000
6	September 2014	3,100,000	17	June 2017	3,100,000
7	December 2014	3,100,000	18	September 2017	3,100,000
8	March 2015	3,100,000	19	December 2017	3,100,000
9	June 2015	3,100,000	20	March 2018	3,100,000
10	September 2015	3,100,000	21	June 2018	2,100,000
11	December 2015	3,100,000			

Based on Rental Agreement with PT Andalan Utama Prima No. 138/CLG-VI/2010, dated June 25, 2010, the Company rented the 36,725 m² building and land located in Kampung Jembatan Hitam, Cujujung Village, Sukaraja Subdistrict, Bogor District, West Java Province for a ten-year period since the building handover, at a total rental of Rp 97,500,000, paid in 24 installments as follows :

- Stage 1 amounting to Rp 19,500,000.
- Stages 2 to 23 amounting to Rp 3,400,000.
- Stage 24 amounting to Rp 3,200,000.

Payments are made every 3 months starting from June 25, 2010.

33. TRANSACTIONS WITH RELATED PARTIES

In its normal course of business, the Company entered into business and financial transactions with related parties. The Company's management believes that the transactions were carried out at normal prices and terms as those to unrelated parties particularly regarding purchases and sales of merchandise.

Companies under the same management :

1. PT Andalan Utama Prima
2. PT Ukanik

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33. TRANSACTIONS WITH RELATED PARTIES (Continued)

Transactions with Related Parties :

In conducting its business, the Company purchases merchandise goods from its related party, PT Inti Cakrawala Citra. The merchandise purchases from the related party for the years ended June 30, 2013, December 31, 2012, 2011 and 2010 amounted to 1.91 %, 1.47 %, 1.44 % and 1.72 % of the total purchases.

The Company recorded building rental expenses from PT Andalan Utama Prima for the six months periods ended June 30, 2013 and 2012 amounting to Rp 36,397,476 and Rp 23,977,881 and for the years 2012, 2011 and 2010 amounting to Rp 58,508,969, Rp 36,169,556 and Rp 650,000, respectively, while the rental expenses with PT Ukanik for the six months periods ended June 30, 2013 and 2012 amounting to Rp 4,458,333 and Rp 3,700,000 and for the years 2012 and 2011 amounted to Rp 7,400,000, each.

The companies mentioned above are a party either directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with the reporting Company including the Holding Company, Subsidiary and Associates.

Nature of the Relationship

PT Inti Cakrawala Citra (Subsidiary)

Receivables and Investments in Related Party

	June 30, 2013	December 31,		
	Rp	2012 Rp	2011 Rp	2010 Rp
Investment in Shares				
PT Inti Cakrawala Citra	-	74,264,505	79,699,000	79,699,000
Other Receivables				
PT Inti Cakrawala Citra	-	-	112,839	120,239

Payables to Related Party

	June 30, 2013	December 31,		
	Rp	2012 Rp	2011 Rp	2010 Rp
Trade Payables				
(See Note 13)				
PT Inti Cakrawala Citra	1,502,847	24,016,343	15,855,134	12,693,015

Receivables from related parties represent receivables arising from the expense payment made in advance by the Company.

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34. COMPANY RISK MANAGEMENT

The main risks arising from the Company's financial instruments are interest rate risk, exchange rate risk, credit risk and liquidity risk. The management reviews and approves policies for managing each risk as follows :

Foreign Exchange Risk

The Company's reporting currency is Indonesian Rupiah. Foreign exchange risk is the risk where the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates.

There is no concentration of foreign currency risk on the Company because there is no revenue or operating loan in foreign currencies.

Capital Risk Management

The Company's goal to manage the capital is to ensure the Company's ability to continue to maintain a constant effort to provide benefits to shareholders and other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company actively and regularly reviews and manages the capital structure to ensure the optimal development results to shareholders by taking into account the future capital needs and the Company's capital efficiency, profitability of the present and future, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities.

Interest Rate Risk

Since the Company has no significant assets that generate interest, the Company's operating income and cash flows are substantially free from changes in market interest rates.

The Company has interest rate risk arising from bank loans and overdrafts. Bank loans and overdrafts obtained are denominated in Indonesian Rupiah and subject to variable interest rates. Loans with variable interest rates pose a risk to interest rate cash flows. The Company has no fixed interest rate loans so it does not have the risk of fair value due to interest rates, however the interest rates of bank loans are not expected to cause significant impacts to the Company.

For floating interest obligations, a sensitivity analysis was prepared on the assumption that the total liabilities at the Statement of Financial Position date was outstanding throughout the year. The change of 50 basis point of interest rates at reporting dates would have increased the gain (loss) for the years ended June 30, 2013, December 31, 2012 and 2011 amounting to Rp 12,152,870 and Rp 14,484,221 and Rp 9,681,025, respectively. This analysis assumed that all other variables, especially foreign exchange rates, remained constant. This change was mainly due to the Company's exposure to loan interest rates whose variables increased.

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34. COMPANY RISK MANAGEMENT (Continued)

Credit Risk

Credit risk is the risk that the Company will experience a loss arising from its customers if the customers fail to meet their obligations.

