Indocement
Annual Report
2001

Indocement Annual Report 2001

Integration Into A World Class Cement Group

PT INDOCEMENT TUNGGAL PRAKARSA Tbk.

INDOCEMENT
HEIDELBERGCEMENT Group

Mission

Better Shelter for a Better Life

We are in the business of providing consistent prime quality shelter, construction materials and related services. We are aiming to be the lowest cost producer, in a way that promotes sustainable development, wholesome communities and a friendly environment.

Integration Into A World Class Cement Grou

The year 2001 was memorable and significant to Indocement. April 2001 marked the formal entry of HeidelbergCement - a major global player in the cement industry, as the new majority shareholder of the Company. This was a significant change but the coming together of Indocement and HeidelbergCemer has been achieved in a harmonious and positive spirit:

First, there was a smooth transition to a new leadership team, the composition of which is an appropriate blend of local expertise and international experience. It is a team compose of highly professional individuals, each one showing a track record of success and personal achievement.

Second and equally significant was the process of integration, which involved a fundamental approach to synchronize Indocement's management philosophy with that of HeidelbergCement to achieve synergy and goal convergence. This successful integration will ensure that the Company achieve its objectives smoothly.

Contents

Consolidated Financial Highlights

Amounts in billion rupiahs unless otherwise stated	2001	2000
Net revenues	**3,453**	2,448
EBITDA	**1,082**	961
Income from operations	**672**	705
Foreign exchange gain (loss)	**(320)**	(1,445)
Net income (loss)	**(63)**	(874)*
Earnings (loss) per share (Rp)	**(19)**	(362)*
Net cash provided by operating activities	**618**	958
Capital expenditures	**143**	114
Total assets	**11,930**	11,649
Net indebtedness	**8,884**	10,201*
Total shareholders' equity	**2,763**	1,122*
Market capitalization as of 31 December	**2,577**	3,975

Financial ratios (%)		
Net gearing	**308**	872*
Interest cover (times)	**2.2**	1.9
Debt to equity	**76 : 24**	90 : 10
Return on equity	**(2)**	(78)

* As restated by the Independent External Auditors

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Corporate Structure

Business	Company	Ownership
Cement and Property Businesses	**PT Indocement Tunggal Prakarsa Tbk.** Citeureup Factory, West Java - 9 Plants Cirebon Factory, West Java – 2 Plants Tarjun Factory, South Kalimantan – 1 Plant Wisma Indocement - Offices	
Cement Related Businesses	**PT Indomix Perkasa**	99.9%
	PT Pioneer Beton Industri Ready-Mix Concrete	50.0%
	PT Indo Clean Set Cement Clean Set Cement	47.5%
	PT Dian Abadi Perkasa Cement Trading	99.9%
Other Major Investments	**PT Wisma Nusantara International** Offices &Hotels	33.9%
	PT Cibinong Center Industrial Estate Industrial Estate	50.0%
	PT Indotek Engico Engineering Service	50.0%
	PT Indominco Mandiri Coal Mining	35.0%
	PT Pama Indo Mining Mining	40.0%
	Stillwater Shipping Corporation Shipping	50.0%

About the Company

Indocement is a producer of cement and other related products and is currently among the largest cement producers in Indonesia. The Company is an integrated cement producer with an annual production capacity of 15.4 million tons of clinker. The Company was established in 1985 and operates 12 plants, nine of which are located in Citeureup, Bogor, West Java; two in Palimanan, Cirebon, West Java and one in Tarjun, Kotabaru, South Kalimantan.

The Company's main product is Ordinary Portland Cement (OPC). It also produces other types of cement such as Portland Cement type II and type V, Oil Well Cement, White Cement and Portland Pozzolan Cement. Traditional main market areas are Central and West Java as well as Jakarta. In 2001, the Company had net sales turnover of Rp3,453 billion.

The Company is a minority shareholder of a coal mining company, and through its subsidiaries, is also engaged in Ready-Mix Concrete, Property and Engineering Service.

The Company's new majority shareholder is HeidelbergCement - a world class cement producer based in Germany and operating in 50 countries. It is also one of the world's largest suppliers of building construction materials and one of the world's largest cement trading companies. As a group, it has international expertise in technical, financial and marketing areas with a global network.

Indocement went public in 1989 and its shares are listed in both the Jakarta and Surabaya stock exchanges.

The headcount as at yearend 2001 stood at nearly 7,400.

Overview of the Indonesian Economy

Indonesia's Gross Domestic Product (GDP) registered a modest growth of 3.3% in 2001 despite a surge in domestic consumption as export revenues, the country's traditional strength and prime mover of its economic growth, suffered a shortfall following the economic recession in the United States, the country's main export market. This growth was likewise lower than the 4.8% achieved in 2000.

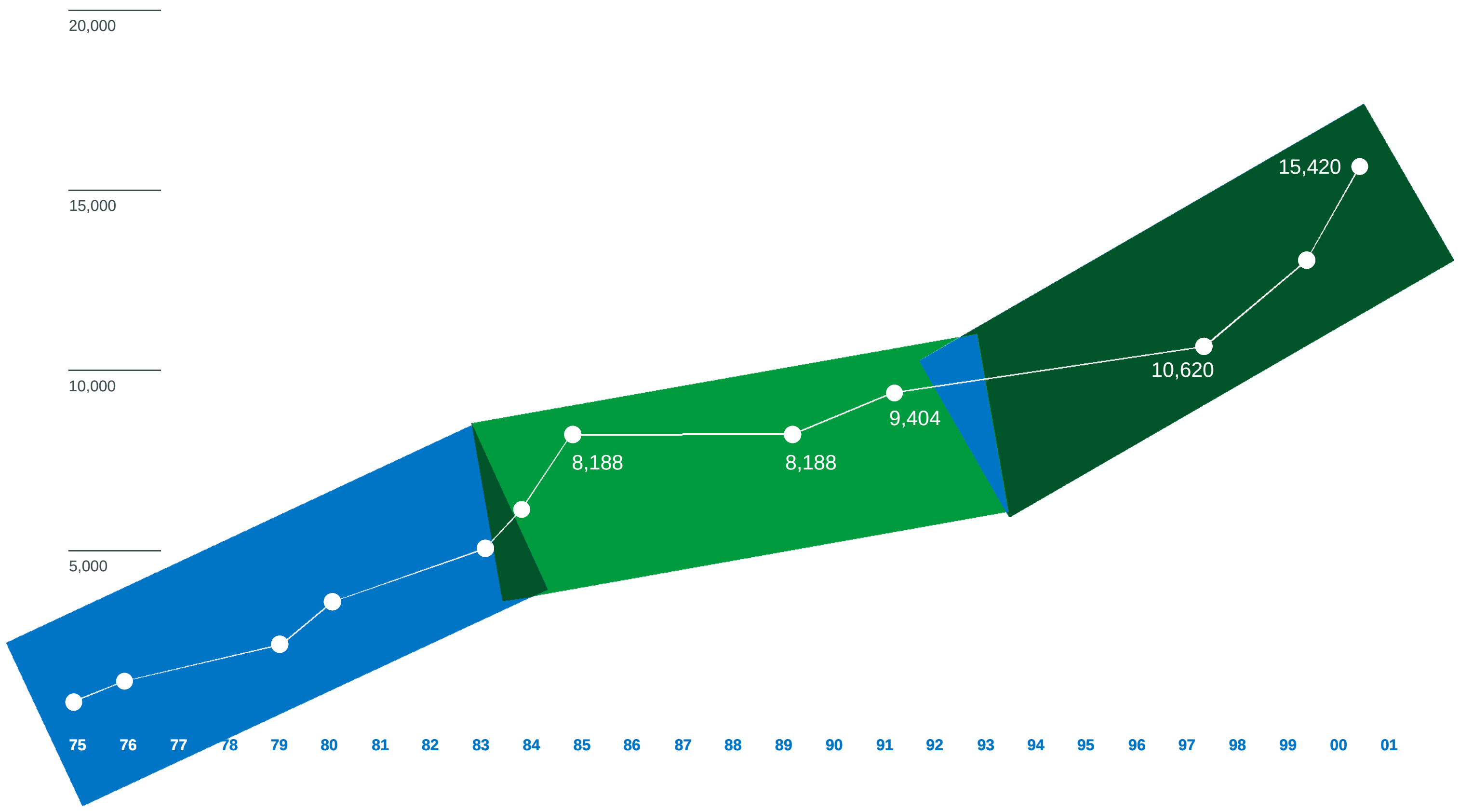
Inflation soared to 12.6% against the government's initial target of between 9 – 11% and compared to 9.4% a year before.

The rupiah averaged at Rp10,271 to the US dollar during the year. It dropped to as low as Rp12,200 in April as market confidence on the economy weakened due to political and social instabilities. The political crisis was resolved in late July via a peaceful transition in government resulting in short term optimism that pushed the rupiah to a high of Rp8,280. However, the September 11 tragedy adversely affected global economic conditions and worsened local market confidence. As an aftermath, the rupiah plunged further to almost Rp11,000 in October and November. Somehow, it stabilized at around Rp10,400 at the end of the year.

Milestones

1975-2000

- **1985** Incorporated PT Indocement Tunggal Prakarsa following the merger of six companies owning the first eight cement plants.
- **1989** PT Indocement went public, listing its shares with the Jakarta Stock Exchange.
- **1991** Acquired Plant 9 in Palimanan, Cirebon, West Java. Also, constructed Surabaya Cement Terminal and started Ready-Mix Concrete Product business.
- **1992** Diversified business through acquisition of controlling stake in Indofood and Bogasari, Indonesia's leading food and flour companies, respectively. Acquired Wisma Indocement, a 23-storey building where Indocement has its Headquarters.
- **1997** Divested controlling stake in Indofood and Bogasari.
- **2000** Fully acquired PT Indo Kodeco Cement by merger.



Production Capacity
('000 MT of clinker per year)

Significant Events

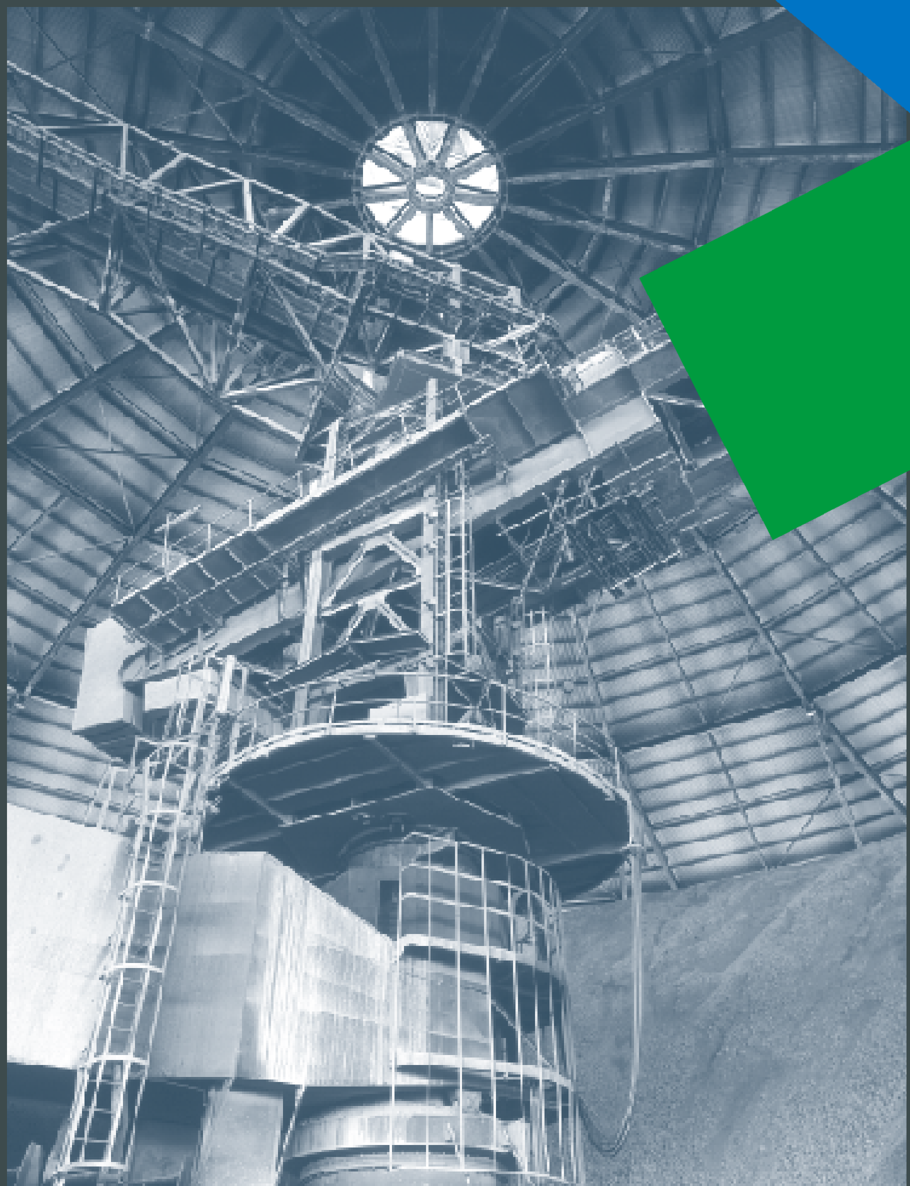
2001

- 2001 was a memorable year for Indocement with the formal entry of HeidelbergCement as the new majority shareholder.
- A Rights Issue was successfully implemented in accordance with the Master Facility Agreement to reduce the Company's debt. HeidelbergCement contributed US$150 million.
- Plant 12 in Tarjun, South Kalimantan, with a production capacity of 2.4 million tons of clinker per year, began commercial operation in April 2001.
- Production level achieved in 2001 was the highest ever in the Company's history and can be attributed mainly to the significant contributions of Plant 11 in Citeureup and Plant 12 in Tarjun.
- The Company's stake in PT Dian Abadi Perkasa (DAP), major distributor of the Company's bagged cement products, was increased from 51% to 99.9% in April.
- HC Trading International Inc., trading arm of HeidelbergCement Group, has been appointed as the Company's exclusive export distributor of cement and related products in April.
- Establishment of an Audit Committee in December, consisting of independent professionals, in compliance with one of Jakarta Stock Exchange's requirements on Good Corporate Governance.

Year	Plant	Product	Production Capacity ('000 MT of clinker per year)
1975	Plant 1	OPC	640
1976	Plant 2	OPC	534
1979	Plant 3	OPC	1,024
1980	Plant 4	OPC	1,024
	Plant 5	OWC/WhC	214
1983	Plant 6	OPC	1,472
1984	Plant 7	OPC	1,760
	Plant 8	OPC	1,520
1991	Plant 9	OPC/PPC	1,216
1996	Plant 10	OPC/PPC	1,216
1999	Plant 11	OPC	2,400
2000	Plant 12	OPC	2,400
Total			**15,420**

OPC: Ordinary Portland Cement / OWC: Oil Well Cement / WhC: White Cement / PPC: Portland Pozzolan Cement

Message from the Chairman



Message from the Chairman

The year 2001 has been an important milestone for the future of Indocement.

Indeed, the economy and also the cement market have confirmed their recovery, increasing the domestic sales of Indocement by 12%. The positioning of the biggest factory of Indocement adjacent to the faster growing market of Jakarta and West Java helped to boost the recovery, since these areas had suffered the most from the recent crisis.

As a result of this major increase in sales revenue, and in spite of still low sales prices levels, the Company has succeeded significantly to reduce its losses and to generate a positive cash flow.

Another important element was the entry of HeidelbergCement as a new majority shareholder of the Company in April 2001. It has brought to Indocement a new international dimension since the Company is now part of a group which is among the largest cement producers in the world and in Asia.

In line with HeidelbergCement philosophy to respect local cultures and to rely as much as possible on local expertise, Indocement enjoyed a smooth transition to a new management team, composed of professional individuals, chosen for their expertise and knowledge of the cement business.

The integration of the Company to a new international group did not change its objective to remain a major Indonesian player, focusing on the quality of its products and services to its highly respected customers, and the continuous willingness to respect the environment and the neighboring communities. In that respect, the Company is pursuing its efforts to improve the quality of its plants, with the objective to implement ISO 14000 norms by third quarter of 2002, and to contribute to the improvement of the local communities living conditions, with appropriate educational support.

The Company will also intensify its internal training programs, combined with the training of some key employees in other companies of the HeidelbergCement Group. Depending upon the opportunities, the Group will also offer Indocement employees the chance to have a foreign experience in other companies of the Group.

The Company exerted efforts this year to reduce its operating costs, wherever possible, and benefited from the international trading network of HeidelbergCement to boost its export volumes.

Even if the financial debt of the Company has been substantially reduced with the conversion into equity of some debt acquired by HeidelbergCement and the subsequent debt restructuring negotiated with the creditors of the Company, the level of outstanding debt, mainly denominated in foreign currency, remains a risk for the Company. Thus there is a need to further reduce this debt by continuous efforts to increase profitability of the Company and by selling some assets.

The “Quantum Challenge” program, successfully launched in year 2000 , will be maintained to further motivate our employees to work together in a positive and professional spirit, and to reinforce the Company’s mission to act as a good corporate citizen. In line with the latter, the Company will apply Good Corporate Governance rules promulgated by the Indonesian Authorities, and has created an Audit Committee composed of highly professional independent members. Indocement is one of the first listed companies to go in this direction.

I am convinced that all the internal qualities of Indocement, and its “Indocement Excellence” philosophy towards its customers, suppliers, local authorities and local communities will bring success to all the employees of the Company and their families, and will bring satisfactory returns to its shareholders and creditors.

I take this opportunity to thank all members of the Company and also our customers and suppliers, for the confidence they have shown in the quality-minded goals of the Company. I also thank the previous majority shareholders for the professionalism they had introduced in the Company and the quality of the employees recruited in the past.

In particular, we pay a special tribute and wish the very best to the following former members of the Board of Commissioners for their long years of dedicated service, wisdom and direction to Indocement: Mr. Soedono Salim, Mr. Djuhar Sutanto, Mr. Johny Djuhar, Mr. Kuntara, Mr. Andree Halim, Mr. Tanto Koeswanto and Mr. I Ketut Mardjana.

I thank once more, on behalf of my colleagues in the Board of Commissioners and the Board of Directors, all the people dealing with Indocement for their trust in the Company.

Jakarta, 25 February 2002

Paul Vanfrachem
President Commissioner

Paul Vanfrachem, 58
President Commissioner since 26 April 2001

Concurrently Chairman and Chief Executive Officer of S.A. Cimenteries CBR and member of the Managing Board of HeidelbergCement Group. He graduated from the Universite Libre de Bruxelles, Belgium with a degree in Civil Engineering Chemistry.

Sudwikatmono, 67
Vice President Commissioner since 26 April 2001

Concurrently Commissioner of First Pacific Company Ltd., Hong Kong and Director of PT Bogasari Flour Mills. Previously, he was President Director of the Company.
He graduated from the State Administration Academy.

I Nyoman Tjager, 51
Vice President Commissioner since 26 April 2001

Previously, he was Director General of State Owned Enterprises, Ministry of Finance.
He holds a Master of Economics degree from Fordham University, New York.

Hans Bauer, 57
Commissioner since 26 April 2001

He is the current Chairman of the Managing Board of HeidelbergCement Group.
He graduated from the Friedrich Alexander University in Erlangen-Nuremberg, Germany with a degree in Business Administration.

Horst R. Wolf, 58
Commissioner since 26 April 2001

He is Chief Financial Officer as well as member of the Managing Board of HeidelbergCement Group. He took up Mathematics Studies at the University of Konstanz and graduated from the University of Mannheim, Germany with a degree in Business Administration.

Hakan Fernvik, 58
Commissioner since 26 April 2001

He is concurrently a member of the Managing Board of HeidelbergCement Group and Chief Executive Officer of Scancem AB.
He holds a Mining Engineering degree from the Royal Institute of Technology in Stockholm, Sweden.

Mark C.S. Tse, 49
Commissioner since 26 April 2001

He is also a Director of Wallem Group Ltd., Hong Kong and Ong Commodities Private Company Ltd., Singapore. He holds degrees in Business Administration and Master of Arts from the University of Cambridge, UK and Master of Business Administration from the University of Chicago, USA.

Parikesit Suprapto, 50
Commissioner since 26 April 2001

Previously, he was Director of Restructuring and Placement of State Owned Enterprises, Ministry of Finance. He holds a Doctorate degree in Economic Development from the University of Notre Dame, Indiana, USA.

Ibrahim Risjad, 67
Commissioner since 26 April 2001

Concurrently, he is Commissioner of PT Indofood Sukses Makmur Tbk. and Director of PT Inti Petala Bumi. Previously, he was a Director of the Company.

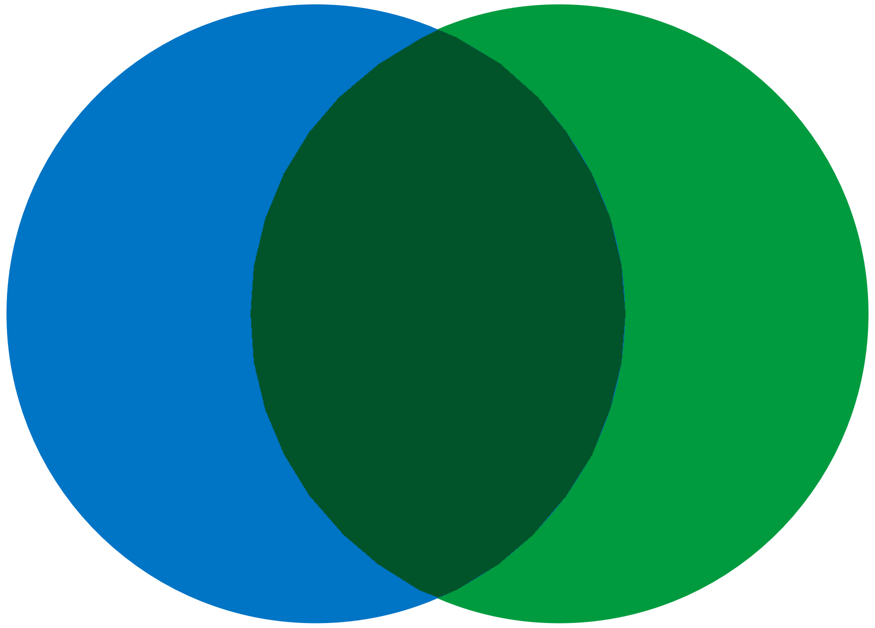

Paul Vanfrachem


Sudwikatmono


I Nyoman Tjager


Hans Bauer


Horst R. Wolf



In compliance with one of Jakarta Stock Exchange's recent rulings on Good Corporate Governance, the Board confirmed the appointment of the following as Independent Commissioners:

1. **Sudwikatmono**
2. **I Nyoman Tjager**
3. **Parikesit Suprapto**
4. **Ibrahim Risjad**

Likewise, the Board created an Audit Committee composed of:

Chairman:
I Nyoman Tjager

Members:
Wayne Bastion
Franciskus A. Alijoyo

Consisting of independent professionals, the Audit Committee will review the scope of activities and independence of Indocement's external auditors as well as the adequacy of the Company's internal control structure.
It has also been tasked with the responsibility of reviewing the Company's financial reporting process, other significant matters and compliance with the Company's policies as well as Indonesia's existing laws.


Hakan Fernvik


Mark C.S. Tse


Parikesit Suprapto


Ibrahim Risjad

The Board of Commissioners is responsible for the administration and guidance of the Board of Directors to ensure that management by the Directors is consistent with the Company's Articles of Association and the policy guidelines mandated by the Commissioners.

Consolidated net revenues rose 41% to Rp3,453 billion from Rp2,448 billion in 2000.

There was a Net Loss of Rp63 billion for the year 2001, although this was a substantial improvement from the previous year's Net Loss of Rp874 billion.

The Company ended the year 2001 with Total Assets of Rp11,930 billion, higher than the previous year by Rp281 billion.

Dear Shareholders,

The year 2001 was both a significant and memorable year for Indocement. The month of April 2001 marked the beginning of a smooth transition to a new leadership team as well as the integration of Indocement to a world class cement group.

Operating Highlights

Consolidated net revenues rose 41% to Rp3,453 billion from Rp2,448 billion in 2000 mainly from higher domestic sales volume, which increased by almost 12%. Export sales volume grew by 20%.

While there was higher domestic demand for cement, on the other hand, production cost increased more than sales prices.
Thus, operating margin - a key index of business performance, declined to 19% in 2001 from 29% in the previous year due to the inevitable increases in the purchase cost of most production inputs - notably fuels, power, and imported goods as well as labor, which reduced gross profit to 31% from the previous year's 41%.

