CIRCULAR DATED 13 MARCH 2013

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE COURSE OF ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

Unless otherwise stated, the capitalised terms on this cover are defined in this Circular (as defined herein) under the section titled "DEFINITIONS".

The Singapore Exchange Securities Trading Limited ("**SGX-ST**") assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular. Approval in-principle has been granted by the SGX-ST to Gallant Venture Ltd. ("**Company**" or "**Gallant**") for the listing of and quotation for the Rights Shares and the Conversion Shares on the SGX-ST subject to certain conditions. The Company may in its absolute discretion waive any of the said conditions in the event that the SGX-ST waives compliance of the same. Approval in-principle granted by the SGX-ST to the Company for the admission, listing of and quotation for the Rights Shares and the Conversion Shares on the SGX-ST is not to be taken as an indication of the merits of the Proposed Rights Issue, the Proposed Acquisition, the Company and/or its subsidiaries.

If you have sold or transferred all your Shares, you should immediately forward this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

YOUR ATTENTION IS DRAWN TO THE SECTIONS ENTITLED "RISK FACTORS" ON PAGES 37 AND A-30 TO A-47 OF THIS CIRCULAR WHICH YOU SHOULD REVIEW CAREFULLY.

GALLANT VENTURE LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200303179Z)

CIRCULAR TO SHAREHOLDERS

in relation to

A. THE PROPOSED ACQUISITION OF SHARES IN THE CAPITAL OF PT INDOMOBIL SUKSES INTERNASIONAL TBK. BY WAY OF:

(1) THE ACQUISITION OF SHARES REPRESENTING APPROXIMATELY 52.35% OF THE ISSUED SHARE CAPITAL OF PT INDOMOBIL SUKSES INTERNASIONAL TBK. FROM PT CIPTA SARANA DUTA PERKASA FOR AN AGGREGATE CONSIDERATION OF APPROXIMATELY US$809.3 MILLION (EQUIVALENT TO APPROXIMATELY S$988.2 MILLION) (AND IN CONNECTION THEREWITH THE ISSUE BY THE COMPANY OF AN AGGREGATE OF APPROXIMATELY S$184.7 MILLION IN PRINCIPAL AMOUNT OF BONDS TO PT CIPTA SARANA DUTA PERKASA); AND

(2) A MANDATORY TENDER OFFER BY THE COMPANY FOR ALL THE OUTSTANDING SHARES IN THE CAPITAL OF PT INDOMOBIL SUKSES INTERNASIONAL TBK. OTHER THAN SHARES HELD BY THE COMPANY, SUBJECT TO THE COMPLETION OF THE PROPOSED ACQUISITION OF THE SAID 52.35% OF THE ISSUED SHARE CAPITAL OF PT INDOMOBIL SUKSES INTERNASIONAL TBK.

B. THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF 2,412,482,556 NEW SHARES IN THE CAPITAL OF THE COMPANY ("RIGHTS SHARES") AT AN ISSUE PRICE OF S$0.280 EACH, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) EXISTING ORDINARY SHARE HELD BY SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE, FRACTIONAL ENTITLEMENTS, IF ANY, TO BE DISREGARDED.

Joint Financial Advisers to the Company in respect of the Proposed Acquisition and Joint Managers for the Proposed Rights Issue (in alphabetical order)

CIMB BANK BERHAD (13491-P)
SINGAPORE BRANCH
(Incorporated in Malaysia)

UOB KAY HIAN PRIVATE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 197000447W)

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	26 March 2013 at 10.00 a.m.
Date and time of Extraordinary General Meeting	:	28 March 2013 at 10.00 a.m.
Place of Extraordinary General Meeting	:	Amara Singapore Hotel, Ballroom 1, Level 3 165 Tanjong Pagar Road, Singapore 088539

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CORPORATE INFORMATION

BOARD OF DIRECTORS	:	Lim Hock San — Non-Executive Chairman and Independent Director Eugene Cho Park — Executive Director and Chief Executive Officer Gianto Gunara — Executive Director Tan Chin Nam — Non-Independent and Non-Executive Director Chin Chow Yoon — Non-Executive Director Foo Ko Hing — Independent Director Rivaie Rachman — Independent Director
COMPANY SECRETARY	:	Choo Kok Kiong, CPA
REGISTERED OFFICE	:	991A Alexandra Road #02-06/07 Singapore 119969
JOINT FINANCIAL ADVISERS TO THE COMPANY IN RELATION TO THE PROPOSED ACQUISITION AND JOINT MANAGERS FOR THE PROPOSED RIGHTS ISSUE	:	**CIMB Bank Berhad, Singapore Branch** 50 Raffles Place #09-01 Singapore Land Tower Singapore 048623 **UOB Kay Hian Private Limited** 8 Anthony Road #01-01 Singapore 229957
LEGAL ADVISERS IN RESPECT OF THE PROPOSED ACQUISITION, PROPOSED RIGHTS ISSUE AND PROPOSED IMAS TENDER OFFER (AS TO SINGAPORE LAW)	:	**Rajah & Tann LLP** 9 Battery Road #25-01 Straits Trading Building Singapore 049910
LEGAL ADVISERS IN RESPECT OF THE PROPOSED ACQUISITION AND PROPOSED IMAS TENDER OFFER (AS TO INDONESIAN LAW)	:	**Assegaf, Hamzah & Partners** Menara Rajawali, 16th Floor Jl. Mega Kuningan Lot #5.1 Indonesia
LEGAL ADVISERS TO THE FINANCIAL ADVISERS IN RESPECT OF THE PROPOSED ACQUISITION AND PROPOSED RIGHTS ISSUE (AS TO SINGAPORE LAW)	:	**Clifford Chance Pte. Ltd.** 12 Marina Boulevard #25-01 Marina Bay Financial Centre, Tower 3 Singapore 018982
AUDITORS AND REPORTING ACCOUNTANTS TO THE COMPANY	:	**Foo Kon Tan Grant Thornton LLP** Certified Public Accountants of Singapore 47 Hill Street #05-01 Singapore Chinese Chamber of Commerce & Industry Building Singapore 179365 Partner-in-charge: Kon Yin Tong (Chartered Accountant, England and Wales, and Certified Public Accountant, Singapore)

CORPORATE INFORMATION

AUDITORS OF THE TARGET COMPANY	:	**Purwantono, Suherman & Surja** (a member firm of Ernst & Young Global Limited) Registered Public Accountants in Indonesia Indonesia Stock Exchange Building Tower 2, 7th Floor Jl. Jenderal Sudirman Kav. 52-53 Jakarta 12190, Indonesia
SHARE REGISTRAR AND SHARE TRANSFER AGENT OF THE COMPANY	:	**KCK CorpServe Pte. Ltd.** 333 North Bridge Road #08-00 KH KEA Building Singapore 188721

The following definitions shall apply throughout unless the context otherwise requires:

Entities in relation to the Proposed Transactions

"Company" or "Gallant"	:	Gallant Venture Ltd.
"Enlarged Group" or "Proforma Group"	:	The Company, IMAS and their subsidiaries immediately following the completion of the Proposed Acquisition, treated for the purpose of this Circular as if such group structure had been in existence since 1 January 2009
"Gallant Group" or "Group"	:	The Company and its subsidiaries
"PT TI"	:	PT Tritunggal Intipermata
"Salim Group"	:	Mr Anthoni Salim and the group of companies controlled by him or, if the context requires, Mr Anthoni Salim
"Target Company" or "IMAS"	:	PT Indomobil Sukses Internasional Tbk.
"Target Group" or "IMAS Group"	:	The Target Company and its subsidiaries for the time being and references to the "Target Group" and the "IMAS Group" shall where the context admits include its successor or predecessor companies
"Vendor" or "PT CSDP"	:	PT Cipta Sarana Duta Perkasa

Other Companies, Organisations and Agencies

"BAPEPAM-LK"	:	Badan Pengawas Pasar Modal dan Lembaga Keuangan, or the Indonesian Capital Market and Financial Institution Supervisory Agency, which was replaced by OJK with effect from 31 December 2012
"BKPM"	:	Badan Koordinasi Penanaman Modal, or the Investment Coordinating Board of Indonesia
"BPS"	:	Biro Pusat Statistik, or the Indonesian Statistics Bureau
"CDP"	:	The Central Depository (Pte) Limited
"Financial Advisers"	:	The joint financial advisers to the Company in respect of the Proposed Acquisition and the joint managers for the Proposed Rights Issue, namely, CIMB Bank Berhad, Singapore Branch and UOB Kay Hian Private Limited
"IDX"	:	PT Bursa Efek Indonesia or the Indonesia Stock Exchange
"OJK"	:	Otoritas Jasa Keuangan, or the Indonesian Financial Services Authority, which replaced and took over the regulatory and supervisory functions of BAPEPAM-LK with effect from 31 December 2012
"Reporting Accountants" or "Foo Kon Tan"	:	Foo Kon Tan Grant Thornton LLP
"SCI Group"	:	Sembcorp Industries Ltd and its subsidiaries
"SGX-ST"	:	Singapore Exchange Securities Trading Limited

"Share Registrar"	:	KCK CorpServe Pte. Ltd.

General

"Accountants' Report"	:	Report on examination of the unaudited proforma combined financial information of the Enlarged Group for FY2009, FY2010, FY2011 and FP2012, set out in Appendix B of this Circular
"ARE"	:	Application and acceptance form for Rights Shares and excess Rights Shares, to be issued to Entitled Depositors in respect of their provisional allotments of Rights Shares under the Proposed Rights Issue
"ARS"	:	Application and acceptance form for Rights Shares to be issued to purchasers of the provisional allotments of Rights Shares under the Proposed Rights Issue traded on the SGX-ST through the book-entry (scripless) settlement system
"Articles"	:	The Articles of Association of the Company
"Board"	:	The board of directors of the Company, as at the date of this Circular
"Bonds"	:	The Convertible Bonds and the Non-Convertible Bonds
"Books Closure Date"	:	5.00 p.m. on 4 April 2013 (or such other time and date as the Directors may determine), being the time and date at and on which the Register of Members and the Share Transfer Books of the Company will be closed to determine the provisional entitlements to Rights Shares of Entitled Scripholders under the Proposed Rights Issue and, in the case of Entitled Depositors, on and at which their provisional entitlements, if any, under the Proposed Rights Issue will be determined
"Circular"	:	This circular dated 13 March 2013 to Shareholders (including the Appendices)
"Companies Act"	:	Companies Act, Chapter 50 of Singapore
"Controlling Shareholder"	:	In relation to a corporation means a person who: (a) has an interest in the voting shares of the corporation and who exercises control over the corporation; or (b) has an interest in the voting shares of the corporation of an aggregate of not less than 30% of the total votes attached to all voting shares in the corporation, unless he does not exercise control over the corporation
"Conversion Price"	:	S$0.320, being the price at which each Conversion Share shall be issued upon conversion of the Convertible Bonds, which may be subject to adjustment under the terms and conditions of the Convertible Bonds

"Conversion Shares"	:	250,000,000 new Shares to be allotted and issued by the Company subject to and upon the conversion of the Convertible Bonds and (where the context admits) such additional shares as may be required or permitted to be issued by the Company pursuant to the terms and conditions of the Convertible Bonds, which shall be issued as fully paid up
"Convertible Bond Deed"	:	The deed to be executed by the Company for the creation of the Convertible Bonds and containing the terms and conditions of the Convertible Bonds
"Convertible Bonds"	:	S$80.0 million in principal amount of unsecured zero coupon convertible bond(s) to be issued by the Company to the Vendor in connection with the Proposed Acquisition, certain information on which is set out in Section 5.1 and Appendix E of this Circular
"Directors"	:	The directors of the Company as at the date of this Circular
"EGM"	:	The Extraordinary General Meeting of the Company, notice of which is given on pages F-1 to F-3 of this Circular
"Entitled Depositors"	:	Entitled Shareholders with Shares entered against their names in the Depository Register maintained by CDP as at the Books Closure Date
"Entitled Scripholders"	:	Entitled Shareholders with Shares registered in their own names in the Register of Members of the Company as at the Books Closure Date, with the exception of CDP
"Entitled Shareholders"	:	Shareholders as at the Books Closure Date, whose registered addresses with CDP or the Company, as the case may be, are in Singapore or who have, at least three (3) Market Days prior to the Books Closure Date, provided to CDP or the Company, as the case may be, addresses in Singapore for the service of notices and documents
"EPS"	:	Earnings per Share
"Foreign Shareholders"	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three (3) Market Days prior to the Books Closure Date, provided to CDP or the Company, as the case may be, addresses in Singapore for the service of notices and documents
"FP"	:	Financial period ended 30 September
"FY"	:	Financial year or years ended, or as the case may be, ending 31 December
"GDP"	:	Gross domestic product
"IMAS Shares"	:	Common shares in the capital of the Target Company
"Indonesian GAAP"	:	Generally accepted accounting principles in Indonesia and/or the Indonesian Financial Accounting Standards

"ISAK"	:	Interpretasi Standar Akuntansi Keuangan or Interpretation Financial Accounting Standards
"Latest Practicable Date"	:	4 March 2013, being the latest practicable date prior to the printing of this Circular
"Listing Manual"	:	The listing manual of the SGX-ST, as amended from time to time
"Market Day"	:	A day on which the SGX-ST is open for securities trading
"Non-Convertible Bond Deed"	:	The deed to be executed by the Company for the creation of the Non-Convertible Bonds and containing the terms and conditions of the Non-Convertible Bonds
"Non-Convertible Bonds"	:	Approximately S$104.7 million in principal amount of 1.0% unsecured non-convertible bond(s) to be issued by the Company to the Vendor in connection with the Proposed Acquisition, certain information on which is set out in Section 5.1 and Appendix E of this Circular
"Notice of EGM"	:	The Notice of EGM as set out on pages F-1 to F-3 of this Circular
"NTA"	:	Net tangible assets
"Offer Information Statement"	:	The offer information statement proposed to be issued by the Company in connection with the Proposed Rights Issue, together with the PAL, the ARE or the ARS (as the case may be) and all other accompanying documents
"PAL"	:	The provisional allotment letter to be issued to Entitled Scripholders in respect of their provisional allotments of Rights Shares under the Proposed Rights Issue
"Proposed Acquisition"	:	The proposed acquisition by the Company of the Sale Shares pursuant to the SPA and in connection therewith the issue of the Convertible Bonds and the Non-Convertible Bonds to the Vendor
"Proposed IMAS Tender Offer"	:	The proposed mandatory tender offer under the relevant Indonesian laws and regulations for all the outstanding IMAS Shares other than IMAS Shares held by the Company, subject to the completion of the Proposed Acquisition
"Proposed IMAS Tender Offer Price"	:	The price per IMAS Share proposed to be offered by the Company under the Proposed IMAS Tender Offer
"Proposed Rights Issue"	:	The proposed renounceable non-underwritten rights issue by the Company of 2,412,482,556 Rights Shares at the Rights Share Issue Price, on the basis of one (1) Rights Share for every one (1) existing Share held as at the Books Closure Date, fractional entitlements, if any, to be disregarded
"Proposed Transactions"	:	The Proposed Acquisition, the Proposed Rights Issue and the Proposed IMAS Tender Offer
"PSAK"	:	Pernyataan Standar Akuntansi Keuangan or the Indonesian Financial Accounting Standards

"Purchase Consideration"	:	The aggregate consideration of approximately US$809.3 million (equivalent to approximately S$988.2 million) for the Sale Shares
"Record Date"	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the Company or with CDP, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
"Rights Share Issue Price"	:	The issue price of S$0.280 for each Rights Share
"Rights Shares"	:	2,412,482,556 new Shares to be allotted and issued by the Company pursuant to the Proposed Rights Issue
"Sale Shares"	:	1,447,559,708 shares in the capital of the Target Company, which represent approximately 52.35% of the Target Company's issued capital
"Securities Account"	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
"SFRS"	:	Singapore Financial Reporting Standards
"SGXNET"	:	A system network used by listed companies to send information and announcements to the SGX-ST or any other system network(s) as may be prescribed by the SGX-ST
"Shareholders"	:	Persons who are registered as holders of Shares in the Register of Members of the Company, or where CDP is the registered holder, the term "Shareholders" shall, in relation to such Shares, mean the Depositors whose Securities Accounts are credited with Shares
"Shares" or "Ordinary Shares"	:	Ordinary shares in the capital of the Company
"SPA"	:	The conditional Sale and Purchase Agreement dated 13 December 2012 between the Vendor and the Company in relation to, *inter alia*, the Proposed Acquisition and any amendments and supplements to the same
"Substantial Shareholder"	:	A person who has an interest in one or more voting shares in a company and the total votes attached to such share(s) is not less than 5% of the total votes attached to all the voting shares in the company
"Tender Offer Undertaking"	:	The irrevocable undertaking furnished by PT TI to the Company not to accept the Proposed IMAS Tender Offer in respect of, *inter alia*, all of its shareholding interest in IMAS, representing approximately 18.05% of the issued share capital of IMAS
"VAT"	:	Value added tax

<u>Countries, currencies, units, and others</u>

"Indonesia"	:	Republic of Indonesia
"m^2"	:	Square metre

"Rp." or "Rupiah"	:	Indonesian Rupiah, the lawful currency of the Republic of Indonesia
"S$" or "Singapore Dollar", and "cents"	:	Singapore dollars and cents, respectively, the lawful currency of the Republic of Singapore
"US$" or "United States Dollar", and "US cents"	:	United States dollars and cents, respectively, the lawful currency of the United States of America
"%"	:	Per centum or percentage

The expressions "Depositor", "Depository Agent" and "Depository Register" shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

The term "subsidiary" shall have the meaning ascribed to it by Section 5 of the Companies Act. The terms "associate" and "associated company" shall have the meanings ascribed to them respectively in the Section headed "Definitions and Interpretation" of the Listing Manual.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. Words importing persons shall include corporations.

Any reference in this Circular to "Rule" or "Chapter" is a reference to the relevant rule or chapter in the Listing Manual as for the time being.

Any reference in this Circular to any statute or enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any amendment thereof, and used in this Circular shall have the meaning assigned to it under the Companies Act.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the figures included in this Circular between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures which precede them.