There is no concentration of credit risk to the Company because the sales of merchandise are mainly from the cash and debit cards.

Liquidity Risk

Liquidity risk is the risk of loss arising because the Company does not have enough cash flows to meet the shortage of liabilities when due.

The Company maintains adequate levels of liquidity for its operational needs by monitoring and managing cash flows. The Company's cash ratio is 69 % and very low liquidity risk.

Classification of Financial Instruments

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in Note 2.

Classification of financial assets as of June 30, 2013, is as follows :

	Groups Traded	Determined at Fair Value	Available for Sale	Loans and Receivable	Total
Cash on Hand and in Banks	-	-	-	2,601,480,099	2,601,480,099
Pledged Time Deposits	-	-	-	15,000,000	15,000,000
Trade Receivables	-	-	-	1,608,017,963	1,608,017,963
Other Receivables	-	-	-	178,309,996	178,309,996
T o t a l	-	-	-	4,402,808,058	4,402,808,058

As of June 30, 2013, the fair values of financial assets were accordance with the carrying amounts.

Classification of financial assets as of December 31, 2012, is as follows :

	Groups Traded	Determined at Fair Value	Available for Sale	Loans and Receivable	Total
Cash on Hand and in Banks	-	-	-	1,162,736,267	1,162,736,267
Pledged Time Deposits	-	-	-	15,000,000	15,000,000
Trade Receivables	-	-	-	946,597,293	946,597,293
Other Receivables	-	-	-	226,740,634	226,740,634
T o t a l	-	-	-	2,351,074,194	2,351,074,194

As of December 31, 2012, the fair values of financial assets were equal to the carrying amounts.

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34. COMPANY RISK MANAGEMENT (Continued)

Classification of Financial Instruments (Continued)

Classification of financial liabilities as of June 30, 2013 is as follows :

	Fair Value through Profit or Loss	Amortized Cost	Total
Bank Loans	-	2,430,574,056	2,430,574,056
Trade Payables	-	3,784,195,084	3,784,195,084
Due to Franchisees		68,631,653	68,631,653
Other Payables	-	350,597,514	350,597,514
Accrued Expenses	-	239,066,773	239,066,773
Consumer Financing Loans	-	127,377,417	127,377,417
T o t a l	-	7,000,442,497	7,000,442,497

Classification of financial liabilities as of December 31, 2012 is as follows :

	Fair Value through Profit or Loss	Amortized Cost	Total
Bank Loans	-	2,896,844,115	2,896,844,115
Trade Payables	-	2,428,853,986	2,428,853,986
Due to Franchisees		55,406,217	55,406,217
Other Payables	-	328,596,929	328,596,929
Accrued Expenses	-	101,621,857	101,621,857
Consumer Financing Loans	-	98,179,843	98,179,843
T o t a l	-	5,909,502,947	5,909,502,947

Fair Value of Financial Instrument

The carrying values of financial assets and liabilities approximated their fair values resulting from the insignificant discount.

35. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

Actual results could differ from those estimates. Estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities are disclosed below.

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35. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

The Company makes estimates and assumption concerning the future. The resulting accounting estimates by definition are rarely equal to the actual results. Estimates and assumptions that are significantly at risk of causing a material adjustment to the carrying amounts of assets and liabilities over the next 12 months are listed below :

Employee Benefits

Present value of the pension obligations depends on a number of factors that are determined by using a number of actuarial assumptions. Assumptions used in determining the cost/net income for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Company determines the appropriate discount rate at the end of each reporting period, the interest rate that should be used to determine the present value of estimated future cash flows expencted to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rate of government bonds in the currency in which the benefits will be paid and have the maturity period close to the period of the related pension liability. Other key assumptions for pension obligations are based in part on the current market condition.

Allowance for Obsolete and Slow Moving Inventories

The Company makes a provision involving estimates of some elements, particularly the period in which the inventories are expected to be sold and the price level where the inventories can be sold.

Uncertainties related to these factors can result in a final amount that can be differently realized to the reported carrying amount of inventories.

Estimated Useful Life of Propery and Equipment

The Company determines the estimated useful life and depreciation expense of property and equipment. The Company will revise the depreciation expense if the useful life differs from the previous estimate.

The Company shall write off or impair the obsolete and no longer used assets.

36. NON CASH TRANSACTIONS

The details are as follows :

	June 30,		December 31,		
	2 0 1 3	2 0 1 2	2 0 1 2	2 0 1 1	2 0 1 0
	Rp	Rp	Rp	Rp	Rp
Purchases of Equipment through Financing Company Loans	34,890,851	5,207,333	58,328,698	3,473,636	81,570,005

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37. REISSUANCE OF THE FINANCIAL STATEMENTS

In connection with the Company's acquisition plan by a public company, the Company reissued the Financial Statements as of and for the year ended December 31, 2012 with several changes as follows:

- a. Statement of Comprehensive Income
- b. Statement of Cash Flows

38. MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's management is responsible for the preparation and presentation of the Company's Financial Statements.