Another key factor that lowered the Company's profitability was the high burden of debt servicing that the Company had to shoulder. Likewise, the volatility of the rupiah - given the Company's mostly foreign currency denominated loans, adversely affected net income. Interest and financial charges as well as foreign exchange loss represented Rp837 billion, resulting in a net loss of Rp63 billion for the year 2001, although this was a substantial improvement from the previous year's net loss of Rp874 billion, due to the combined effects of three factors:

- A substantially reduced debt level after the debt-to-equity conversion that was completed in 2001
- A favorable Libor rate that had a downward trend from 6.75% at the beginning of 2001 to 2.39% towards the end of 2001 against an upward trend in 2000 from 5.81% to 6.61%, and
- A less drastic depreciation of the rupiah in 2001

Financial Highlights

The Company ended the year 2001 with total assets of Rp11,930 billion, higher than the previous year by Rp281 billion due to, among others, the additional investments in inventories. Current ratio was 2.12. Property, Plant and Equipment, net of accumulated depreciation, comprised 73% of total assets at Rp8,732 billion in 2001 compared with Rp8,691 billion in the previous year.

Total Liabilities, including loans from various financial institutions, amounted to Rp9,167 billion, significantly lower than the previous year's Rp10,527 billion following the US$150 million debt-to-equity conversion completed during the year. As a consequence, Shareholders' Equity rose to Rp2,763 billion, up nearly 1.5 times from the level of Rp1,122 billion in 2000. Corollarily, debt-to-equity ratio improved dramatically to 76 : 24 from 90 : 10 in 2000.

Outlook

Through the strategic reinforcement that the Company benefited from its new majority shareholder, Indocement has gained access to international expertise and one of the best technical support in the cement industry. Additionally, through HeidelbergCement's extensive global trading network, the Company's export potential will be tapped to the optimal level. On the other hand, the presence of a professional production and technical team, with long experience in an integrated cement manufacturing environment, could become a resource for HeidelbergCement's worldwide technical requirements.

The cement business, in particular, remains challenging and the Company will strive hard to improve its competitive position through lower cost and higher margins while at the same time, defending its market share and niche. For the coming year, the Company will focus on its core business. Thus, the planned divestments of the Company's subsidiaries PT Wisma Nusantara International and PT Indominco Mandiri will be pursued vigorously.

The measure of the Company's success must be management's ability to improve the Company's financial condition thus enhancing shareholders' value on a consistent basis. The core of the Company's success is an experienced leadership team with the support of its dedicated employees. Shareholders can be assured that the protection and enhancement of long-term shareholders' value will be management's fundamental objective.

Appreciation

The shareholders' meeting in April 2001 saw the change in the composition of the Board of Directors. The following respected gentlemen composed the previous Board:

Mr. Sudwikatmono, Mr. Anthoni Salim,
Mr. Ibrahim Risjad, Mr. Tedy Djuhar,
Mr. Iwa Kartiwa, Mr. Soepardjo,
Mr. Daddy Hariadi, Mr. Franciscus Welirang,
Mr. Benny S. Santoso

Mr. Sudwikatmono and Mr. Ibrahim Risjad were elevated to the Board of Commissioners.

Mr. Tedy Djuhar was promoted to Vice President Director while Mr. Iwa Kartiwa and Mr. Benny S. Santoso were retained.

The others will be missed and their services for many years as well as their contributions to what Indocement has become today are greatly appreciated.

In September, Mr. Christian Sommerfelt resigned as member of the board to pursue other interests. While he had a relatively short stint of less than 5 months, he will be remembered. May they all have continued success in their endeavors.

In the future, as in the past, Indocement's ability to fulfill its objectives rests on the continued support of its shareholders, creditors, and dedication of its employees. The Company will continue to rely on the collective strength of its people to sustain growth. In the process, work ethics will be maintained and a challenging and satisfying work environment will be offered. The gains achieved and the lessons learned over the years should enable the Company to meet any new challenge. As proven in the past, Indocement showed that it has the flexibility to adapt itself to changing conditions and the continuing challenges of the business environment. It is in this context that the coming year is viewed with optimism and confidence.

Finally, appreciation is also extended to the Company's valued customers, creditors, dedicated employees and the Indonesian government for their continued trust and confidence.

Jakarta, 25 February 2002

Daniel Lavalle
President Director

Board of Commissioners

Paul Vanfrachem

Sudwikatmono

I Nyoman Tjager

Hans Bauer

Horst R. Wolf

Hakan Fernvik

Mark C.S. Tse

Parikesit Suprapto

Ibrahim Risjad

Board of Directors

Daniel Lavalle

Tedy Djuhar

Thomas Kern

Oivind Hoidalen

Iwa Kartiwa

Nelson Borch

Thierry Dosogne

Benny S. Santoso

Rama Prihandana

Daniel Lavalle, 51
President Director since 26 April 2001

Previously, he was General Manager of CBR Cement, Belgium. He has a Masters degree in Mining from Polytechnical Faculty of Mons, Belgium.

Thomas Kern, 39
Director since 26 April 2001

Previously, he was Head of Group Industrial Controlling, HeidelbergCement Group. He is a Business Administration graduate from the University of Mannheim, Germany.

Oivind Hoidalen, 54
Director since 26 April 2001

Previously, he was Director for Research and Development of Norcem and Senior Vice President of Scancem International. He is a Technical Science graduate, major in Metallurgy, from the Technical University of Clausthal, Germany.

Iwa Kartiwa, 60
Director since 1985

He was formerly a Director of PT Semen Baturaja. He graduated from Institut Teknologi Bandung with a degree in Mechanical Engineering.

Nelson Borch, 39
Director since 12 September 2001

Previously, worked with the CBR Group in various capacities. Also, he was formerly Chief Executive Officer/Managing Partner of Terra Geotechnics SDN BHD, Malaysia. He has a degree in Civil Engineering from the University of British Columbia, Canada.

Tedy Djuhar, 50
Vice President Director since 26 April 2001

Concurrently, he is Commissioner of PT Darya Varia Laboratoria, Director of both First Pacific Company Ltd., Hong Kong and PT Metropolitan Kencana. He graduated from the University of New England, Australia.

Thierry Dosogne, 46
Director since 26 April 2001

He is currently President and COO of HeidelbergCement Asia, Senior General Manager of HeidelbergCement Group and Member of the Management Committee of CBR SA. He holds a degree in Business Engineering from SOLVAY Business School, Universite Libre de Bruxelles, Belgium.

Benny S. Santoso, 43
Director since 1994

He graduated from the Department of Business Studies, Ngee Ann College, Singapore.

Rama Prihandana, 42
Director since 26 April 2001

He is concurrently the President Director of PT Rajawali Nusantara Indonesia. He was previously President Director of both PT Persero Batam and PT Wisma Nusantara International. He graduated from the Faculty of Economics, Padjadjaran University, Bandung, major in Accounting.

Remuneration
The total remuneration of the Board of Commissioners and the Board of Directors amounted to Rp54 billion in 2001 (including payment of termination and pension for the former members who were replaced in April 2001).

The Board of Directors has the primary responsibility for the management and operations of the Company. The shareholders elect members of the board for a fixed term.


Rama Prihandana


Benny S. Santoso


Thierry Dosogne


Tedy Djuhar

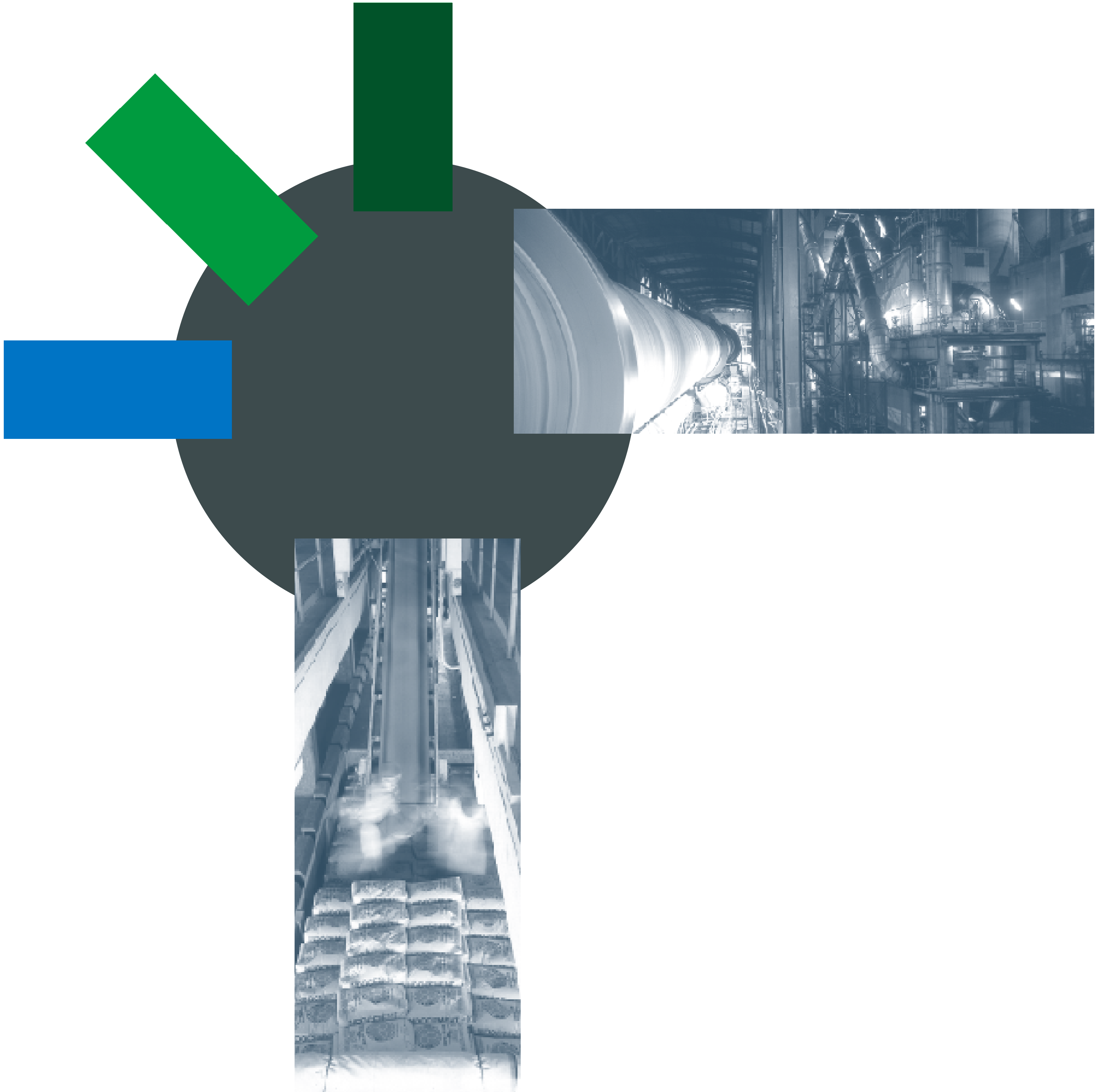

Daniel Lavalle


Nelson Borch


Iwa Kartiwa


Oivind Hoidalen


Thomas Kern



Marketing

Sales

Volume sold rose by nearly 13% to 11.6 million tons from 10.3 million tons in 2000 as a result of both Indonesian cement consumption increase and increased export sales.

Advertising campaign to promote brand awareness and constant efforts to improve product availability in the market place contributed to positive results.

Domestic sales volume, which accounted for 9.2 million tons or 79% of total sales, increased 12% or close to a million tons compared with the previous year. Jakarta, West and Central Java have remained as the Company's market strongholds.

Export sales increased by 20% to 2.4 million tons from 2.0 million tons in 2000 as the link-up to HeidelbergCement's global marketing network intensified the Company's opportunities in the export market. Export destinations were mainly to Asia, Africa and Australia.

Product Portfolio

The Company's product lines are marketed under the brand name “Tiga Roda”. Ordinary Portland Cement (OPC) combined with Pozzolan Portland Cement, continued to be the Company's best sellers by contributing 98.4% of total cement sales. Other types of cement in the product portfolio include white cement, oil well cement, portland cement type II and type V. Type II and V are specialty cement with the former being used in the construction of dams or structures on marshlands while the latter is for sulphate resistant structures. Another product line - Ready-Mix Concrete, is being marketed by a wholly owned subsidiary PT Indomix Perkasa.

Terminal Operations

In Semarang, the Company's ability to serve the local markets was further strengthened with the deployment of a floating terminal that added a distribution capacity of close to half a million metric tons per year.

Outlook

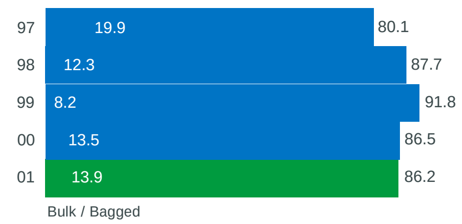
The domestic cement market is still experiencing oversupply considering the national capacity of around 47.5 million tons against a domestic demand of close to 29 million tons only, resulting in the stiff competition in all market segments. The forecast for the cement industry is another moderate growth of approximately 10% as there are no new major infrastructure projects foreseen. Activities in the construction industry are expected mainly in the private sector, i.e., commercial and retail property as well as residential housing plus small-to-medium scale infrastructure projects in the public sector.

The domestic market will continue to be the Company's first priority but at every opportunity to go into export, it will be concentrated in markets that will provide better margins and long-term prospects for the Company.

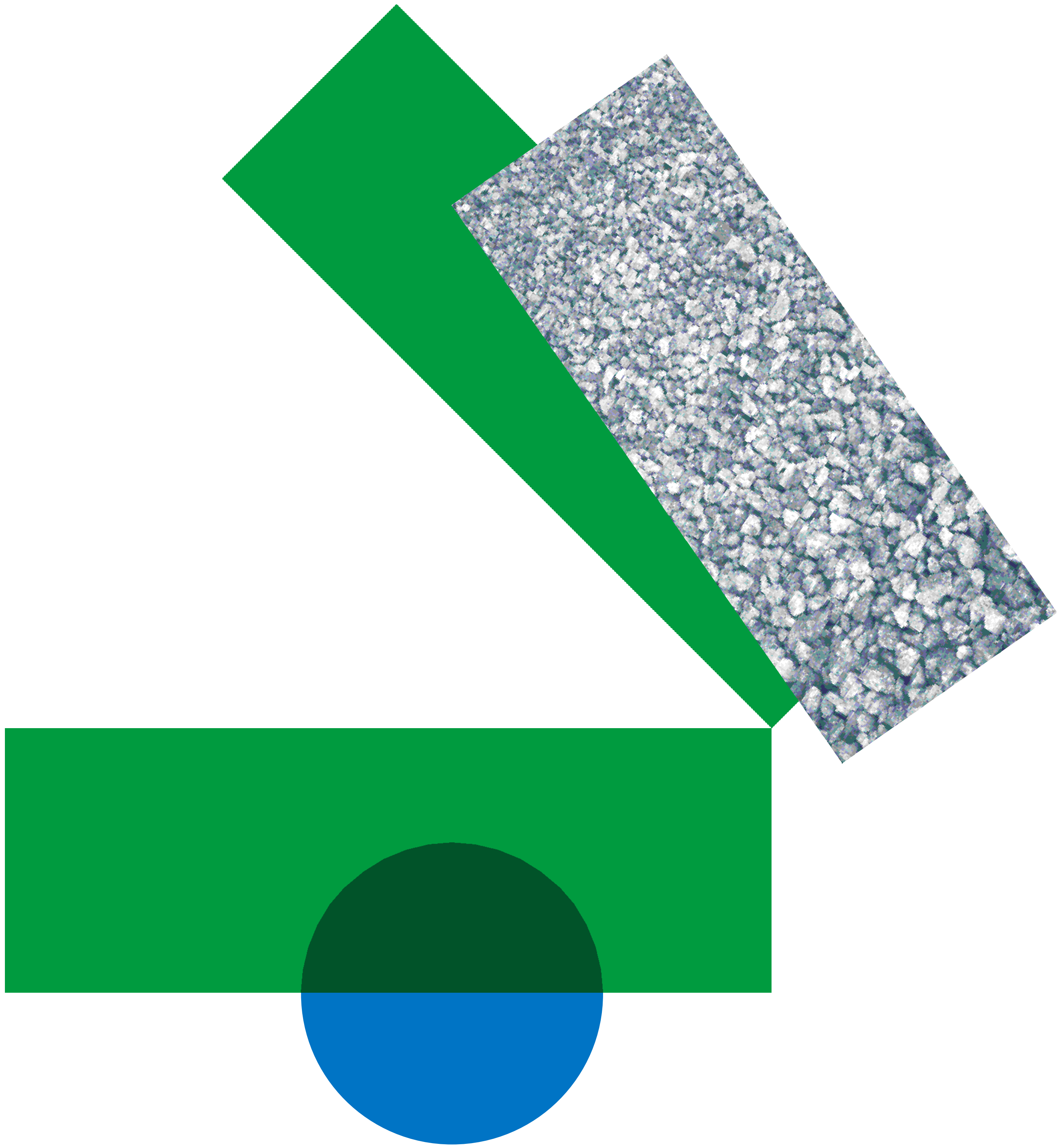
In mid 2002, the Company will start operation of a new cement terminal in Lombok, strengthening its position on this fast growing market. The capacity of the terminal is 300,000 tons per year.

The dredging at Tarjun, which is aimed at increasing ship sizes from the present 10,000 – 15,000 tons to around 30,000 tons, will strengthen Tarjun's distribution logistics.

Decline has bottomed out in the Ready-Mix and Aggregates business. Positive growth has returned and appears to trend upwards for the short and medium term.



Trend of Bulk vs Bagged Cement Sales in percent



Production Overall

Production volumes in 2001 were 11.4 million tons of clinker and 10.3 million tons of cement, both higher than previous year's volumes by nearly 14% for clinker and almost 10% for cement. As a result of increased production, clinker capacity utilization rose to around 75% from 67% achieved in 2000.

Production level achieved in 2001 was the highest ever in the Company's history due to excellent production contributed by the new kilns of Plant 11 and Plant 12.

The government's move to control the soaring budget deficit fell heavily on the industrial sector when in April 2001, the government reduced fuel subsidies by imposing fuel prices to industries at 50% of international market prices, effectively pushing fuel prices higher by as much as 50% for solar, 76% for industrial diesel fuel and 93% for marine fuel oil. The huge investments poured in rehabilitating the Company's diesel generating sets, aimed at improving significantly fuel efficiency in power generation, paid off handsomely and cushioned the impact of higher fuel prices.

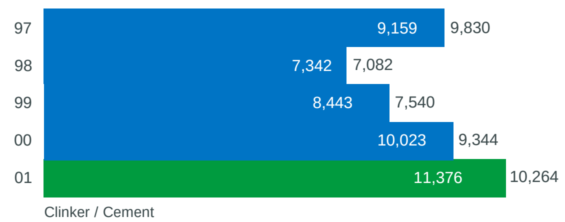
Higher production cost was inevitable given the rising purchase costs of production materials due to the twin effects of inflation and volatility of the rupiah. Efforts were made to counter these effects most notably in the area of energy consumption by:

- using cheaper coal
- reducing heat consumption of kilns by stabilizing kiln operations
- reducing power consumption by improving finish mill efficiency and reducing downtime frequency of all production lines

Citeureup Plants, West Java

Citeureup is a fully integrated cement manufacturing facility consisting of nine plants with a combined production capacity of 10.6 million tons of clinker per year. This self-sufficient facility also includes a power plant complex with an installed generating capacity of around 300 MW and a paper bag factory capable of producing 180 million paper bags annually. Clinker capacity utilization in 2001 increased to about 75% as clinker production volume went up by around 15% to 7.6 million tons from 6.6 million tons in the previous year. Meanwhile, cement production was higher at 6.5 million tons from 6.1 million tons produced in 2000.

Production Volumes
in thousand MT



Cirebon Plants, West Java

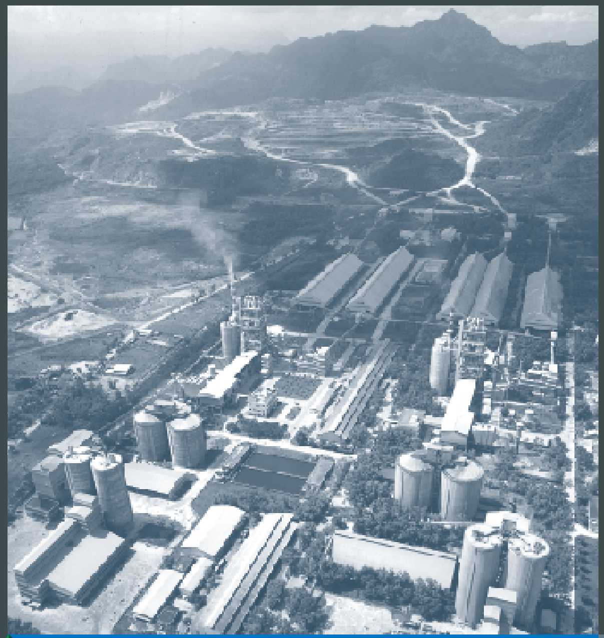
Cirebon is also a fully integrated cement manufacturing facility with two plants and a total production capacity of 2.4 million tons of clinker per year.

Cement production in 2001 was slightly higher at 2.22 million tons against 2.16 million tons in 2000. However, clinker production at 2.09 million tons was lower than the 2.15 million tons achieved in the previous year due to the overhauling of Plant 10. As a consequence, kiln utilization dropped by 3 percentage points to 87% from 90% recorded the year before.

Tarjun Plant, South Kalimantan

Tarjun is also a fully integrated cement manufacturing facility with one plant. Annual production capacity is 2.4 million tons of clinker. It also has its own coal-fired power plant but its most distinguishable feature is its jetty and harbor currently capable of accommodating vessels of up to 15,000 dead weight tons.

Clinker produced in 2001 was 1.7 million tons, equivalent to a utilization rate of 71% against previous year's production of 1.2 million tons and utilization rate of 50%. Cement production in 2001 was nearly 1.5 million tons, up from 1.1 million tons in 2000. Higher sales and production volumes in Tarjun allowed improved production stability.



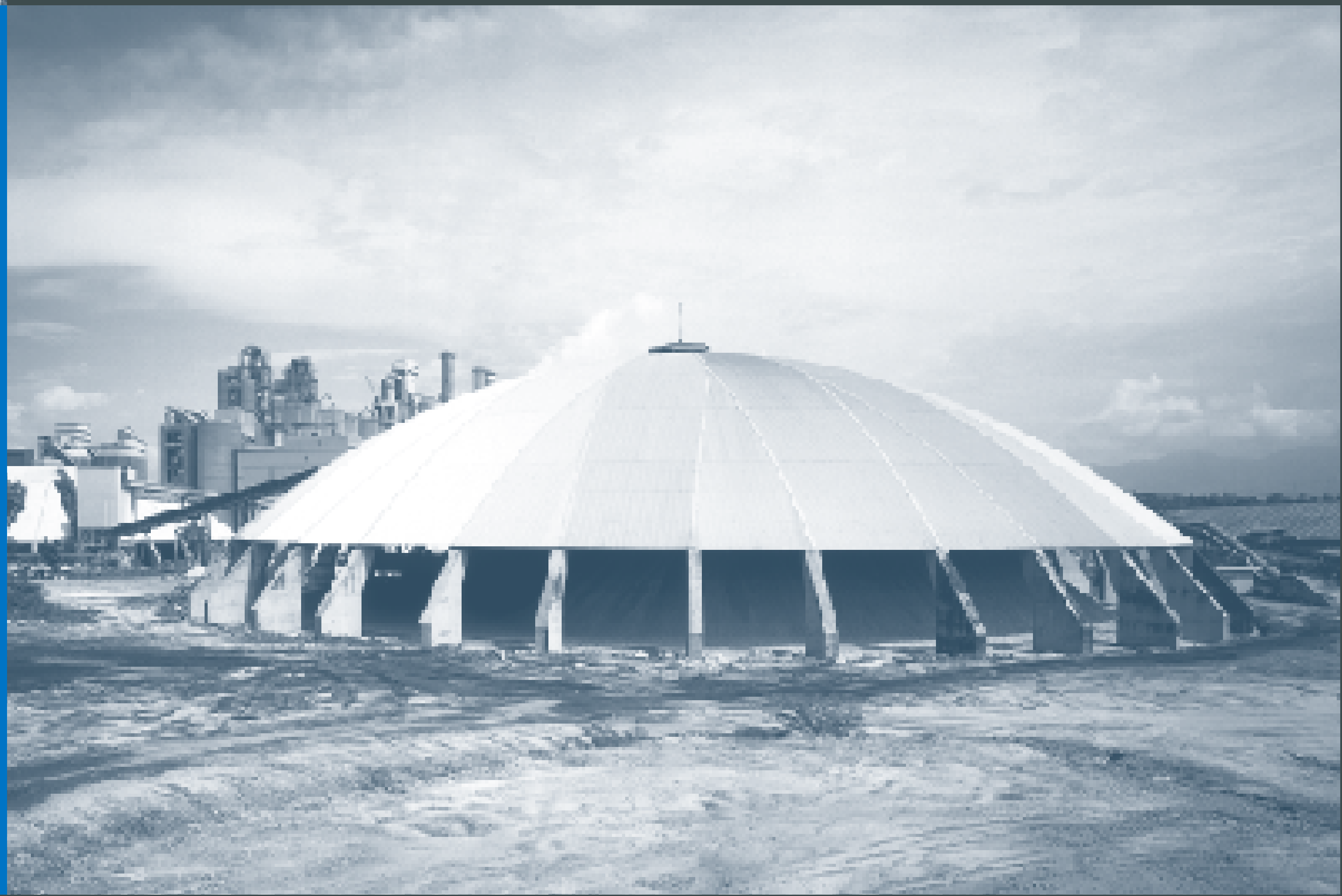
Production Outlook

The greatest challenge will be to reduce the effects of price increase for purchased materials, most notably for fuels and power. In this respect, even more emphasis will be put on improved energy efficiency of operations.