GLOSSARY OF TECHNICAL TERMS

This glossary contains a general explanation of certain terms used in this Circular in connection with the business of the Target Group. These terms, and their assigned meanings, may not correspond to standard industry usage or common meaning, as the case may be:

"4S"	:	Services offered to customers of the Target Group ranging from sales, after-sales service, spare parts and survey/feedback
"CBU"	:	Completely-Built-Up
"CKD"	:	Completely-Knocked-Down
"heavy duty trucks"	:	Trucks with a gross vehicle weight of over 24 tonnes
"IKD"	:	Incompletely-Knocked-Down
"light trucks"	:	Trucks with a gross vehicle weight of under 10 tonnes
"medium trucks"	:	Trucks with a gross vehicle weight of between 10 tonnes and 24 tonnes

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

All statements contained in this Circular, statements made in the press releases, announcements and oral statements that may be made by the Company, the Vendor, the Target Group or their respective related corporations, directors or executives or employees acting on their behalf that are not statements of historical fact constitute "forward-looking statements". Some of these statements can be identified by words that are biased or by forward-looking terms such as "expect", "forecast", "if", "possible", "probable", "project", "believe", "plan", "intend", "estimate", "anticipate", "may", "will", "would", "could" and "should" or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Company's, the Group's, the Target Company's, the Target Group's and the Proforma Group's expected financial position and performance, business strategy, plans and prospects are forward-looking statements. These forward-looking statements, including (but are not limited to) statements as to the Company's, the Group's, the Target Company's, the Target Group's and the Proforma Group's revenue and profitability, cost measures, expected industry trends, prospects, future plans, planned strategy and other matters discussed in this Circular regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's, the Group's, the Target Company's, the Target Group's and the Proforma Group's actual future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. These risks, uncertainties and other factors are discussed in more detail in this Circular, in particular, but not limited to, discussions under Section 7 of this Circular and Section 3 of Appendix A of this Circular.

Given the risks and uncertainties that may cause the Company's, the Group's, the Target Company's, the Target Group's and the Proforma Group's actual future results, performance or achievements to be materially different than that expected, expressed or implied by the forward-looking statements and financial information set out in this Circular, you are advised not to place undue reliance on such statements and information. None of the Company, the Vendor, the Target Company, the Financial Advisers, their respective related corporations, directors, executives and employees or any other person represents or warrants that the Company's, the Group's, the Target Company's, the Target Group's and the Proforma Group's actual future results, performance or achievements will be as discussed in those statements and financial information. The Company's, the Group's, the Target Company's, the Target Group's and the Proforma Group's actual future results may differ materially from those anticipated in these forward-looking statements as a result of, *inter alia*, the risks and uncertainties faced by the Company, the Group, the Target Company, the Target Group and the Proforma Group. Further, the Company, the Vendor, the Target Company, the Financial Advisers and their respective related corporations, directors, executives and employees disclaim any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future, subject to compliance with any applicable laws and regulations and/or rules of the SGX-ST and/or any regulatory or supervisory body or agency.

This Circular may include market and industry data and information that have been obtained from, *inter alia,* internal studies and publicly available information such as government statistical and industry reports, and industry publications. Please note that such information is supplied to you for your personal use only. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable but the accuracy and completeness of that information is not guaranteed, and may contain other disclaimers in relation to reliance on their contents. There can therefore be no assurance as to the accuracy or completeness of such information. While reasonable steps have been taken to ensure that the information is extracted accurately, the Company, the Vendor, the Target Company and the Financial Advisers and their respective related corporations, directors, executives and employees have not independently verified any of the data from third party sources or ascertained the underlying bases or assumptions relied upon therein, nor have the consents of these sources been obtained for the inclusion of such data or information in this Circular.

EXCHANGE RATES

Exchange Rate between the Indonesian Rupiah and the Singapore Dollar

The table below sets forth the high and low exchange rates between the Indonesian Rupiah and the Singapore Dollar for each month for the six (6) calendar months prior to the Latest Practicable Date. The table indicates the amount of Indonesian Rupiah required to purchase one Singapore Dollar.

	Rp./S$ exchange rate	
	High	**Low**
September 2012	7,806	7,657
October 2012	7,940	7,775
November 2012	7,881	7,837
December 2012	7,934	7,871
January 2013	7,939	7,813
February 2013	7,845	7,750

As at the Latest Practicable Date, the exchange rate between the Indonesian Rupiah and the Singapore Dollar was Rp.7,787 to S$1.00.

The following table sets forth, for each of the financial periods indicated, the average and closing exchange rates between the Indonesian Rupiah and the Singapore Dollar. The table indicates the amount of Indonesian Rupiah required to purchase one Singapore Dollar.

	Rp./S$ exchange rate	
	Average Rate	**Closing Rate**
FY2009	7,139	6,695
FY2010	6,669	7,001
FY2011	6,982	6,988
FP2011	6,979	6,967
FP2012	7,389	7,806

The above exchange rates have been presented solely for information purposes and should not be construed as representations that such Indonesian Rupiah amounts actually represent such Singapore Dollar amounts or could have been or could be converted into Singapore Dollar(s) at the rate indicated above, at any other rate, or at all, and *vice versa*.

Exchange Rate between the United States Dollar and the Singapore Dollar

As at the Latest Practicable Date, the exchange rate between the United States Dollar and the Singapore Dollar was S$1.2464 to US$1.00.

The above exchange rates have been presented solely for information purposes and should not be construed as representations that such United States Dollar amounts actually represent such Singapore Dollar amounts or could have been or could be converted into Singapore Dollar(s) at the rate indicated above, at any other rate, or at all, and *vice versa*.

The above exchange rates (Indonesian Rupiah against Singapore Dollar as well as United States Dollar against Singapore Dollar) have been extracted from published information by Bloomberg L.P..

Bloomberg L.P. has not consented to the inclusion of the exchange rates quoted in this section. While reasonable steps have been taken to ensure that the information attributed to Bloomberg L.P. is extracted accurately and has been reproduced in its proper form and context, none of the Company, the Financial Advisers or any other party has conducted an independent review of such information or verified the accuracy of the contents of the relevant information.

INDICATIVE TIMETABLE

The following indicative timetable assumes that approval for all the resolutions proposed at the EGM is obtained and completion of the Proposed Acquisition takes place on 2 May 2013.

Events		**Date / Time**
EGM	:	28 March 2013
Shares trade ex-rights	:	2 April 2013 from 9.00 a.m.
Books Closure Date	:	4 April 2013 at 5.00 p.m.
Lodgement of the Offer Information Statement with the Monetary Authority of Singapore	:	5 April 2013
Despatch of the Offer Information Statement together with the ARE or the PAL (as the case may be) to Entitled Shareholders	:	9 April 2013
Commencement of trading of "nil-paid" rights	:	9 April 2013 from 9.00 a.m.
Last date and time for trading of "nil-paid" rights	:	17 April 2013 at 5.00 p.m.
Last date and time for splitting of "nil-paid" rights	:	18 April 2013 at 5.00 p.m.
Last date and time for acceptance of and payment for the Rights Shares	:	23 April 2013 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Last date and time for renunciation and payment for the Rights Shares	:	23 April 2013 at 5.00 p.m.
Last date and time for application and payment for excess Rights Shares	:	23 April 2013 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Expected date for issuance of Rights Shares	:	30 April 2013
Expected date for the listing and commencement of trading of Rights Shares	:	2 May 2013
Expected date of completion of Proposed Acquisition	:	2 May 2013

Please note that the above timetable is indicative only and may be subject to change. Where any of the events cannot take place on the dates specified or changes are required thereto, an appropriate announcement stipulating an alternative date will be made by the Company prior thereto through a SGXNET announcement to be posted on the internet at the SGX-ST website, http://www.sgx.com. Please refer to future announcement(s) by the Company and/or the SGX-ST for the actual dates of these events.

GALLANT VENTURE LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200303179Z)

Directors

Lim Hock San *(Non-Executive Chairman and Independent Director)*
Eugene Cho Park *(Executive Director and Chief Executive Officer)*
Gianto Gunara *(Executive Director)*
Tan Chin Nam *(Non-Independent and Non-Executive Director)*
Chin Chow Yoon *(Non-Executive Director)*
Foo Ko Hing *(Independent Director)*
Rivaie Rachman *(Independent Director)*

Registered Office

991A Alexandra Road
#02-06/07
Singapore 119969

13 March 2013

To: The Shareholders of Gallant Venture Ltd.

Dear Sir / Madam

A. The proposed acquisition of IMAS Shares by way of the Proposed Acquisition of the Sale Shares (and in connection therewith the issue of the Bonds by the Company to the Vendor) and the Proposed IMAS Tender Offer; and

B. The Proposed Rights Issue.

1 INTRODUCTION

On 14 December 2012, the Company announced, *inter alia*, that it has entered into the SPA with the Vendor and proposes to undertake the Proposed Transactions subject to, *inter alia,* the approval of Shareholders.

The purpose of this Circular is to provide Shareholders with information pertaining to the above-captioned matters for which the approval of the Shareholders will be sought at the EGM to be held at Amara Singapore Hotel, Ballroom 1, Level 3, 165 Tanjong Pagar Road, Singapore 088539 on 28 March 2013 at 10.00 a.m. by way of ordinary resolutions.

This Circular has been prepared solely for the purposes set out herein and may not be relied upon by any persons (other than the Shareholders to whom this Circular is despatched to by the Company) or for any other purpose.

2 SUMMARY OF PROPOSALS

2.1 Acquisition of IMAS Shares

(a) Proposed Acquisition of the Sale Shares

On 13 December 2012, the Company entered into the SPA with the Vendor pursuant to which, subject to the terms and conditions thereof, the Company has agreed to purchase from the Vendor and the Vendor has agreed to sell to the Company the Sale Shares, which represent approximately 52.35% of the issued share capital of IMAS[1] for an aggregate Purchase Consideration of approximately US$809.3 million (equivalent to approximately S$988.2 million[2]). In connection with the proposed acquisition of the Sale Shares, the

1 The total number of issued IMAS Shares in the share capital of IMAS as at the Latest Practicable Date is 2,765,278,412.

2 The figures relating to the Purchase Consideration are based on the exchange rates of S$1.00:Rp.7,939, US$1.00:S$1.2211 and US$1.00:Rp.9,695 on 12 December 2012 (Source: Bloomberg L.P.). Bloomberg L.P. has not consented to the inclusion of the information quoted here and elsewhere in this Circular. While reasonable steps have been taken to ensure that the information attributed to Bloomberg L.P. is extracted accurately and has been reproduced in its proper form and context, none of the Company, the Financial Advisers or any other party has conducted an independent review of such information or verified the accuracy of the contents of the relevant information.

Company has agreed to issue, and the Vendor has agreed to acquire, the Convertible Bonds in the principal amount of S$80.0 million (which are convertible into an aggregate of 250,000,000 Conversion Shares at the Conversion Price of S$0.320 per Conversion Share, which price may be subject to certain adjustments under the terms and conditions of the Convertible Bonds) and the Non-Convertible Bonds in the aggregate principal amount of approximately S$104.7 million, subject to the terms and conditions of the SPA.

IMAS, which is listed on the IDX, has a market capitalisation of approximately S$1.8 billion[1] as of the Market Day preceding the date of the SPA. The IMAS Group is an integrated automotive business group and is one of the two largest automotive groups in Indonesia. The primary line of business of the IMAS Group encompasses vehicle sales distribution, after sales service, vehicle ownership financing, spare part distribution under the "*IndoParts*" brand, vehicle assembly, automotive parts/component manufacturing and other related supporting services. The IMAS Group manages brands including *Audi*, *Foton*, *Hino*, *Kalmar*, *Manitou*, *Nissan*, *Renault*, *Renault Trucks*, *Suzuki*, *Volkswagen*, *Volvo*, *Volvo Trucks* and *Volvo Construction Equipment* in Indonesia. The IMAS Group's products cater mainly to the Indonesian middle-class consumer sector and the industrial equipment (especially mining-related) segment. In addition, IMAS has a growing financing arm targeting both retail consumers (in the form of vehicle hire-purchase) and corporations (including the provision of heavy equipment financing).

For the last three (3) financial years ended 31 December 2009, 2010 and 2011, the IMAS Group's consolidated net revenues were approximately Rp.6,940 billion, Rp.10,935 billion and Rp.15,776 billion (approximately S$891.2 million, S$1,404.3 million and S$2,026.0 million), respectively, and the IMAS Group posted net income of approximately Rp.154 billion, Rp.508 billion and Rp.971 billion (approximately S$19.8 million, S$65.2 million and S$124.7 million), respectively. Please refer to Appendix A of this Circular for more information relating to the IMAS Group.

The proposed acquisition of shares in the capital of IMAS is subject to, *inter alia*, the approval of Shareholders at the EGM and the approval of the SGX-ST under Rule 1015 of the Listing Manual. Further information on the proposed acquisition of shares in the capital of IMAS, including the issue of the Bonds, is set out in Section 5 of this Circular.

(b) Proposed IMAS Tender Offer

Subject to the completion of the Proposed Acquisition, the Company would be obliged, under the relevant Indonesian laws and regulations, to make the Proposed IMAS Tender Offer for all the outstanding IMAS Shares which are not held by the Company.

PT TI, a member of the Salim Group, which has an existing shareholding interest of approximately 18.05% in the issued share capital of IMAS as at the Latest Practicable Date, has irrevocably undertaken *inter alia* to the Company (i) not to sell its 18.05% shareholding interest in IMAS before the expiry of the Proposed IMAS Tender Offer and (ii) not to accept the Proposed IMAS Tender Offer in respect of its said 18.05% shareholding interest and any other IMAS Shares it may acquire prior to the close of the Proposed IMAS Tender Offer. Accordingly, as at the Latest Practicable Date, it is expected that the Proposed IMAS Tender Offer will be in respect of 818,521,254 IMAS Shares representing in aggregate approximately 29.60% of the issued capital of IMAS.

The price proposed to be offered under the Proposed IMAS Tender Offer is to be determined by OJK making reference to (i) the average of the highest daily trading price for the 90 days prior to the announcement of the completion of the Proposed Acquisition or announcement of negotiation (if any) or (ii) the price per Sale Share under the Proposed Acquisition, whichever is higher.

[1] The market capitalisation of IMAS is determined by multiplying 2,765,278,412 IMAS Shares (being the total number of IMAS Shares in issue as at 12 December 2012, being the Market Day immediately preceding the date of the SPA) by approximately Rp.5,081 (being the volume weighted average traded price of the IMAS Shares on 12 December 2012) and based on an exchange rate of S$1.00:Rp.7,886 as at 12 December 2012 (Source: Bloomberg L.P.).

Please see Section 5.2 of this Circular for further information on the Proposed IMAS Tender Offer.

2.2 Proposed Rights Issue

The Company intends to issue 2,412,482,556 Rights Shares on the basis of one (1) Rights Share for every one (1) Share in the capital of the Company to raise proceeds of approximately S$675.5 million and the net proceeds of approximately S$675.3 million are proposed to be applied towards payment of part of the Purchase Consideration.[1]

The Proposed Rights Issue would provide the Shareholders with the opportunity to subscribe for their *pro rata* entitlements to the Rights Shares at the Rights Share Issue Price of S$0.280 per Rights Share.

Please see Section 6 of this Circular for further information on the Proposed Rights Issue.

2.3 Indicative Timetable

An indicative timetable for certain of the events relating to the Proposed Acquisition and the Proposed Rights Issue is set out on page 14 of this Circular.

3 CERTAIN PROFORMA FINANCIAL EFFECTS OF THE PROPOSED TRANSACTIONS

3.1 Certain Proforma Financial Effects of the Proposed Transactions

(a) Bases and Assumptions

Certain unaudited proforma financial effects of the Proposed Transactions on the Group are set out below. The selected financial information presented below should be read in conjunction with the Accountants' Report (set out in Appendix B of this Circular) as well as the Group's and the IMAS Group's respective consolidated financial statements and the notes thereto.

The financial statements of the Group have been prepared in accordance with SFRS. The financial statements of the IMAS Group have been prepared in accordance with Indonesian GAAP. There are certain differences which exist between SFRS and Indonesian GAAP. The Accountants' Report set out in Appendix B of this Circular have been prepared in accordance with SFRS. In the preparation of the Accountants' Report, the material and/or relevant differences in relation to the financial information of the IMAS Group (prepared in accordance with Indonesian GAAP) have been adjusted in accordance with SFRS.

The extracts of the audited financial statements for FY2009, FY2010 and FY2011 and the unaudited financial statements for FP2012 of the IMAS Group are set out in Appendix C of this Circular and the extracts of the audited financial statements for FY2009, FY2010 and FY2011 and the unaudited financial statements for FP2012 and FY2012 of the Group are set out in Appendix D of this Circular. The full sets of the aforementioned financial statements, including the notes thereto, can be viewed at the relevant websites set out in Appendices C and D of this Circular. In addition, the full set of the aforementioned financial statements of the IMAS Group, including the notes thereto, is available in the CD-ROM sent together with this Circular and Shareholders who wish to have a printed copy can request for the same from the Company by completing the request form sent together with this Circular.

The objective of setting out certain unaudited proforma financial effects of the Proposed Transactions on the Group in this Circular is to illustrate what the historical information might have been had the Proposed Transactions been completed at an earlier date. However, such information is not necessarily indicative that the results of operations or the financial position as illustrated would have been attained had the Proposed Transactions been completed at

[1] Please see Sections 5.1 and 6.3 of this Circular for information on the Purchase Consideration and the use of the net proceeds of the Proposed Rights Issue, respectively.

an earlier date. In addition, such information is not necessarily indicative or a projection of the financial performance or financial position of the Enlarged Group after the completion of the Proposed Transactions.

The unaudited proforma financial effects in this section have been prepared based on the audited financial statements of the Group and the audited combined financial statements of the IMAS Group for FY2011. For the purpose of illustrating the financial effects of the Proposed Transactions, the financial effects are computed based on *inter alia*, the following assumptions:

(i) for the purposes of computing the financial effects of the Proposed Transactions on the earnings and EPS of the Company, the Proposed Transactions were assumed to have been completed on 1 January 2011;

(ii) for the purpose of computing the financial effects of the Proposed Transactions on the share capital, NTA and gearing of the Company, the Proposed Transactions were assumed to have been completed on 31 December 2011;

(iii) the net proceeds of approximately S$675.3 million from the issue of 2,412,482,556 Rights Shares at the Rights Share Issue Price of S$0.280 per Rights Share will be applied towards payment of part of the Purchase Consideration;

(iv) Convertible Bonds in the principal amount of S$80.0 million (which are convertible into an aggregate of 250,000,000 Conversion Shares at the Conversion Price of S$0.320 per Conversion Share, which price may be subject to certain adjustments under the terms and conditions of the Convertible Bonds) will be issued by the Company in connection with the Proposed Acquisition;

(v) the amount of IMAS Shares which the Company acquires under the Proposed Transactions will represent 52.35% of the issued share capital of IMAS;

(vi) according to the Group's accounting policies, the Group shall determine the fair value of each of the identifiable assets and liabilities including intangible assets of the IMAS Group and calculate the goodwill arising from the Proposed Acquisition which represents the difference between the consideration transferred and the fair value of the identifiable assets and liabilities of the IMAS Group. For the purposes of the proforma financial information, the book value of the IMAS Group is assumed to be equal to the fair values of its assets and liabilities and no impairment for goodwill is assumed. Upon completion of the Proposed Acquisition, in accordance with Singapore Financial Reporting Standards (SFRS) 103 "Business Combinations", the Group is required to finalise within one year, a purchase price allocation exercise to assess the fair values of the net identifiable assets and liabilities of the IMAS Group. The excess of the consideration transferred arising from the Proposed Acquisition over the fair values of the net identifiable assets and liabilities will be recorded as actual goodwill in the balance sheet and subject to at least an annual impairment test and more frequent if there are indicators of impairment;

(vii) no expenses incurred in connection with the Proposed Transactions have been taken into consideration; and

(viii) the audited financial statements of the IMAS Group are reported in Rupiah, and (i) for the translation of the profit and loss items, the Rupiah amounts have been converted into Singapore Dollar at the exchange rate of S$1.00:Rp.6,991, which represents the average exchange rate for FY2011; and (ii) for the translation of the balance sheet items, the Rupiah amounts have been converted into Singapore Dollar at the exchange rate of S$1.00:Rp.6,974, which represents the closing exchange rate as at 31 December 2011.