In Citeureup we have flexibility to produce electricity with different fuels or buy from the grid. Permanent monitoring will allow us to optimize overall cost per kwh.

In 2002, we will commission new or upgraded electrostatic precipitators on plants 5 to 9, in order to reduce significantly dust emissions at the stack in accordance with high international standards for such emissions.

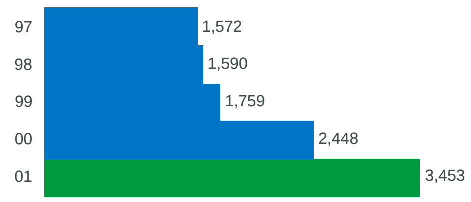
Only inevitable investments or investments with high profitability will be implemented.



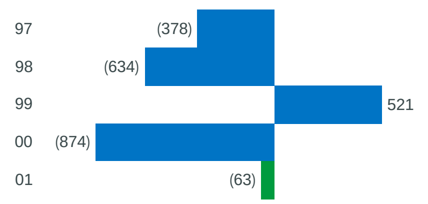
Management's Discussion and Analysis

Consolidated financial statements represent accounts of the Company and subsidiaries where the Company owns, directly or indirectly, more than 50% equity share, i.e., PT Dian Abadi Perkasa, PT Indomix Perkasa and Indocement (Cayman Island) Limited. Minority interest holdings and investments in affiliates were consolidated following the equity method.

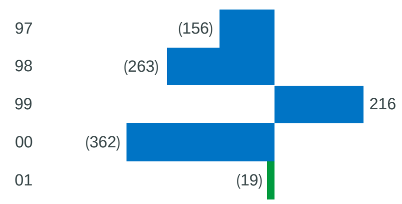
Net revenues in billion rupiahs



Net income (loss) in billion rupiahs



Earnings (loss) per Share



Operating Result

Consolidated net revenues rose 41% to Rp3,453 billion from Rp2,448 billion posted in 2000 as the Company sold more in both domestic and export markets compared with the previous year.

Higher production costs, which outpaced the increase in selling prices, caused Gross Profit rate to decline to 31% from 41% in 2000. The increase in production cost was inevitable given the effects of inflation and volatility of the rupiah. The reduction of subsidy on fuels in April 2001 exacerbated the situation further, effectively resulting in dramatic increases by as much as 50% for solar, 76% for industrial fuel oil and 93% for marine fuel oil. As a direct effect of higher fuel prices and more vessels chartered, delivery and selling expenses went up by 69% to Rp228 billion from Rp135 billion in 2000. Thus, Income from Operations decreased by nearly 5% or Rp33 billion to Rp672 billion from Rp705 billion in 2000.

Consolidated net loss was only Rp63 billion, a significant improvement from a net loss of Rp874 billion sustained in 2000. Debt servicing still had the most adverse impact on the bottom line although it was not as severe as in 2000. Combined interest charges and foreign exchange losses in 2001 reached Rp837 billion, a substantial reduction from the Rp2,083 billion recorded in 2000 due to a lower debt level, decreasing short term US dollars interest rates and a less drastic depreciation of the rupiah.
The rupiah exchange rate opened at Rp9,595 against the US dollar at the beginning of 2001 and closed at Rp10,400. It averaged at Rp10,271 during the year.

Financial Condition

Consolidated assets climbed by a little over 2% or Rp281 billion to Rp11,930 billion from Rp11,649 billion in 2000 traceable mainly to the build-up in inventory items, notably fuel, lubricants and spare parts. Current assets reached Rp1,528 billion with around 18% or Rp282 billion kept in cash and short-term investments. Compared with current liabilities of Rp720 billion, resulting current ratio was still comfortable at 2.12 although it was lower than the 3.43 posted in 2000 because of higher currently maturing debt.

Comprising 73% of consolidated assets, Property, Plant and Equipment - net of accumulated depreciation, rose to Rp8,732 billion from Rp8,691 billion in 2000.
This relatively minimal increase in fixed asset value was attributable to modest capital expenditures in 2001.

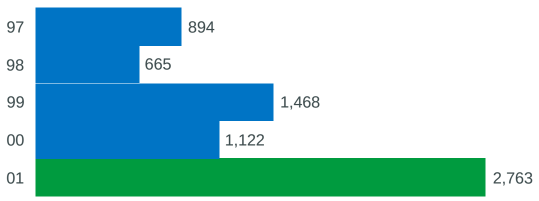
Long-term investments improved by about 5% or Rp16 billion to Rp342 billion from Rp326 billion in 2000 as most of the associated companies posted positive results. Restricted cash in banks, which are being maintained in escrow with The Chase Manhattan Bank, in keeping with the debt restructuring agreement, totaled Rp432 billion, slightly lower than the balance of Rp444 billion in 2000.

Consolidated liabilities amounted to Rp9,167 billion as of year end 2001, of which, loans from various financial institutions accounted for 96% or Rp8,783 billion. Most of the loans are in foreign currencies with 62% of the loans being denominated in US dollar and 36% in Japanese yen.

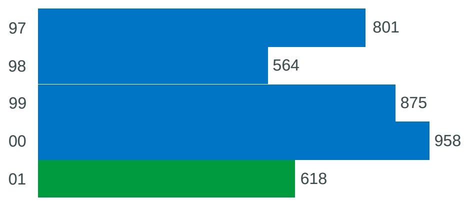
Total loans have been reduced substantially by 13% or Rp1,329 billion as a result of the debt restructuring process. A major feature was HeidelbergCement's purchase of the Company's debt of US$ 150 million and its conversion into equity. The net debt level amounted to a rupiah equivalent of Rp8,783 billion as of December 31, 2001 compared with Rp10,112 billion in 2000. Consequently, debt-to-equity ratio improved significantly in 2001 to 76 : 24 from the previous year's 90 : 10. In accordance with the Master Facility Agreement, the Company is obligated to remit for the year 2002 a total of US$10.5 million through installments of US$ 3.5 million each quarter in April, July and October.

Net Shareholders' Equity grew almost 1.5 times to Rp2,763 billion from Rp1,122 billion in 2000 following the debt-to-equity conversion completed in 2001. Majority control of the Company has been transferred to Kimmeridge Enterprise Pte. Ltd., a HeidelbergCement Group Company whose ownership percentage reached 61.7% as of yearend 2001. Number of shares issued and fully paid as of December 31, 2001 stood at 3,681,223,519 shares.

Shareholders' Equity (in billion rupiahs)



Cash generated from operations (in billion rupiahs)



An excellent work force working under the guidance and direction of excellent leadership and management will consistently yield "Indocement Excellence".

Human Resources

Quantum Challenge, launched in 2000, is a long term strategy aimed at achieving the Company's vision and mission to preserve the Company's competitive advantage and sustain profitability. It has also been embraced by the new top management team and will continue to be promoted actively throughout the entire organization. Furthermore, the men and women employed by Indocement place the highest emphasis in conducting their activities in accordance with the Company's Management Philosophy which contains, among others the Company values to wit : An excellent work force working under the guidance and direction of excellent leadership and management will consistently yield "Indocement Excellence".

The Company views its people as its most valuable asset. The Company's investments in the field of human resources, just as it invests to improve and upgrade its facilities, is aimed at advancing employees' career and professional growth. One of the most important commitments of the Company is to develop future leaders from within the organization. The Company continuously identifies and prepares potential leaders from all levels of the organization who will accept more responsibilities and challenge traditional methods and operations as well as benchmarks of success.

Formal seminars on managerial and technical know-how, on-the-job training and job coaching are offered every year to reinforce those who have been identified with the potential to rise in the corporate ladder, develop further those with proven leadership skills, and generally to improve work ethics, attitude and mind set of the workforce. Likewise, employees' active participation to various sports and recreational activities are encouraged, not only for their well being but also to promote friendship.

Safety and health will continue to be a top priority. The Company remains fully committed to provide a safe and healthy working environment. The continuing safety initiatives are meant to reduce, if not totally eliminate, risks of harmful accidents in order to make the workplace safer for all who work for the Company.

Community and Environment

Social responsibility is a major component of the Company's corporate character. The Company continues to support programs or initiatives aimed at improving quality of life at communities where it operates, with emphasis on livelihood projects, education and the environment.

Community and Environment

The Company has also adopted a community engagement strategy – one that calls for a constant communication with communities. Some of the highlights include:

- Construction of the Leuwi Karet Bridge and Bantarjati Road in communities adjacent to the plant site in Citeureup, Bogor, West Java. These twin projects, at substantial costs to the Company, improved the villages' infrastructure and accessibility.
- In Tarjun, the construction of primary school facilities was commenced. This facility will provide educational opportunities to employees' children and villagers.
- Mobile health clinic (Puskesmas Keliling) was launched in Cirebon, West Java and continues to serve communities near Citeureup. Meanwhile, health services for emergency cases continue to be available on 24-hour basis in Citeureup.
- Upkeep of neighboring mosques remains to be a program priority.
- Continued subsidy to three Junior High Schools (two in Citeureup and one in Tarjun) as well as to the Foster Children Program.

As part of the Company's contribution to sustainability of the environment, measures have been adopted to ensure that the Company remains sensitive to environmental concerns. For one, the Company has committed to reduce dust emissions to a level that is in line with high international standards. The implementation of the ISO 14000 which is due to be completed in 2002, further emphasizes the Company's continued commitment to be at the forefront of environmental improvements.

Subsidiaries and Other Investments

Revenues for the year (amounts in billion rupiahs)	2001	2000
Affiliates		
PT Dian Abadi Perkasa	**2,941.0**	2,198.3
PT Indomix Perkasa	**47.7**	23.1
Sub Total	**2,988.7**	2,221.4
Other Investments		
PT Indominco Mandiri	**1,166.1**	788.5
PT Wisma Nusantara International	**126.1**	90.0
Stillwater Shipping Corporation	**65.2**	34.7
PT Cibinong Center Industrial Estate	**10.3**	8.2
PT Indotek Engico	**12.7**	7.0
Sub Total	**1,380.4**	928.4
Grand Total	**4,369.1**	3,149.8

PT Dian Abadi Perkasa
Domestic distributor of cement and related products

PT Indomix Perkasa
Produces and sells concrete and other value-added cement products

PT Indominco Mandiri
A coal mining company based in Bontang, East Kalimantan with an annual production capacity of 3.5 million tons of coal

PT Wisma Nusantara International
Owner of a 30-storey Office Tower and the adjacent President Hotel in downtown Jakarta and Novotel Benoa Hotel in Bali

Stillwater Shipping Corporation
Owns and operates "MV Tiga Roda" and "MV Batu Licin" with a combined capacity of 17,500 DWT

PT Cibinong Center Industrial Estate
Owner of an industrial park situated in the vicinity of Citeureup cement production complex

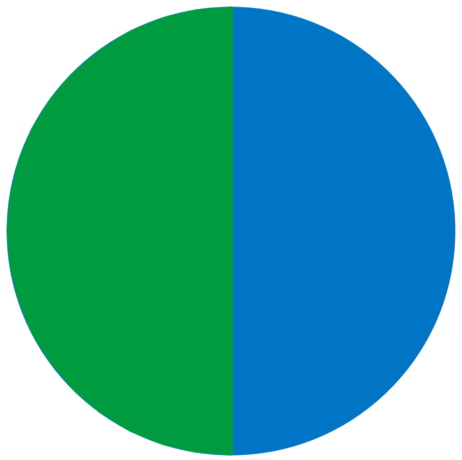
PT Indotek Engico
An engineering service company providing design and construction management

Stock Market Information

Common shares issued and outstanding as of December 31, 2001 totaled 3,681,223,519 shares, an increase of 1,196,907,072 shares from the previous year. Of the new shares, 1,196,874,999 were issued to Kimmeridge Pte.Ltd while the balance went to the public.

Number of shares transacted during the year totaled 275,449,278. Share price went on a downward spiral during the year from an opening price of Rp1,600 in January to a closing of Rp700 in December. The decline in share price reflected investors' loss of confidence on the capital market owing to the government's difficulty in privatizing as fast as forecasted some state owned companies, combined with some remaining political instability. The Jakarta Composite Index (JCI), barometer of the stock market, closed the year 2001 at 392.04, 24.28 points lower than the previous year's closing index of 416.32.

Company shareholders numbered 1,380 as at December 31, 2001.



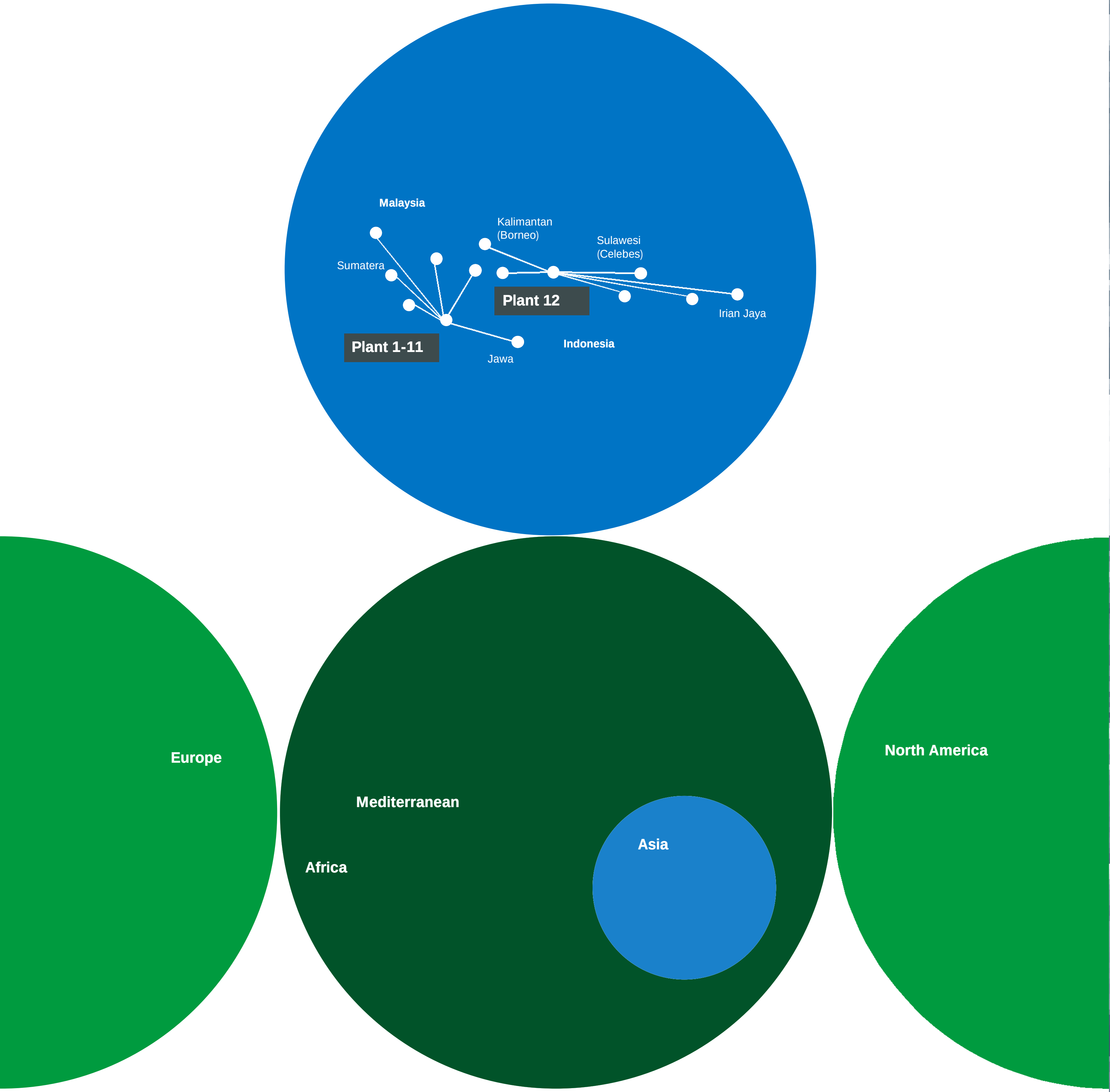
Five-year Financial Statistics

Amounts in billion rupiahs unless otherwise stated	2001	2000	1999	1998	1997
Net revenues	**3,453**	2,448	1,759	1,590	1,572
Gross profit	**1,083**	1,009	635	616	668
Income from operations	**672**	705	371	437	530
EBITDA (1)	**1,082**	961	524	590	700
Net income (loss)	**(63)**	(874)*	521	(634)	(378)
Net cash provided by operating activities	**618**	958	875	564	801
Total assets	**11,930**	11,649	9,860	9,641	6,670
Total liabilities	**9,167**	10,527*	8,392	8,597	5,776
Shareholders' equity	**2,763**	1,122*	1,468	665	894
Net borrowings (2)	**8,501**	9,786	5,961	7,516	4,392
Capital employed	**11,210**	11,273	1,498	1,070	5,139
Capital expenditures (3)	**143**	114	121	1,783	893
Issued ordinary shares (million)	**3,681**	2,484	2,414	2,414	2,414
Per share data (4)					
Primary earnings (loss) per share	**(19)**	(362)*	216	(263)	(156)
Dividend per share	**–**	–	–	–	150
Book value per share	**751**	452*	608	276	370
Financial ratios (%)					
Current ratio	**212**	343	23	15	98
Net gearing (5)	**308**	872*	407	1,131	1,491
Net borrowing to assets	**71**	84	60	78	66
Return on assets	**(1)**	(8)	5	(7)	(6)
Return on capital employed	**(1)**	(8)	35	(59)	(7)
Return on shareholders' equity	**(2)**	(78)	36	(95)	(42)
Number of employees	**7,326**	7,401	7,096	7,332	7,360

* As restated by the Independent External Auditors

1. Earnings before interest, taxes, depreciation and amortization
2. Net borrowings is defined as long term and short term borrowings less cash, cash equivalent and short term investment
3. Includes construction in progress
4. Restated based on the weighted average number of shares after stock split in 1996
5. Net borrowings as a percentage of shareholders' equity. Data covering 1996 were restated to exclude Indofood

Integration Into A World Class Cement Group



Independent Auditors' Report

Report No. 36668S

This Report is Originally issued in Indonesian Language

The Shareholders and Boards of Commissioners and Directors
PT Indocement Tunggal Prakarsa Tbk.

We have audited the consolidated balance sheets of PT Indocement Tunggal Prakarsa Tbk. and Subsidiaries as of December 31, 2001 and 2000, and the related consolidated statements of income, changes in shareholders' equity and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of PT Wisma Nusantara International, an associated company, the investment in which is accounted for in the consolidated financial statements using the equity method. The carrying values of this investment represents approximately 1.51% and 1.58% of the total consolidated assets as of December 31, 2001 and 2000, while the related net amount of equity share in net earnings of this associated company amounted to Rp 10,676,502,081 and Rp 29,101,264,596 in 2001 and 2000, respectively. Those statements were audited by other auditors whose unqualified report has been furnished to us and our opinion, insofar as it relates to the amounts included for that entity, is based solely on the report of the other independent auditors.

We conducted our audits in accordance with auditing standards established by the Indonesian Institute of Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, based on our audits and the report of the other independent auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of PT Indocement Tunggal Prakarsa Tbk. and Subsidiaries as of December 31, 2001 and 2000, and the results of their operations, changes in shareholders' equity and their cash flows for the years then ended in conformity with generally accepted accounting principles in Indonesia.

Note 23 to the consolidated financial statements summarizes the effects the economic condition in Indonesia has had on the Company and its Subsidiaries, as well as the measures the Company and its Subsidiaries have implemented and plan to implement in response to the economic condition. The accompanying consolidated financial statements include the effects of the economic condition to the extent that they can be determined and estimated.

Prasetio, Utomo & Co.
License No. 98.2.0024

Indrajuwana Komala Widjaja
License No. 98.1.0511

February 18, 2002

Notice to Readers
The accompanying consolidated financial statements are intended to present the financial position, results of operations, changes in shareholders' equity and cash flows in accordance with accounting principles and practices generally accepted in Indonesia and not with those of any other jurisdictions. The standards, procedures and practices applied to audit such consolidated financial statements are those generally accepted and applied in Indonesia.

Consolidated Balance Sheets

PT Indocement Tunggal Prakarsa Tbk.
and Subsidiaries
December 31, 2001 and 2000

These Consolidated Financial Statements are Originally Issued in Indonesian Language.

Assets	Notes	2001 Rp	2000 (As Restated - Note 2*b*) Rp
Current Assets			
Cash and cash equivalents	2*c* and 4	**255,872,249,722**	260,136,001,137
Short-term investments - net	2*d*	**26,600,167,800**	65,581,565,800
Trade receivables - net of allowance for doubtful accounts of Rp 80,189,114,757 in 2001 and Rp 79,157,877,335 in 2000	2*e*, 5, 12, 21*g* and 21*j*		
Related parties	2*f* and 6	**22,842,047,330**	18,351,318,598
Third parties		**221,729,513,505**	207,516,529,633
Other receivables - third parties - net of allowance for doubtful accounts of Rp 401,356,718 in 2001 and Rp 48,627,460 in 2000	2*p*, 11 and 21*p*	**24,097,822,246**	32,064,199,301
Inventories - net	2*g*, 7 and 12	**828,044,882,547**	562,090,297,824
Advances and deposits	10 and 21*g*	**78,732,902,554**	115,244,111,486
Prepaid taxes	11	**13,577,441,171**	11,705,137,204
Prepaid expenses	2*f*, 2*h*, 6, 7 and 9	**56,492,072,585**	18,940,975,280
Total Current Assets		**1,527,989,099,460**	1,291,630,136,263
Non-Current Assets			
Due from related parties - net of allowance for doubtful accounts of Rp 17,972,651,983 in 2001 and 2000	2*f* and 6	**3,850,026,982**	35,782,744,172
Deferred tax assets - net	2*q* and 11	**739,495,182,652**	687,620,390,975
Long-term investments and advances to associated companies	2*b*, 2*f*, 6 and 8	**341,793,430,717**	326,289,188,082
Property, plant and equipment - net of accumulated depreciation, amortization and depletion of Rp 2,050,475,221,629 in 2001 and Rp 1,644,364,887,094 in 2000	2*i*, 2*j*, 2*k*, 9, 12, 21*c*, 21*d* and 21*g*	**8,732,179,923,464**	8,691,187,573,331
Other non-current assets			
Restricted cash in banks	12 and 21*i*	**432,082,428,708**	444,000,598,810
Others - net	2*l*, 9, 21*a* and 21*e*	**152,629,265,488**	172,526,236,592
Total Non-Current Assets		**10,402,030,258,011**	10,357,406,731,962
Total Assets		**11,930,019,357,471**	11,649,036,868,225

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

Consolidated Balance Sheets

PT Indocement Tunggal Prakarsa Tbk.
and Subsidiaries
December 31, 2001 and 2000

These Consolidated Financial Statements are Originally Issued in Indonesian Language.

Liabilities and Shareholders' Equity	Notes	2001 Rp	2000 (As Restated - Note 2*b*) Rp
Current Liabilities			
Trade payables	10		
Third parties	21*f*	**129,180,419,530**	76,525,307,599
Related parties	2*f* and 6	**19,460,586,872**	5,631,979,338
Other payables - third parties	12, 21*c* and 21*d*	**48,461,159,398**	92,525,302,011
Accrued expenses	6*j*, 12, 20 and 22*b*	**135,047,839,739**	112,400,878,416
Taxes payable	2*q*, 11 and 12	**27,019,979,414**	79,799,757,490
Unearned income		**3,700,295,750**	1,083,076,976
Current maturities of long-term debts	2*o* and 12	**357,462,400,088**	8,443,600,000
Total Current Liabilities		**720,332,680,791**	376,409,901,830
Non-Current Liabilities			
Due to related parties	2*f* and 6*i*	**7,934,430,956**	32,463,573,081
Long-term debts - net of current maturities	2*o* and 12	**8,425,775,569,592**	10,103,614,428,444
Deferred gain on sale-and-leaseback transactions - net	2*j*	**12,889,144,175**	14,285,101,789
Total Non-Current Liabilities		**8,446,599,144,723**	10,150,363,103,314
Shareholders' Equity			
Capital stock - Rp 500 par value Authorized - 8,000,000,000 shares Issued - 3,681,223,519 shares in 2001 and 2,484,316,447 shares in 2000	12 and 13	**1,840,611,759,500**	1,242,158,223,500
Additional paid-in capital	2*s* and 14	**1,194,229,040,048**	388,978,797,362
Other paid-in capital	15	**338,250,000,000**	-
Foreign currency translation adjustments	2*b*	**-**	578,487,895
Differences arising from changes in Subsidiary's equity	2*b*	**(59,762,848,146)**	(31,043,398,146)
Differences arising from restructuring transactions among entities under common control	2*b* and 3	**(330,799,198,508)**	(322,357,968,508)
Unrealized gains (losses) on available-for-sale securities - net	2*d*	**(3,169,412,670)**	(2,907,464,670)
Retained earnings (deficit)			
Appropriated	16	**50,000,000,000**	50,000,000,000
Unappropriated		**(266,271,808,267)**	(203,142,814,352)
Net Shareholders' Equity		**2,763,087,531,957**	1,122,263,863,081
Total Liabilities and Shareholders' Equity		**11,930,019,357,471**	11,649,036,868,225

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

Consolidated Statements of Income

PT Indocement Tunggal Prakarsa Tbk.
and Subsidiaries
December 31, 2001 and 2000

These Consolidated Financial Statements are Originally Issued in Indonesian Language.