(b) Financial Effects on Issued and Paid-up Share Capital of the Company

	Number of Shares ('000)	Share Capital (S$'000)
Share capital of the Company as at 31 December 2011	2,412,483	1,207,642
Shares to be issued under the Proposed Rights Issue	2,412,483	675,269
Conversion Shares to be issued assuming the full conversion of the Convertible Bonds	250,000	80,000
Share capital of the Company after the Proposed Transactions	**5,074,966**	**1,962,911**

(c) Financial Effects on Earnings

S$'000	Before the Proposed Transactions	After the Proposed Rights Issue and Proposed Acquisition	After the full conversion of the Convertible Bonds
Profit attributable to equity holders of the Company	8,284	8,284	8,284
Add: Profits attributable to equity holders of the IMAS Group	–	48,859	48,859
Net profit attributable to equity holders of the Enlarged Group after the Proposed Transactions	**8,284**	**57,143**	**57,143**
Number of Shares ('000)	2,412,483	4,824,966	5,074,966
Earnings per Share (Singapore cents)	0.34	1.18	1.13

(d) Financial Effects on NTA

S$'000	Before the Proposed Transactions	After the Proposed Rights Issue and Proposed Acquisition	After the full conversion of the Convertible bonds
NTA attributable to the equity holders of the Company	1,253,141	1,292,311	1,337,705
Add: NTA attributable to the equity holders of the IMAS Group	–	670,705	670,705
Adjusted NTA of the Proforma Group	**1,253,141**	**1,963,016**	**2,008,410**
Number of Shares ('000)	2,412,483	4,824,966	5,074,966
NTA per Share (Singapore cents)	51.94	40.68	39.57

(e) Financial Effects on Gearing

S$'000	Before the Proposed Transactions	After the Proposed Rights Issue and Proposed Acquisition	After the full conversion of the Convertible Bonds
Total borrowings	257,705	1,211,730	1,166,336
Shareholders' funds	1,278,116	2,941,339	2,986,733
Gearing (times)	**0.20**	**0.41**	**0.39**

3.2 Certain Effects on Shareholdings in the Company

Certain effects of the Proposed Transactions on the shareholdings in the Company are set out below. The effects on the shareholdings in the Company set out below are illustrative only. The scenarios illustrated below may not actually arise or materialise and there are other scenarios that may arise or materialise which have not been set out.

(a) Existing Substantial Shareholders of the Company

Based on information in the Register of Substantial Shareholders maintained by the Company, as at the Latest Practicable Date, the Substantial Shareholders of the Company are:

Substantial Shareholder	Percentage of issued Shares[(1)]
Salim Group	53.37%[(2)]
SCI Group	23.92%[(3)]

Notes:

(1) Based on the Company's issued capital of 2,412,482,556 Shares as at the Latest Practicable Date.

(2) The 53.37% is held by the following members of the Salim Group, namely, Parallax Venture Partners XXX Ltd ("**PVP**"), Dornier Profits Limited ("**Dornier**") and PT Elitindo Citralestari ("**Elitindo**"). Please refer to Section 8 of this Circular for information on the Substantial Shareholders of the Company and the other Substantial Shareholders who are deemed to be interested in the said 53.37% stake.

(3) The 23.92% is held by Sembcorp Development Ltd. Please refer to Section 8 of this Circular for information on the Substantial Shareholders of the Company and the other Substantial Shareholders who are deemed to be interested in the said 23.92% stake.

(b) Immediately after the completion of the Proposed Acquisition and the Proposed Rights Issue

The percentage shareholdings of the above Substantial Shareholders of the Company immediately after the completion of the Proposed Acquisition and the Proposed Rights Issue but before the conversion of the Convertible Bonds (which are convertible by the Convertible Bond holder only on and after the 1st anniversary of their issue) are set out below:

Substantial Shareholder	Percentage of issued Shares[(1)(2)]
Salim Group	53.37% to 76.68%[(3)]
SCI Group	11.96% to 23.92%[(4)]

Notes:

(1) Based on the enlarged Share capital of 4,824,965,112 issued Shares (taking into account the Proposed Rights Issue).

(2) Assuming there is no redemption of the Convertible Bonds by the Company.

(3) Assuming the scenarios where (i) the non-Salim Group Shareholders subscribe in full for their entitlements under the Proposed Rights Issue; and (ii) none of the non-Salim Group Shareholders subscribe for any of their entitlements under the Proposed Rights Issue. Both scenarios (i) and (ii) are on the basis that the Salim Group subscribes for the Rights Shares in accordance with the Salim Group undertakings referred to in Section 6.6 of this Circular.

(4) Assuming the scenarios where (i) the SCI Group does not subscribe for any of its entitlements under the Proposed Rights Issue; and (ii) the SCI Group subscribes in full for its entitlements under the Proposed Rights Issue.

(c) Immediately after the full conversion of the Convertible Bonds

The percentage shareholdings of the above Substantial Shareholders of the Company immediately after the conversion in full of the Convertible Bonds are set out below:

Substantial Shareholder	Percentage of issued Shares(1)(2)
Salim Group	50.74% to 72.91%(3)
SCI Group	11.37% to 22.74%(4)

Notes:

(1) Based on the enlarged Share capital of 5,074,965,112 issued Shares (taking into account the Proposed Rights Issue and assuming the full conversion of the Convertible Bonds).

(2) Assuming there is no redemption of the Convertible Bonds by the Company.

(3) Assuming the scenarios where (i) the non-Salim Group Shareholders subscribe in full for their entitlements under the Proposed Rights Issue; and (ii) none of the non-Salim Group Shareholders subscribe for any of their entitlements under the Proposed Rights Issue. Both scenarios (i) and (ii) are on the basis that the Salim Group subscribes for the Rights Shares in accordance with the Salim Group undertakings referred to in Section 6.6 of this Circular.

(4) Assuming the scenarios where (i) the SCI Group does not subscribe for any of its entitlements under the Proposed Rights Issue; and (ii) the SCI Group subscribes in full for its entitlements under the Proposed Rights Issue.

Even assuming that the Convertible Bonds are fully converted, the Vendor will not by reason of such conversion become a Substantial Shareholder of the Company as the Conversion Shares would represent approximately 4.93% (i.e., less than 5%) of the Company's fully diluted capital (taking into account the Proposed Rights Issue).

4 APPROVALS FROM THE SGX-ST

4.1 Listing Approvals

On 4 March 2013, the SGX-ST granted approval in-principle for the listing of and quotation for the Rights Shares and the Conversion Shares on the SGX-ST subject to, *inter alia*, the following conditions:

(a) a written undertaking from the Company that it will comply with the confirmation given under Rule 877(10) of the Listing Manual with regards to the allotment of any excess Rights Shares;

(b) a written confirmation from financial institution(s) as required under Rule 877(9) of the Listing Manual that the shareholders who have given the irrevocable undertakings have sufficient financial resources to fulfil their obligations under its undertakings;

(c) a written undertaking from the Company that Rules 820, 830 and 831 of the Listing Manual will be complied with;

(d) a written confirmation from the Financial Advisers that the signed moratorium agreements with the relevant parties pursuant to Rule 227 of the Listing Manual are in accordance with the requirements of Rules 228 and 229 of the Listing Manual;

(e) a written confirmation by the Financial Advisers that the Proposed Acquisition has complied with Rule 210(4)(a) of the Listing Manual;

(f) a written undertaking from each of the Directors in the form prescribed by the SGX-ST;

(g) a written confirmation from the Company that the terms of the Convertible Bonds comply with Rule 829(1) of the Listing Manual;

(h) a written undertaking from the Company that it will comply with Rules 704(30), 815 and 1207(20) of the Listing Manual in relation to the use of the proceeds from the Proposed Rights Issue and any proceeds from the conversion of the Convertible Bonds and the Proposed Acquisition and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the Company's annual report;

(i) a written undertaking from the Company and the Financial Advisers that it will comply with Rule 803 of the Listing Manual; and

(j) a written undertaking from the Company and the Financial Advisers that it will not place the Convertible Bonds to persons prohibited under Rule 812(1) of the Listing Manual.

It should be noted that approval in-principle granted by the SGX-ST to the Company as aforementioned is not to be taken as an indication of the merits of the Proposed Rights Issue, the Proposed Acquisition, the Company and/or its subsidiaries. The SGX-ST assumes no responsibility for the correctness or accuracy of any of the statements made, reports contained or opinions expressed in this Circular.

4.2 Waiver of any Listing Manual Requirement

The Company has made an application to the SGX-ST to seek waiver from the requirement in Rule 829(2) of the Listing Manual that the expiry of convertible securities has to be announced and the notice of expiry to be sent to all holders of the convertible securities at least 1 month before the expiration date, on the ground that the Vendor is the only holder of the Convertible Bonds and the Convertible Bonds are not listed and are not issued *via* a rights issue or a bonus issue.

The SGX-ST has granted the Company a waiver of Rule 829(2) of the Listing Manual (the "**Waiver**") on 4 March 2013, subject to the following conditions:

(a) the announcement of the expiry of the convertible securities at least 1 month before the expiration date of the Convertible Bonds;

(b) the Company announcing the Waiver granted, the reasons for seeking the Waiver and the conditions as required under Rule 107 of the Listing Manual; and

(c) submission of a written confirmation from the Company that the Waiver does not contravene any laws and regulations governing the Company and the Articles.

5 ACQUISITION OF IMAS SHARES

5.1 Proposed Acquisition of the Sale Shares

(i) <u>Sale and Purchase of the Sale Shares</u>

On 13 December 2012, the Company entered into the SPA with the Vendor pursuant to which, subject to the terms and conditions thereof, the Company has agreed to purchase from the Vendor and the Vendor has agreed to sell to the Company the Sale Shares, which represent approximately 52.35% of the issued share capital of IMAS, for an aggregate Purchase Consideration of approximately US$809.3 million (equivalent to approximately S$988.2 million).

(ii) Information on the Target Company

IMAS, which is listed on the IDX, has a market capitalisation of S$1.8 billion as of the Market Day preceding the date of the SPA. The IMAS Group is an integrated automotive business group and is one of the two largest automotive groups in Indonesia. The primary line of business of the IMAS Group encompass vehicle sales distribution, after sales service, vehicle ownership financing, spare part distribution under the "*IndoParts*" brand, vehicle assembly, automotive parts/component manufacturing and other related supporting services. The IMAS Group manages brands including *Audi*, *Foton*, *Hino*, *Kalmar*, *Manitou*, *Nissan*, *Renault*, *Renault Trucks*, *Suzuki*, *Volkswagen*, *Volvo*, *Volvo Trucks* and *Volvo Construction Equipment* in Indonesia. The IMAS Group's products cater mainly to the Indonesian middle-class consumer sector and the industrial equipment (especially mining-related) segment. In addition, IMAS has a growing financing arm targeting both retail consumers (in the form of vehicle hire-purchase) and corporations (including the provision of heavy equipment financing).

For the last three (3) financial years ended 31 December 2009, 2010 and 2011, the IMAS Group's consolidated net revenues were approximately Rp.6,940 billion, Rp.10,935 billion and Rp.15,776 billion (approximately S$891.2 million, S$1,404.3 million and S$2,026.0 million), respectively, and the IMAS Group posted net income of approximately Rp.154 billion, Rp.508 billion and Rp.971 billion (approximately S$19.8 million, S$65.2 million and S$124.7 million), respectively. Please refer to Appendix A of this Circular for more information relating to the IMAS Group.

(iii) Rationale for the Proposed Acquisition

The Company is an investment holding company headquartered in Singapore with diversified businesses. Currently, the Group focuses on regional growth opportunities and its core businesses include utilities, industrial parks, resorts, property development and mining in Indonesia and property development in the People's Republic of China. The Proposed Acquisition will result in the Group becoming an even more substantial and diversified conglomerate, with core businesses extending to the automotive business. The Directors of the Company believe that the Proposed Acquisition would enhance the Company's portfolio of investments and position the Group to further tap on the growing Indonesian economy in particular the Indonesian middle-class sector. It is believed that the Proposed Acquisition presents an opportunity for Shareholders to participate in Indonesia's growing middle-class retail and industrial segments. The investment is also expected to provide the Group with access to the financial sector (such as hire-purchase and equipment financing) which is considered to have attractive growth potential. The Proposed Acquisition would represent a strategic development and significant milestone for the Group.

The Proposed Acquisition, which will result in IMAS becoming a subsidiary of the Company, is intended to improve the future growth prospects of the Group and is expected to be earnings-accretive to the Group (please refer to Section 3.1 of this Circular entitled "Certain Proforma Financial Effects of the Proposed Transactions"). In addition to broadening its portfolio and positioning the Group to further tap on the growing Indonesian economy, the investment in IMAS is expected to be a "stabiliser" to cushion revenue volatility in the Group's existing businesses.

(iv) Purchase Consideration

The Purchase Consideration for the Sale Shares is an aggregate of approximately US$809.3 million (equivalent to approximately S$988.2 million), which shall be satisfied in full on the completion of the sale and purchase under the SPA. In connection with the sale and purchase, the Company shall issue to the Vendor, Convertible Bonds and Non-Convertible Bonds of an aggregate principal amount of S$80.0 million and approximately S$104.7 million, respectively. Accordingly, on completion of the sale and purchase, the Vendor would ultimately receive from the Company approximately S$803.5 million in cash (the "**Cash Component**") and the Bonds.

The Cash Component is proposed to be funded by the Company by a combination of borrowings from financial institution(s) aggregating approximately S$128.2 million, and the entire net proceeds of approximately S$675.3 million from the Proposed Rights Issue.

In summary, the Purchase Consideration is in effect funded as follows:

(a) approximately S$675.3 million from the net proceeds of the Proposed Rights Issue;

(b) approximately S$128.2 million from borrowings from financial institution(s);

(c) S$80.0 million from the issue of the Convertible Bonds; and

(d) approximately S$104.7 million from the issue of the Non-Convertible Bonds.

The Purchase Consideration (which is equivalent to approximately US$0.559 (Rp.5,420) per Sale Share) was arrived at, after negotiations, on a willing buyer and willing seller basis, taking into account, *inter alia*, (i) the average of the highest daily trading price of the IMAS Shares for the 90 days (the "**90-Day Reference Period**") prior to the announcement published by the Company in Indonesia in relation to the Proposed Acquisition[1], which amounts to approximately Rp.5,425 per IMAS Share (the "**IMAS Average Share Price**"), (ii) the last traded price of Rp.5,350 per IMAS Share on 13 December 2012 being the last trading day on the IDX prior to the date of the announcement released by the Company in relation to the Proposed Transactions (the "**IMAS Last Traded Price**"); and (iii) the last traded price of S$0.280 per Share on 12 December 2012, being the last trading day of the Shares on the SGX-ST prior to the date of the announcement released by the Company in relation to the Proposed Transactions (the "**Gallant Last Traded Price**").

The price per Sale Share of Rp.5,420 is approximately equivalent to the IMAS Average Share Price and represents:

(a) a premium of 1.3% over the IMAS Last Traded Price;

(b) a premium of 10.6% over the lowest trading price of Rp.4,900 during the 90-Day Reference Period; and

(c) a discount of 7.4% to the highest trading price of Rp.5,850 during the 90-Day Reference Period.

The Company has also obtained an undertaking from the Salim Group (being the Controlling Shareholder of the Company) that in the event the Company enters into any borrowings to fund the acquisition of IMAS Shares and such borrowings fall within the ambit of Rules 704(31) and 728 of the Listing Manual, the Salim Group shall assist the Company in its compliance with (as the case may be) Rules 704(31) and 728 by the provision of the relevant information required under the said Rules.

(v) <u>The Bonds</u>

The Bonds will be unlisted, unsecured and have a five (5) year tenor. The Bonds will rank *pari passu* amongst themselves and will prior to their maturity be redeemable at the option of the Company.

The Non-Convertible Bonds will bear interest at a rate of 1.0% per annum. The Convertible Bonds will be non-interest bearing.

[1] This reflects the requirement under Indonesian laws and regulations relating to tender offers, which provides that the Proposed IMAS Tender Offer Price is to be determined by reference to (i) the average of the highest daily trading price for the 90 days prior to the announcement of the completion of the Proposed Acquisition or announcement of negotiation (if any), or (ii) the price per Sale Share under the Proposed Acquisition, whichever is higher.

Subject to their terms, the Convertible Bonds shall be convertible on and after the first anniversary of their date of issue at the option of the Convertible Bond holder into a total of 250,000,000 Conversion Shares at the Conversion Price of S$0.320 per Conversion Share, which price may be subject to adjustment under certain circumstances to be provided for under the terms and conditions of the Convertible Bonds. The Conversion Price represents a premium of 14.3% over the Gallant Last Traded Price. In the event that the Convertible Bonds have not been converted by the Convertible Bond holder, the Company may (but is not obliged to) mandatorily convert them into Conversion Shares on the maturity date, and unless converted as aforesaid the Company shall redeem the outstanding Convertible Bonds at maturity.

The Conversion Shares, when allotted and issued, shall rank *pari passu* in all respects with the then existing Shares in the Company save as may be provided under the terms of the Convertible Bonds. Based on the Company's issued Shares as at the Latest Practicable Date, the Conversion Shares will represent approximately 4.93% of the Company's fully diluted capital (taking into account the Proposed Rights Issue and the full conversion of the Convertible Bonds).

Please refer to Appendix E of this Circular for a summary of the terms and conditions of the Bonds.

(vi) Conditions

The completion of the Proposed Acquisition is conditional upon the satisfaction (or waiver in accordance with the terms of the SPA) of, *inter alia*, the following conditions by the date specified in the SPA:

(a) the Company having completed its due diligence investigations in respect of the IMAS Group and the results of such due diligence investigations being satisfactory to the Company in its absolute discretion;

(b) the approval of the Shareholders being obtained at a general meeting for:

(aa) the Proposed Acquisition including the issue of the Bonds and the Conversion Shares, and the acquisition of IMAS Shares by way of the Proposed IMAS Tender Offer; and

(bb) the Proposed Rights Issue;

(c) the approval in-principle of the SGX-ST having been obtained for the listing and quotation of the Rights Shares and the Conversion Shares on the Main Board of the SGX-ST and if such approval is subject to conditions, such conditions being acceptable to the Company in its absolute discretion, and such approval remaining in full force and effect;

(d) all approvals, consents, licences, permits, waivers and exemptions (collectively, "**Approvals**") for or in connection with the Proposed Acquisition and the Proposed IMAS Tender Offer and the other transactions contemplated under the SPA having been granted by all relevant authorities and third parties (including the SGX-ST, BAPEPAM-LK and financial institutions) to the Company and/or the IMAS Group (as the case may be), and where any such Approval is subject to conditions, such conditions being acceptable to the Company, and such Approvals remaining in full force and effect;

(e) there not having been at any time hereafter any change, development, event, act or omission that has or may have a Material Adverse Change (as defined in the SPA); without prejudice to the generality of the foregoing, the IMAS Shares not being delisted and/or being suspended for a period of more than 14 consecutive market days;

(f) the purchase and transfer of the Sale Shares and the other transactions contemplated under the SPA not being prohibited or restricted by any statute, order (including order of court), rule, regulation, directive, guideline or request (whether or not having the force of law) promulgated by any legislative, executive or regulatory body or authority of Singapore, Indonesia and any other relevant jurisdictions;

(g) the completion of the Proposed Rights Issue, including the Company having received gross proceeds pursuant to the Proposed Rights Issue of no less than S$675,495,115 and the Rights Shares which are the subject of the Proposed Rights Issue having been allotted pursuant to the Proposed Rights Issue;

(h) the Company being satisfied that there shall have been entered into, on terms and conditions acceptable to the Company, loan agreement(s) with financial institutions to fund the payment of part of the Purchase Consideration pursuant to the SPA; and

(i) the Company being satisfied that there shall have been entered into, on terms and conditions acceptable to the Company, (A) loan agreement(s) with financial institution(s) or other lenders to fund the full payment of the aggregate tender offer price under the Proposed IMAS Tender Offer; and (B) placement agreement(s) between the Company and one or more placement agents or other parties in respect of the placement of the IMAS Shares tendered in acceptance of the Proposed IMAS Tender Offer.

The completion of the Proposed Acquisition is scheduled to take place on or before 13 June 2013 or such other date as the Company and the Vendor may mutually agree in writing.

(vii) <u>Certain Other Terms of the SPA</u>

The Vendor has agreed with the Company that for the period of one (1) year commencing on and including the date of the issue of the Bonds, it will not directly or indirectly sell, transfer or otherwise dispose of the Bonds or any part thereof or any interest therein or enter into any agreement or arrangement in respect of the foregoing or having a similar economic effect to the foregoing (the "**Restriction**"). The Convertible Bonds are not convertible by the holder of the Convertible Bonds into Conversion Shares prior to the first anniversary of their issue. Conversion Shares which arise from the conversion (if any) of the Convertible Bonds are not subject to the Restriction.

There will be no new Directors or key executives appointed to the Company as a result of the terms of the SPA.

(viii) <u>Rule 1015 of the Listing Manual</u>

Based on the unaudited consolidated financial statements of the Group for FP2012 and the unaudited consolidated financial statements of the IMAS Group for FP2012 and the bases and assumptions set out below, the relative figures for the Proposed Acquisition computed on the bases set out in Rule 1006 (a) to (d) of the Listing Manual are as follows:

Rule 1006(a) – The net asset value of the assets to be disposed of, compared with the Group's net asset value	
Net asset value of the assets to be disposed of	Not applicable to an acquisition of assets
Net asset value of the Group	
Relative figure	
Rule 1006(b) - The net profits attributable of the assets acquired or disposed of, compared with the Group's net profits	
Net profits(1) attributable to the Target Group for FP2012	S$57.4 million(2)(3)
Net profits(1) of the Group for FP2012	S$1.9 million
Relative figure	3,088.0%

Rule 1006(c) - (A) Aggregate value of the Purchase Consideration as compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	
Aggregate value of the Purchase Consideration	S$988.2 million
Market capitalisation of the Company(4)	S$676.9 million
Relative figure	146.0%
Rule 1006(c) - (B) Aggregate value of the Purchase Consideration plus the estimated aggregate Proposed IMAS Tender Offer Price for IMAS Shares representing 29.60% of the issued share capital of IMAS, as compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	
Aggregate value of the Purchase Consideration plus the estimated aggregate Proposed IMAS Tender Offer Price for IMAS Shares representing 29.60% of the issued share capital of IMAS of approximately S$563.1 million(5)	S$1,551.3 million
Market capitalisation of the Company(6)	S$1,424.0 million
Relative figure	108.9%
Rule 1006(d) - The number of equity securities issued by the Company as consideration for the Proposed Acquisition, compared with the number of equity securities previously in issue	
Number of equity securities to be issued by the Company as consideration for the Proposed Acquisition	Not applicable(7)
Number of equity securities of the Company in issue	
Relative figure	

<u>Notes</u>:

(1) Under Rule 1002(3) of the Listing Manual, net profits is defined as profit or loss before income tax, minority interests and extraordinary items.

(2) Based on the closing exchange rate of S$1.00:Rp.7,886 on 12 December 2012, being the Market Day preceding the date of the SPA (*Source: Bloomberg L.P.*).

(3) Based on the profit or loss before income tax, minority interests and extraordinary items of the IMAS Group for FP2012 attributable to the 52.35% of the issued share capital of IMAS to be acquired by the Group pursuant to the Proposed Acquisition.

(4) The market capitalisation of the Company is determined by multiplying 2,412,482,556 Shares (being the total number of Shares in issue as at 12 December 2012 being the Market Day preceding the date of the SPA) by S$0.2806 (being the volume weighted average traded price of the Shares on 12 December 2012) (*Source: Bloomberg L.P.*).

(5) Based on the assumption that the Proposed IMAS Tender Offer Price per IMAS Share is equal to the IMAS Average Share Price. The estimated aggregate Proposed IMAS Tender Offer Price does not include the 18.05% shareholding interest held by PT TI, a member of the Salim Group, in the issued share capital of IMAS. PT TI has, *inter alia*, undertaken to the Company (a) not to sell its 18.05% shareholding interest in IMAS before the expiry of the Proposed IMAS Tender Offer and (b) not to accept the Proposed IMAS Tender Offer in respect of its said 18.05% shareholding interest.

(6) The market capitalisation of the Company is determined by multiplying 5,074,965,112 Shares (being the total number of Shares in issue after the Proposed Rights Issue and assuming the full conversion of the Convertible Bonds) by S$0.2806 (being the volume weighted average traded price of the Shares on 12 December 2012, being the market day immediately preceding the date of the SPA) (*Source: Bloomberg L.P.*).

(7) No new Shares will be issued to the Vendor on completion of the SPA to satisfy the Purchase Consideration. In connection with the Proposed Acquisition, the Vendor will be issued, *inter alia*, the Convertible Bonds which will, in the event they are converted in full in accordance with their terms, give rise to the issue of 250,000,000 new Conversion Shares which represent 4.93% of the Company's fully diluted capital (taking into account the Proposed Rights Issue and the full conversion of the Convertible Bonds).

The Proposed Acquisition constitutes a Very Substantial Acquisition and is subject to, *inter alia*, the approval of Shareholders at the EGM to be convened, and the approval of the SGX-ST, under Rule 1015 of the Listing Manual. Based on the enlarged Share capital of 5,074,965,112 issued Shares (taking into account the Proposed Rights Issue and assuming the full conversion of the Convertible Bonds (which are convertible into Conversion Shares only on and after the 1st anniversary of their issue)):

(a) the Conversion Shares will represent approximately 4.93% of the Company's fully diluted capital such that the Convertible Bond holder would not become a controlling shareholder (as defined in the Listing Manual) of the Company;

(b) as stated in Section 3.2(c) of this Circular, the Salim Group would hold between 50.74% to 72.91% of the enlarged issued share capital of the Company in the scenarios illustrated[1]. Accordingly, it is envisaged that even in the scenario where the Convertible Bonds are fully converted, the Convertible Bond holder will not under the Proposed Acquisition become a controlling shareholder (or even a substantial shareholder) of the Company and the Salim Group will continue to maintain its controlling stake in the Company; and

(c) there is no agreement or arrangement, written or otherwise, between the Salim Group and the Vendor that the Vendor will be given Board control of the Company.

Taking into account the above, there will be no change in control of the Company as a result of the Proposed Acquisition and the Proposed Acquisition is therefore not classified as a Reverse Takeover under Rule 1015 of the Listing Manual.

The Salim Group, which has in aggregate an interest in 53.37% of the total number of issued Shares in the Company, has undertaken, *inter alia*, to vote in favour of all resolutions to be proposed at the EGM to be convened to seek Shareholders' approval for the Proposed Transactions in respect of all its shareholdings in the Company.

5.2 Proposed IMAS Tender Offer

Subject to the completion of the Proposed Acquisition, the Company would be obliged, under the relevant Indonesian laws and regulations, to make the Proposed IMAS Tender Offer for all the outstanding IMAS Shares which are not held by the Company.

PT TI, a member of the Salim Group, which has an existing shareholding interest of approximately 18.05% in the issued share capital of IMAS as at the Latest Practicable Date[2], has irrevocably undertaken *inter alia* to the Company (i) not to sell its 18.05% shareholding interest in IMAS before the expiry of the Proposed IMAS Tender Offer and (ii) not to accept the Proposed IMAS Tender Offer in respect of its said 18.05% shareholding interest and any other IMAS Shares it may acquire prior to the close of the Proposed IMAS Tender Offer[3]. Accordingly, as at the Latest Practicable Date, it is expected that the Proposed IMAS Tender Offer will be in respect of shares representing in aggregate approximately 29.60% of the issued capital of IMAS (equivalent to 818,521,254 IMAS Shares). The 29.60% is arrived at by deducting the following from the total issued IMAS capital: (i) 52.35%, which is to be acquired by the Company under the Proposed Acquisition; and (ii) 18.05%, which is the subject of the above undertaking provided by PT TI to the Company not to accept the Proposed IMAS Tender Offer.

1 The scenarios are as follows: (i) where the non-Salim Group Shareholders subscribe in full for their entitlements under the Proposed Rights Issue; and (ii) where none of the non-Salim Group Shareholders subscribe for any of their entitlements under the Proposed Rights Issue. Both scenarios (i) and (ii) are on the basis that the Salim Group subscribes for the Rights Shares in accordance with the Salim Group undertakings referred to in Section 6.6 of this Circular.

2 IMAS is not an associate (as defined in the Listing Manual) of the Salim Group as the Salim Group holds less than 30% of the issued share capital of IMAS.

3 The Salim Group also has interests in certain insurance companies, the insurance funds of which may be invested in IMAS Shares for the benefit of the policyholders. The Salim Group understands that at present such investments amount to approximately 4% of IMAS' issued share capital. These IMAS Shares are not the subject of the above undertaking by PT TI to the Company. Save as disclosed in this Circular, the Salim Group does not have any shareholding in IMAS.

The price proposed to be offered under the Proposed IMAS Tender Offer is to be determined by OJK making reference to (i) the average of the highest daily trading price for the 90 days prior to the announcement of the completion of the Proposed Acquisition or announcement of negotiation (if any) or (ii) the price per Sale Share under the Proposed Acquisition, whichever is higher. The aggregate Proposed Tender Offer Price for IMAS Shares representing 29.60% of the issued capital of IMAS is estimated to be approximately S$563.1 million[1]. The Company proposes to fund the acquisition if any of IMAS Shares tendered in acceptance of the Proposed IMAS Tender Offer by way of borrowings from financial institution(s).

The Company intends to preserve the listed status of IMAS following the completion of the Proposed Transactions and to enter into placement arrangements to place out IMAS Shares tendered in acceptance of the Proposed IMAS Tender Offer.[2]

5.3 Information on Certain Facility and Credit Agreements Entered into by the IMAS Group

The IMAS Group has entered into certain facility and credit agreements which contain conditions requiring PT TI to maintain its shareholding interests in IMAS and/or place restrictions on any change in control of IMAS. Some information on such facility and credit agreements, as at the Latest Practicable Date, are set out as follows:

No.	Lender	Borrowers	Description of Agreement	Relevant Provision
(1)	PT Bank DBS Indonesia	1. IMAS 2. PT Indomobil Prima Niaga 3. PT Wangsa Indra Permana 4. PT National Assemblers 5. PT Wahana Inti Selaras 6. PT Garuda Mataram Motor 7. PT Indobuana Autoraya	Amended and Restated Facility Agreement dated 9 December 2011 for: (i) a revolving credit facility of up to Rp.440 billion; and (ii) an import letter of credit facility of up to US$45 million.	PT TI must maintain its shareholding in IMAS (either directly or indirectly).
(2)	PT Bank CIMB Niaga Tbk.	1. IMAS 2. PT Indomobil Prima Niaga 3. PT Garuda Mataram Motor	Credit Agreement dated 12 March 2012 for a revolving credit facility of up to Rp.300 billion.	Prior written notice must be given to the lender for any change in the composition of the majority shareholders of IMAS. (IMAS has already given prior written notice to PT Bank CIMB Niaga Tbk.)
(3)	PT Bank Danamon Tbk.	1. IMAS 2. PT Indomobil Prima Niaga 3. PT Multicentral Aryaguna 4. PT National Assemblers 5. PT Wahana Inti Selaras	Credit Agreement dated 2 November 2012 for a revolving credit facility of up to Rp.200 billion.	Prior written consent must be obtained from the lender for any change in shareholding of IMAS. (IMAS has already obtained prior written consent from PT Bank Danamon Tbk.)

[1] Based on the assumption that the Proposed IMAS Tender Offer Price per IMAS Share is equal to the IMAS Average Share Price.

[2] There is no IDX rule requiring a listed company to maintain a certain percentage of public float.

The Company has obtained an undertaking from PT TI to notify the Company, as soon as it becomes aware, of (i) any share pledging arrangements relating to its interest in IMAS Shares and (ii) any event which may result in a breach of the relevant provision referred to in (1) above.

IMAS and Assegaf, Hamzah & Partners have confirmed that the relevant provisions relating to the change in shareholding of IMAS referred to in (2) and (3) above are only affected by changes in the direct shareholding of IMAS and are not affected by changes in the ownership of the Company (as shareholder of IMAS). Accordingly, changes in the shareholdings of the Salim Group, the SCI Group and the Temasek Group in the Company will not affect the relevant provisions referred to in (2) and (3) above.

5.4 Salim Group Moratorium Undertakings

Mr Anthoni Salim has undertaken that he will not, and will procure that PVP, Dornier and Elitindo will not, sell, transfer or otherwise dispose of any of the interests in the Shares held by Salim Group as at the date of completion of the Proposed Acquisition ("**Moratorium Shares**"), for a period of six (6) months commencing from the date of completion of the Proposed Acquisition ("**Moratorium Period**"). PVP, Dornier and Elitindo have also given similar undertakings in respect of their respective Moratorium Shares for the Moratorium Period.

Such restriction does not apply to:

(a) the creation of a charge over the Moratorium Shares or otherwise grant of security over or creation of any encumbrance over the Moratorium Shares provided that such charge, security or encumbrance can only be enforced after the Moratorium Period; or

(b) the transfer of such Moratorium Shares to and between entities of the Salim Group provided that Mr Anthoni Salim has procured that such entities have executed and delivered to the Financial Advisers an undertaking to the effect that such entities will undertake to comply with the foregoing restrictions for the unexpired period of the Moratorium Period.

5.5 Other Matters

During FY2009, FY2010, FY2011 and FP2012, the Group had entered into certain transactions with the IMAS Group. Such transactions are not "interested person transactions" under Chapter 9 of the Listing Manual from the perspective of the Company as the IMAS Group is not an "interested person" of the Group within the meaning of Chapter 9. The Salim Group, a Controlling Shareholder of the Company, holds less than 30% of IMAS' issued share capital (namely, approximately 18.05%) and IMAS is therefore not an "associate" of the Salim Group (within the meaning of the Listing Manual). Set out below is information on the transactions between the Group and the IMAS Group for FY2009, FY2010, FY2011 and FP2012:

	FY2009	FY2010	FY2011	FP2012
		(S$)		
PURCHASES				
(1) Purchases of vehicles by the Group from the IMAS Group	18,797	161,376	426,592	–
(2) Rental of vehicles by the Group from the IMAS Group	29,478	35,324	33,613	21,196
Total	**48,276**	**196,700**	**460,205**	**21,196**
SALES				
(1) Rental of office space and booth (and related provision of utilities) in the Group's Bintan Resorts to the IMAS Group's subsidiary providing vehicle rental services	60,769	62,181	58,518	50,337
Total	**60,769**	**62,181**	**58,518**	**50,337**

The Directors believe that these transactions were entered into by the Group on an arm's length basis.

Upon the completion of the Proposed Acquisition, the Salim Group would continue to be a Controlling Shareholder and therefore an "interested person" of the Company. It is envisaged that after the completion of the Proposed Acquisition, there may from time to time be certain transactions between, *inter alia*, the Enlarged Group and members of the Salim Group and between the Group and the IMAS Group, which are recurrent. The Company therefore intends to seek a general mandate from the Shareholders pursuant to Rule 920(1) of the Listing Manual for such transactions.

After the completion of the Proposed Acquisition, the Company will be required to comply with SGX-ST rules as well as the relevant IDX and OJK (formerly known as BAPEPAM-LK) rules as a controlling shareholder of IMAS, and any material announcement released by IMAS in Indonesia will be released in the English language by the Company *via* SGXNET.

There is no current plan to appoint any new director to the Company. The Board may at a later stage review and consider if new Board appointment(s) (comprising not more than two appointees) are necessary for the purpose of integration of the Target Group with the existing Group.

Following the completion of the Proposed Acquisition, Mr Alvin Choo, the Chief Financial Officer of the Group, will continue to be the Chief Financial Officer of the Enlarged Group. The Audit Committee of the Company has considered the qualifications and working experience of Mr Choo and observed his abilities, familiarity and diligence in relation to the financial matters of the Group which include subsidiaries incorporated in Indonesia. The Audit Committee of the Company confirms that, having made all reasonable enquiries, and to the best of its knowledge and belief, nothing has come to the attention of the members of the Audit Committee to cause them to believe that Mr Choo does not have the competence, character or integrity expected of the Chief Financial Officer of the Enlarged Group.