	Notes	2001	2000 (As Restated - Note 2*b*)
		Rp	Rp
Net Revenues	2*f*, 2*m*, 6, 17, 21*g* and 21*j*	**3,453,411,340,960**	2,447,973,309,208
Cost of Revenues	2*f*, 2*m*, 6, 17 and 18	**2,370,743,097,145**	1,439,388,305,420
Gross Profit		**1,082,668,243,815**	1,008,585,003,788
Operating Expenses	2*m* and 19		
Delivery and selling		**227,903,005,592**	134,510,950,832
General and administrative		**182,698,552,791**	168,674,663,713
Total Operating Expenses		**410,601,558,383**	303,185,614,545
Income from Operations	17	**672,066,685,432**	705,399,389,243
Other Charges (Income)			
Interest expense	2*k*, 9 and 12	**517,178,217,937**	637,520,519,261
Foreign exchange losses - net	2*k*, 2*o* and 23	**319,519,920,926**	1,445,263,427,971
Interest income	4	**(30,005,561,001)**	(130,011,879,729)
Equity share in net earnings of associated companies - net	2*b* and 8	**(17,968,277,906)**	(10,097,944,856)
Others - net	2*b*, 2*d*, 2*i*, 2*j* and 2*l*	**(10,608,195,472)**	16,069,617,586
Other Charges - Net		**778,116,104,484**	1,958,743,740,233
Loss Before Net Benefits from Income Tax		**106,049,419,052**	1,253,344,350,990

Consolidated Statements of Income

PT Indocement Tunggal Prakarsa Tbk.
and Subsidiaries
December 31, 2001 and 2000

These Consolidated Financial Statements are Originally Issued in Indonesian Language.

	Notes	2001	2000 (As Restated - Note 2*b*)
		Rp	Rp
Benefits from Income Tax - Net	2*q* and 11		
Current		**8,954,367,500**	6,105,563,268
Deferred		**(51,874,792,637)**	(385,377,826,476)
Benefits from Income Tax - Net		**(42,920,425,137)**	(379,272,263,208)
Net Loss		**63,128,993,915**	874,072,087,782
Basic Loss Per Share	2*t*	**19.11**	361.93

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

Consolidated Statements of Changes In Shareholders' Equity

These Consolidated Financial Statements are Originally Issued in Indonesian Language.

	Notes	Capital Stock	Additional Paid-in Capital* (Notes 14 and 15)	Foreign Currency Translation Adjustments	Differences Arising from Changes in Subsidiary's Equity	Differences Arising from Restructuring Transactions Among Entities Under Common Control	Unrealized Gains (Losses) on Available-for-Sale Securities - Net	Retained Earnings (Deficit)		Net Shareholders' Equity
								Appropriated	Unappropriated	
		Rp	Rp	Rp	Rp	Rp	Rp	Rp	Rp	Rp
Balance, January 1, 2000 (as previously reported)		1,207,226,660,000	172,329,476,497	(275,523,960)	19,310,551,854	(651,133,688,138)	(1,891,104,470)	50,000,000,000	672,326,792,207	1,467,893,163,990
Adjustment arising from acquisition of PT Dian Abadi Perkasa from entity under common control	2*b*	-	-	-	-	735,000,000	-	-	3,502,481,223	4,237,481,223
Balance, January 1, 2000 (as restated)	2*b*	1,207,226,660,000	172,329,476,497	(275,523,960)	19,310,551,854	(650,398,688,138)	(1,891,104,470)	50,000,000,000	675,829,273,430	1,472,130,645,213
Issuance of common stock through debt-to-equity swap transaction	12 and 13	34,931,563,500	216,649,320,865	-	-	-	-	-	-	251,580,884,365
Net loss		-	-	-	-	-	-	-	(874,072,087,782)	(874,072,087,782)
Foreign currency translation adjustments	2*b*	-	-	854,011,855	-	-	-	-	-	854,011,855
Decline in market values of investments in marketable securities	2*d*	-	-	-	-	-	(1,016,360,200)	-	-	(1,016,360,200)
Changes in Subsidiary's equity arising from the decline in market values of its investments in marketable securities	2*b* and 2*d*	-	-	-	(50,353,950,000)	-	-	-	-	(50,353,950,000)
Differences arising from restructuring transactions among entities under common control	2*b*, 3 and 13	-	-	-	-	328,040,719,630	-	-	(4,900,000,000)	323,140,719,630
Balance, December 31, 2000 (as restated)	2*b*	**1,242,158,223,500**	**388,978,797,362**	**578,487,895**	**(31,043,398,146)**	**(322,357,968,508)**	**(2,907,464,670)**	**50,000,000,000**	**(203,142,814,352)**	**1,122,263,863,081**
Issuance of common stock through Rights Issue and debt-to-equity swap	12 and 13	598,453,536,000	837,834,950,400	-	-	-	-	-	-	1,436,288,486,400
Foreign currency differential arising from debt-to-equity swap transaction	15	-	338,250,000,000	-	-	-	-	-	-	338,250,000,000
Stock issuance costs	2*s* and 14	-	(32,584,707,714)	-	-	-	-	-	-	(32,584,707,714)
Net loss		-	-	-	-	-	-	-	(63,128,993,915)	(63,128,993,915)
Reversal of foreign currency translation adjustments due to disposal of Leamaat Omikron B.V.	2*b*	-	-	(578,487,895)	-	-	-	-	-	(578,487,895)
Decline in market values of investments in marketable securities	2*d*	-	-	-	-	-	(261,948,000)	-	-	(261,948,000)
Changes in Subsidiary's equity arising from the decline in market values of its investments in marketable securities	2*b* and 2*d*	-	-	-	(28,719,450,000)	-	-	-	-	(28,719,450,000)
Adjustment arising from acquisition of PT Dian Abadi Perkasa from entity under common control	2*b*	-	-	-	-	(8,441,230,000)	-	-	-	(8,441,230,000)
Balance, December 31, 2001		**1,840,611,759,500**	**1,532,479,040,048**	**-**	**(59,762,848,146)**	**(330,799,198,508)**	**(3,169,412,670)**	**50,000,000,000**	**(266,271,808,267)**	**2,763,087,531,957**

* Including Other Paid–in Capital

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

Consolidated Statements of Cash Flows

PT Indocement Tunggal Prakarsa Tbk.
and Subsidiaries
December 31, 2001 and 2000

These Consolidated Financial Statements are Originally Issued in Indonesian Language.

	2001 Rp	2000 Rp
Cash Flows From Operating Activities		
Collections from customers	**3,852,411,003,346**	2,929,214,853,958
Payments to suppliers and contractors and for salaries and other employees' benefits	**(2,923,116,079,549)**	(2,007,225,798,822)
Cash provided from operations	**929,294,923,797**	921,989,055,136
Receipts of interest income	**18,452,871,173**	134,340,834,367
Proceeds from claims for tax refund	**11,316,724,303**	129,732,144,771
Proceeds from sales of "trading" marketable securities and receipts of related interest income	**-**	42,999,473,758
Payments of taxes	**(339,317,224,162)**	(177,151,303,842)
Payments of interest expense and other financing charges	**(2,380,079,553)**	(22,788,293,154)
Purchases of "trading" marketable securities	**-**	(52,486,940,556)
Receipts from (payments for) other operating activities	**1,075,749,055**	(18,332,997,348)
Net Cash Provided by Operating Activities	**618,442,964,613**	958,301,973,132
Cash Flows From Investing Activities		
Cash dividends received	**14,608,957,080**	-
Proceeds from sales of marketable securities	**10,000,000,000**	-
Proceeds from disposals of equipment	**2,750,983,767**	13,318,144,695
Purchases of property, plant and equipment	**(142,554,884,055)**	(113,819,410,463)
Acquisition of subsidiaries	**(8,429,745,333)**	(16,581,376,140)
Additional placements in long-term investments and advances to associated companies	**(5,721,232,418)**	(9,458,751,760)
Proceeds from redemptions of matured investments in bonds	**-**	50,000,000,000
Net proceeds from other investing activities	**2,704,165,011**	5,585,453,588
Net Cash Used for Investing Activities	**(126,641,755,948)**	(70,955,940,080)
Cash Flows From Financing Activities		
Proceeds from issuance of capital stock through Rights Issue	**38,487,600**	-
Payments of bank loans	**(9,436,900,000)**	(8,902,608,066)
Payments of obligations under capital leases	**-**	(1,201,760,187)
Payments of cash dividends	**-**	(4,900,000,000)
Proceeds from (payments for) other financing activities	**4,900,000,000**	(4,900,000,000)
Net Cash Used for Financing Activities	**(4,498,412,400)**	(19,904,368,253)

Consolidated Statements of Cash Flows

PT Indocement Tunggal Prakarsa Tbk.
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	2001 Rp	2000 Rp
Net Effect of Changes In Exchange Rates on Cash and Cash Equivalents	**60,414,855,068**	21,161,712,516
Reclassification of Cash and Cash Equivalents to Other Assets (Restricted Cash in Banks)	**(551,981,402,748)**	(1,498,447,979,102)
Net Decrease In Cash and Cash Equivalents	**(4,263,751,415)**	(609,844,601,787)
Cash and Cash Equivalents at Beginning of Year	**260,136,001,137**	869,980,602,924
Cash and Cash Equivalents at End of Year	**255,872,249,722**	260,136,001,137
Activities not affecting cash and cash equivalents:		
Conversion of long-term debt to equity through debt-to-equity swap (US$ 149,886,295)	**1,773,154,865,000**	-
Payment of interest through restricted cash in banks	**453,502,684,574**	1,119,352,564,176
Payment of bank loans through restricted cash in banks	**112,916,259,691**	801,159,896
Financing cost capitalized to construction in progress	**59,592,647,231**	197,527,524,555
Interest earned on restricted cash in banks	**11,189,176,527**	1,185,170,658
Final settlement of obligations under capital leases through application of security deposits	**-**	2,000,000,000

Notes to Consolidated Financial Statements

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1. General

PT Indocement Tunggal Prakarsa Tbk. (the Company) was incorporated in Indonesia on January 16, 1985 based on notarial deed No. 27 of Ridwan Suselo, S.H. Its deed of incorporation was approved by the Ministry of Justice in its decision letter No. C2-2876HT.01.01.Th.85 dated May 17, 1985. The Company's Articles of Association has been amended from time to time, the latest of which was covered by notarial deed No. 68 of Amrul Partomuan Pohan, SH, LLM, dated June 26, 2000 concerning, among others, the increase in the Company's authorized capital. Such amendments were approved by the Ministry of Law and Legislation in its decision letter No. C-13322 HT.01.04.TH.2000 dated July 7, 2000 (see Note 13*b*).

The Company started its commercial operations in 1985.

Based on the Extraordinary General Meeting of the Shareholders (EGMS) held on October 2, 1989, which was covered by notarial deed No. 4 of Amrul Partomuan Pohan, SH, LLM, the shareholders approved, among others, the offering of 598,881,000 shares to the public. Also, based on the EGMS held on March 18, 1991, which was covered by notarial deed No. 53 of the same notary, the shareholders approved the issuance of convertible bonds with a total nominal value of US$ 75 million.

On June 20, 1991, in accordance with the above-mentioned shareholders' approval, the Company issued and listed at the Luxembourg Stock Exchange US$ 75 million worth of 6.75% Euro Convertible Bonds (the "Euro Bonds") at 100% issue price, with an original maturity in 2001. The Euro Bonds were convertible into common shares starting August 1, 1991 up to May 20, 2001 at the option of the bondholders at an initial conversion price of Rp 14,450 per share, with a fixed rate of exchange upon conversion of US$ 1 to Rp 1,946.

In 1994, the Company issued 8,555,640 shares of stock upon the partial conversion of the Euro Bonds worth US$ 35,140,000. Accordingly, the Company transferred and reclassified the corresponding portion of the related bonds payable amounting to Rp 8,555,640,000 to capital stock and Rp 67,320,100,000 to additional paid-in-capital. The remaining balance of the Euro Bonds with total nominal value of US$ 39,860,000 was fully redeemed and settled in 1994.

Based on the EGMS held on June 15, 1994, the shareholders approved the increase in the Company's authorized capital stock from Rp 750 billion to Rp 2,000 billion; and the issuance of one bonus share to shareholders for each existing share they held as of August 23, 1994, or a total of 599,790,020 bonus shares.

During the EGMS held on June 26, 1996, the shareholders resolved to split the par value of the Company's share from Rp 1,000 per share to Rp 500 per share. Accordingly, the issued and paid-in capital stock were also increased from 1,207,226,660 shares to 2,414,453,320 shares. This shareholders' resolution was approved by the Ministry of Justice in its decision letter No. C2-HT.01.04.A.4465 dated July 29, 1996.

On December 29, 2000, the Company issued 69,863,127 common shares to Marubeni Corporation as a result of the conversion into equity of the latter's receivable from the Company (debt-to-equity swap).

Based on the EGMS held on March 29, 2001, the shareholders approved to offer Rights Issue with pre-emptive rights to the shareholders of the Company to purchase new shares at Rp 1,200 per share. Total shares to be issued for the Rights Issue was 1,895,752,069 shares with an option to receive Warrant C if the shareholders did not exercise their Rights with the terms and conditions as mentioned in Note 13*d*.

During the exercise period up to May 1, 2001 (the last exercise date), total shares issued after being exercised were as follows (see Notes 13*d* and 13*e*):

1. Exercised by Kimmeridge Enterprise Pte., Ltd. ("Kimmeridge"), a Subsidiary of Heidelberger Zement AG (HZ), on April 26, 2001, through debt conversion of US$ 150 million equivalent to 1,196,874,999 shares.

2. Exercised by public shareholders of 32,073 shares.

As stated in Article 3 of the Company's Article of Association, the scope of its activities comprises of, among others, manufacture of cement and building materials, food and beverages, textile, construction and trading.

The Company is domiciled in Jakarta, while its factories are located in Citeureup-West Java, Cirebon-West Java, and Tarjun-South Kalimantan.

The Company and its Subsidiaries (the "Group") are a multi-business group consisting of Cement Business, as the Group's core business, and Other Businesses.

The Cement Business mainly includes the operations of the Company's integrated cement plants and its Ready-Mix Concrete manufacturing subsidiary. The Company has 12 (twelve) plants in three different locations: nine at Citeureup - Bogor site, two at Palimanan - Cirebon site and one at Tarjun, South Kalimantan, which started its commercial operations on April 1, 2001, with a total combined annual production capacity of about 15.4 million tons of clinker.

Other Businesses include, among others, the Company-owned property, Wisma Indocement, a 23-storey office tower with over 19,000 square meters of rentable space and two basement car parks; PT Wisma Nusantara International, an associated company, which owns and operates a 30-storey office building with 26,108 square meters of rentable space; President Hotel, a four-star hotel with 315 rooms (all located in Jakarta's central commercial district); and Hotel Novotel Benoa Bali, a four-star hotel with 190 rooms (located in Nusa Dua, Bali).

As of December 31, 2001, the members of the Company's Boards of Commissioners and Directors are as follows:

Board of Commissioners		Board of Directors	
President	Paul Vanfrachem	President	Daniel Lavalle
Vice President	Sudwikatmono	Vice President	Tedy Djuhar
Vice President	I Nyoman Tjager	Director	Thomas Kern
Commissioner	Hans Bauer	Director	Oivind Hoidalen
Commissioner	Horst R. Wolf	Director	Iwa Kartiwa
Commissioner	Hakan Fernvik	Director	Nelson Borch
Commissioner	Mark C. S. Tse	Director	Thierry Dosogne
Commissioner	Parikesit Suprapto	Director	Benny S. Santoso
Commissioner	Ibrahim Risjad	Director	Rama Prihandana

Total salaries and other compensation benefits paid to the Company's Boards of Commissioners and Directors (including payment of termination and pension for the former members who were replaced in 2001) amounted to Rp 54 billion and Rp 17.4 billion for the years ended December 31, 2001 and 2000, respectively. As of December 31, 2001, the Company and its Subsidiaries have a total of 7,326 permanent employees (unaudited).

2. Summary of Significant Accounting Policies

a. Basis of Consolidated Financial Statements

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles and practices in Indonesia. The consolidated financial statements have been prepared on the historical cost basis of accounting, except for inventories which are valued at the lower of cost or net realizable value (market), certain short-term investments which are stated at market value, certain investments in shares of stock which are accounted for under the equity method, and certain property, plant and equipment which are stated at revalued amounts.

The consolidated statements of cash flows present cash receipts and payments classified into operating, investing and financing activities. Based on the decision letter of the Chairman of Capital Market Supervisory Agency (BAPEPAM) No. KEP-06/PM/2000 dated March 13, 2000, all financial statements prepared and issued by publicly-listed companies starting from January 1, 2000 should present their statements of cash flows using the direct method.

b. Principles of Consolidation

The consolidated financial statements include the accounts of the Company and those of its direct Subsidiaries (collectively referred to as the "Subsidiaries") as follows:

Subsidiaries	Principal Activity	Country of Domicile	Years of Incorporation/ Start of Commercial Operations	Total Assets as of December 31, 2001	Effective Percentage of Ownership 2001	2000 (As restated)	2000 (As previously reported)
				Rp	%	%	%
PT Dian Abadi Perkasa (DAP)	Cement distribution	Indonesia	1998/1999	278,620,301,890	**99.99**	99.99	51.00
PT Indomix Perkasa (Indomix)	Ready-Mix Concrete manufacturing	Indonesia	1992/1992	77,764,229,402	**99.99**	99.99	99.99
Indocement (Cayman Island) Limited	Investing	Cayman Island	1991/1991	12,565,717,803	**100.00**	100.00	100.00
Leamaat Omikron BV	Financing	Netherlands	1995/1995	-	**-**	100.00	100.00

DAP was established in 1998 and primarily acts as the Company's main domestic distributor of certain cement products (see Note 6*a*).

Based on EGMS dated March 29, 2001, the independent shareholders approved the acquisition of the remaining 49% shares of DAP from PT Roda Maju Utama (RMU), a related party, with 1 share to be acquired by Indomix. On April 16, 2001, the Company entered into a conditional sale and purchase shares agreement with RMU pursuant to which RMU sold its entire ownership in DAP to the Company with a total cash consideration of Rp 8,429,745,333. The agreement required certain conditions to be met prior to the consummation of the transaction, such as, obtaining the necessary approvals from the Company's independent shareholders, DAP's and RMU's shareholders and RMU's Commissioners. On April 16, 2001, all of these preconditions had been fulfilled, therefore, the Company, directly and indirectly, owns 100% of DAP.

Since the said transaction involved entities under common control, the 2000 consolidated financial statements were restated as if the restructuring took place at the beginning of the year presented (2000) in accordance with PSAK No. 38, "Accounting for Restructuring Transaction Among Entities Under Common Control". Accordingly, the difference between the cost of investment and book value is presented as "Difference Arising from Restructuring Transactions under Common Control" under the shareholders' equity section of the consolidated balance sheets.

A summary of the 2000 consolidated financial statements before and after the restatement is as follows:

	As Previously Reported	As Restated
	Rp	Rp
Total Assets	11,649,036,868,225	11,649,036,868,225
Total Liabilities	10,526,773,005,144	10,526,773,005,144
Minority Interests In Net Assets of Subsidiaries	3,040,402,208	-
Net Shareholders' Equity	1,119,223,460,873	1,122,263,863,081
Net Loss	877,775,008,767	874,072,087,782
Basic Loss Per Share	363.46	361.93

Leamaat Omikron BV (Leamaat) is a wholly-owned, non operating entity. On December 14, 2001, the Company sold its full ownership in Leamaat to Mr. Johannes Bernadus Jongenotter, a third party, for EUR 536,827.34 (equivalent to Rp 4,872,781,765). The sale and transfer of shares was covered by notarial deed of Mr. Robert Jan Josef Lijdsman, civil law notary in Amsterdam, dated December 14, 2001. Accordingly, the accounts of Leamaat were not included in the accompanying consolidated financial statements as of December 31, 2001. The 2000 consolidated financial statements were not restated since the amounts involved are insignificant.

The Company also has 5 (five) other Subsidiaries with effective percentage of ownership of 99.99% each. The total cost of investments in these entities amounted to Rp 20,000,000. Since these entities have no activities and the total cost of investments in these Subsidiaries is immaterial, their accounts were not included in the consolidated financial statements. Instead, the investments in these Subsidiaries are recorded and presented as part of the "Long-term Investments and Advances to Associated Companies" in the consolidated balance sheets. The details of these Subsidiaries are as follows:

	Year of Incorporation*	Country of Domicile	Total Assets as of December 31, 2001
			Rp
PT Bhakti Sari Perkasa Abadi	1998	Indonesia	5,000,000
PT Lentera Abadi Sejahtera	1998	Indonesia	5,000,000
PT Mandiri Sejahtera Sentra	1998	Indonesia	5,000,000
PT Sari Bhakti Sejati	1998	Indonesia	5,000,000
PT Makmur Abadi Perkasa Mandiri	1998	Indonesia	-

*Year of incorporation is based on the date indicated in the Articles of Association.

For consolidation purposes, the accounts of foreign subsidiaries are translated into rupiah amounts on the following basis:

Balance sheet accounts -	Middle rates of exchange as published by Bank Indonesia as of balance sheet date (US$ 1 to Rp 10,400 and Rp 9,595 as of December 31, 2001 and 2000, respectively; and NLG 1 to Rp 4,044.04 as of December 31, 2000).
Profit and loss accounts -	Average rates of exchange during the year (US$ 1 to Rp 10,266.10 and Rp 8,534.42 for the years ended December 31, 2001 and 2000, respectively; and NLG 1 to Rp 3,548.73 for the year ended December 31, 2000).

The statements of cash flows of foreign subsidiaries are translated using average exchange rates during the year. The resulting net difference arising from the translations of balance sheet and profit and loss accounts is presented as "Foreign Currency Translation Adjustments" under the Shareholders' Equity section of the consolidated balance sheets.

The difference of the purchase price over the underlying fair value of the net assets of the acquired subsidiaries (and/or vice-versa) is booked as "Goodwill" and presented as part of "Other Non-Current Assets - Others (net)" in the consolidated balance sheets. Goodwill is amortized using the straight-line method over 20 (twenty) years in view of the good future business prospect of the investees. Due to the immateriality of the remaining unamortized balance of goodwill, management has decided to fully charge it off to operations in 2000.

All significant intercompany accounts and transactions have been eliminated.

Investments in associated companies, in which the Company or its Subsidiaries have ownership interests of at least 20% but not exceeding 50%, are accounted for under the equity method, whereby the costs of such investments are increased or decreased by the Company's or Subsidiaries' equity shares in the net earnings (losses) of the investees since date of acquisition and are reduced by dividends received by the Company or Subsidiaries from the investees. The equity shares in net earnings (losses) of the investees are being adjusted for the straight-line amortization, over a twenty-year period (in view of the good future business prospects of the investees), of the difference between the costs of such investments and the Company's or Subsidiaries' proportionate shares in the fair value of the underlying net assets of investees at date of acquisition (goodwill).

All other investments are carried at cost (cost method).

In compliance with PSAK No. 40, "Accounting for Changes in Subsidiary's/Investee's Equity", the difference between the carrying amount of the Company's investment in, and the value of the underlying net assets of the subsidiary/investee arising from changes in the latter's equity, which are not resulting from transactions between the Company and the concerned subsidiary/investee, is recorded and presented as "Differences Arising from Changes in Subsidiary's Equity" under the Shareholders' Equity section of the consolidated balance sheets. Accordingly, the resulting difference arising from the changes in equity of PT Indomix Perkasa in connection with its application of the provisions of PSAK No. 50, "Accounting for Investments in Certain Securities", is recorded and presented under this account (see item d below).

c. Cash Equivalents
Time deposits and other short-term investments with maturities of three months or less at the time of placement or purchase and not pledged as collateral for loans and other borrowings are considered as "Cash Equivalents".

d. Short-term Investments
Investments in equity securities listed in the stock exchanges, bonds and other investments with maturities of more than three months but not exceeding one year are classified as "Short-term Investments".

The investments in bonds are stated at cost, adjusted for the straight-line amortization of premiums or accretion of discounts.