Save for Mr Rivaie Rachman who is a director of PT Bintan Resort Cakrawala, none of the Independent Directors of the Company are appointed to the boards of the principal subsidiaries (as defined in the Listing Manual) of the Company that are based in jurisdictions other than Singapore.

The Board, after making reasonable enquiries, with the concurrence of the Audit Committee of the Company, is of the opinion that the internal controls in respect of the Enlarged Group are adequate to address significant financial, operational and compliance risks.

6 PROPOSED RIGHTS ISSUE

6.1 Introduction

The Proposed Rights Issue is proposed to be offered on a renounceable basis to the Entitled Shareholders, at the Rights Share Issue Price, on the basis of one (1) Rights Share for every one (1) existing Share held by, or standing to the credit of the Securities Accounts of, as the case may be, Entitled Shareholders as at the Books Closure Date, fractional entitlements, if any, to be disregarded. Based on the total number of issued Shares as at the date of this Circular and on the basis that the Proposed Rights Issue is fully subscribed, 2,412,482,556 Rights Shares will be issued pursuant to the Proposed Rights Issue.

Entitled Shareholders will be at liberty to accept, decline or renounce or trade on the SGX-ST their provisional allotments of Rights Shares and will be eligible to apply for additional Rights Shares in excess of their provisional allotment under the Proposed Rights Issue.

Fractional entitlements, if any, to the Rights Shares will be disregarded in arriving at the Entitled Shareholders' provisional allotments and will, together with the provisional allotments which are not taken up or allotted for any reason, be aggregated and allotted to satisfy excess applications for Rights Shares (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit.

The basis of allotting any excess Rights Shares will be determined at the absolute discretion of the Directors. In the allotment of any excess Rights Shares, preference will be given to the rounding of odd lots, and the Directors and Substantial Shareholders who have control over the Company in connection with its day to day affairs or the terms of the Proposed Rights Issue or have representation direct or through a nominee on the Board of the Company will rank last in priority.

6.2 Certain Proposed Terms of the Proposed Rights Issue

Certain proposed terms of the Proposed Rights Issue are summarised below:

Number of Rights Shares	:	2,412,482,556 Rights Shares.
Rights Share Issue Price	:	S$0.280 for each Rights Share, payable in full on acceptance and/or application. The Rights Share Issue Price is equivalent to the Gallant Last Traded Price of S$0.280 per Share on the SGX-ST on 12 December 2012, being the last Market Day on which the Shares were traded prior to the date of the announcement of the Proposed Transactions.
Basis of provisional allotment	:	One (1) Rights Share for every one (1) existing Share held by, or standing to the credit of the Securities Accounts of, as the case may be, Entitled Shareholders, fractional entitlements, if any, to be disregarded.
Status of the Rights Shares	:	The Rights Shares shall, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the Record Date for which falls after the date of issue of the Rights Shares.
Listing of the Rights Shares	:	In-principle approval for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST has been granted by the SGX-ST on 4 March 2013, subject to certain conditions, which are set out in Section 4 of this Circular.
Trading of the Rights Shares and Odd Lots	:	Upon the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, the Rights Shares will be traded on the SGX-ST under the book-entry (scripless) settlement system. For the purposes of trading on the SGX-ST, each board lot of Shares will comprise 1,000 Shares. As such, Entitled Shareholders should note that the Rights Issue may result in them holding odd lots of Shares (i.e., lots other than board lots of 1,000 Shares). The market for trading of such odd lots of Shares may be illiquid. Following the Proposed Rights Issue, Entitled Shareholders who hold odd lots of Shares and who wish to trade in odd lots of Shares on the SGX-ST should note that they will be able to do so on the Unit Share Market of the SGX-ST which allows trading of odd lots with a minimum size of one (1) Share.

Salim Group Rights Issue Undertakings	:	Please refer to Section 6.6 of this Circular entitled "Salim Group Rights Issue Undertakings"
Governing law	:	Laws of the Republic of Singapore.

The terms and conditions of the Proposed Rights Issue are subject to such changes as the Directors may, in their absolute discretion, deem fit. The final terms and conditions of the Proposed Rights Issue will be set out in the Offer Information Statement to be despatched by the Company to the Entitled Shareholders in due course, subject to, *inter alia*, the approval of the Shareholders for the Proposed Rights Issue at the EGM.

6.3 Rationale for the Proposed Rights Issue and Use of Proceeds

The estimated net proceeds from the Proposed Rights Issue (after deducting certain expenses in connection with the Proposed Transactions of approximately S$0.2 million) is expected to be approximately S$675.3 million (the "**Net Proceeds**"). The entire Net Proceeds will be used to fund the Purchase Consideration for the Proposed Acquisition. In the event that the Proposed Acquisition is not completed, the Company intends to utilise the Net Proceeds as follows:

(i) approximately S$100 million for the expansion and development of the Group's business; and

(ii) the balance for pursuing other acquisitions and investment opportunities.

Pending the deployment of the Net Proceeds for the purposes mentioned above, such Net Proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities or used for any other purpose, as the Directors may, in their absolute discretion, deem fit.

The Company will make announcement(s) on the utilisation of the Net Proceeds as and when they are materially disbursed and provide a status report on the use of the Net Proceeds in the Company's annual report (and subsequent annual reports, if applicable). Where there is any material deviation from the proposed use of the Net Proceeds as stated above, the Company will announce the reasons for such deviation. In the event that the Net Proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of the Net Proceeds for working capital in the Company's announcements on use of proceeds and annual report.

6.4 Conditions for the Proposed Rights Issue

The Proposed Rights Issue is subject to, *inter alia*:

(a) the approval of the Shareholders at the EGM to be convened for the Proposed Transactions;

(b) the in-principle approval of the SGX-ST for the listing of and quotation for the Rights Shares on the SGX-ST; and

(c) the lodgement of the Offer Information Statement with the Monetary Authority of Singapore.

6.5 Eligibility of Shareholders to participate in the Proposed Rights Issue

(a) Entitled Shareholders

Entitled Shareholders will be entitled to participate in the Proposed Rights Issue and to receive the Offer Information Statement together with the PAL or the ARE, as the case may be, and its accompanying documents at their respective addresses in Singapore. Entitled Depositors who do not receive the Offer Information Statement and the ARE may obtain them from CDP during the period up to the close of the Proposed Rights Issue. Entitled Scripholders who do not receive the Offer Information Statement and the PAL may obtain them from the Share Registrar during the period up to the close of the Proposed Rights Issue.

Entitled Shareholders will be provisionally allotted the Rights Shares under the Proposed Rights Issue on the basis of their shareholdings as at the Books Closure Date, fractional entitlements, if any, to be disregarded. Entitled Shareholders will be at liberty to accept, decline or renounce or trade on the Main Board of the SGX-ST their provisional allotments of the Rights Shares during the rights trading period prescribed by the SGX-ST and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Proposed Rights Issue.

All dealings in and transactions of the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs to be issued to Entitled Scripholders will not be valid for delivery pursuant to trades done on the SGX-ST.

Entitled Scripholders are encouraged to open Securities Accounts if they have not already done so and to deposit their share certificates with CDP before the Books Closure Date so that their Securities Accounts may be credited by CDP with their Shares and the provisional allotments of Rights Shares. CDP will credit the securities 12 Market Days or later after the date of lodgment of the share certificate(s) with CDP, and upon receipt of confirmation from the Share Registrar that the securities have been registered in the name of CDP or its nominee.

(b) Foreign Shareholders

The Offer Information Statement and its accompanying documents will not be registered or filed in any jurisdiction other than in Singapore. The distribution of the Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various relevant requirements, whether legal or otherwise, being complied with) in certain jurisdictions under the relevant laws of those jurisdictions.

For practical reasons and in order to avoid any violation of the legislation applicable in countries other than in Singapore, the Rights Shares will not be offered to, and the Offer Information Statement and its accompanying documents will not be despatched to, Foreign Shareholders. **Foreign Shareholders will not be entitled to participate in the Proposed Rights Issue. Accordingly, no provisional allotment of Rights Shares will be made to Foreign Shareholders and no purported acceptance thereof or application for excess Rights Shares by Foreign Shareholders will be valid.**

The Offer Information Statement and its accompanying documents will also not be despatched to persons purchasing the provisional allotments of Rights Shares through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore ("**Foreign Purchasers**"). Foreign Purchasers who wish to accept the provisional allotments of Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

The Company further reserves the right to reject any acceptances of the Rights Shares and/or applications for excess Rights Shares where it believes that such acceptances and/or applications may violate the applicable legislation of any jurisdiction.

Depositors should note that all correspondences and notices will be sent to their last registered addresses with CDP.

Depositors who wish to maintain a mailing address ("**Rights Mailing Address**") with CDP for the purpose of receiving documents relating to the Proposed Rights Issue should inform CDP in writing at 4 Shenton Way, #02-01, SGX Centre 2, Singapore 068807. Depositors are reminded that any request to register a Rights Mailing Address or to effect any change in address must reach CDP not later than three (3) Market Days before the Books Closure Date.

Shareholders (not being Depositors) who do not presently have an address in Singapore for the service of notices and documents and who wish to be eligible to participate in the Proposed Rights Issue may provide such a Singapore address by notifying the Company c/o the Share Registrar, KCK CorpServe Pte. Ltd., 333 North Bridge Road #08-00, KH KEA Building, Singapore 188721, not later than three (3) Market Days before the Books Closure Date. For the avoidance of doubt, a Shareholder who has previously requested the Share Registrar to register a Singapore address for a rights issue of another company or corporation (other than the Company) listed or quoted on the SGX-ST are required to notify and provide the Share Registrar with a Singapore address in writing again if he wishes to be eligible to participate in the Proposed Rights Issue. The Singapore address is for the purposes of the Proposed Rights Issue only and does not replace the last known address registered with the Share Registrar for the Shareholder to receive notices, circulars and annual reports from the Company.

If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders to be sold "nil paid" on the SGX-ST as soon as practicable after dealings in the provisional allotments of Rights Shares commence. Such sales will, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the Depository Register as at the Books Closure Date and sent to them at their own risk by ordinary post, provided that where the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S$10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP or the Share Registrar in connection therewith.

Where such provisional allotments of Rights Shares are sold "nil paid" on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP or the Share Registrar in respect of such sales or the proceeds thereof, the provisional allotments of Rights Shares or Rights Shares represented by such provisional allotments.

If such provisional allotments of Rights Shares cannot be or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares, the Rights Shares represented by such provisional allotments will be issued to satisfy excess applications (if any) or dealt with in such manner as the Directors may, in their absolute discretion, deem fit and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP or the Share Registrar in connection therewith.

Shareholders should note that the arrangements described above will apply only to Foreign Shareholders.

Notwithstanding the above, Shareholders or any other person having possession of the Offer Information Statement and/or its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any jurisdiction outside Singapore receiving the Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares unless such offer, invitation or solicitation could lawfully be made without violating any registration or other regulatory or legal requirements in those jurisdictions.

The procedures for acceptance, renunciation and/or sale of the provisional allotments of Rights Shares and for applications for excess Rights Shares pursuant to the Proposed Rights Issue will be set out in the Offer Information Statement and its accompanying documents to be despatched by the Company to Entitled Shareholders in due course, subject to, *inter alia*, the approval of the Shareholders for the Proposed Rights Issue at the EGM.

6.6 Salim Group Rights Issue Undertakings

As at the Latest Practicable Date, PVP has an interest in approximately 45.38% of the total number of issued Shares, Dornier has an interest in approximately 7.86% of the total number of issued Shares, and Elitindo has an interest in approximately 0.13% of the total number of issued Shares. PVP, Dornier and Elitindo are members of the Salim Group and collectively hold interests in approximately 53.37% of the total number of issued Shares.

PVP has undertaken to the Company to, *inter alia*, subscribe and pay for, at the Rights Shares Issue Price:

(i) all the Rights Shares to be provisionally allotted to PVP and (as Dornier and Elitindo have undertaken to renounce their respective entire provisional allotments of Rights Shares in favour of PVP) Dornier and Elitindo under the Proposed Rights Issue on the basis of their holdings in the Company as at the Books Closure Date; and

(ii) all the Rights Shares (less the Salim Group's Entitlement), which are not taken up by the other Shareholders or their renouncees ("**Excess Rights Shares**") by way of excess application.

On the basis of the above undertakings given by PVP, the Proposed Rights Issue will be subscribed for in full. The Company has decided to proceed with the Proposed Rights Issue on the basis that it will not be underwritten by any financial institution in view of the undertakings furnished by PVP. As such, the Company will not incur any underwriting commission.

In view that the Proposed Rights Issue will be subscribed for in full pursuant to the above undertakings furnished by PVP, the Directors are of the reasonable opinion that there is no minimum quantum which the Company must raise from the Proposed Rights Issue beyond the amount it is assured of receiving pursuant to such undertakings.

In the allotment of any Excess Rights Shares, preference will be given to the rounding of odd lots, and the Directors and Substantial Shareholders who have control over the Company in connection with its day-to-day affairs or the terms of the Proposed Rights Issue or have representation direct or through a nominee on the Board of the Company will rank last in priority.

Immediately after the completion of the Proposed Rights Issue (and based on the total number of issued Shares as at the Latest Practicable Date), the Salim Group's interest in the Company's issued capital is expected to range between 50.74% and 76.69%, depending on, *inter alia*, the number of Rights Shares (if any) taken up by Shareholders other than the Salim Group. Please refer to Section 3.2 of this Circular entitled "Certain Effects on Shareholdings in the Company".

6.7 SCI Group's Shareholding Interest

As at the Latest Practicable Date, the SCI Group has, through Sembcorp Development Ltd ("**SDL**"), an interest in approximately 23.92% of the total number of issued Shares. The SCI Group has indicated to the Company that it does not intend to subscribe for the Rights Shares to be provisionally allotted to SDL. In the event SDL does not subscribe for any of the Rights Shares, the SCI Group is expected to have an interest in 11.96% of the Company's issued share capital. Please refer to Section 3.2 of this Circular entitled "Certain Effects on Shareholdings in the Company".

6.8 Offer Information Statement

The Offer Information Statement will be despatched to the Entitled Shareholders subject to, *inter alia*, the approval of the Shareholders for the Proposed Rights Issue at the EGM. Acceptances and applications under the Proposed Rights Issue may only be made on the relevant application forms accompanying and forming part of the Offer Information Statement.

6.9 Books Closure Date

Subject to Shareholders' approval for, *inter alia*, the Proposed Rights Issue at the EGM, the Register of Members and the Share Transfer Books of the Company will be closed at 5.00 p.m. on 4 April 2013, or such other time and date as the Directors may determine for the purpose of determining the provisional entitlements of Shareholders under the Proposed Rights Issue.

7 RISK FACTORS

An investment in the Shares following the completion of the Proposed Transactions and the investment in IMAS Shares by the Company involve a number of risks, some of which could be substantial, including market, liquidity, credit, operational, legal and regulatory risks relating to the Target Group, and also may be inherent in the Target Group's business.

Shareholders should evaluate carefully the information in Appendix A of this Circular, including the risk factors set out in Section 3 of Appendix A of this Circular, and the other information in this Circular before deciding on the Proposed Transactions and how to cast their votes at the EGM. The risk factors set out in Section 3 of Appendix A of this Circular are not the only risks which the Target Group faces. Some risks are not yet known to the Company, the Vendor and/or the Target Group and there may be others which they currently believe are not material but may subsequently turn out to be so. Factors that affect the price of the Shares may change and the risk factors set out in Section 3 of Appendix A of this Circular should not be construed as a comprehensive listing of all the risk factors and the listing is not set out in any particular order.

If any of the considerations, risks and uncertainties set out in Section 3 of Appendix A of this Circular develops into actual events, the financial position, results, cash flow, performance, business operations and prospects of the Target Group of the Company and any investment in IMAS Shares could be, directly or indirectly, materially and adversely affected. In the event that any of the foregoing occurs, the trading price of the Shares could fluctuate and/or decline and Shareholders may lose all or part of their investment in the Shares.

This Circular also contains forward-looking statements that involve risks, uncertainties and assumptions. The actual results could differ materially from those anticipated or implied in these forward-looking statements as a result of certain factors described in Section 3 of Appendix A of this Circular and elsewhere in this Circular.

8 DISCLOSURE OF SHAREHOLDINGS

The interests of the Directors and Substantial Shareholders, based on information recorded in the Register of Directors' Shareholdings and the Register of Substantial Shareholders maintained by the Company, as at the Latest Practicable Date, were as follows:

	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	%(1)	No. of Shares	%(1)	No. of Shares	%(1)
Directors						
Lim Hock San	1,707,000	0.07	–	–	1,707,000	0.07
Eugene Cho Park(2)	100,000	n.m	657,011,738	27.23	657,111,738	27.24
Gianto Gunara	100,000	n.m	–	–	100,000	n.m
Tan Chin Nam	–	–	–	–	–	–
Chin Chow Yoon	–	–	–	–	–	–
Foo Ko Hing	–	–	–	–	–	–
Rivaie Rachman	–	–	–	–	–	–
Substantial Shareholders						
Dornier Profits Limited ("**Dornier**")(2)	189,545,100	7.86	467,466,638	19.38	657,011,738	27.23
Parallax Venture Fund XXX ("**PV Fund**")(2)	–	–	657,011,738	27.23	657,011,738	27.23
Parallax Capital Management Pte Ltd ("**PCM**")(2)	–	–	657,011,738	27.23	657,011,738	27.23
Eugene Cho Park(2)	100,000	n.m	657,011,738	27.23	657,111,738	27.24
Edan Cho Park(2)	–	–	657,011,738	27.23	657,011,738	27.23
Parallax Venture Partners XXX Ltd ("**PVP**")	627,293,350	26.00	467,466,638	19.38	1,094,759,988	45.38
Salim Wanye (Shanghai) Enterprises Co., Ltd ("**Salim Wanye**")(3)	–	–	1,094,759,988	45.38	1,094,759,988	45.38
Jaslene Limited ("**Jaslene**")(4)	–	–	1,094,759,988	45.38	1,094,759,988	45.38
Success Medal International Limited ("**Success Medal**")(5)	–	–	1,094,759,988	45.38	1,094,759,988	45.38
Salim & Van (Shanghai) Investment Ltd ("**Salim & Van**")(6)	–	–	1,094,759,988	45.38	1,094,759,988	45.38
Manyip Holdings Limited ("**Manyip**")(7)	–	–	1,094,759,988	45.38	1,094,759,988	45.38
Anthoni Salim(8)	–	–	1,287,411,776	53.37	1,287,411,776	53.37
Sembcorp Development Ltd ("**SDL**")(9)(10)	577,057,166	23.92	–	–	577,057,166	23.92
Sembcorp Industries Ltd ("**SCI**")(9)	–	–	577,057,166	23.92	577,057,166	23.92
Temasek Holdings (Private) Limited ("**Temasek**")(9)	–	–	580,541,166	24.06	580,541,166	24.06

Notes:

(1) Based on 2,412,482,556 issued Shares as at the Latest Practicable Date.