In accordance with PSAK No. 50, equity securities held as available-for-sale are stated at market value. Any unrealized gains or losses on appreciation/depreciation in market values of the equity securities are recorded and presented as "Unrealized Gains (Losses) on Available-for-Sale Securities-Net" under the Shareholders' Equity section of the consolidated balance sheets, which are credited or charged to operations upon realization.

e. Allowance for Doubtful Accounts
The Company and its Subsidiaries provide allowance for doubtful accounts based on a periodic review of the status of the individual receivable accounts.

f. Transactions with Related Parties
The Company and Subsidiaries have transactions with related parties. Related party relationship is defined under PSAK No. 7, "Related Party Disclosures", as follows:

(1) enterprises that, through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise (including holding companies, subsidiaries and affiliates);

(2) associated enterprises;

(3) individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them significant influence over the enterprise, and close members of the family of any such individuals (close members of a family are defined as those members who are able to exercise influence or can be influenced by such individuals, in conjunction with their transactions with the reporting enterprise);

(4) key management personnel, that is, those persons having authority and responsibility for planning, directing and controlling the activities of the reporting enterprise, including commissioners, directors and managers of the enterprise and close members of the families of such individuals; and,

(5) enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any person described in (3) or (4), or over which such a person is able to exercise significant influence. This definition includes enterprises owned by the commissioners, directors or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the reporting enterprise.

All significant transactions with related parties, performed on an arms length basis similar to those with non-related parties, are disclosed in Note 6.

Notes to Consolidated Financial Statements

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g. Inventories
Inventories are stated at the lower of cost or market value. Cost is determined using the average method. The Company and its Subsidiaries provide allowance for inventory obsolescence based on a periodic review of the physical conditions of the inventories.

h. Prepaid Expenses
Prepaid expenses are amortized over the periods benefited using the straight-line method. The non-current portion of prepaid expense is shown as part of "Other Non-Current Assets - Others (Net)" in the consolidated balance sheets.

i. Property, Plant and Equipment
Property, plant and equipment are stated at cost, except for certain assets revalued in accordance with government regulations, less accumulated depreciation, amortization and depletion. Main machinery and equipment related to the production of cement are depreciated using the unit-of-production method, while all the other property, plant and equipment items are depreciated using the straight-line method based on their estimated useful lives as follows:

	Years
Land improvements; quarry; and buildings and structures	8 - 30
Machinery and equipment	5 - 10
Leasehold improvements; furniture, fixtures and office equipment; and tools and other equipment	5
Transportation equipment	5

Landrights are stated at cost and not amortized (see item *l*).

Construction in progress is stated at cost. Costs are reduced by the amount of revenue generated from the sale of finished products during the trial production runs less the related cost of production. The accumulated costs will be reclassified to the appropriate property, plant and equipment accounts when the construction is substantially completed and the asset is ready for its intended use.

The costs of maintenance and repairs are charged to operations as incurred; significant renewals and betterment, as defined under PSAK No. 16, "Property, Plant and Equipment", are capitalized. When assets are retired or otherwise disposed of, their carrying values and the related accumulated depreciation, amortization or depletion are removed from the accounts and the resulting gains or losses are credited or charged to current operations.

The Group conducts a review to determine whether an impairment loss on their assets has been incurred in accordance with PSAK No. 48, "Impairment in Asset Value", which became effective starting January 1, 2000. PSAK No. 48 requires companies to estimate the recoverable amount of all their long live assets and recognize the impairment in asset value as a loss in the statements of income whenever the recoverable amount is lower than its carrying value. Management believes that there is no potential impairment in values of the assets stated in the consolidated financial statements.

j. Leases
Lease transactions are accounted for under the capital lease method when the required capitalization criteria under PSAK No. 30, "Accounting for Leases" are met. Otherwise, lease transactions are accounted for under the operating lease method. Assets under capital lease (presented under "Property, Plant and Equipment" account in the consolidated balance sheets) are recorded based on the present value of the lease payments at the beginning of the lease term plus residual value (option price) to be paid at the end of the lease period. Depreciation of leased assets is computed based on methods and estimated useful lives that are in line with those of similar property, plant and equipment acquired under direct ownership.

Gain on sale-and-leaseback transactions is deferred and amortized using the same basis and methods as referred to above.

k. Capitalization of Borrowing Costs and Foreign Exchange Losses
In accordance with the revised PSAK No. 26, "Borrowing Costs", interest charges and foreign exchange differences incurred on borrowings and other related costs to finance the construction or installations of major facilities are capitalized. Capitalization of these borrowing costs ceases when the construction or installation is completed and the related asset is ready for its intended use.

l. Deferred Charges

Expenditures, whose benefits extend over one year, are deferred and amortized over the periods benefited using the straight-line method.

In accordance with PSAK No. 47, "Accounting for Land", costs incurred in connection with the acquisitions/renewal of landrights, such as legal fees, land remeasurement fees, notarial fees, taxes and other expenses, are deferred and amortized using the straight-line method over the legal terms of the related landrights.

m. Revenue and Expense Recognition

Revenues are recognized as earned when the products are delivered and the risks and benefits of ownership have been transferred to the customers and/or when services are rendered. Cost and expenses are generally recognized and charged to operations when they are incurred (accrual basis).

n. Retirement Benefits

The Company has a defined contributions retirement plan covering substantially all of its full time employees. Contributions are funded and consist of the Company's and the employees' contributions computed at 10% and 5%, respectively, of the employees' pensionable earnings. On the other hand, the Subsidiaries still operate the "pay-as-you-go" retirement benefits scheme. Retirement benefits incurred are accrued and directly charged to operations.

o. Foreign Currency Transactions and Balances

Transactions involving foreign currencies are recorded in rupiah amounts at the middle rates of exchange prevailing at transaction date. At balance sheet date, monetary assets and liabilities denominated in foreign currencies are adjusted to reflect the rates of exchange prevailing at the last banking transaction date of the period, as published by Bank Indonesia, and any resulting gains or losses are credited or charged to current operations, except for those capitalized under PSAK No. 26 (see item k).

For December 31, 2001 and 2000, the rates of exchange used are as follows:

	2001	2000
	Rp	Rp
US Dollar (US$ 1)	**10,400.00**	9,595.00
EURO (EUR 1)	**9,188.42**	8,911.85
Japanese Yen (JP¥ 100)	**7,915.68**	8,357.30
Deutsche Mark (DEM 1)	**4,698.04**	4,556.63
Netherlands Guilder (NLG 1)	**4,169.55**	4,044.04
French Franc (FRF 1)	**1,400.76**	1,358.60
Danish Kroner (DKK 1)	**1,235.67**	1,194.36

Transactions in other foreign currencies are considered insignificant.

p. Derivative Instruments

PSAK No. 55, "Accounting for Derivative Instruments and Hedging Activities" is effective for financial statements covering the periods beginning on or after January 1, 2001. PSAK No. 55 establishes the accounting and reporting standards requiring that every derivative instrument (including certain derivatives embedded in other contracts) be recorded in the consolidated balance sheet as either an asset or liability measured at its fair value. PSAK No. 55 requires that changes in the derivative's fair value be recognized currently in earnings unless specific hedges allow a derivative's gain or loss to offset related results on the hedged item in the consolidated income statement, and also requires that an entity must formally document, designate and assess the effectiveness of transactions that receive hedge accounting treatment.

q. Provision for Income Tax

In accordance with PSAK No. 46, "Accounting for Income Tax", the Company and its Subsidiaries recognize deferred tax assets and liabilities for (a) future tax consequences attributable to differences between the financial reporting bases of assets and liabilities and their related income tax bases; and (b) tax loss carryforwards. Deferred tax assets and liabilities are measured using the tax rates expected to apply to taxable income in the years in which those timing differences are expected to be recovered or settled and the tax loss carryforwards are expected to be applied.

r. Segment Reporting

For management purposes, the Company's and its Subsidiaries' businesses are grouped into two major operating businesses: Cement Business and Other Businesses. Financial information on business segments is presented in Note 17.

s. Stock Issuance Cost

Based on the decision letter of the Chairman of BAPEPAM No. KEP-06/PM/2000 dated March 13, 2000, all expenses related to the issuance of equity securities should be offset against additional paid-in capital.

t. Net Loss per Share

Basic loss per share is computed by dividing net loss by the weighted average number of shares outstanding during the year, which is 3,304,115,284 shares in 2001 and 2,415,027,537 shares in 2000.

In accordance with PSAK No. 56, "Earnings per Share", the Company did not compute the diluted earnings per share for its warrants issued since exercise prices of the warrants are significantly higher than the market price of the Company's share in the stock exchanges.

3. Acquisition and Merger

On June 14, 2000, the Company entered into a Conditional Sale, Purchase and Transfer of Shares Agreement with Korea Development Company Limited (Kodeco) and Marubeni Corporation (Marubeni), pursuant to which Kodeco and Marubeni sold and transferred to the Company their entire ownerships in PT Indo Kodeco Cement (IKC) consisting of 38,359,810 and 4,620,000 shares, respectively. The total cash consideration for the said conditional sale and purchase of shares transactions was a nominal amount of US$ 1, which was divided into US$ 0.89 for Kodeco and US$ 0.11 for Marubeni. Prior to the merger, the necessary approvals from IKC's shareholders, the Indonesian Capital Investment Board (Badan Koordinasi Penanaman Modal or "BKPM"), the Bank of Korea and IKC's lenders had been obtained.

Based on the EGMS of Investama held on September 9, 2000, which was covered by the notarial deed No. 45 of Popie Savitri Martosuhardjo Pharmanto, SH, of the same date, the shareholders of Investama approved the sale of Investama's shares held by Irene Ria Moerdani and Sofjan Wanandi to the Company. On September 22, 2000, the Company purchased all of the 10,402,703 Investama shares held by Irene Ria Moerdani at Rp 1 (one rupiah). The Company also purchased all of the 6,935,132 Investama shares held by Sofjan Wanandi at US$ 2,000,000, the amount paid by the Company to the Indonesian Banking Restructuring Agency as a settlement for the outstanding loan of Sofjan Wanandi using the Investama shares as a pledge.

During the EGMS held on October 20, 2000, the shareholders approved the merger of Investama and IKC into the Company based on the terms and conditions as mentioned in Note 13c.

In connection with the merger transaction, on December 22, 2000, the Company, IKC and Investama, as the merging entities, signed a Merger Deed with the following terms and conditions:

- Investama and IKC agreed to merge into the Company through pooling-of-interests
- Starting from the merger effective date:
  (i) all of the operations, activities, facilities, licenses and agreements of IKC and Investama shall be transferred to the Company
  (ii) all of the assets and liabilities of IKC and Investama shall be transferred to the Company
  (iii) all of the IKC's and Investama's employees will be transferred to the Company.

The merger transaction is part of the conditions precedent to the effectiveness of the Master Facility Agreement (MFA).

The merger took effect on December 29, 2000 and was accounted for using the pooling-of-interests method. Accordingly, the difference between the cost of investment and book value is presented as a "Difference Arising from Restructuring Transactions Among Entities Under Common Control" under the shareholders' equity section of the consolidated balance sheets. Also, the foreign currency translation adjustments arising from the translations of IKC's financial statements are accounted for and presented as "Difference Arising from Restructuring Transactions Among Entities Under Common Control" account in the consolidated balance sheets.

4. Cash and Cash Equivalents

The details of cash and cash equivalents are as follows:

	2001	2000
	Rp	Rp
Cash on hand	**535,456,000**	481,682,865
Cash in banks		
PT Bank Mandiri (Persero)		
Rupiah accounts	**54,387,971,817**	64,687,035,070
US Dollar accounts (US$ 2,241,509 in 2001 and US$ 3,228,535 in 2000)	**23,311,698,592**	30,977,795,820
PT Bank Central Asia Tbk.		
Rupiah accounts	**21,652,304,017**	14,552,940,061
US Dollar accounts (US$ 2,954,878 in 2001 and US$ 4,603,483 in 2000)	**30,730,732,136**	44,170,414,549
Bank Multicor		
Rupiah accounts	**19,153,557,491**	4,900,485,061
US Dollar accounts (US$ 4,048,526 in 2001 and US$ 36,986 in 2000)	**42,104,670,400**	354,878,079
PT Bank Danamon Indonesia Tbk.	**1,588,077,490**	357,236,873
PT Bank BNP Lippo Indonesia		
US Dollar account (US$ 479,035 in 2000)	**-**	4,596,340,825
Bank of America, N.A.		
US Dollar accounts (US$ 833,856 in 2000)	**-**	8,000,852,063
Other foreign currencies	**-**	590,430
Others (each below Rp1.0 billion)		
Rupiah accounts	**736,966,553**	659,225,165
US Dollar accounts (US$ 7,217 in 2000)	**-**	69,243,373
Other foreign currencies	**294,963,250**	360,627,224
Cash equivalents - time deposits		
PT Bank Mandiri (Persero)		
Rupiah accounts	**56,695,851,976**	32,100,000,000
US Dollar accounts (US$ 450,000 in 2001 and US$ 5,450,000 in 2000)	**4,680,000,000**	52,292,750,000
Others (each below Rp 1.0 billion)		
Rupiah accounts	**-**	57,388,679
Other foreign currencies	**-**	1,516,515,000
Total	**255,872,249,722**	260,136,001,137

Interest rates per annum range from 10.25% to 18.04% in 2001 and 8% to 13.96% in 2000 for the rupiah time deposits, and from 5.06% to 7.27% in 2001 and 4.5% to 7% in 2000 for the US Dollar time deposits.

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5. Trade Receivables

The details of trade receivables are as follows:

	2001	2000
	Rp	Rp
Related Parties (see Note 6*a*)		
Cement Business		
PT Semen Tiga Roda Prasetya (STRP)	**69,868,180,772**	69,868,180,772
HC Trading International Inc.	**11,759,566,492**	-
PT Pioneer Beton Industri	**6,360,412,360**	7,554,069,882
Indocement Singapore Pte., Ltd.	**5,254,408,773**	10,625,807,929
Sub-total	**93,242,568,397**	88,048,058,583
Other Businesses	**1,153,046,190**	171,440,787
Total	**94,395,614,587**	88,219,499,370
Less allowance for doubtful accounts (see notes 6*a* and 6*i*)	**(71,553,567,257)**	(69,868,180,772)
Net	**22,842,047,330**	18,351,318,598
Third Parties		
Cement Business	**228,005,934,919**	215,836,259,970
Other Businesses	**2,359,126,086**	969,966,226
Total	**230,365,061,005**	216,806,226,196
Less allowance for doubtful accounts	**(8,635,547,500)**	(9,289,696,563)
Net	**221,729,513,505**	207,516,529,633

The changes in the allowance for doubtful accounts are as follows:

	2001	2000
Balance at beginning of year	**79,157,877,335**	74,348,679,217
Provisions during the year	**2,042,200,120**	5,219,034,419
Reversal of allowance on doubtful accounts collected during the year	**(1,010,962,698)**	(350,725,109)
Receivables written-off during the year	**-**	(59,111,192)
Balance at end of year	**80,189,114,757**	79,157,877,335

Based on the review of status of the individual receivable accounts at the end of the year, management believes that the above allowance for doubtful accounts is sufficient to cover any possible losses that may arise from uncollectible accounts (see Notes 6*a* and 6*i*).

Trade receivables are used as collateral to secure the long-term debts (see Note 12).

The details of trade receivables based on their currency denominations and aging as of December 31, 2001 are as follows:

	Rupiah	US Dollar (In Equivalent Rupiah)	Total
	Rp	Rp	Rp
Current	198,413,251,712	-	198,413,251,712
Overdue:			
1 - 30 days	16,397,904,136	15,489,034,275	31,886,938,411
31 - 60 days	5,781,112,967	184,142,400	5,965,255,367
61 - 90 days	2,460,425,235	5,757,564,800	8,217,990,035
Over 90 days	71,993,515,267	8,283,724,800	80,277,240,067
Total	**295,046,209,317**	**29,714,466,275**	**324,760,675,592**

6. Transactions and Accounts with Related Parties

In the normal course of their business, the Company and its Subsidiaries engage in transactions and have contracts/agreements with related parties. The significant transactions, contracts/agreements and related account balances with related parties are as follows:

a. The Company and DAP sell cement products to related parties. Net revenues derived from sales to related parties accounted for 8.36% in 2001 and 1.75% in 2000 of the consolidated net revenues, as follows:

	2001	2000
	Rp	Rp
HC Trading International Inc.	**231,673,207,024**	-
Indocement Singapore Pte., Ltd.	**33,381,691,018**	22,159,760,921
PT Pioneer Beton Industri (PBI)	**29,188,639,372**	20,798,411,005
Total	**294,243,537,414**	42,958,171,926

Based on EGMS dated March 29, 2001, the independent shareholders approved the exclusive export distribution agreement with HC Trading International Inc. (a HC subsidiary). The agreement was amended on July 12, 2001 with retroactive effect from April 11, 2001, with terms and conditions, among others, as follows:

- HC Trading International Inc. (HC Trading) is the exclusive export distributor. However, the Company may sell to Indocement Singapore Pte., Ltd., at an arms length price, a maximum of 450,000 tons of cement and clinker for Singapore market.
- The Company shall invoice to HC Trading at a net price which shall be the US dollar FOB sales price (or equivalent) invoiced by HC Trading to its customers less:
  - 5.5% on the first one million tons per year shipments carried out by HC Trading
  - 3.0% above one million tons per year shipments carried out by HC Trading

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- For the outstanding contracts as of effective date until such contracts transferred to HC Trading, the Company should pay an amount equal to 2.5% of the US Dollar FOB sales price (or equivalent) to HC Trading.
- Possible assignment of existing sale contracts by the Company to HC Trading on or after the effective date of the export distribution agreement.
- The term of the export distribution agreement is 20 (twenty) years.

Total sales discount granted to HC Trading in 2001 amounted to about US$ 1.3 million.

The related trade receivables arising from the above-mentioned sales transactions are shown as part of "Trade Receivables - Related Parties" account in the consolidated balance sheets (see Note 5).

On April 26, 1999, DAP, a Subsidiary, entered into a distributorship agreement with the Company (as amended on July 15, 1999) whereby DAP acts as the Company's exclusive main distributor of certain cement products as stated in the agreement, for the domestic market, replacing STRP. This distributorship agreement is initially valid for 5 (five) years, and can be extended for another 5 (five) years upon mutual consent by both parties.

b. The Company insures a portion of its assets with PT Asuransi Central Asia, a related party (see Note 9).

c. The Company and Indomix act as guarantors for the loan obtained by PT Indominco Mandiri and PT Pama Indo Mining, associated companies (see Notes 21*l* and 21*m*).

d. The Company extended non-interest bearing advances to certain affiliated companies with no fixed repayment terms. These advances were recorded and presented under "Due from Related Parties" account in the 2000 consolidated balance sheets and had been fully settled in 2001.

e. In 1999, the Company purchased non-interest bearing convertible bonds (CBs) issued by PT Cibinong Center Industrial Estate (CCIE), an associated company, for a total cost amounting to Rp 40,064,000,000, which have no fixed maturity date. Based on notarial deed No. 81 of Popie Savitri Matosuhardjo Pharmanto, SH, dated March 31, 2000, the shareholders of CCIE agreed and approved the conversion of the said CBs into common stock of CCIE. Accordingly, the aforesaid investments of the Company in the CBs issued by CCIE was reclassified to investment in shares of stock as of December 31, 2000 (see Note 8).

f. The former IKC has a mining agreement with PT Pama Indo Mining (PIM), whereby PIM agreed to develop and operate a limestone, clay and laterite mine, and to supply the limestone, clay and laterite requirements of IKC for the operations of its plant. As compensation, IKC agreed to pay PIM service fees based on the former's tonnage consumption of limestone, clay and laterite. Service fees incurred amounted to US$ 3,239,523 and US$ 2,624,617 for the years ended December 31, 2001 and 2000, respectively. The said service fees incurred in 2000 and for the three months ended March 31, 2001 were capitalized to "Construction in Progress" since the aforesaid raw materials were used for trial production runs (see Note 9). The total outstanding payables arising from these transactions, which amounted to US$ 747,419 and Rp 1,198,830,948 as of December 31, 2001 and US$ 430,212 as of December 31, 2000, are shown as part of "Trade Payables - Related Parties" account in the consolidated balance sheets.

In connection with the merger of IKC into the Company, as discussed in Note 3, all the rights and obligations of the former under the above-mentioned mining agreement have been assumed by the Company as of December 31, 2000.

g. In September 2000, the Company entered into two agreements with PT Indotek Engico (Indotek), an associated company, whereby the latter agreed to provide services for a block plan on Community Development and employees' housing; and monitor/supervise the clearing and development of about 100 hectares of land located at Tarjun, South Kalimantan, for a total contract amount of Rp 8,200,000,000. As of December 31, 2001 and 2000, the total cumulative advances paid by the Company to Indotek in connection with said agreements amounted to Rp 7,827,225,000 and Rp 2,460,000,000, respectively, which is recorded as part of "Long-term Investments and Advances to Associated Companies" in the consolidated balance sheets (see Note 8).

h. The Company and DAP has outstanding Sale and Purchase of Bulk Cement Agreement with PBI, an associated company, until year 2001. Total sales to PBI made under this agreement amounted to Rp 29.2 billion and Rp 20.8 billion for the years ended December 31, 2001 and 2000, respectively.

i. The balances of accounts with related parties arising from non-trade transactions are as follows:

	2001 Rp	2000 Rp
Due from Related Parties (Non-Current)		
PT Semen Tiga Roda Prasetya (STRP)	**17,972,651,983**	17,972,651,983
Officers and employees	**3,850,026,982**	11,072,987,769
PT Mekar Perkasa	**-**	8,706,250,000
PT Indofood Sukses Makmur Tbk.	**-**	5,021,899,740
PT Roda Maju Utama	**-**	4,900,000,000
PT Mandara Medika Utama	**-**	3,285,500,000
Polymax International Limited	**-**	2,008,082,488
Others (each below Rp 1.0 billion)	**-**	788,024,175
Total	**21,822,678,965**	53,755,396,155
Less allowance for doubtful accounts	**(17,972,651,983)**	(17,972,651,983)
Net	**3,850,026,982**	35,782,744,172
Due to Related Parties (Non-Current)		
Marubeni Corporation, a shareholder	**7,705,809,856**	32,430,054,721
Various (each below Rp 1.0 billion)	**228,621,100**	33,518,360
Total	**7,934,430,956**	32,463,573,081
Long-term Debts		
Marubeni Corporation	**2,422,096,675,073**	2,466,109,588,804
Westdeutsche Landesbank Girozantrale	**158,720,920,800**	-
Total	**2,580,817,595,873**	2,466,109,588,804

The amounts due from officers and employees are being collected through monthly salary deduction. The changes in the allowance for doubtful accounts are as follows:

	2001 Rp	2000 Rp
Balance at beginning of year	**17,972,651,983**	2,186,202,250
Provisions during the year	**-**	17,972,651,983
Receivables written-off during the year	**-**	(1,186,202,250)
Reversal of allowance for doubtful accounts collected during the year	**-**	(1,000,000,000)
Balance at end of year	**17,972,651,983**	17,972,651,983

Considering that the receivables from STRP has been long-outstanding and that STRP had already ceased its business activities, management has decided to provide full loss allowance for the trade and non-trade receivables due from STRP.

j. The other transactions with related parties involving amounts over Rp 1 billion are as follows:

	2001 Rp	2000 Rp
Transportation services		
Stillwater Shipping Corporation, an associated company	**45,173,482,086**	19,073,308,384
Purchase of materials		
PT Indominco Mandiri	**44,844,750,000**	11,435,157,372
PT Kitadin	**-**	3,006,554,331

The outstanding payables as of December 31, 2001 and 2000 are as follows:

	2001 Rp	2000 Rp
Stillwater Shipping Corporation (recorded as part of "Accrued Expenses" account)	**5,155,202,038**	4,008,184,001
PT Indominco Mandiri (recorded as part of "Trade Payables-Related Parties" account)	**8,231,706,000**	-

k. The nature of relationship between the Company and the related parties mentioned above is as follows:

- Related parties with key management members in common with the Company (in 2000)
  1. PT Indofood Sukses Makmur Tbk.
  2. PT Mandara Medika Utama
  3. Indocement Singapore Pte., Ltd.
  4. PT Roda Maju Utama
- Related parties under common control/ ownership with the Company
  1. Polymax International Limited (in 2000)
  2. PT Mekar Perkasa (in 2000)
  3. PT Kitadin (in 2000)
  4. HC Trading International Inc. (in 2001)
  5. Westdeustche Landesbank Girozantrale (in 2001)

7. Inventories

Inventories consist of:

	2001 Rp	2000 Rp
Finished goods	**95,840,437,876**	51,367,761,120
Work in process	**121,123,657,233**	67,214,109,508
Raw materials	**23,832,143,248**	21,811,902,406
Fuel and lubricants	**102,937,109,433**	60,863,256,769
Spare parts	**492,769,125,591**	369,256,025,642
Materials in transit and others	**969,579,005**	2,998,767,262
Total	**837,472,052,386**	573,511,822,707
Less allowance for obsolescence	**(9,427,169,839)**	(11,421,524,883)
Net	**828,044,882,547**	562,090,297,824

Except for the inventories of DAP and Indomix amounting to Rp 3.8 billion, all of the inventories are insured against fire and other risks under a combined insurance policy package (see Note 9).

The finished goods and work in process inventories at the Tarjun plant site valued at Rp 90,749,510 and Rp 3,911,929,475, respectively, as of December 31, 2000 represent the output from trial production runs of the said cement plant.

The inventories are used as collateral for long-term debts (see Note 12).

8. Long-Term Investments and Advances to Associated Companies

This account consists of long-term investments and advances to certain investees. The details of this account are as follows:

2001	Percentage of Ownership	Cost	Accumulated Equity in Net Earnings (Losses) - Net	Carrying Value
	%	Rp	Rp	Rp
Investments in Shares of Stock				
a. *Equity Method*				
PT Wisma Nusantara International	33.98	93,750,000,000	86,904,250,739	180,654,250,739
PT Cibinong Center Industrial Estate	50.00	40,124,000,000	(11,731,512,796)	28,392,487,204
PT Pioneer Beton Industri	50.00	29,848,810,876	(14,468,240,661)	15,380,570,215
PT Indotek Engico	50.00	500,000,000	11,083,518,766	11,583,518,766
Stillwater Shipping Corporation	50.00	105,500,000	9,822,717,803	9,928,217,803
PT Pama Indo Mining	40.00	1,200,000,000	5,443,132,560	6,643,132,560
PT Indo Clean Set Cement	47.50	464,787,500	(464,787,500)	-
PT Indominco Mandiri	35.00	38,493,328,526	(38,493,328,526)	-
b. *Cost Method*				
PT Citra Marga Nusaphala Persada Tbk.	8.80	66,023,100,000	-	66,023,100,000
Other investees	various	3,333,364,141	-	3,333,364,141
Sub-total		273,842,891,043	48,095,750,385	321,938,641,428
Advances				
PT Indo Clean Set Cement				13,789,698,006
Stillwater Shipping Corporation				10,400,000,000
PT Indotek Engico				8,251,628,338
PT Cibinong Center Industrial Estate				1,203,160,951
Sub-total				33,644,487,295
Less allowance for doubtful accounts				(13,789,698,006)
Net advance				19,854,789,289
Total				341,793,430,717

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2000	Percentage of Ownership	Cost	Accumulated Equity in Net Earnings (Losses) - Net	Carrying Value
	%	Rp	Rp	Rp
Investments in Shares of Stock				
a. *Equity Method*				
PT Wisma Nusantara International	33.98	93,750,000,000	90,387,748,658	184,137,748,658
PT Cibinong Center Industrial Estate	50.00	40,124,000,000	(15,699,073,500)	24,424,926,500
PT Pioneer Beton Industri	50.00	18,445,157,441	(9,849,823,668)	8,595,333,773
PT Indotek Engico	50.00	500,000,000	9,787,288,932	10,287,288,932
Stillwater Shipping Corporation	50.00	105,500,000	7,457,322,653	7,562,822,653
PT Pama Indo Mining	40.00	1,200,000,000	1,162,125,430	2,362,125,430
PT Indo Clean Set Cement	47.50	464,787,500	(464,787,500)	-
PT Indominco Mandiri	35.00	38,493,328,526	(38,493,328,526)	-
b. *Cost Method*				
PT Citra Marga Nusaphala Persada Tbk.	8.80	66,023,100,000	-	66,023,100,000
Other investees	various	3,333,364,141	-	3,333,364,141
Sub-total		262,439,237,608	44,287,472,479	306,726,710,087
Advances				
PT Indo Clean Set Cement				13,576,471,627
Stillwater Shipping Corporation				2,637,500,000
PT Indotek Engico				2,534,994,930
PT Cibinong Center Industrial Estate				2,986,329,630
PT Pioneer Beton Industri				11,403,653,435
Sub-total				33,138,949,622
Less allowance for doubtful accounts				(13,576,471,627)
Net advances				19,562,477,995
Total				326,289,188,082

The principal activities of the above investees are as follows:

Investee	Country of Domicile	Principal Business Activity
PT Wisma Nusantara International	Indonesia	Hotel operations and office space rental
PT Cibinong Center Industrial Estate	Indonesia	Development of industrial estates
PT Pioneer Beton Industri	Indonesia	Production of ready mix concrete
PT Indotek Engico	Indonesia	Construction, engineering, consultancy and project management
Stillwater Shipping Corporation	Liberia	Shipping
PT Pama Indo Mining	Indonesia	Mining
PT Indo Clean Set Cement	Indonesia	Production of clean set cement
PT Indominco Mandiri	Indonesia	Coal mining
PT Citra Marga Nusaphala Persada Tbk. (CMNP)	Indonesia	Operations of toll highways

The investment in shares of CMNP is accounted for at cost in view of management's long-term intention to maintain its ownership interest in CMNP for business strategic purposes.

The details of equity in net earnings (losses) of investees, net of goodwill amortization, for the years ended December 31, 2001 and 2000 are as follows:

	2001	2000
	Rp	Rp
PT Wisma Nusantara International	10,676,502,081	29,101,264,596
PT Pama Indo Mining	4,281,007,130	1,162,125,430
PT Cibinong Center Industrial Estate	3,967,560,704	(15,639,073,500)
Stillwater Shipping Corporation	2,365,395,150	2,450,808,055
PT Indotek Engico	1,296,229,834	1,920,393,682
PT Pioneer Beton Industri	(4,618,416,993)	(8,897,573,407)
Total	**17,968,277,906**	10,097,944,856

Based on notarial deed No. 9 of Popie Savitri Martosuhardjo Pharmanto, SH, dated March 3, 2000, PT Kodeco Cement resigned as a founding shareholder of PT Pama Indo Mining (formerly PT Pama Indo Kodeco) by transferring its 20% ownership interest in the said entity to the Company for a consideration of US$ 1. As a result of the said share transfer, the Company's ownership interest in PT Pama Indo Mining increased to 40%.

Based on notarial deed No. 75 of Aulia Taufani, SH, dated May 25, 2001, the shareholders of PT Pioneer Beton Industri (PBI) agreed to increase the subscribed and fully paid shares of PBI through the conversion of its shareholders' loans. Accordingly, the advances due from PBI was reclassified to investments in shares of stock as of December 31, 2001.

In 2001, the Company received cash dividend from PT Wisma Nusantara International amounting to Rp 14,160,000,000.

9. Property, Plant and Equipment

Property, plant and equipment consist of:

	2001			
	Beginning Balance	Additions/ Reclassifications	Disposals/ Reclassifications	Ending Balance
	Rp	Rp	Rp	Rp
Carrying Value				
Direct Ownership				
Landrights and land improvements	189,460,726,960	29,061,882,681	45,821,749	218,476,787,892
Leasehold improvements	1,802,700,350	373,245,700	-	2,175,946,050
Quarry	66,787,391,225	2,912,983,844	-	69,700,375,069
Buildings and structures	1,507,854,278,115	1,330,239,181,058	94,158,224	2,837,999,300,949
Machinery and equipment	3,284,127,779,758	3,688,242,733,924	412,894,448	6,971,957,619,234
Transportation equipment	230,315,928,589	50,351,032,205	3,307,778,335	277,359,182,459
Furniture, fixtures and office equipment	107,454,066,827	27,880,960,179	1,836,839,176	133,498,187,830
Tools and other equipment	32,818,089,628	7,410,369,052	240,615,154	39,987,843,526
Sub-total	5,420,620,961,452	5,136,472,388,643	5,938,107,086	10,551,155,243,009
Construction in progress	4,914,931,498,973	424,006,016,154	5,107,437,613,043	231,499,902,084
Total	10,335,552,460,425	5,560,478,404,797	5,113,375,720,129	10,782,655,145,093
Accumulated Depreciation, Amortization and Depletion				
Direct Ownership				
Land improvements	15,011,604,226	1,945,650,142	-	16,957,254,368
Leasehold improvements	1,480,762,786	98,528,513	-	1,579,291,299
Quarry	7,872,649,182	1,818,909,844	-	9,691,559,026
Buildings and structures	302,268,521,387	84,126,399,984	30,452,831	386,364,468,540
Machinery and equipment	1,025,712,844,368	279,488,633,125	230,406,442	1,304,971,071,051
Transportation equipment	191,950,580,327	25,444,284,111	1,898,438,769	215,496,425,669
Furniture, fixtures and office equipment	75,309,604,866	14,182,892,719	1,830,452,045	87,662,045,540
Tools and other equipment	24,758,319,952	3,208,747,384	213,961,200	27,753,106,136
Total	1,644,364,887,094	410,314,045,822	4,203,711,287	2,050,475,221,629
Net Book Value	8,691,187,573,331			8,732,179,923,464

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	2000				
	Beginning Balance	Additions/ Reclassifications	Foreign Currency Disposals/ Reclassifications	Translation Adjustments	Ending Balance
	Rp	Rp	Rp	Rp	Rp
Carrying Value					
Direct Ownership					
Landrights and land improvements	153,322,667,871	23,714,670,659	-	12,423,388,430	189,460,726,960
Leasehold improvements	1,904,449,250	341,390,500	532,667,290	89,527,890	1,802,700,350
Quarry	55,833,081,247	5,188,003,203	-	5,766,306,775	66,787,391,225
Buildings and structures	724,541,209,945	745,932,744,732	-	37,380,323,438	1,507,854,278,115
Machinery and equipment	2,093,711,834,506	1,194,448,111,856	10,205,537,213	6,173,370,609	3,284,127,779,758
Transportation equipment	218,065,881,242	5,672,942,523	2,121,934,384	8,699,039,208	230,315,928,589
Furniture, fixtures and office equipment	80,014,148,752	24,683,330,788	307,187,024	3,063,774,311	107,454,066,827
Tools and other equipment	28,917,315,038	3,206,843,824	25,969,620	719,900,386	32,818,089,628
Sub-total	3,356,310,587,851	2,003,188,038,085	13,193,295,531	74,315,631,047	5,420,620,961,452
Buildings under capital lease	42,019,726,200	-	42,019,726,200	-	-
Construction in progress	5,071,240,032,501	313,093,471,347	1,678,358,100,043	1,208,956,095,168	4,914,931,498,973
Total	8,469,570,346,552	2,316,281,509,432	1,733,571,121,774	1,283,271,726,215	10,335,552,460,425
Accumulated Depreciation, Amortization and Depletion					
Direct Ownership					
Land improvements	13,029,348,954	1,908,895,364	2,576,110	75,936,018	15,011,604,226
Leasehold improvements	1,784,070,290	161,388,360	532,667,290	67,971,426	1,480,762,786
Quarry	6,825,278,941	1,047,370,241	-	-	7,872,649,182
Buildings and structures	230,527,425,858	71,023,332,981	-	717,762,548	302,268,521,387
Machinery and equipment	887,967,340,472	142,423,862,283	4,694,658,222	16,299,835	1,025,712,844,368
Transportation equipment	164,919,059,139	25,123,986,350	1,693,303,555	3,600,838,393	191,950,580,327
Furniture, fixtures and office equipment	61,988,451,141	11,967,286,443	304,576,070	1,658,443,352	75,309,604,866
Tools and other equipment	22,228,418,612	2,376,608,149	23,794,686	177,087,877	24,758,319,952
Sub-total	1,389,269,393,407	256,032,730,171	7,251,575,933	6,314,339,449	1,644,364,887,094
Buildings under capital lease	28,449,604,206	889,844,064	29,339,448,270	-	-
Total	1,417,718,997,613	256,922,574,235	36,591,024,203	6,314,339,449	1,644,364,887,094
Net Book Value	7,051,851,348,939				8,691,187,573,331

Construction in progress consists of:

	2001 Rp	2000 Rp
Machineries under installation	**211,418,430,011**	4,738,410,832,170
Buildings under construction	**6,557,270,511**	147,846,028,076
Land under development	**-**	1,853,402,381
Others	**13,524,201,562**	26,821,236,346
Total	**231,499,902,084**	4,914,931,498,973

Below is the percentage of completion of construction in progress as of December 31, 2001:

	Estimated Percentage of Completion %
Machineries under installation	10 - 95
Buildings under construction	10 - 95
Others	90 - 95

In 2000, the significant portion of construction in progress represents the accumulated costs of the cement plant located at Tarjun, South Kalimantan and related facilities and infrastructure under construction (see Notes 6*f* and 21*d*). In March 2001, the plant and the related facilities and infrastructure were completed and reclassified to the appropriate property, plant and equipment.

Property, plant and equipment are used as collateral to secure the long-term debts (see Note 12).

Depreciation, amortization and depletion charges totalled Rp 410,314,045,822 and Rp 255,170,458,909 for the years ended December 31, 2001 and 2000, respectively.

The Company and its Subsidiaries insure their property, plant and equipment and inventories against losses from fire and other insurable risks under several combined policies, with insurance coverage totalling Rp 120,128,661,950 and US$ 3,109,929,432 as of December 31, 2001. In management's opinion, the said amounts of insurance coverage are adequate to cover any possible losses that may arise from the said insured risks. About 1.02% of the said insurance coverage are contracted with PT Asuransi Central Asia, a related party (see Note 6*b*).

Financing costs capitalized to construction in progress (including those that have been closed and reclassified to the appropriate property, plant and equipment accounts in April 2001- (see Notes 21*d* and 21*g*) amounted to Rp 59,592,647,231 and Rp 197,527,524,555 for the years ended December 31, 2001 and 2000, respectively.

The Company and Subsidiaries own building/construction rights or "Hak Guna Bangunan" (HGB), land use rights or "Hak Pakai" (HP), and local mining rights or "Surat Izin Penambangan Daerah" (SIPD) covering approximately 10,202 hectares of land at several locations in Indonesia, with legal terms ranging from 5 to 30 years. Management believes that such titles of landright ownerships can be extended upon their expiration.

As of December 31, 2001, the titles of ownership on the Company's land rights covering a total area of approximately 1,010,258 square meters are still in process. Total cost incurred in connection with the processing of the said title of ownership amounted to Rp 3,535,029,183 and is presented as part of "Other Non Current Assets - Others (Net)" in the consolidated balance sheets.

In addition, the Company is also in the process of acquiring landrights covering a total area of approximately 886,239 square meters. As of December 31, 2001, the total cumulative expenditures incurred relating to the said land rights acquisition amounted to Rp 51,419,607,869 which are recorded as part of "Other Non-Current Assets - Others (Net)" account in the consolidated balance sheets.

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The Company made advance payments for the purchase of certain machinery and equipment from several suppliers. The outstanding balances of the purchase advances as of December 31, 2001 amounted to Rp 34,499,293,135 and are presented as part of "Other Non Current Assets - Others (Net)" account in the consolidated balance sheets. No advance payment was made as of December 31, 2000.

The buildings under capital lease and their related accumulated depreciation have all been transferred to the appropriate accounts since the related capital lease obligations have been settled by the Company in April 2000.

10. Trade Payables

This account consists of the following:

	2001 Rp	2000 Rp
Third Parties		
Cement Business		
Rupiah accounts	**101,269,866,904**	55,116,976,387
US Dollar accounts (US$ 227,376 in 2001 and US$ 1,814,107 in 2000)	**2,357,522,518**	17,406,356,642
Other foreign currencies	**25,539,939,031**	3,988,303,726
Sub-total	**129,167,328,453**	76,511,636,755
Other Businesses	**13,091,077**	13,670,844
Total-Third Parties	**129,180,419,530**	76,525,307,599
Related Parties (see Note 6*f*)		
Cement Business		
Rupiah accounts	**11,687,426,256**	1,504,095,198
US Dollar accounts (US$ 747,419 in 2001 and US$ 430,212 in 2000)	**7,773,160,616**	4,127,884,140
Total-Related Parties	**19,460,586,872**	5,631,979,338
Total Trade Payables	**148,641,006,402**	82,157,286,937

The above trade payables arose mostly from purchases of raw materials and other supporting materials. The main suppliers of the Company are as follows:

Supplier	Materials Supplied
Topniche	Gypsum
PT Baramulti Suksessarana	Coal
PT Indominco Mandiri	Coal
PT Bahari Cakrawala Sebuku	Coal
PT Adaro Indonesia	Coal
RHI A.G.	Firebricks
Refratechnik GmbH	Firebricks
Pertambangan Minyak dan Gas Bumi Negara (PERTAMINA)	Fuel
PT Sumberkencana Ekspressindo	Iron Sand, Silica Sand and Pyrite Cynder
Magotteaux Co. Ltd.	Steel Ball
Billerud AB.	Kraft Paper
Frantschach Pulp & Paper Sweden	Kraft Paper

The Company made advance payments to several foreign suppliers for purchasing certain raw materials and indirect materials. The outstanding balances of the purchase advances as of December 31, 2001 and 2000 amounted to Rp 14,771,922,075 and Rp 45,006,432,404, respectively, and are presented as part of "Advances and Deposits" account in the consolidated balance sheets.

11. Taxes Payable

The taxes payable account consists of:

	2001 Rp	2000 Rp
Income taxes		
Article 21	**12,076,015,839**	12,412,883,581
Article 22	**398,815,337**	354,172,367
Article 23	**1,344,104,863**	774,665,681
Article 25	**447,271,767**	194,962,550
Article 26	**6,526,981,168**	56,089,206,517
Article 29	**36,766,946**	3,893,826,520
Value added tax	**6,190,023,494**	6,080,040,274
Total	**27,019,979,414**	79,799,757,490

A reconciliation between loss before net benefits from income tax, as shown in the consolidated statements of income and estimated fiscal loss for the years ended December 31, 2001 and 2000 is as follows:

	2001 Rp	2000* Rp
Loss before net benefits from income tax per consolidated statements of income	**(106,049,419,052)**	(1,253,344,350,990)
Add (deduct):		
Loss (income) of Subsidiaries before provision for income tax - net	**(37,300,039,759)**	62,927,710,903
Net income of Other Businesses already subjected to final tax	**(17,477,551,649)**	(19,960,037,799)
Loss before net benefits from income tax attributable to the Company	**(160,827,010,460)**	(1,210,376,677,886)
Add (deduct):		
Timing differences (mainly consisting of depreciation expenses)	**(292,738,227,436)**	(65,841,320,632)
Non-deductible expenses (mainly consisting of employees' benefits, donations and public relations expenses)	**20,682,275,515**	31,950,466,486
Equity share in net earnings of associated companies - net	**(20,070,024,951)**	(16,546,710,218)
Income already subjected to final tax	**(21,562,654,233)**	(107,007,410,895)
Dividends	**(448,957,080)**	(5,100,000,000)
Estimated fiscal loss of the Company - current year	**(474,964,598,645)**	(1,372,921,653,145)
Estimated tax loss carryforward from prior years	**(3,096,607,245,874)**	(1,735,194,852,588)
Tax corrections	**26,752,311,144**	11,509,259,859
Estimated tax loss carryforward - end of year	**(3,544,819,533,375)**	(3,096,607,245,874)

Under existing tax regulations, the tax loss carryforward can be utilized within 5 (five) years from the date the tax loss is incurred. The details of provision for income tax (current and deferred) are as follows:

	2001 Rp	2000* Rp
Provision for income tax - current		
Company	**-**	-
Subsidiaries	**8,954,367,500**	6,105,563,268
Total provision for income tax - current	**8,954,367,500**	6,105,563,268
Provision for income tax - deferred		
Company		
Depreciation and gain/loss on of sale of property, plant and equipment	**88,312,348,042**	18,289,133,118
Sale-and-leaseback transactions	**342,980,297**	937,235,490
Estimated fiscal loss - net of tax corrections for prior years	**(135,332,356,655)**	(408,426,717,986)
Allowances for doubtful accounts and inventory obsolescence	**34,810,296**	(1,707,974,094)
Reversal of deferred tax liabilities from merged subsidiaries	**(4,834,944,670)**	-
Sub-total	**(51,477,162,690)**	(390,908,323,472)
Subsidiaries	**(397,629,947)**	5,530,496,996
Net provision for income tax - deferred	**(51,874,792,637)**	(385,377,826,476)
Provision for Income Tax per Consolidated Statements of Income		
Current	**8,954,367,500**	6,105,563,268
Deferred	**(51,874,792,637)**	(385,377,826,476)
Net Benefits from Income Tax	**(42,920,425,137)**	(379,272,263,208)

The calculation of estimated corporate income tax payable (claims for tax refund) is as follows:

	2001 Rp	2000* Rp
Provision for Income Tax - current		
Company		
Subsidiaries	**8,954,367,500**	6,105,563,268
Total	**8,954,367,500**	6,105,563,268
Prepayments of Income Tax		
Company	**13,577,441,171**	11,294,360,556
Subsidiaries	**8,917,600,555**	2,329,155,884
Total	**22,495,041,726**	13,623,516,440
Estimated Claims for Tax Refund - Presented as part of "Prepaid Taxes" account in the consolidated balance sheet		
Company	**13,577,441,171**	11,294,360,556
Subsidiaries	**-**	381,717,885
Total	**13,577,441,171**	11,676,078,441
Estimated Corporate Income Tax Payable Subsidiary	**36,766,945**	3,893,826,520

* Since the merger transaction, as discussed in Note 3, is still in process of approval by the Tax Office as of December 31, 2000, the Company's estimated fiscal loss in 2000 does not take into account the estimated taxable income of IKC and Investama.

On July 4, 2001, the Tax General Director approved the merger of the Company with Investama and IKC by using the net book value of the assets.

In September 2001, the Company received the decision letter from the Tax Office with respect to its income tax and fiscal loss in 2000. Based on the decision letter, the fiscal loss for 2000 amounted to Rp 1,346,169,342,001. The difference amounting to Rp 26,752,311,144 between the amount agreed by the Tax Office and the Company's calculation was recognized as a reduction from the Company's tax loss carryforward in 2001. Moreover, the Tax Office also approved the Company's 2000 claim for tax refund amounting to Rp 11,316,783,175 (after offsetting the Company's additional taxes and penalties).

On January 11, 2001, the Company also received the decision letter from "Badan Penyelesaian Sengketa Pajak" (BPSP), which stated that the Company's tax loss for 1997 was Rp 1,012,710,880,670. Accordingly, the difference of Rp 1,525,747,868 between the amount of fiscal loss originally recognized by the Company and the said amount approved by BPSP was corrected in 2000, also as a reduction from the Company's tax loss carryforward.

As of the independent auditors' report date, the Company has not yet prepared its 2001 income tax return, however, the management believes that its 2001 income tax return will be prepared based on the computation as stated above. On the other hand, the Company's estimated fiscal loss for 2000, as stated above, conforms with the related amount reported in its 2000 revised income tax return.

In January 2000, the Tax Office approved a substantial portion of the Company's 1998 claims for tax refund amounting to Rp 83,591,401,846. However, during 1999 up to the early part of 2000, the Company also received several withholding tax assessments for the second semester of 1998, whereby, according to the Tax Office, the Company has to pay additional taxes and penalties totalling Rp 6,967,452,371. Out of the said total amount of assessments, Rp 5,698,564,853 was contested by the Company, while the remaining balance was directly charged off to operations in 2000. The said contested amount is presented as part of "Other Receivables - Third Parties" in the consolidated balance sheets. In February 2000, the Company received the tax refund amounting to Rp 66,828,640,829 (after offsetting the Company's additional taxes and penalties, income tax payable Article 25 and penalties for imposed fiscal year 1999).

On October 26, 2000, the Company received the decision letter from BPSP regarding the withholding tax assessment (Article 26) for 1997 and for the first six months of 1998, which was basically in favor of the Company. Based on its decision letter, BPSP agreed that the Company had properly computed and paid its withholding tax Article 26 in accordance with the tax regulations. Accordingly, in December 2000, the Company received the 1998 claims for tax refund, which was retained by Tax Office, in the amount of Rp 8.2 billion.

During 2000, the Company received several decision letters from the Tax Office with respect to its income tax in 1999 and fiscal loss in 1998. Based on the said decision letters, the total cumulative tax corrections from the Tax Office for 1999 and 1998 fiscal years amounted to Rp 9,983,511,991. Such corrections were recorded in 2000, as a reduction from the Company's tax loss carryforward. Moreover, during the same year, the Company received its 1999 claims for tax refund amounting to Rp 15,839,309,767 (after offsetting the Company's additional taxes and penalties, and outstanding income tax payable).

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The deferred tax effects of the significant timing differences between commercial and fiscal reporting are as follows:

	2001 Rp	2000 Rp
Deferred Tax Assets		
Company		
Fiscal loss carryforward	**1,064,317,530,417**	929,327,401,704
Allowances for doubtful accounts and inventory obsolescence	**2,918,278,861**	2,967,677,395
Sub-total	**1,067,235,809,278**	932,295,079,099
Subsidiaries	**9,406,789,059**	8,678,001,513
Total	**1,076,642,598,337**	940,973,080,612
Deferred Tax Liabilities		
Company		
Property, plant and equipment	**335,337,641,172**	252,217,053,020
Sale-and-leaseback transactions	**1,428,662,039**	1,085,681,742
Sub-total	**336,766,303,211**	253,302,734,762
Subsidiaries	**381,112,474**	49,954,875
Total	**337,147,415,685**	253,352,689,637
Deferred Tax Assets - Net		
Company	**730,469,506,067**	678,992,344,337
Subsidiaries	**9,025,676,585**	8,628,046,638
Total	**739,495,182,652**	687,620,390,975

Management believes that the above deferred tax assets can be fully recovered through future taxable income.