(2) PV Fund has an interest in more than 20% of the share capital of Dornier. PCM has an interest in 100% of the voting share capital of PV Fund. Eugene Cho Park and Edan Cho Park hold the entire issued share capital of PCM. PV Fund, PCM, Eugene Cho Park and Edan Cho Park are therefore deemed to be interested in the Shares in which Dornier has an interest.

(3) Salim Wanye has an interest in the entire issued share capital of PVP and is deemed to be interested in the Shares owned by PVP.

(4) Jaslene has an interest in more than 20% of the issued share capital of Salim Wanye, which in turn has an interest in 100% of the issued share capital of PVP. Accordingly, Jaslene is deemed to be interested in the Shares owned by PVP.

(5) Success Medal has an interest in more than 20% of the issued share capital of Salim Wanye, which in turn has an interest in 100% of the issued share capital of PVP. Accordingly, Success Medal is deemed to be interested in the Shares owned by PVP.

(6) Salim & Van and its related corporation, Success Medal, have interests in more than 20% of the issued share capital of Salim Wanye, which in turn has an interest in 100% of the issued share capital of PVP. Accordingly, Salim & Van is deemed to be interested in the Shares owned by PVP.

(7) Manyip's related corporations, Success Medal and Salim & Van, have interests in more than 20% of the issued share capital of Salim Wanye, which in turn has an interest in 100% of the issued share capital of PVP. Accordingly, Manyip is deemed to be interested in the Shares owned by PVP.

(8) Mr Anthoni Salim is deemed to have an interest in the Shares owned by Dornier and PVP as well as in 3,106,688 Shares owned by Elitindo.

(9) Temasek has an interest in more than 20% of the share capital of SCI, and SCI in turn has an interest in the entire issued share capital of SDL. Accordingly, Temasek and SCI are deemed to be interested in the Shares held by SDL.

(10) Sembcorp Industrial Parks Ltd changed its name to Sembcorp Development Ltd with effect from 8 March 2012.

(11) "n.m" denotes not meaningful.

9 INTERESTS OF THE DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or the Controlling Shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition.

By way of disclosure, as stated above (see Section 5.2), PT TI, a member of the Salim Group, has an existing shareholding interest of approximately 18.05% in IMAS as at the Latest Practicable Date. Mr Eugene Cho Park, an Executive Director and the Chief Executive Officer of the Company, sits on the board of Commissioners of IMAS.

10 DIRECTORS' RECOMMENDATION

10.1 Proposed Transactions

The Directors, having taken into account the terms of the SPA (including the terms and conditions of the Bonds), the rationale for and the financial effects of the Proposed Transactions, and the information on the IMAS Group as set out in Appendix A of this Circular including the risk factors set out in Section 3 of Appendix A of this Circular, are of the opinion that the Proposed Transactions (including the issue of the Convertible Bonds in connection with the Proposed Acquisition) are in the interests of the Company. Accordingly, they recommend that Shareholders **vote in favour** of Ordinary Resolutions 1 and 2 set out in the Notice of the EGM contained in this Circular.

The passing of Ordinary Resolutions 1 and 2 are inter-conditional. This means that if any one of these resolutions is not approved, the other resolution would not be duly passed.

10.2 Salim Group's undertaking to vote

The Salim Group, which has in aggregate an interest in 53.37% of the total number of issued Shares in the Company as at the Latest Practicable Date, has undertaken, *inter alia*, to vote in favour of the Proposed Transactions at the EGM to be convened in respect of all its shareholdings in the Company.

11 EXTRAORDINARY GENERAL MEETING

An EGM, notice of which is set out in this Circular, will be held at Amara Singapore Hotel, Ballroom 1, Level 3, 165 Tanjong Pagar Road, Singapore 088539 on 28 March 2013 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the ordinary resolutions set out in the Notice of EGM.

12 ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote on their behalf should complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon and as soon as possible and, in any event, so as to arrive at the registered office of the Company at 991A Alexandra Road #02-06/07 Singapore 119969 not less than 48 hours before the time set for the EGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he subsequently so wishes to do so, in place of his proxy.

13 RESPONSIBILITY STATEMENTS OF THE DIRECTORS OF THE COMPANY, THE VENDOR AND THE DIRECTORS OF IMAS

The Directors collectively and individually accept full responsibility (save in respect of the IMAS Group and the Vendor for which the Vendor and the directors of IMAS have accepted responsibility as set out below) for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts in respect of the Proposed Transactions and the Group as at the Latest Practicable Date and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

The Vendor accepts full responsibility for the accuracy of the information given in this Circular in respect of the IMAS Group and the Vendor, and confirms after making all reasonable enquiries that, to the best of its knowledge and belief, this Circular constitutes full and true disclosure of all material facts in respect of the IMAS Group and the Vendor as at the Latest Practicable Date, and the Vendor is not aware of any facts the omission of which would make any statement in this Circular in respect of the IMAS Group and the Vendor misleading.

The directors of IMAS collectively and individually accept full responsibility for the accuracy of the information given in this Circular in respect of the IMAS Group, and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts in respect of the IMAS Group as at the Latest Practicable Date, and the directors of IMAS are not aware of any facts the omission of which would make any statement in this Circular in respect of the IMAS Group misleading.

Where information has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors of the Company has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

14 FINANCIAL ADVISERS' RESPONSIBILITY STATEMENTS

Each of the Financial Advisers, namely CIMB Bank Berhad, Singapore Branch and UOB Kay Hian Private Limited, confirms that to the best of each of its knowledge and belief, this Circular constitutes a full and true disclosure of all material facts in respect of the Proposed Acquisition, the Proposed Rights Issue and the Group, and that each of them is not aware of any facts, the omission of which would make any statement in this Circular misleading. Where information has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of each of the Financial Advisers has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

15 CONSENTS

Each of the Financial Advisers, namely CIMB Bank Berhad, Singapore Branch and UOB Kay Hian Private Limited, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its respective name and all references thereto in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

The auditors and Reporting Accountants to the Company, Foo Kon Tan, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of:

(i) its name;

(ii) the Accountants' Report set out in Appendix B of this Circular which was prepared for the purpose of incorporation in this Circular; and

(iii) the extracts of the audited financial statements of the Group for FY2009, FY2010 and FY2011 set out in Appendix D of this Circular,

and all references thereto in the form and context in which they respectively appear in this Circular, and to act in such capacity in relation to this Circular.

The auditors of the Target Group, Purwantono, Suherman & Surja, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of:

(i) its name;

(ii) the extracts of the audited financial statements of the IMAS Group for FY2009, FY2010 and FY2011 set out in Appendix C of this Circular; and

(iii) the audited financial statements of the IMAS Group for FY2009, FY2010 and FY2011,

and all references thereto in the form and context in which they respectively appear in this Circular, and to act in such capacity in relation to this Circular.

The legal advisers in respect of the Proposed Acquisition, Proposed Rights Issue and Proposed IMAS Tender Offer (as to Singapore law), Rajah & Tann LLP, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references thereto in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

The legal advisers in respect of the Proposed Acquisition and Proposed IMAS Tender Offer (as to Indonesian law), Assegaf, Hamzah & Partners, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of:

(i) its name; and

(ii) the statement attributed to it in Section 5.3 entitled "Information on Certain Facility and Credit Agreements Entered into by the IMAS Group",

and all references thereto in the form and context in which they respectively appear in this Circular, and to act in such capacity in relation to this Circular.

The legal advisers to the Financial Advisers in respect of the Proposed Acquisition and the Proposed Rights Issue (as to Singapore law), Clifford Chance Pte. Ltd., has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references thereto in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

The share registrar and share transfer agent of the Company, KCK CorpServe Pte. Ltd., has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references thereto in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

Each of Rajah & Tann LLP, Clifford Chance Pte. Ltd. and the share registrar and share transfer agent of the Company, does not make, or purport to make, any statement in this Circular or any statement upon which a statement in this Circular is based and makes no representation express or implied regarding, and, to the maximum extent permitted by law, expressly disclaims and takes no responsibility for, any statements, information or opinions in or any omissions from this Circular.

16 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following document are available for inspection at the registered office of the Company at 991A Alexandra Road #02-06/07, Singapore 119969, during normal business hours for a period of six months from the date of this Circular:

(a) the SPA;

(b) the Accountants' Report set out in Appendix B of this Circular;

(c) the audited financial statements of the Target Group for FY2009, FY2010 and FY2011 and the unaudited financial statements of the Target Group for FP2012;

(d) the audited financial statements of the Group for FY2009, FY2010 and FY2011 and the unaudited financial statements of the Group for FP2012 and FY2012;

(e) the annual reports of the Company and of IMAS for FY2011;

(f) the Memorandum and Articles of Association of the Company; and

(g) the letters of consent referred to in Section 15 of this Circular.

17 ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices of this Circular.

Yours faithfully,
For and on behalf of the Board

Eugene Cho Park
Executive Director and Chief Executive Officer
GALLANT VENTURE LTD.

1 BACKGROUND AND HISTORY

PT Indomobil Sukses Internasional Tbk. (the "**Target Company**") was initially established as a result of the merger between PT Indomulti Inti Industri Tbk. ("**Indomulti**") and PT Indomobil Investment Corporation on 6 November 1997 where Indomulti was the surviving entity. Indomulti was established on 20 March 1987 based on notarial deed No. 128 as amended by notarial deed No. 101 dated 13 November 1987, both deeds drawn up before Benny Kristianto, S.H. The deed of establishment was approved by the Indonesian Ministry of Justice in its decision letter No. C2-10924.HT.01.01.TH.88 dated 30 November 1988 and published in State Gazette No. 32, Supplement No. 1448 dated 20 April 1990. The merger was approved by the Indonesian Ministry of Justice, BKPM and the Directorate General of Taxes in 1997. After the merger, Indomulti's name was changed to PT Indomobil Sukses Internasional Tbk. The Target Company is a limited liability company which operates under the Indonesian Investment Law as a Domestic Investment Company.

The Target Company, previously Indomulti, was listed in 1993 on the Jakarta and Surabaya Stock Exchanges. Since 2007, the Target Company's shares were listed on IDX when the said two stock exchanges were merged to become the IDX.

The Target Group is an integrated automotive business group with a one-stop business service concept. Certain members of the Target Group have an operational history which dates back to the early 1980s, in particular, those engaged in the sale of Suzuki, Hino and Volvo brands of motor vehicles. Certain other key milestones in the development of the Target Group's business are set out below:

Year		Event
1982	-	The Target Group secured distributorship rights in Indonesia for Suzuki passenger cars.
1984	-	The Target Group secured distributorship rights in Indonesia for Hino trucks.
	-	The Target Group secured distributorship rights in Indonesia for Volvo trucks and passenger cars.
1990	-	The Target Group secured distributorship rights in Indonesia for Kalmar heavy duty equipment.
1991	-	The Target Group secured distributorship rights in Indonesia for Nissan passenger cars.
1993	-	PT Indomobil Finance Indonesia ("**IMFI**"), the vehicle financing arm of the Target Group, was established under the name of PT Indomaru Multi Finance.
1995	-	The Target Group secured distributorship rights in Indonesia for Audi and Volkswagen passenger cars.
2000	-	The Target Group secured distributorship rights in Indonesia for Manitou heavy duty equipment.
2002	-	The Target Company started divesting its stake in PT Indomobil Suzuki International. PT Indomobil Suzuki International (now known as PT Suzuki Indomobil Motor) is now an investee company of the Target Company.
2008	-	Pursuant to a group restructuring, PT IMG Sejahtera Langgeng[(1)] ("**IMGSL**") became a subsidiary of the Target Company. IMGSL holds, amongst others, the Target Group's interests in PT Nissan Motor Manufacturing Indonesia ("**NMI**") and PT Nissan Motor Distributor Indonesia ("**NMDI**"), being the entities with arrangements for the manufacturing and distribution of Nissan passenger cars in Indonesia.
2009	-	The Target Group secured distributorship rights in Indonesia for Renault heavy duty trucks.

2010 - PT Prima Sarana Gemilang ("**PSG**") was established. PSG operates as a coal mining contractor in East Kalimantan using primarily heavy duty trucks and equipment sold by the Target Group.

2011 - The Target Group secured distributorship rights in Sumatra, Java, Bali, Nusa Tenggara and Papua for Volvo Construction Equipment heavy equipment.

The principal place of business and registered office of the Target Company is located at Wisma Indomobil 1, Jl. MT. Haryono Kav. 8, Jakarta 13330, Indonesia, and the telephone and facsimile numbers of its registered office are (62)(21) 8564850/60/70 and (62)(21) 8564833, respectively. The Target Group's manufacturing and assembling facilities are mainly located in industrial estates around Jakarta and West Java, while other supporting automotive services such as dealership, workshop and financing are mainly located in big cities in Indonesia, including in Java, Bali, Lombok, Sumatra and Kalimantan.

2 BUSINESS

2.1 Overview

The Target Group is one of the two largest automotive groups in Indonesia. The Target Group is the sole agent, exclusive distributor or authorised distributor, and exclusive dealer or authorised dealer in Indonesia for a number of automotive and heavy equipment brands including Nissan, Audi, Renault, Volvo, and Volkswagen passenger cars; Foton, Hino, Volvo, Renault and Mack commercial vehicles; and Volvo Construction Equipment, Kalmar and Manitou heavy equipment.

The Target Group's businesses also include vehicle financing, after-sales service (which includes supply of original spare parts for the vehicles sold by the Target Group), automotive spare parts distribution under its "IndoParts" brand, manufacturing of automotive parts and components, vehicle assembly and others. As of 30 September 2012, the Target Group owned and operated 133 retail branches for the passenger cars, commercial vehicles and heavy equipment sold by the Target Group, offering customers "4S" full range of services, namely sales, after-sales service, spare parts and survey/feedback.

The automotive brands that the Target Group represents include the following:

- *Nissan.* The Target Group is the authorised retail dealer of Nissan passenger cars in Indonesia. Sales of Nissan cars accounted for 59.2% of the Target Group's net revenues in 2011. The Nissan passenger cars that the Target Group sells in Indonesia are assembled and distributed to the Target Group's retail dealership operations by its two associate companies in Indonesia, both of which are joint ventures between the Target Group and Nissan Motor Company Ltd. and in which the Target Group holds a 25.0% effective interest. As of 30 September 2012, the Target Group had 80 Nissan retail branches throughout Indonesia. Based on data from the Association of Indonesian Automotive Industries (Gabungan Industri Kendaraan Bermotor Indonesia or Gaikindo)[1], Nissan's market share in the passenger car segment, based on retail unit sales volumes, increased from 6.8% in 2010 to 9.6% in 2011 and was 9.4% in the nine months ended 30 September 2012.

- *Heavy Duty Trucks and Equipment.* The Target Group is the distributor and dealer for Volvo, Renault and Mack heavy duty trucks and Kalmar and Manitou heavy equipment in Indonesia. Sales of heavy duty trucks and equipment accounted for 10.1% of the Target Group's net revenues in 2011. As of 30 September 2012, the Target Group's heavy duty trucks and equipment operations had 21 retail branches, as well as 39 on-site operations at the premises of its customers to provide dedicated sales and after-sales service and support.

1 Gaikindo has not consented to the inclusion of the information quoted here and elsewhere in this Circular. While reasonable steps have been taken to ensure that the information attributed to Gaikindo is extracted accurately and has been reproduced in its proper form and context, none of the Company, the Financial Advisers or any other party has conducted an independent review of such information or verified the accuracy of the contents of the relevant information.

The Target Group also started operations in March 2011 in East Kalimantan as a coal mining contractor, through its subsidiary, using primarily heavy duty trucks and equipment sold by the Target Group.

- *Hino.* The Target Group is the largest retail dealer in Indonesia for Hino commercial vehicles, covering several regions including Jakarta, Medan, East Java and West Java, and operating 18 out of approximately 117 retail branches in Indonesia as of 30 September 2012. Sales of Hino commercial vehicles accounted for 7.6% of the Target Group's net revenues in 2011. The Hino commercial vehicles that the Target Group sells in Indonesia are assembled by its investee company which is a joint venture between the Target Group and Hino Motors, Ltd. and in which the Target Group holds a 10.0% effective interest. The Hino commercial vehicles are distributed to retail dealers in Indonesia by the Target Group's associate company which is a joint venture with Hino Motors, Ltd. and Sumitomo Corporation and in which the Target Group holds a 40.0% effective interest.

- *Others.* The Target Group is the wholesale distributor and retail dealer in Indonesia for Audi and Volkswagen passenger cars. The Target Group began locally assembling the Audi A6 and Volkswagen Golf cars at its assembly plant in December 2010 and the Audi A4 cars in March 2011. The Target Group imports CBU cars for the other models of Audi and Volkswagen cars that are sold by it. As of 30 September 2012, the Target Group has seven Volkswagen and two Audi retail branches in Indonesia.

  The Target Group is also (i) the exclusive dealer with one retail branch for Infiniti (which, like Nissan cars, are distributed to the Target Group's retail dealership by its associate company in Indonesia in which the Target Group holds a 25.0% effective interest), (ii) an authorised dealer for Suzuki passenger cars with three retail branches (the Target Group also holds a 10.0% effective interest in joint venture companies that assemble and distribute Suzuki cars, and owns retail branches for Suzuki cars), (iii) the exclusive assembler, distributor and retail dealer of Foton light trucks, (iv) the exclusive distributor and authorised retail dealer of CBU Volvo passenger cars, and (v) the exclusive distributor and retail dealer of Great Wall double cabin trucks.

The Target Group provides vehicle financing through its subsidiary, IMFI, which finances purchases of motorcycles as well as cars, commercial vehicles and heavy duty trucks and equipment. Other than motorcycles loans, substantially all of the customers of the Target Group's vehicle financing operations are purchasers of its vehicles and heavy equipment. Revenues from the Target Group's vehicle financing operations, which is primarily made up of interest income and commissions from insurance companies for referrals, accounted for 5.0% of its net revenues in 2010 and 4.3% of its net revenues in 2011. As of 30 September 2012, the Target Group's vehicle financing operations had 80 branches and 132 outlets.