12. Long-Term Debts

This account consists of:

	2001 Rp	2000 Rp
Long-Term Debts		
Third Parties		
In Rupiah	**212,788,814,295**	215,304,448,272
In US Dollar	**5,265,423,660,950**	6,527,011,638,998
In Japanese Yen	**724,207,898,562**	903,632,352,380
Total - Third Parties	**6,202,420,373,807**	7,645,948,439,650
Related Parties		
In US Dollar	**158,720,920,800**	-
In Japanese Yen	**2,422,096,675,073**	2,466,109,588,794
Total - Related Parties	**2,580,817,595,873**	2,466,109,588,794
Total	**8,783,237,969,680**	10,112,058,028,444
Less portions currently due	**357,462,400,088**	8,443,600,000
Long-term portion	**8,425,775,569,592**	10,103,614,428,444

The balances of the above loans in their original currencies are as follows:

	Currency	2001	2000*
Third Parties			
PT Bank Central Asia Tbk. (BCA)	Rp	**119,005,477,855**	120,412,385,566
PT Bank Mandiri (Persero)	Rp	**67,756,660,584**	68,557,694,032
Chase Manhattan International, London	Rp	**26,026,675,856**	26,334,368,674
The Export-Import Bank of Japan	¥	**9,149,029,503**	10,812,491,503
Bank of America NT and SA, Taipei	US$	**106,602,908**	107,863,190
The Chase Manhattan Bank, New York International Banking Facility	US$	**169,731,627**	102,712,029
The Fuji Bank Ltd. - Singapore Branch	US$	**55,092,729**	61,777,324
The Mitsubishi Trust & Banking Corporation, Singapore	US$	**24,880,192**	25,174,331
Korea Exchange Bank, Singapore Branch	US$	**19,684,147**	19,916,857
The Yasuda Trust & Banking Co., Ltd., Tokyo	US$	**19,648,041**	19,880,324
BNP Paribas, Singapore Branch	US$	**19,927,062**	19,916,857
Kawasaki Heavy Industries Limited	US$	**13,123,108**	13,278,253
Westdeustche Landesbank Girozentrale, Tokyo Branch	US$	**-**	12,502,781
The Sumitomo Trust & Banking Company, Singapore Branch	US$	**10,190,560**	14,871,455
Westdeustche Landesbank Girozentrale, Singapore Branch	US$	**-**	63,637,682
The Chase Manhattan South East Ltd., Singapore	US$	**-**	45,332,426
Chase Manhattan PLC - London	US$	**-**	22,173,693
Deutsche Bank AG, Singapore Branch	US$	**-**	17,966,963
The Sakura Bank Ltd., Singapore Branch	US$	**-**	10,311,035
Other creditors (each below US$ 10 million)	US$	**67,410,363**	122,936,145
Related Parties			
Marubeni Corporation	¥	**30,598,718,936**	29,508,448,767
Westdeustche Landesbank Girozentrale, Tokyo Branch	US$	**12,356,697**	-
Westdeustche Landesbank Girozentrale, Singapore Branch	US$	**2,904,930**	-
Total	**Rp**	**212,788,814,295**	215,304,448,272
	¥	**39,747,748,439**	40,320,940,270
	US$	**521,552,364**	680,251,345

*Based on the confirmation from BA Asia Limited, as the facility agent.

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The interest rates per annum used for the above indebtedness are as follows:

	2001	2000
	%	%
Rupiah	**15.19 - 16.81**	11.52 - 34.00
US Dollar	**4.26 - 8.75**	5.78 - 9.78
Japanese Yen	**1.00 - 4.10**	2.30 - 11.22

On December 6, 2000, the Company and the former IKC successfully concluded their debt restructuring negotiations with their lenders covering all of their outstanding short-term and long-term bank loans, including their payables to Marubeni and Kawasaki, by signing a “Master Facility Agreement” (MFA). Under the MFA, the Company, the former IKC and all the lenders appointed BA Asia Limited (BAAL) to act as the Facility Agent, The Chase Manhattan Bank, Jakarta Branch, to act as the Security and Escrow Agent, and The Bank of America N.A., The Chase Manhattan Bank, The Fuji Bank, Limited and BNP Paribas to compose the Monitoring Committee. The MFA provides for, among others, the agreed new terms relating to the conditions precedent to restructuring date, mechanism, amounts and schedules of loan installment repayments, collateral, interest rates, restrictions on granting of guarantees or loans, issuance of warrants to the lenders, restrictions on issuance of new shares or other securities, restrictions on declarations and payments of cash dividends without prior written consent from the creditors, restrictions on capital expenditures, appointment of monitoring accountants, determination and transfer of surplus cash, and restrictions on derivative transactions.

In accordance with the conditions precedent to the effectiveness of the MFA (conditions precedent), following are the events/transactions that transpired subsequent to the conclusion of the debts restructuring negotiations of the Company and the former IKC with their creditors:

(i) On December 22, 2000, the Company received a Pre-Restructuring Date Confirmation Certificate from BAAL which confirms that, as of the said date, BAAL has received all the required documents to satisfy all the conditions precedent as stated in the MFA.

(ii) Receipt of the necessary certification from Marubeni, as one of the shareholders of the former IKC, whereby Marubeni acknowledged its share in the former IKC’s deficit value amounting to US$ 32,361,300. As indicated in the MFA, such amount of Marubeni’s share in the former IKC’s deficit shall be settled by a corresponding reduction in the Company’s payables to the former in the form of debt-to-equity conversion.

Pursuant to the above and the shareholders’ resolution as discussed in Note 13c, on December 29, 2000, the Company issued 69,863,127 common shares to Marubeni in connection with the conversion of the latter’s receivable from the Company using the agreed conversion rate of Rp 3,600 per share. The exchange rate used to translate the said US Dollar denominated receivable of Marubeni from the Company into Rupiah for purposes of the said debt-to-equity swap was Rp 9,595 to US$ 1.

(iii) In December 2000, the Company received confirmation from Marubeni which stated that the loan facilities made available by Marubeni General Leasing Corporation (MGLC) to the Company in connection with the development and construction of the Company’s P-10 Cement Plant Project have been transferred to Marubeni.

(iv) On December 29, 2000, the Company and the former IKC paid portions of their unpaid interest obligations amounting to Rp 22,741,936,895.45, JP¥ 2,076,234,846.18 and US$ 98,577,945.74 or a combined US Dollar equivalent of US$ 119,748,377.04. The related withholding tax amounting to Rp 53.0 billion was paid to the Tax Office in January 2001.

The remaining balances of the unpaid interest obligations up to December 29, 2000, with a combined US dollar equivalent amount of US$ 27,185,537, were capitalized as part of the principal amounts of the related loans, while the unpaid interest charges for the last two days of 2000 amounting to Rp 4,034,229,388 were presented as part of “Accrued Expenses” in the 2000 consolidated balance sheet.

(v) On December 29, 2000, the Company’s remaining US dollar denominated liabilities to Marubeni, after deducting its share in the former IKC’s deficit and partial payment of its interest obligations, as mentioned in the foregoing points (ii) and (iv), respectively, were converted into Yen using the rate of JP¥ 114.75 to US$ 1.

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The MFA also requires the Company to:

- establish and maintain escrow accounts with The Chase Manhattan Bank. Usage or withdrawals of funds from these escrow accounts shall be subjected to strict monitoring and review by the monitoring accountants; and
- maintain the aggregate balance of all other current bank accounts (other than the current bank accounts agreed by the lenders) at an amount not exceeding the working capital buffers as defined in the MFA.

In compliance with the above requirements, the Company opened and maintains eleven (11) escrow accounts with The Chase Manhattan Bank, Jakarta and Singapore Branches. The balances of deposits maintained in such escrow accounts amounted to Rp 8,991,476,749, US$ 40,673,185 and JP¥ 1,134,792 as of December 31, 2001; and US$ 27,601,379.19 and JP¥ 1,617,380,154 as of December 31, 2000 which are presented as part of “Other Non-current Assets - Restricted Cash in Banks” in the consolidated balance sheets.

Furthermore, as stated in the MFA, the loan repayment installments would be as follows:

(i) Fixed quarterly installment payments amounting to US$ 5,250,000 in 2002; US$ 19,750,000 in 2003; US$ 39,000,000 in 2004; US$ 59,750,000 in 2005; US$ 64,250,000 in 2006; US$ 50,500,000 in 2007; and US$ 11,500,000 in 2008 (as the final quarterly installment payment). The first quarterly installment will be due on April 20, 2002.

(ii) Quarterly payments equal to the amount of cash available in the above mentioned escrow accounts after the payments or applications required under the MFA.

The Company was also provided with an option to amend certain terms and conditions of the MFA, if the Company could achieve certain financial conditions as stipulated in the MFA before December 31, 2003. Under such MFA provisions, the Company, among others, could opt to repay the aggregate amount of the outstanding loans in 16 (sixteen) equal quarterly installments, avail of a lower interest margin and terminate the cash sweep mechanism.

As specified in the MFA, the restructured loans are secured/collateralized by the following:

- All of the above-mentioned 11 (eleven) escrow accounts maintained at The Chase Manhattan Bank, including all time deposit and demand deposit placements obtained from the funds in the escrow accounts;
- All receivables of the Company;
- All landrights, buildings, site improvements and other fixtures owned by the Company except for :
  - Cement plants 6, 7 and 8, including their supporting facilities and landrights.
  - Landrights for cement plant 1 and 2.
  - Quarry and its expansion for the Citeureup cement plants, including the landrights located within Kecamatan Citeureup, Cileungsi, Cibadak and Jonggol.
- Fiduciary transfers of all proprietary rights over the inventories, and plant and equipment owned by the Company, including the related insurance coverage and/or proceeds from insurance recoveries.
- Pledge of the shares of Indomix and DAP.

Upon HZ becoming a shareholder of the Company as discussed in Note 13*e*, the Post HZ Entry Master Facility Agreement (HZMFA), which is a modification of the MFA, has become effective (see Notes 13*c* and *d*).

Due to the effectiveness of HZMFA:

(a) The repayment installment schedule was revised as follows:

(i) Fixed quarterly installment payments amounting to US$ 10,500,000 in 2002; US$ 33,500,000 in 2003; US$ 58,750,000 in 2004; US$ 78,500,000 in 2005; US$ 84,500,000 in 2006; US$ 87,250,000 in 2007; and US$ 22,000,000 in 2008 (as the final quarterly installment payment). The first quarterly installment will be due on April 20, 2002.

(ii)Quarterly payments equal to the amount of cash available in the above mentioned escrow accounts after the payments or applications required under the MFA.

(b) The unpaid interest obligations, which had been capitalized as part of the principal amounts as of December 29, 2000 as mentioned in the conditions precedent item"iv" should be treated back as "Accrued Interest Facility" and to be repaid on December 31, 2002. However, as of independent auditors' report date, the Company and the lenders are still discussing the final amount of interest that should be repaid in 2002.

For consolidated financial statements presentation purposes, the amount of interest that should be repaid in 2002 based on the calculation of the lender amounted to US$ 15,228,786, Rp 54,633,045,071 and JP¥ 387,509,059 and presented as part of "Current Maturities of Long-term Debts" account in the 2001 consolidated balance sheet.

(c) Certain clauses of the original MFA were amended. For instance, if the Company has achieved certain financial criteria, the control of the creditor will be reduced on certain aspects, interest rate will not be stepping-up and there will be no more budget control to be applied by the Monitoring Accountant.

As of December 31, 2000, the Company has an escrow account with Bank of America National Trust and Saving Association, Singapore Branch amounting to US$ 2,342,166 (shown as “Restricted Cash in Banks” account) in the 2000 balance sheet and was used for interest payment in 2001.

Total interest payments made by the Company through its escrow accounts in 2001 amounted to US$ 33,317,649, JP¥ 988,264,040 and Rp 28,819,640,088, while the unpaid interest charges amounting to Rp 66,624,871,482 are presented as part of “Accrued Expenses” in the consolidated balance sheets as of December 31, 2001.

On October 1, 1999, DAP entered into a “Transfer and Assignment of Contract Agreement” with The Chase Manhattan Bank, Jakarta (CMB), whereby CMB agreed to irrevocably sell, transfer, assign, grant and convey to DAP, without recourse, all of CMB’s rights on its loan receivable from STRP for a total consideration of US$ 3.0 million, which shall be settled through an initial payment of US$ 800,000 and five (5) equal semi-annual installments for the remaining balance. The agreement further provides that any collections made by DAP from the aforesaid loan receivable transferred in excess of US$ 3.0 million shall be shared by DAP and CMB on a 50 : 50 basis. As of December 31, 2001, the balance of the long-term payable to CMB in connection with this transaction amounted to US$ 440,000, which is scheduled to mature in 2002.

13. Capital Stock

The details of share ownership based on records maintained by the share registrar are as follows:

	2001		
Shareholder	Number of Shares Issued and Fully Paid	Percentage of Ownership	Amount
		%	Rp
Kimmeridge Enterprise Pte., Ltd.	**2,271,259,197**	**61.70**	**1,135,629,598,500**
Government of the Republic of Indonesia	**621,128,380**	**16.87**	**310,564,190,000**
PT Mekar Perkasa	**495,703,892**	**13.47**	**247,851,946,000**
Marubeni Corporation	**69,863,127**	**1.90**	**34,931,563,500**
Public and cooperatives	**223,268,923**	**6.06**	**111,634,461,500**
Total	**3,681,223,519**	**100.00**	**1,840,611,759,500**

	2000		
Shareholder	Number of Shares Issued and Fully Paid	Percentage of Ownership	Amount
		%	Rp
PT Mekar Perkasa	947,582,916	38.14	473,791,458,000
PT Kustodian Sentral Efek Indonesia	627,939,125	25.28	313,969,562,500
Government of the Republic of Indonesia	621,128,380	25.00	310,564,190,000
PT Kaolin Indah Utama	106,600,820	4.29	53,300,410,000
Marubeni Corporation	69,863,127	2.81	34,931,563,500
Public and cooperatives	111,202,079	4.48	55,601,039,500
Total	2,484,316,447	100.00	1,242,158,223,500

The Company's shares are listed in the Jakarta and Surabaya Stock Exchanges.

As of December 31, 2001, there are no shares owned or held by the Company's Board of Directors and Commissioners.

a. In October 1999, portions of the equity interest of PT Mekar Perkasa (MP) and other related parties of the Company were transferred to PT Holdiko Perkasa (Holdiko) and the Indonesian Banking Restructuring Agency (IBRA) consisting of 318,707,838 shares and 158,550,396 shares, respectively, as part of an overall arrangement to settle the indebtedness of the Salim Group and certain related parties to IBRA. Holdiko was established by the Salim Family and IBRA to manage the assets pledged by the Salim Family to IBRA. In 2000, the shares of Holdiko and IBRA were included in the scriptless trading, and as shown above, were reported under PT Kustodian Sentral Efek for presentation purposes.

   In December 2000, Heidelberger Zement (HZ) signed several agreements with MP, PT Kaolin Indah Utama (KIU), IBRA, and Holdiko, the Company's majority shareholders, regarding the possibility of HZ's entry as the Company's strategic investor based on the terms and conditions that may be agreed upon among the concerned parties.

b. Based on the annual shareholders' meeting held on June 26, 2000, which was covered by notarial deed No. 68 of Amrul Partomuan Pohan, SH, LLM, of the same date, the shareholders approved the increase in the Company's authorized capital stock from Rp 2 trillion divided into 4 billion shares with par value of Rp 500 per share to Rp 4 trillion divided into 8 billion shares with the same par value. The increase in the Company's authorized capital stock was approved by the Ministry of Law and Legislation in its decision letter No. C-13322 HT.01.04.TH.2000 dated July 7, 2000.

c. Based on the EGMS held on October 20, 2000, which was covered by notarial deed No. 419 of Amrul Partomuan Pohan, SH, LLM, of the same date, the shareholders approved the following, among others:

   1) Merger of Investama, IKC and the Company, in which the Company becomes the surviving entity (see Note *3*). In relation to the said merger, the shareholders also approved the following:
      (i) The Merger Plan dated June 30, 2000;
      (ii) The Draft Merger Agreement to be signed by the respective Boards of Directors of the Company, Investama and IKC; and
      (iii) The authorization to the Board of Directors of the Company, with right of substitution, to take any action required or considered necessary to implement the merger of Investama and IKC into the Company.

   2) Issuance of new Company shares to the following without pre-emptive rights, pursuant to BAPEPAM Regulation No. IX.D.4, under the framework of conversion of debt into equity of the Company (debt-to-equity swap):
      (i) Marubeni
      Equivalent number of shares of the outstanding demand/accounts receivable of Marubeni from the Company amounting to US$ 26,212,325 using a conversion rate of Rp 3,600 per share. The exchange rate to be used in translating the said US dollar denominated receivables of Marubeni from the Company for purposes of the said debt-to-equity swap could be the prevailing exchange rate either at the effective date of the debt restructuring or at any other date as may be agreed upon by Marubeni and the Board of Directors of the Company.
      (ii) The Creditors of the Company
      The issuance of new shares of the Company to its creditors shall be made in case of any delay by the Company in the payment of interest due on the restructured loans at the end of the fourth year from the effective date of the debt restructuring, provided that the creditors demand and require such unsettled amount of interest obligations to be capitalized and converted into equity through the issuance of an equivalent number of shares of the Company. The number of new shares to be issued by the Company under this condition shall have the same value as the total amount of unsettled interest obligations of the Company to its creditors.

   3) Issuance of warrants without pre-emptive rights to the creditors of the Company after the merger pursuant to the A Terms and B Terms (HZMFA) of the debt restructuring.

      A Terms
      On the effective date of the debt restructuring, the Company will issue Warrant A and Warrant B without pre-emptive rights to its creditors, which will give the holders the right to subscribe for the shares of the Company up to a maximum of combined equity interest of 8% (4% for all of the holders of Warrant A and 4% for all the holders of Warrant B) of the total number of subscribed and fully paid-up shares of the Company on a fully diluted basis. Each holder of one (1) Warrant A or the holder of one (1) Warrant B will be entitled to subscribe for one (1) registered share of the Company having a nominal value of Rp 500 per share at the realization price of Rp 3,600 per share. The period of realization of Warrant A shall be from two (2) years up to four (4) years and nine (9) months after the effective date of the debt restructuring or it may immediately be carried out in case of the following events, whichever is earlier:
      (i) Heidelberger Zement AG (HZ), directly or indirectly, does not become a strategic investor of the Company within a period of twelve (12) months after the effective date of the debt restructuring; or
      (ii) HZ, directly or indirectly, cancel its plan to become a strategic investor of the Company prior to the above mentioned twelve (12) months period.

      Warrant B will be saved in an escrow account until the matters mentioned in points (i) or (ii) above occur. The period of realization of Warrant B is five (5) years and three (3) months after the date of listing of the said warrants in the stock exchange. However, if within a period of twelve (12) months after the effective date of the debt restructuring, as described in point (i) above, HZ, directly or indirectly, enters to become a shareholder of the Company, Warrant B will become null and void and shall not be realized.

      HZMFA
      In case HZ enters effectively as a shareholder of the Company, the latter will issue a certain number of additional Warrant A at a fixed realization price of Rp 3,600 per share. The holders of Warrant A shall still be entitled to subscribe for the shares of the Company up to a maximum of combined equity interest of 4% of the total number of subscribed and fully paid-up shares of the Company on a fully diluted basis, after giving effect to the conversion by HZ of the portion of the Company's debts that HZ will purchase from creditors amounting to US$ 150,000,000 into equity of the Company (see Note 12).

4) Approval for the action of the Board of Directors of the Company to pledge, as security or collateral in favor of the creditors, the substantial portion of the Company's existing property as well as those to be owned by the Company after the merger under the framework of the debt restructuring.

In relation to the above, on December 29, 2000, the Company executed, among others, the following:

- Merged the Company with Investama and IKC in which the Company became the surviving entity.
- Issued 69,863,127 common shares to Marubeni Corporation as a result of the conversion into equity of the latter's receivable from the Company (debt-to-equity swap).
- Issued 108,013,759 Warrant A and 108,013,759 Warrant B to the Company's creditors.

d. Based on the EGMS held on March 29, 2001, which was covered by notarial deed of No. 121 of Dr. Irawan Soerodjo, SH, MSI, the shareholders approved the following :

1. Planned Rights Issue with pre-emptive rights with the following terms and conditions:

(i) The total number of new shares to be issued shall be a maximum of 1,895,752,069 shares, with par value of Rp 500 per share.

(ii) All shareholders whose names are registered in the records maintained by the share registrar as of 16:00 hours on April 16, 2001 shall receive 0.763088 pre-emptive right for every one (1) existing share they held, which will entitle them to subscribe for one (1) new share of the Company for every one (1) right held. The share subscription shall be fully paid upon the exercise of the rights; and

(iii) Warrant C shall be issued to the shareholders who did not exercise their pre-emptive rights until the designated fixed date. In this manner, no shareholder can subscribe for additional pre-emptive rights.

Warrant C has two years exercise period with an exercise price of Rp 1,200 per share for the first year and Rp 1,400 for the second year.

2. Payment by HZ for exercising the rights is through the compensation of the Company's debt to HZ.

Also, the EGMS stated that:

(i) HZ will purchase 477,258,234 shares of the Company owned by IBRA and Holdiko four days before the first day of the trading period of the pre-emptive rights (April 24, 2001).

(ii) MP and KIU will transfer all of their pre-emptive rights to HZ and HZ will exercise these rights, including the pre-emptive rights from the shares to be purchased from IBRA and Holdiko.

(iii) The payment by HZ for exercising a total of 1,196,875,000 pre-emptive rights will be done through the compensation of the Company's debt to HZ amounting to US$ 150 million (principal plus interest), using the exchange rate of Rp 9,575 to US$ 1. Such debt had been acquired by HZ from creditors through its nominee.

(iv) After HZ exercised its pre-emptive rights, HZ will also acquire a portion of the Company shares owned by MP and KIU, which will be done two days after the first day of the trading period of the pre-emptive rights.

(v) Also, the Government of the Republic of Indonesia (GOl) has offered a "put option" to HZ for 143,241,666 Company shares owned by GOl. The put option can be exercised by HZ two years after the acquisition of the shares of the Company owned by MP and KIU.

Total rights that had been exercised during the subscription period totalled 1,196,907,072 shares whereby 1,196,874,999 shares were subscribed by Kimmeridge Enterprise Pte., Ltd., an HZ subsidiary, through debt conversion of US$ 150 million, and the balance of 32,073 shares were exercised by public shareholders.

The remaining unexercised rights were converted into Warrant C and based on the Notice from the Jakarta Stock Exchange, the final allotment of Warrant C issued to the shareholders who did not exercise their rights were 698,844,482 warrants.

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e. Relative to the above, on April 18, 2001, Kimmeridge Enterprise Pte., Ltd. acquired 158,550,396 Company shares owned by IBRA and 318,707,838 Company shares owned by Holdiko. Also, on April 26, 2001, Kimmeridge Enterprise Pte., Ltd. acquired 597,125,964 Company shares owned by MP and KIU. After these acquisitions and exercise of rights, through debt conversion of US$ 150 million, Kimmeridge Enterprise Pte., Ltd. now owns 2,271,259,197 Company shares.

Upon HZ becoming the shareholder of the Company on April 26, 2001, the B Terms Debt Restructuring (HZMFA) has automatically became effective, hence, the issued Warrant B as mentioned above was automatically voided and cancelled, while for Warrant A, the Company issued additional (top-up) 45,369,218 warrants.

f. As of December 31, 2001 and 2000, the types and numbers of Company warrants issued and outstanding are as follows:

	2001 (Warrants)	2000 (Warrants)
Warrant A	**153,382,977**	108,013,759
Warrant B	**-**	108,013,759
Warrant C	**698,844,482**	-
Total	**852,227,459**	216,027,518

All of the above warrants, which are issued at no cost, are naked warrants and listed in Jakarta Stock Exchange and Surabaya Stock Exchange.

14. Additional Paid-in Capital

This account represents the excess of the amounts received and/or the carrying value of converted debentures and bonds over the par value of the shares issued after offsetting all the expenses related to the issuance of equity securities.

15. Other Paid-in Capital

This account represents the foreign exchange differential arising from the difference between the agreed exchange rate for the conversion of the foreign currency debentures into equity and the exchange rate at the date of the transaction.

16. Retained Earnings

In compliance with the new Corporate Law No. 1, Year 1995 dated March 7, 1995, which requires companies to set aside, on a gradual basis, an amount equivalent to at least 20% of their subscribed capital as general reserve, the shareholders approved the partial appropriations of the Company's retained earnings as general reserve during their annual general meetings held on June 24, 1997 and June 25, 1996 in the amount of Rp 25 billion each.