The Target Group's automotive spare parts segment includes (i) the sale of original manufacturer's spare parts for the vehicles sold by it, and (ii) the distribution of primarily fast moving after-market spare parts for several major motorcycle and vehicle brands under the Target Group's "IndoParts" brand. The Target Group distributes through third-party distributors or wholesalers over 2,200 motorcycle parts and over 400 automobile parts, with a substantial majority of parts imported from various overseas suppliers. The Target Group's spare parts segment accounted for 11.8% of its net revenues in 2010 and 9.3% of its net revenues in 2011.

The Target Group's manufacturing operations include the assembly of a few models of passenger cars including the Audi A6 and A4, the Volkswagen Touran, Tiguan and Golf, and certain Kia models (which the Target Group only assembles and does not sell) as well as Foton light trucks from CKD kits.

The Target Group's rental services are provided through PT CSM Corporatama and its subsidiaries. The Target Group seeks to provide vehicle rental services to both corporate customers as well as individuals, and currently operates out of 19 outlets.

The Target Group's consolidated net revenues were Rp.6,940 billion in 2009, Rp.10,935 billion in 2010, Rp.15,776 billion in 2011 and Rp.14,598 billion in the nine months ended 30 September 2012. The Target Group's net income was Rp.154 billion in 2009, Rp.508 billion in 2010, Rp.971 billion in 2011 and Rp.718 billion in the nine months ended 30 September 2012. The Target Group's share of results in its associate companies were Rp.78 billion in 2009, Rp.271 billion in 2010, Rp.315 billion in 2011 and Rp.231 billion in the nine months ended 30 September 2012, with the Target Group's associate companies involved in the assembly and wholesale distribution of Nissan passenger cars and the wholesale distribution of Hino commercial vehicles contributing 95.3%, 99.0% and 96.1% of the total share of results in its associate companies for 2010, 2011 and the nine months ended 30 September 2012, respectively.

2.2 Competitive Strengths

The Target Group is a leading automotive group in Indonesia.

The Target Group carries many automotive brands in Indonesia, including Nissan, Audi, Renault, Volvo, and Volkswagen passenger cars; Foton, Hino, Volvo, Renault and Mack commercial vehicles; and Volvo Construction Equipment, Kalmar and Manitou heavy equipment. The Target Group is one of the two largest automotive groups in Indonesia.

- The Target Group is the authorised retailer for Nissan passenger cars in Indonesia. Based on Gaikindo data for 2011, Nissan had a 9.6% market share of the passenger car segment in Indonesia, selling 57,229 units in 2011, based on retail unit sales. The associate companies of the Target Group, which are joint ventures between the Target Group and Nissan Motor Company Ltd., own the manufacturing operations and sole authorised distributorship for Nissan passenger cars in Indonesia. For the nine months ended 30 September 2012, Nissan had a 9.4% market share of the passenger car segment in Indonesia.

- The Target Group is the sole authorised importer, distributor and retailer of Volvo and Renault heavy duty trucks in Indonesia. Based on 2011 data from the European Automobile Manufacturers' Association[2], Volvo and Renault trucks had a combined 32% market share of the European heavy duty truck segment in Indonesia in 2011. For the nine months ended 30 September 2012, Volvo and Renault trucks had a combined 38% market share of the European heavy duty truck segment in Indonesia.

- The Target Group holds a 40.0% stake in the sole authorised distributor for Hino vehicles in Indonesia, PT Hino Motors Sales Indonesia ("**HMSI**"). The Target Group is also the largest retailer of Hino vehicles in Indonesia, accounting for approximately 14.4% of the 25,458 units sold in 2011 (which include 15,289 medium and heavy duty trucks and 10,169 light duty trucks), based on Gaikindo data for 2011. Based on Gaikindo data, Hino had a 58.9% market share of the Japanese medium and heavy duty truck segment in Indonesia in 2011 and 53.9% for the nine months ended 30 September 2012.

The Target Group has extensive automotive distribution and vehicle financing networks.

The Target Group has one of the most extensive automotive distribution networks in Indonesia. Indonesia is an archipelago spanning over 5,000 kilometres from west to east, rendering the availability of spare parts and after-sales service across the country critical in supporting higher vehicle sales penetration. As of 30 September 2012, the Target Group supplied either original manufacturers' parts or "IndoParts" compatible spare parts to more than 6,000 outlets across Indonesia, including to the 133 4S retail branches that are majority-owned by the Target Group.

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2 The European Automobile Manufacturers' Association has not consented to the inclusion of the information quoted in this Circular. While reasonable steps have been taken to ensure that the information attributed to the European Automobile Manufacturers' Association is extracted accurately and has been reproduced in its proper form and context, none of the Company, the Financial Advisers or any other party has conducted an independent review of such information or verified the accuracy of the contents of the relevant information.

For Nissan passenger cars, the Target Group is the authorised retailer in Indonesia through its 80 retail branches as of 30 September 2012, which gives it control over the marketing and sales of the cars, and assists in ensuring the absence of any price under-cutting among different retail branches. For heavy duty trucks and equipment, the Target Group establishes on-site workshops at its customers' sites and provides trained mechanics to staff them as an integral part of its after-sales service. As of 30 September 2012, the Target Group had 39 such on-site workshops.

The Target Group also has an extensive vehicle financing network. As of 30 September 2012, the Target Group's vehicle financing operations had 80 branches and 132 outlets. In addition, IMFI (the Target Group's subsidiary through which the Target Group provides vehicle financing services) cooperates with more than 2,000 dealerships throughout Indonesia.

The Target Group offers an integrated distribution platform with a full range of products and services.

The Target Group offers an integrated automotive distribution platform. The Target Group's 133 retail branches as of 30 September 2012 offer a full range of services, including after-sales service with original manufacturers' parts. Through IMFI, the Target Group provides financing for vehicle purchases, for both motorcycles and cars. Under "IndoParts", a leading automotive spare parts brand in Indonesia, the Target Group supplies after-market parts to third-party outlets across Indonesia. The Target Group also provides ancillary products and services through its retail branches, such as vehicle insurance underwritten by third parties, car accessories and assistance with car registration. The Target Group's businesses in different segments of the distribution chain provide it with the opportunity to maximise earnings across the distribution chain.

The Target Group enjoys a strong and long-standing relationship with principals.

The Target Group has long-standing relationships with many of its automotive manufacturer principals, such as Nissan, Volvo Trucks and Hino which date back at least two decades. Through its strength in the distribution and sale of passenger cars and commercial vehicles in Indonesia, the Target Group offers its principal partners an understanding of local consumers' needs and wants, an established industry track record and distribution network, and close cooperation in the hiring and training of skilled technicians and other employees.

In the area of manufacturing, the Target Group has collaborated with its principal partners. Due to the automotive industry tax structure in Indonesia, automotive manufacturers establish manufacturing and/or assembly operations in Indonesia to assemble CKD vehicles. CKD vehicles benefit from significantly lower import duty compared to CBU vehicles, and as such have lower selling prices. The Target Group owns an effective interest of 25.0% in the assembly operations for Nissan passenger cars and a 10% interest in the assembly operations for Hino commercial vehicles in Indonesia. Its wholly-owned subsidiary, PT National Assemblers, began assembling in Indonesia the Audi A6 and the Volkswagen Golf in December 2010, and the Audi A4 in March 2011. The Target Group has invested in a new CKD factory which is scheduled to be operational in June 2013 to accommodate the increasing volume of cars to be assembled due to the introduction of the Volkswagen Tiguan TSI and the new Golf TSI.

The Target Group enjoys strong shareholder support and has experienced management and employees.

The Target Group enjoys strong shareholder support from the Salim Group. A number of large Salim Group companies purchase most of their vehicle requirements from the Target Group in arms'-length transactions or on terms that the Target Group believes are at least as favourable to the Target Group as similar transactions with non-affiliates. A Salim Group company has also engaged a subsidiary of the Target Group, namely PT Prima Sarana Gemilang ("**PSG**") (a company in which the Target Company's subsidiary, PT Wahana Inti Selaras ("**WISEL**"), holds 60% and PT Krista Mega Utama holds the remaining 40%) to provide mining contracting services using primarily heavy duty trucks and equipment sold by the Target Group. Please refer to Section 14.4 of Appendix A of this Circular entitled "Related Party Transactions – Transactions with the Salim Group" for more information.

The Target Group has an experienced management team. Mr Jusak Kertowidjojo, the President Director of the Target Company, first joined the Target Group in 1982. The members of the board of Directors of the Target Company have broad experience across the industry, namely in automotive industry associations, marketing and sales, automotive financing, human resources and training of skilled technicians, and maintain a good relationship with the Target Group's principal partners. The Target Group is the second largest employer among automotive companies in Indonesia. As of 30 September 2012, the Target Group had approximately 12,800 employees, including approximately 6,600 permanent employees and approximately 6,200 contract employees.

2.3 Business Strategies

Positioned for growth in the Indonesian automotive market.

The Target Group believes that there are significant growth prospects for the Indonesian automotive market and seeks to position the Target Group to capitalise on these growth prospects. Based on Gaikindo data, the number of passenger cars and commercial vehicles sold in Indonesia in 2011 increased by 19.5% to 890,569 units compared to 2010, and the number of passenger cars and commercial vehicles sold in Indonesia in the nine months ended 30 September 2012 increased by 21.2% to 797,494 units compared to the nine months ended 30 September 2011. At the end of 2011, based on data from the Indonesian Government, GDP per capita in Indonesia was just over US$3,000. The Target Group believes that, similar to the experience in other emerging economies, as GDP per capita crosses US$3,000 and heads towards US$4,000, consumer preferences for a significant portion of the population may shift from motorcycles to passenger cars and result in significant new demand in the passenger car market. In addition, in the medium and heavy duty trucks segment, the Target Group expects that demand will be driven largely by the expansion in the natural resources sector, particularly in coal mining activities.

To capitalise on these growth opportunities, the Target Group plans to strengthen its balance sheet and implement its business strategies. The Target Group targets (through the implementation of these strategies) to achieve a gradual increase in market share for both Nissan in the passenger car segment, and Volvo and Renault trucks in the European heavy duty trucks segment, while maintaining Hino's market share in the Japanese medium and heavy duty trucks segment. The Target Group also seeks to maximise revenue and profitability across its entire value chain. In addition to its goal to sell more vehicles, the Target Group seeks to increase the proportion of vehicle sales that it finances through IMFI. The Target Group also seeks to increase the ancillary income derived from products and services that it offers to its customers, including after-market services and spare parts and commission from the sale of vehicle insurance underwritten by third parties.

Introduce wider line-up of passenger vehicles.

The Target Group intends to work closely with its principal partners to market CKD vehicles targeted for the local market in Indonesia. Under the Nissan brand, the current high-volume sellers (over 1,000 units on average per month) are the Grand Livina multipurpose vehicle launched in April 2007 and the Evalia multipurpose vehicle launched in June 2012. The Target Group has been informed by its principal partner that the production capacity is intended to be expanded.

In addition, the Target Group plans to selectively introduce new models in the higher-end consumer market. The Target Group started assembling the CKD versions of the Volkswagen Golf and Audi A6 in December 2010 and the Audi A4 in March 2011. In the CBU segment, the Target Group introduced several Infiniti models in March 2011. The Infiniti cars benefit from an import duty exemption for cars with an engine capacity of more than 3 litres under the Indonesia-Japan Economic Partnership Agreement entered into in 2007.

Grow the car financing business of the Target Group.

The Target Group plans to expand the availability of vehicle financing for its customers. Finance companies in Indonesia have to comply with the regulations issued by the Indonesian Ministry of Finance which limit their debt to equity ratio to not more than 10 times. In September 2011, the Target Group increased the equity capital in its subsidiary, IMFI, to Rp.500 billion to allow for the expansion of its loan portfolio. The Target Group plans to increase the proportion of its vehicle sales that are financed through IMFI. The Target Group also plans to increase the number of branches for its vehicle finance operations in order to increase the availability of vehicle financing for its customers.

Expand the Target Group's heavy duty trucks and equipment business.

The expansion in the natural resources sector in Indonesia, particularly in coal mining, is expected to drive the growth in demand for Volvo and Renault heavy duty trucks and heavy equipment. This business segment generates a higher gross margin compared to the Target Group's passenger cars segment. Heavy duty trucks and equipment generate a high volume of after-market services and spare parts business for the Target Group, as its customers require these trucks and equipment to be available for use on a 24/7 basis. The Target Group plans to increase the range of heavy equipment which it sells to provide a more comprehensive range of heavy equipment for the mining and construction industries. In line with the growth in business, the Target Group also plans to increase the hiring and training of skilled mechanics to service the products sold.

In March 2011, the Target Group started operations in East Kalimantan as a coal mining contractor, through its subsidiary, PSG, using primarily heavy duty trucks and equipment that is sold by the Target Group. As a coal mining contractor, the Target Group undertakes to provide, among others, land clearing, overburden removal, coal hauling, mud removal and general works.

Expand the Target Group's distribution platform.

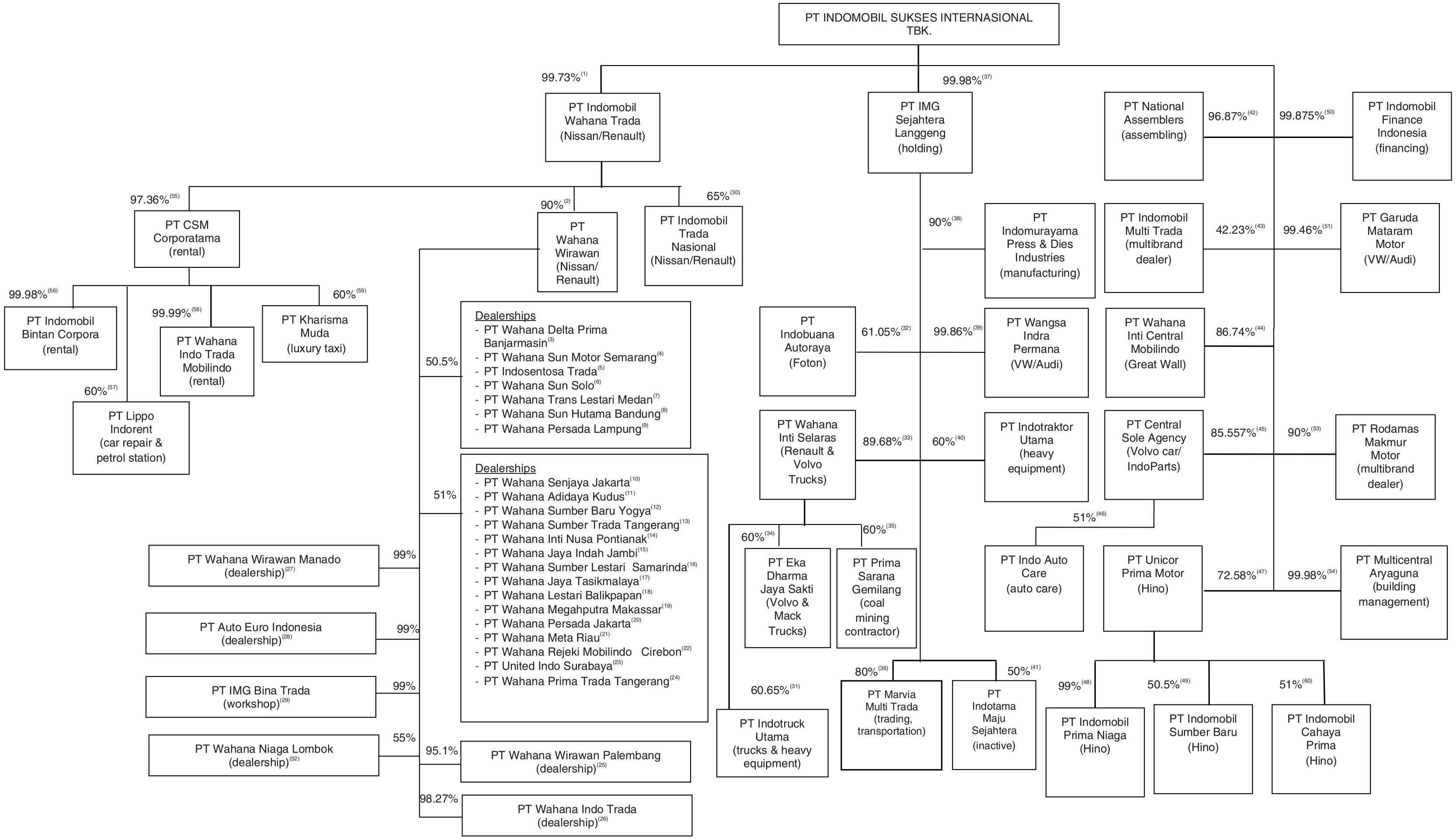
The Target Group targets to increase its retail branch network for its passenger cars, commercial vehicles and heavy duty trucks and equipment numbering 133 retail branches as of 30 September 2012, by adding about 30 more retail branches by the end of 2013, barring unforeseen circumstances. The Target Group intends for all of these retail branches to offer full 4S services and serve as showrooms for the respective brands. As the Target Group expects vehicle sales in areas outside of Jakarta to grow more quickly than vehicle sales in the Jakarta region, the Target Group will plan the expansion of its retail branch network, accordingly.

Grow higher margin after-market services.

As the volume of vehicle sales by the Target Group increases, the corresponding increase in the demand for after-market services and spare parts is, in turn, expected to contribute to growth in the Target Group's revenues as well. The targeted expansion of the retail branches will also increase the Target Group's network of branches providing after-market services.

2.4 The Organisational Structure

The following chart sets out the corporate structure of the Target Company and its consolidated subsidiaries as of 30 September 2012.[3]



3 Please refer to Section 2.10 for the percentage of effective ownership of the Target Group in the entities above and also for the Target Company's associate companies and investee companies.

Notes:

(1) The remaining 0.27% is owned by the Target Group's subsidiary IMGSL.

(2) The remaining 10% is owned by the Target Group's subsidiary IMGSL.

(3) The remaining 49.5% is owned by Teguh Wahyu Purnomo, Teguh Wahju Nugraha and Teguh Wahju Utama.

(4) The remaining 49.5% is owned by Tio Imelda.

(5) The remaining 49.5% is owned by PT Sunindo Primasura.

(6) The remaining 49.5% is owned by Tio Imelda.

(7) The remaining 49.5% is owned by PT Gramindo Luhur Abadi.

(8) The remaining 49.5% is owned by PT Sunindo Primasura and Achmad Saefudin.

(9) The remaining 49.5% is owned by Sugianto Azis, Angeline Kusuma and Yuliana Aksan.

(10) The remaining 49% is owned by PT Wahana Sejahtera Sampurna.

(11) The remaining 49% is owned by PT Remaja Adidaya Motor.

(12) The remaining 49% is owned by PT Sumber Mobilindo Agung and Hendra Kurniawan.

(13) The remaining 49% is owned by PT Sumber Baru Trada Motor and Dion Jaya Wiguna.