17. Segment Information

The information concerning the Company and Subsidiaries' business segments are as follows:

	2001 Rp	2000 Rp
Net Revenues		
Cement Business		
Cement		
Domestic	**5,869,021,297,062**	4,284,622,045,527
Export	**421,340,251,251**	292,624,760,170
Ready-Mix Concrete	**47,710,759,157**	23,127,871,450
Other Businesses	**30,899,941,460**	29,668,420,259
Total	**6,368,972,248,930**	4,630,043,097,406
Eliminations	**(2,915,560,907,970)**	(2,182,069,788,198)
Net	**3,453,411,340,960**	2,447,973,309,208
Cost of Revenues		
Cement Business		
Cement	**5,210,642,864,115**	3,557,732,483,845
Ready-Mix Concrete	**46,472,556,048**	25,222,876,455
Other Businesses	**16,548,395,379**	12,566,960,695
Total	**5,273,663,815,542**	3,595,522,320,995
Eliminations	**(2,902,920,718,397)**	(2,156,134,015,575)
Net	**2,370,743,097,145**	1,439,388,305,420
Income (Loss) from Operations		
Cement Business		
Cement	**657,312,549,070**	703,961,672,845
Ready-MixConcrete	**(3,329,109,040)**	(4,796,190,942)
Other Businesses	**11,003,879,363**	13,423,021,163
Total	**664,987,319,393**	712,588,503,066
Eliminations	**7,079,366,039**	(7,189,113,823)
Net	**672,066,685,432**	705,399,389,243
Identifiable Assets		
Cement Business		
Cement	**12,245,440,661,260**	13,023,241,425,844
Ready-Mix Concrete	**77,764,229,402**	103,136,312,790
Other Businesses	**97,928,462,653**	104,199,402,505
Total	**12,421,133,353,315**	13,230,577,141,139
Eliminations	**(491,113,995,844)**	(1,581,540,272,914)
Net	**11,930,019,357,471**	11,649,036,868,225

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18. Cost of Revenues

The details of cost of revenues are as follows:

	2001 Rp	2000 Rp
Raw materials used	**349,483,205,640**	202,600,001,636
Direct labor	**179,277,316,467**	106,684,306,289
Fuel and power	**954,389,439,211**	598,978,555,728
Manufacturing overhead	**675,206,140,160**	363,931,453,217
Total Manufacturing Cost	**2,158,356,101,478**	1,272,194,316,870
Work In Process Inventory		
At beginning of year	**63,302,181,184**	56,396,396,078
Others	**4,546,319,726**	-
At end of year	**(121,123,657,233)**	(63,302,181,184)
Cost of Goods Manufactured	**2,105,080,945,155**	1,265,288,531,764
Finished Goods Inventory		
At beginning of year	**51,277,015,832**	39,739,322,154
Others	**23,141,097,071**	4,056,289,312
At end of year	**(95,840,437,876)**	(51,277,015,832)
Cost of Goods Sold before Packing Cost	**2,083,658,620,182**	1,257,807,127,398
Packing Cost	**270,536,081,584**	169,014,217,327
Total Cost of Goods Sold	**2,354,194,701,766**	1,426,821,344,725
Cost of Services		
Direct costs	**12,827,090,204**	10,391,807,029
Indirect costs	**3,721,305,175**	2,175,153,666
Total Cost of Services	**16,548,395,379**	12,566,960,695
Total Cost of Revenues	**2,370,743,097,145**	1,439,388,305,420

19. Operating Expenses

The details of operating expenses are as follows:

	2001 Rp	2000 Rp
Delivery and Selling Expenses		
Delivery, loading and transportation	**172,382,902,359**	64,765,095,410
Advertising and promotions	**16,389,167,573**	3,828,443,014
Salaries, wages and employees' benefits	**14,168,621,535**	18,778,767,027
Professional fees	**4,533,949,740**	3,749,806,910
Depreciation	**2,967,604,123**	3,320,007,491
Rental	**2,780,525,200**	6,245,794,145
Association and membership dues	**2,073,505,420**	1,449,527,200
Provision for doubtful accounts	**2,042,200,120**	23,166,957,664
Repairs and maintenance	**2,006,231,464**	2,653,022,958
Electricity and water	**1,916,162,516**	1,517,726,437
Taxes and licenses	**1,155,329,604**	305,179,323
Miscellaneous (each below Rp 1.0 billion)	**5,486,805,938**	4,730,623,253
Total Delivery and Selling Expenses	**227,903,005,592**	134,510,950,832
General and Administrative Expenses		
Salaries, wages and employees' benefits	**90,833,165,725**	56,044,503,765
Pension and termination	**29,583,772,938**	879,223,896
Professional fees	**16,237,667,800**	57,637,639,017
Public relations	**6,224,612,480**	12,880,854,896
Depreciation	**4,910,251,606**	4,463,056,779
Advertising and promotions	**4,276,671,333**	2,200,993,237
Rental	**4,230,276,040**	2,099,434,510
Communication	**3,608,954,648**	2,640,795,742
Repairs and maintenance	**3,307,262,406**	1,897,231,780
Travelling and transportation	**2,854,419,298**	2,459,708,826
Meeting expenses	**2,561,312,917**	948,976,900
Donations	**2,507,670,690**	1,617,004,711
Taxes and licenses	**2,053,803,241**	623,615,144
Medical	**1,581,930,277**	1,682,802,174
Miscellaneous (each below Rp 1.0 billion)	**7,926,781,392**	20,598,822,336
Total General and Administrative Expenses	**182,698,552,791**	168,674,663,713
Total Operating Expenses	**410,601,558,383**	303,185,614,545

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20. Retirement Benefits Expenses

The Company has a defined contributions retirement plan covering 94.7% of its full-time employees. Retirement benefits charged to operations amounted to approximately Rp 27.7 billion in 2001 and Rp 6.9 billion in 2000.

The plan's assets are administered by Dana Pensiun Karyawan Indocement Tunggal Prakarsa, the establishment of which was approved by the Ministry of Finance on November 12, 1991, as amended by Decree No. Kep-332/KM.17/1994 dated December 1, 1994.

On June 20, 2000, the Ministry of Manpower issued its Decree No. Kep-150/Men/2000 regarding the "Settlement of Work Dismissal and Determination of Separation, Gratuity and Compensation Payments in Companies". Under the said decree, companies are required to make payments for separation, gratuity and compensation benefits to their employees if the required conditions are met.

As of December 31, 2001 the total provisions made by the Company and its Subsidiaries for their employees who did not join the pension plan amounted to Rp 727,254,000, which is recorded as part of "Accrued Expenses" account in the 2001 consolidated balance sheet. For the Company's employees who had joined the pension plan, the management believes that the Company's contributions to its retirement plan are enough to cover any of such payments if incurred.

21. Significant Agreements, Commitments and Contingencies

a. On March 20, 1998, the Company entered into a Memorandum of Understanding with PT Indonesia Air Transport (IAT) to form a charter hire airplane joint operations. Relative to this, the total advances made by the Company amounted to US$ 2,943,750 (equivalent to Rp 16,488,225,000) as of December 31, 2000 for a 50% effective ownership of the airplane. These advances are shown as part of "Other Non-Current Assets - Others (Net)" in the 2000 consolidated balance sheet.

   Based on correspondences between the Company and IAT regarding the charter airplane joint operations, both parties have agreed on the plan to sell the airplane at prices ranging from US$ 1.6 million to US$ 2.1 million. In 2000, the Company has provided an allowance of about Rp 9.5 billion in anticipation of the possible loss on settlement of the above-mentioned advance in the future.

   Based on the Company's letter to IAT, dated June 8, 2001, the Company agreed to the disposal of its 50% effective ownership of the airplane at a net compensation amount of US$ 974,742.50. Net proceeds received from the sale of the aforesaid airplane totaled US$ 370,000.

b. On February 28, 2000, the Company engaged Credit Suisse First Boston (Singapore) Limited (CSFB) to act as its exclusive financial advisor with respect to the Company's proposed Rights Issue, pursuant to which, the portion of the Company's debts that will be purchased by HZ will be converted into equity, as set out in "HZMFA" of the debt restructuring mentioned in Note 13c, and/or new equity in the Company that will be acquired by HZ for cash. As compensation, the Company agrees to pay CSFB a transaction fee equal to US$ 1.5 million, payable upon the closing of the Rights Issue.

   On December 15, 1998, the Company signed an Engagement Letter and Indemnity Agreement with CSFB whereby CSFB was engaged by the Company to act as its exclusive financial advisor with respect to the Company's Debt Restructuring plan. As compensation, the Company will pay CSFB the following fees:

(i) Advisory fees payable as follows:

- US$ 50,000 upon signing the engagement letter;
- US$ 100,000 per month, payable in arrears, with the first payment due on November 30, 1998, and thereafter, at the end of each month. Payments made shall be non-refundable, but shall be fully creditable against the success fee mentioned below.

(ii) A success fee of US$ 2,800,000 payable upon the signing of any definitive agreement relating to the Debt Restructuring or the effectivity of the Debt Restructuring, whichever is earlier.

In addition, the Company also agreed to reimburse CSFB for a reasonable amount of out-of-pocket expenses, including the fees and expenses of CSFB's legal counsel, if any, and any other advisors retained by CSFB resulting from or arising out of the engagement, with the prior approval of the Company.

All fees and expenses payable shall be net of all applicable withholding and similar taxes.

Then, on October 8, 1999, the above compensation scheme was amended whereby the success fee was increased to US$ 5,400,000, payable upon the effectivity of the Debt Restructuring, net of the aggregate financial advisory fees paid by the Company to CSFB.

All the aforesaid fees of these transactions were fully settled in 2001.

c. The Company had contracts with Marubeni Corporation (Marubeni) and Kawasaki Heavy Industries Limited (Kawasaki) for the construction and installation of its additional cement plant (Plant 11) in Citeureup, with production capacity of 2.4 million tons of portland cement per annum. The total value of these contracts is about US$ 229 million. The project was fully completed in January 2000, and accordingly, all the related accumulated construction costs were reclassified to the appropriate property, plant and equipment accounts in the consolidated balance sheets. As of December 31, 2000, the related contract payables amounted to US$ 24,132,303 (for Marubeni) and US$ 18,431,733 (for Kawasaki).

On November 25, 1999, Kawasaki approved the Company's proposal to settle its contract payable to the former amounting to US$ 23,585,214. Under the said approved settlement proposal, the Company shall pay the said contract payable in eighteen (18) monthly installments of US$ 572,609, and the remaining balance of US$ 13,278,252 to be paid in accordance with the terms of the debt restructuring agreement in the MFA, as discussed in Note 12. The first installment was paid in December 1999 and the remaining installments were fully settled in 2001.

d. The former IKC has an agreement with Marubeni whereby the latter undertakes the construction of a new cement plant for US$ 167,632,870; and supplied imported machinery and equipment for a total contract amount of US$ 209,945,000. Up to December 31, 2000, all expenditures incurred relating to this project were recorded as part of "Construction In Progress". The related payables amounting to US$ 45,388,825 are shown as part of "Long-term Debts" in the 2000 consolidated balance sheet. The project was completed in April 2001, and accordingly, all the related accumulated construction costs were reclassified to the appropriate property, plant and equipment accounts in the 2001 consolidated balance sheet.

e. The Company has an outstanding agreement with PERTAMINA and PT Rabana Gasindo Utama (Rabana), whereby the Company agreed to provide funds amounting to US$ 11,678,711.29 for purposes of developing PERTAMINA's natural gas production facility in Bojongroong, Tanjung Sari, Sindang Sari and Walet Utama - West Java. Rabana, who was appointed by the Company, acts as the contractor of the said project. This transaction was intended mainly to guarantee the supply of natural gas to the Company. The funds to be provided by the Company to the said project will be used as its advances for future purchases of natural gas. In 2001, the Company has provided all the required advances for the project amounting to US$ 11,678,711.29 (equivalent to Rp 65,452,904,196). In May 2001, the Company started to apply these advances against its gas consumption. The remaining balance of these advances as of December 31, 2001 amounted to US$ 6,984,542.21 (equivalent to Rp 39,144,587,434) while the total advances made by the Company as of December 31, 2000 amounted to US$ 11,053,953 (equivalent to Rp 58,955,423,389). These advances are shown as part of "Other Non-Current Assets - Others (Net)" in the consolidated balance sheets.

f. The Company has several sale and purchase contracts with PT Bahari Cakrawala Sebuku (BCS) whereby the Company agreed to purchase and BCS agreed to supply certain agreed amount of coal. Total purchases made under this contract amounted to US$ 7,341,932 (equivalent to Rp 75,372,268,779) in 2001 and US$ 2,631,477 (equivalent to Rp 22,928,818,587) in 2000. The total outstanding balances of the related payables to BCS, which amounted to US$ 617,363 (equivalent to Rp 6,420,574,703) and US$ 458,921 (equivalent to Rp 4,403,346,228) as of December 31, 2001 and 2000, respectively, are shown as part of "Trade Payables - Third Parties" account in the consolidated balance sheets.

g. On November 19, 1999, the Company signed a contract with Semt Pielstick (SEMT) for the supply of equipment in connection with the rehabilitation of nine (9) engines of the power plant in the Company's Citeureup plant for a total contract price of FRF 95,192,305. A down payment of FRF 18,586,219 shall be paid in three equal installments, while the remaining balance of FRF 76,606,086 shall be paid partly in the form of sales of cement by the Company to SEMT, through Transclear S.A., and partly by drawing from the trustee account as referred to in the trust agreement discussed in Item i below. The Company has partially settled such contract amount in 2001.

Transclear S.A., which has been requested by SEMT to act on its behalf, has signed a Summary of Meeting with the Company on November 11, 1999 for the purchase of cement valued at approximately US$ 5,130,000. This amount represents about 38% of the amount to be paid by the Company as settlement of the above-mentioned supply contract.

As of December 31, 2001, rehabilitation of six out of the nine engines have been completed and all of the rehabilitation costs were capitalized to the related property, plant and equipment accounts in the 2001 consolidated balance sheet.

h. In November 1999, the Company signed four technical assistance contracts with Centrales Diesel Export (CDE) for technical assistance services relating to the rehabilitation, operations and maintenance of the power plant in the Company's Citeureup plant for an aggregate contract price of FRF 6,104,050. The payments of the contract price are to be made by drawing from the trustee account as referred to in the trust agreement discussed in Item i below. The company has partially settled such contract amount in 2001.

i. On January 17, 2000, the Company, SEMT and Natexis Banque London Branch (Natexis) entered into a trust agreement in connection with the contracts mentioned in Items g and h above. As required under the said trust agreement, the Company shall maintain a trustee account with Natexis, which shall have a minimum balance of FRF 18,000,000 at all times during the period starting from the third month after the signing of the trust agreement until the twelfth month; then a minimum of FRF 9,000,000 for the succeeding three months; and a minimum of FRF 2,200,000 for the remaining fifteen months or until all payments are made to SEMT, whichever is earlier.

As of December 31, 2001 and 2000, the outstanding balance maintained in Natexis amounted to FRF 181.35 and FRF 20,447,186, respectively, and recorded as part of "Restricted Cash in Banks" in the consolidated balance sheets.

j. On December 11, 2000, the Company entered into a sales agreement with Transclear S.A. for the supply of 900,000 metric tons of cement at certain agreed selling prices for shipment from February 2001 to January 2002 (cement contract). This contract has been concluded through a Memorandum of Agreement (MOA) between the Company and SEMT whereby the cement to be supplied by the Company represents payment for the delivery of spare parts by SEMT. On July 20, 2001, SEMT, Transclear S.A., and the Company entered into a MOA whereby SEMT will supply/sell spare parts for the Company's power plant at Citeureup - Bogor for a total contract price of EUR 2,932,947.45 (spare parts contract). As of December 31, 2001, the net receivables arising from these transactions after offseting the related payables amounted to about Rp 18 billion.

k. The Company has outstanding contract agreement for dredging works with PT (Persero) Pengerukan Indonesia, Tanjung Priok Branch, Jakarta, whereby the latter agreed to dredge the former IKC's seaport located on Desa Tarjun, Kotabaru, South Kalimantan, with total estimated dredging volume of approximately 704,255 cubic meters. The contract price for the said services is fixed at a lump-sum amount of Rp 24 billion.

l. The Company acts as a guarantor for the obligations of Indomix arising from the "Shareholders' Guarantee and Support Agreement (SGSA)" dated March 21, 1997 that was signed by the latter in connection with the Project Loan and Convertible Bond Agreement signed by PT Indominco Mandiri (Indominco), Indomix's associated company (as the "borrower"), with Marubeni and Sumitomo Corporation. Under the SGSA, Indomix agreed to guarantee 35% of the outstanding availments of Indominco under the said facility. As of December 31, 2001, the outstanding availments of Indominco under the said facility amounted to US$ 90,000,000.

m. The Company also acts as a guarantor for the obligations of PT Pama Indo Mining (PIM) under a deed of "Perjanjian Pembiayaan Sewa Guna Usaha" (Leasing Agreement) dated September 24, 1997. Such guarantee granted by the Company only covers that portion of the lease obligations corresponding to its ownership interest in PIM.

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n. On December 7, 2000, DAP entered into several distributorship agreements with PT Jabar Multindo Perkasa, PT Royal Inti Mega Utama, PT Jateng Kencana Abadimulia, PT Saka Agung Abadi, PT Bangunsukses Niaga Nusantara and PT Jabotabek Niagatama Sukses. Pursuant to these agreements, DAP, as the Company's exclusive main domestic distributor, has appointed these companies to act as area distributors of bagged cement and bulk cement for domestic market.

The above-mentioned distributorship agreements provide for, among others, the specific distribution area or region for each sub-distributor, delivery requirements, obligations and responsibilities of the sub-distributors, responsibilities of DAP, terms and sales price, and restriction to transfer the distribution rights without prior consent from DAP. These agreements are valid until July 14, 2004, and are automatically renewable for another five (5) years, subject to the same terms and conditions, except for the requirement to submit written termination notice six (6) months prior to the expiration of the agreement by any party who wishes not to renew or extend its distribution rights.

By March 2001, it has been agreed by DAP and each of its sub-distributors to amend certain terms and conditions of such distributorship agreement.

Total net sales to these sub-distributors in 2001 and 2000 are as follows:

	2001	2000
	Rp	Rp
PT Jabotabek Niagatama Sukses	**875,599,016,860**	328,839,704,330
PT Jabar Multindo Perkasa	**715,345,831,961**	219,225,084,899
PT Jateng Kencana Abadimulia	**564,181,342,637**	262,598,678,201
PT Bangunsukses Niaga Nusantara	**242,401,005,007**	16,344,727,454
PT Royal Inti Mega Utama	**179,277,563,474**	118,877,369,784
PT Saka Agung Abadi	**103,076,773,606**	30,022,589,235
Total	**2,679,881,533,545**	975,908,153,903

The total outstanding receivables due from these sub-distributors amounted to Rp 168,781,795,822 and Rp 159,555,571,543 as of December 31, 2001 and 2000, respectively, and are recorded as part of "Trade Receivables - Third Parties" account in the consolidated balance sheets.

o. On May 30, 2001, the Company appointed PT Grant Thornton Indonesia (GT) to act as its financial advisor with respect to the Company's plan to sell its equity ownership interest in PT Wisma Nusantara International. As compensation of GT's services, the Company agrees to pay a lump-sum fee of US$ 25,000 and a success fee at the rate of 1.2% from the proceeds of the sale transaction.

p. As of December 31, 2001, the Company has outstanding forward exchange contracts with Standard Chartered Bank, Jakarta Branch aggregating to US$ 4,000,000 which will mature in 2002, with fixed exchange rate of Rp 9,800 for US$ 1. As of independent auditors' report date, all of these forward exchange contracts had been settled upon their maturity dates.

All of the Company derivative instruments are not designated as hedging instruments for accounting purposes and shown under "Other Receivables - Third Parties" in the 2001 consolidated balance sheet.

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22. New or Revised Accounting Pronouncements

The following are the accounting principles newly issued or revised by the Indonesian Institute of Accountants.

a. PSAK No. 5 (revised in October 2000) - Segment Reporting

PSAK No. 5 should be applied by all publicly-listed companies and companies in the process of issuing equity securities or debt securities in the capital market. PSAK No. 5 provides more detailed guidance for identifying reportable business segments and geographical segments, significantly expands the obligatory disclosure requirements for primary segments, and provides a detailed guidance on allocation of revenues and expenses to a particular segment. PSAK No. 5 is effective for financial statements with periods beginning on or after January 1, 2002.

b. PSAK No. 57 (revised in November 2000) - Provisions, Contingent Liabilities and Contingent Assets

PSAK No. 57 prescribes the accounting and disclosure for all provisions, contingent liabilities and contingent assets, except: (a) those resulting from financial instruments that are carried at fair value; (b) those resulting from executory contracts, except where the contract is onerous; (c) those arising in insurance enterprises from contracts with policyholders; or (d) those covered by another PSAK. This standard provides accounting and disclosure for guarantee, warranty, liabilities for employee benefits, litigations and environmental damage claims, among others. This standard becomes effective for preparation and presentation of financial statements covering the periods starting on or after January 1, 2001.

Management is of the opinion that the Company and its Subsidiary's accounting policy is in line with this new PSAK.

23. Recent Economic Condition

Indonesia is still experiencing economic difficulties mainly resulting from currency depreciation, the principal consequences of which have been an extreme lack of liquidity and highly volatile exchange and interest rate. This economic condition has also been characterized by declining prices in shares listed in the Indonesian Stock Exchange, tightening of available credit, general price increases of commodities and services and have affected several sectors of the economy. However, the construction activity, in general, has improved as compared to previous years. As a result, the Company's domestic sales volumes soared by 12% in 2001 and 29% in 2000.

Despite this difficult economic condition, the Company and its Subsidiaries have undertaken and are continuously implementing the following measures, among others:

a. Enhancing export sales, which will be boosted especially with the exclusive export distribution agreement with HC Trading.

b. Applying cost-cutting programs that were initiated in previous years, such as:
   - Consumption of domestic products to the extent possible;
   - Reduction of non-essential operating expenses, such as ceremonial expenses, etc; and
   - Minimizing to the extent possible of foreign currency denominated expenses.

c. Reviewing capital expenditures, investments and expansion plans;

d. Applying dynamic and prudent treasury management; and

e. Assessing the possibility to spin-off the non-core assets and businesses.

As of December 31, 2001, the Company and its Subsidiaries have assets and liabilities denominated in foreign currencies as follows:

			Equivalent in Rupiah	
		Foreign Currency	December 31, 2001 (Balance Sheet date)	February 18, 2002 (Auditors' Report Date)
			Rp	Rp
Assets				
in US Dollar	US$	55,058,154	572,604,801,600	564,346,078,500
in Japanese Yen	¥	3,726,316	294,963,250	288,099,376
Total			572,899,764,850	564,634,177,876
Liabilities				
in US Dollar	US$	529,096,851	5,502,607,250,400	5,423,242,722,750
in Japanese Yen	¥	39,942,432,745	3,161,715,160,309	3,088,141,199,193
in French	FRF	1,593,672	2,232,351,991	2,176,254,736
in EURO	EUR	39,894	366,562,828	357,350,505
Total			8,666,921,325,528	8,513,917,527,184
Net liabilities			8,094,021,560,678	7,949,283,349,308

As shown in the table below, the rupiah currency has fluctuated in value based on the average rates of exchange for export bills and bank notes published by Bank Indonesia:

Foreign Currency	December 31, 2001	February 18, 2002
	Rp	Rp
US Dollar (US$1)	10,400.00	10,250.00
EURO (EUR 1)	9,188.42	8,957.50
Japanese Yen (JP¥ 100)	7,915.68	7,731.48
French Franc (FRF 1)	1,400.76	1,365.56

Had the assets and liabilities denominated in foreign currencies as of December 31, 2001 been reflected using the above average rates of exchange as of February 18, 2002 (the independent auditors' report date), the net foreign currency denominated liabilities, as stated above, would have decreased by approximately Rp 145 billion.

The recovery of the economy depends on the fiscal, monetary and other measures that have been and will be undertaken by the government, actions which are beyond the controls of the Company and its Subsidiaries. It is not possible to determine the future effects that a continuation of the current economic condition may have on the Company's and its Subsidiaries' liquidity and earnings, including the effects flowing through from their investors, customers, suppliers, creditors and shareholders.

24. Subsequent Events

On January 22, 2002, the Company paid its interest obligations covering the period October 23, 2001 to January 22, 2002 amounting to US$ 5,846,302, JP¥ 281,339,511 and Rp 8,734,685,287.

Corporate Information

Condensed List of Shareholders (%)

Kimmeridge Enterprise Pte., Ltd. (HeidelbergCement subsidiary)	61.70
Government of the Republic of Indonesia	16.87
PT Mekar Perkasa	13.47
Marubeni Corporation	1.90
Public and cooperatives	6.06

All shares are listed in the Stock Exchanges of Indonesia - Reuters INTPJK

Corporate Address

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Other Shareholder Information

Annual General Meeting of Shareholders

The Annual General Meeting of Shareholders will be held at the 21st Floor, Wisma Indocement, Jl. Jenderal Sudirman Kav 70-71 Jakarta on June 28, 2002

For further information, please contact:

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Investor Inquiries:
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Corporate Lawyers

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Share Registrar

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Jakarta 12930, Indonesia

Major Bankers

Chase Manhattan Bank, N.A.
Bank of America
Japan Bank for International Cooperation
Fuji Bank Ltd.
Mitsubishi Trust and Banking Corp
BNP Paribas
Yasuda Trust and Banking Co., Ltd.
Bank Central Asia Tbk.
Bank Mandiri

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