(14) The remaining 49% is owned by PT Automobil Borneo Perdana.

(15) The remaining 49% is owned by Ellyna and Bengawan Kamto.

(16) The remaining 49% is owned by Hendarmin Muljono and Andy Anantaputra.

(17) The remaining 49% is owned by PT Sumber Abadi Jaya.

(18) The remaining 49% is owned by a PT Sumber Maju Eka Lestari.

(19) The remaining 49% is owned by Franky Loamayer, Hasjim Sulindro, Frans Honga Halim, Freddy Halim, Haryanto Limin Loamayer, and Kartono Halim.

(20) The remaining 49% is owned by PT Persada Lampung Raya.

(21) The remaining 49% is owned by Abu Hasan, Haidir, Agus Arya Hartono.

(22) The remaining 49% is owned by PT Sumber Rejeki Mobilindo.

(23) The remaining 49% is owned by PT Unico Kayama.

(24) The remaining 49% is owned by the Target Group's subsidiary PT Indomobil Wahana Trada.

(25) The remaining 4.9% is owned by Suhandy, SE.

(26) The remaining 1.73% is owned by the Target Group's subsidiary IMGSL.

(27) The remaining 1% is owned by the Target Group's subsidiary PT Indomobil Wahana Trada.

(28) The remaining 1% is owned by the Target Group's subsidiary PT Wahana Indo Trada.

(29) The remaining 1% is owned by the Target Group's subsidiary IMGSL.

(30) The remaining 35% is owned by the Target Group's subsidiary IMGSL.

(31) The Target Company owns 14.35% and the remaining 25% is owned by Lauw Lie In (Maria Kristina).

(32) The Target Company owns 24.8% and the Target Company's shareholder PT TI owns 14.15%. PT TI is a member of the Salim Group (see Section 5 of this Appendix A for more information).

(33) The remaining 10.32% is owned by the Target Company.

(34) The remaining 40% is owned by PT Tri Dharma Madya and PT Astrindo Intan Wijaya.

(35) The remaining 40% is owned PT Krista Mega Utama.

(36) The remaining 20% is owned by Marvy Apandi.

(37) The remaining 0.02% is owned by the Target Company's shareholder PT TI. PT TI is a member of the Salim Group (see Section 5 of this Appendix A for more information).

(38) The remaining 10% is owned by the Target Company.

(39) The remaining 0.14% is owned by the Target Company.

(40) The remaining 40% is owned by Lauw Lie In (Maria Kristina).

(41) The remaining 50% is owned by PT Inti Kemajuan Usaha.

(42) The remaining 3.13% is owned by the Target Group's subsidiary PT Unicor Prima Motor.

(43) The remaining 57.77% is owned by the Target Group's subsidiary IMGSL.

(44) The remaining 13.26% is owned by the Target Group's subsidiary IMGSL.

(45) The other shareholders are the Target Group's subsidiary PT Wahana Inti Central Mobilindo (10.935%) and the Target Group's subsidiary IMGSL (3.504%).

(46) The remaining 49% is owned by PT Panutan Sejahtera Perkasa and Anton Kusuma.

(47) The other shareholders are the Target Group's subsidiary IMGSL (23.90%) and Mochtar Riady (3.52%).

(48) The remaining 1% is owned by the Target Group's subsidiary IMGSL.

(49) The remaining 49.5% is owned by Hendra Kurniawan, Jap Jayadi Wiguna and Slamet Harsono.

(50) The remaining 0.125% is owned by the Target Group's subsidiary IMGSL.

(51) The other shareholders are the Target Company's shareholder PT TI (0.53%) and Antarini Malik Marpaung (0.01%). PT TI is a member of the Salim Group (see Section 5 of this Appendix A for more information).

(52) The remaining 45% is owned by PT Cakraniaga Kencana.

(53) The remaining 10% is owned by Sujatim Abdurrachman Habibie.

(54) The remaining 0.02% is owned by the Target Group's subsidiary IMGSL.

(55) The Target Company owns 0.07%, the Target Group's subsidiary PT Unicor Prima Motor owns 0.07% and a third party (Lim Li Lian) owns 2.5%.

(56) The remaining 0.02% is owned by the Target Group's subsidiary IMGSL.

(57) The remaining 40% is owned by PT Sentra Dwimandiri.

(58) The remaining 0.01% is owned by the Target Group's subsidiary PT Indomobil Bintan Corpora.

(59) The remaining 40% is owned by the Target Group's subsidiary PT Wahana Indo Trada Mobilindo.

(60) The remaining 49% is owned by PT Cahaya Surya Bali Indah.

2.5 Products and Services

The Target Group is the sole agent, exclusive distributor or authorised distributor, and exclusive dealer or authorised dealer for a number of automotive and heavy equipment brands including Nissan, Renault, Volvo, Audi and Volkswagen passenger cars; Foton, Hino, Volvo, Mack and Renault commercial vehicles; and Volvo Construction Equipment, Kalmar and Manitou heavy equipment. The Target Group also offers vehicle financing, sells automotive spare parts under its "IndoParts" brand, provides after-sales service for vehicles, manufactures automotive parts and components, and assembles vehicles.

The following table sets forth the unit sale volumes by vehicle groups for the periods indicated:

	Year Ended 31 December			Nine Months Ended 30 September
	2009	**2010**	**2011**	**2012**
Passenger cars				
Nissan	20,551	33,346	54,566	45,638
Others	2,231	3,826	4,236	3,776
Subtotal	22,782	37,172	58,802	49,414
Commercial vehicles				
Hino	2,073	3,726	3,649	4,291
Others	315	299	826	75
Subtotal	2,388	4,025	4,475	4,366
Heavy duty trucks & equipment	456	656	1,206	1,123
Total	25,626	41,853	64,483	54,903

The following table sets forth certain brands and main current models and types of distributorship and/or dealership of the Target Group as of 30 September 2012:

Category	Brand	Products Covered as Distributor/ Dealer	Main Current Models	Distributorship	Year Commenced	Retail Dealership	Year Commenced
Passenger cars	Nissan	Vehicles, components and spare parts	Grand Livina, Serena, Juke, March, X-Trail, Teana, Frontier, Evalia, Elgrand, Murano, GT-R	–[(1)]	1991	Authorised	1991
	Volkswagen	Vehicles	Touran, Touareg, Polo, Scirocco, Tiguan, Golf, Caravelle, Panel Van	Exclusive	1992	Exclusive	1992
	Audi	Vehicles, parts, accessories	A3, A4, A5, A6, A8, Q3, Q5, Q7, TT, R8	Authorised	1995	Authorised[(2)]	1995
	Volvo	Vehicles	S80, C30, XC60, XC90	Exclusive[(3)]	1984	Authorised	1984
	Infiniti	Vehicles, components and parts	M37, G37, FX37, FX50	Exclusive	2010	Exclusive	2010
	Suzuki	Vehicles and parts	Carry, APV, Estilo, Splash, Swift, SX4, Grand Vitara, Baleno, Ertiga	–	1982	Authorised	1982
	Renault	Vehicles	–	Authorised	2001	Authorised	2001
	Great Wall	Vehicles and parts	Wingle	Exclusive	2007	Exclusive	2007
Commercial vehicles	Hino	Vehicles and parts	n/a	–[(4)]	1984	Authorised	1984
	Foton	Vehicles and spare parts	n/a	Exclusive[(5)]	2007	Exclusive	2007
Heavy duty trucks & equipment	Volvo Trucks	Trucks	n/a	Exclusive[(6)]	1985	Exclusive	1985
	Renault Trucks	Trucks	n/a	Authorised[(7)]	2009	Authorised	2009
	Mack Trucks	Trucks	n/a	Authorised	2006	Authorised	2006
	Volvo Construction Equipment	Equipment	n/a	Exclusive	2011	Exclusive	2011
	Kalmar	Equipment	n/a	Exclusive	2010	Exclusive	2010
	Manitou	Equipment and parts	n/a	Exclusive[(8)]	2009	Exclusive	2009

Notes:

(1) The Target Group owns a 25.00% effective interest in each of NMI and NMDI. NMI is an authorised distributor of Nissan passenger cars in Indonesia and NMDI is an authorised sub-distributor of Nissan passenger cars in Indonesia.

(2) Under the importer agreement entered into between the Audi group and the Target Group, Audi reserves the right to distribute Audi cars directly to certain institutional purchasers, including car rental companies, as well as the right to appoint other importers if deemed necessary for reasons of market or sales policy.

(3) Under the distributorship agreement, Volvo reserves the right to sell Volvo cars in Indonesia directly to (i) certain international customers, (ii) any other companies within the Volvo group, or employed by such companies, (iii) any multi-national or international corporation or organisation which has a regional or worldwide agreement with Volvo or its associated companies, as well as to individuals employed by such multi-national or international corporation or organisation, (iv) any customer which would like to purchase more than 5 passenger cars provided that such customer has expressed its desire to deal directly with Volvo, and (v) central, regional and local governmental and quasi-governmental authorities, public instrumentalities and enterprises, and military or diplomatic entities, in Indonesia and their respective employees.

(4) The Target Group owns a 10.00% effective interest in PT Hino Motors Manufacturing Indonesia ("**HMMI**") and 40.00% effective interest in HMSI. HMMI is the exclusive distributor of Hino commercial vehicles in Indonesia and HMSI is the sub-distributor of Hino commercial vehicles in Indonesia. Hino reserves the right to sell Hino products directly in Indonesia to any international organisation, any governmental unit or agency of any country or officials thereof or delivery resulting therefrom, and international fleet sale or fleet sale to corporations or groups with a presence outside Indonesia for delivery in Indonesia. In addition Hino also reserves the right to sell Hino products directly in Indonesia in the following circumstances (i) the sale cannot be undertaken by HMMI for compelling reasons, such as laws and ordinances in Indonesia, (ii) for purposes other than the repair, services, maintenance of or installation into Hino vehicles, (iii) as a gratuity or donation by Hino, (iv) based on any barter or counter purchase entered into by Hino, (v) in a quantity which Hino deems beyond the scope or capacity of HMMI's ordinary activities, or (vi) in the case of suspension or discontinuance of business by HMMI for any reason whatsoever,

(5) The Target Group is the exclusive distributor and dealer for Foton light trucks only. Foton reserves the right to directly sell Foton products to agencies and companies in Indonesia which are owned by the Chinese Government.

(6) Volvo reserves the right to directly sell Volvo truck in Indonesia to the Indonesian Government and its agencies (ministries), governmental entities, and municipal authorities and entities.

(7) Initially one of two authorised Renault distributors, the Target Group has been the only distributor of Renault trucks in Indonesia since December 2010.

(8) Manitou reserves the right to sell and/or deliver Manitou products directly in Indonesia to the Indonesian Government, civilian or public agencies or to companies, corporations or persons whose registered offices or principal offices or purchasing departments are outside Indonesia, or in the event that the Target Group is unable, for any reason, to handle any transaction.

Passenger Cars

Nissan

The Target Group is the authorised retailer for Nissan cars in Indonesia. Its relationship with Nissan Motor Company Ltd. of Japan started in 1991 when the Target Group was then sole agent and assembled Nissan passenger cars. Sales of Nissan passenger cars are the single largest contributor to the Target Group's net revenues, accounting for 56.6% of its net revenues in 2009, 55.4% of its net revenues in 2010, 59.2% of its net revenues in 2011 and 53.7% of its net revenues in the nine months ended 30 September 2012.

The Target Group's joint ventures with Nissan Motor Company Ltd. are in PT Nissan Motor Indonesia ("**NMI**") and PT Nissan Motor Distributor Indonesia ("**NMDI**"). The Target Group holds a 25% effective interest in each of these entities.

The objectives and purposes of NMI are:

- the importation of Nissan vehicles and parts into Indonesia;
- the assembly of Nissan vehicles, and the manufacture and/or procurement of components and parts;
- the distribution and sale of Nissan vehicles and parts; and
- any other related activities.

The objectives and purposes of NMDI are:

- the sub-distribution and sale of Nissan vehicles, with fitting up the optional auto parts / accessories;
- the sub-distribution and sale of spare parts for Nissan vehicles; and
- any other related activities.

The Target Group is also the authorised retailer for Nissan cars in Indonesia, and such sales are conducted through the Target Company's wholly-owned subsidiary, PT Indomobil Wahana Trada ("**IWT**") and IWT's subsidiaries. The sales of Nissan cars, which accounted for 56.6%, 55.4%, 59.2% and 53.7% of the Target Group's revenue for FY2009, FY2010, FY2011 and FP2012, respectively, represent revenue recorded by IWT and its subsidiaries from sales of Nissan cars and not the Target Group's share of revenue from NMI or NMDI. Such share of revenue from NMI or NMDI do not form part of the Target Group's net revenue and are recorded as "share of results in associated companies" in the Target Group's income statements.

The Target Group sells Nissan cars through its network of single-brand retail branches throughout Indonesia. As of 30 September 2012, the Target Group had 80 such branches, all of which offer customers full 4S services and are staffed by both salespeople and workshop technicians. The Target Group sold 20,551 units of Nissan passenger cars in 2009, 33,346 units in 2010, 54,566 units in 2011 and 45,638 units in the nine months ended 30 September 2012, with sales in the greater Jakarta region accounting for approximately 55% of total sales in 2010, approximately 54% of total sales in 2011 and approximately 52% of total sales in the nine months ended 30 September 2012 and sales elsewhere in Indonesia accounting for approximately 45% of total sales in 2010, approximately 46% of total sales in 2011 and approximately 48% of total sales in the nine months ended 30 September 2012. All Nissan cars sold by the Target Group have a manufacturer warranty for three years or 100,000 km, whichever comes first.

The table below shows the unit sale volumes of the Target Group's Nissan cars by model in the periods indicated. The Target Group introduces new models of Nissan cars from time to time, for example it introduced a new multi-purpose vehicle, Nissan Elgrand, in July 2011, and a new sport utility vehicle, Nissan Juke, in June 2011.

	Year Ended 31 December			Nine Months Ended 30 September
	2009	**2010**	**2011**	**2012**
Multi-purpose vehicles				
Grand Livina	13,803	24,145	27,225	24,180
Serena	1,931	3,063	2,260	1,753
Elgrand	–	–	193	174
Evalia	–	–	–	4,635
Hatchbacks				
March	–	436	12,636	6,103
Latio	123	2	99	–
Sport utility vehicles				
X-Trail	4,138	4,576	3,431	1,809
Juke	–	–	7,494	6,289
Murano	–	–	14	38
Infiniti	–	–	49	19
Double cabin				
Frontier	431	775	885	418
Sedans				
Teana	125	349	273	213
Infiniti				
Total	20,551	33,346	54,566	45,638

The Nissan passenger cars sold by the Target Group in Indonesia are assembled by NMI which is the sole agent for Nissan vehicles in Indonesia. NMI was originally established in 1995 as PT Ismac Nissan Manufacturing and its name was changed to NMI in 2001. NMI is a joint venture between the Target Group and Nissan Motor Company Ltd. in which the Target Group holds a 25% effective interest and Nissan Motor Company Ltd. holds the remaining 75%. Pursuant to a distribution agreement between Nissan Motor Company Ltd. and NMI, entered into on 8 August 2001 and renewable automatically every year, NMI has the right to purchase Nissan products and to sell and distribute them in Indonesia, as well as to appoint a sub-distributor or dealer in Indonesia for the purpose of reselling Nissan vehicles and parts and performing service operations on Nissan vehicles. NMI assembles Nissan passenger cars for the Indonesian market from CKD parts at its assembly plant in Bukit Indah City, Cikampek in West Java.

Once assembled, the Nissan passenger cars are distributed to the Target Group's retail branches by NMDI, which is the sole wholesale distributor for Nissan vehicles and original spare parts in Indonesia. NMDI is a joint venture between the Target Group and Nissan Motor Company Ltd. in which the Target Group holds a 25% effective interest and Nissan Motor Company Ltd. holds the remaining 75%. Pursuant to a sub-distribution agreement between NMI and NMDI, entered into on 10 December 2001 and renewable automatically every year, NMI appointed NMDI as its sub-distributor for the distribution and service operations of Nissan vehicles and parts in Indonesia. Please see "Material Agreements" set out in Section 6 of this Appendix A for more information on the Target Group's joint ventures relating to NMI and NMDI.

As the Target Group's associate companies, the income derived from the operations of NMI and NMDI contributes to the Target Group's share of results in its associate companies. NMI and NMDI contributed Rp.63 billion in 2009, Rp.192 billion in 2010, Rp.226 billion in 2011 and Rp.131 billion in the nine months ended 30 September 2012 to the Target Group's share of results in its associate companies.

Others

The Target Group also imports and sells other passenger cars, including under the Audi and Volkswagen brands. The aggregate sales of Audi and Volkswagen cars accounted for 3.5% of the Target Group's net revenues in 2009, 4.0% of its net revenues in 2010, 5.1% of its net revenues in 2011 and 5.6% of its net revenues in the nine months ended 30 September 2012.

The Target Group's relationship with the Volkswagen Group of Germany (which includes both Volkswagen and Audi brands) started in 1992. The Target Group's subsidiary, PT Garuda Mataram Motor ("**GMM**"), is the sole agent for Audi passenger cars and Volkswagen passenger and commercial vehicles in Indonesia.

Prior to December 2010, the Target Group only imported and sold Volkswagen and Audi cars that were fully assembled. In December 2010, the Target Group started to assemble Audi A6 and Volkswagen Golf cars, and in March 2011, the Target Group started to assemble Audi A4 cars, from CKD parts at its National Assemblers facility located in Jakarta. The Target Group assembled 546 units of Volkswagen and 138 units of Audi cars in 2011 and 524 units of Volkswagen and 270 units of Audi cars in the nine months ended 30 September 2012 and expects to increase the number of Volkswagen and Audi cars assembled in subsequent quarters. The Target Group is currently investing in a new CKD Factory that is targeted to be operational in June 2013 to accommodate the increasing volume of cars to be assembled due to the introduction of the Volkswagen Tiguan TSI and the new Golf TSI.

The Target Group sells Volkswagen cars at four retail branches owned by it and through three independent dealerships. The Target Group also operates two Audi retail branches in Jakarta, located in the Target Group's Head Office Compound and Pacific Place Mall. The Target Group sold 287 units of Volkswagen and Audi cars in 2009, 561 units in 2010, 1,045 units in 2011 and 1,015 units in the nine months ended 30 September 2012. The standard manufacturer warranty for Volkswagen cars sold by the Target Group is for two years and the standard manufacturer warranty for Audi cars sold by the Target Group is for three years or 90,000 km, whichever comes first.

In addition, pursuant to the Indonesia-Japan Economic Partnership Agreement entered into in 2007, the Target Group may import CBU passenger cars with engine capacities of over 3 litres without having incurring any import duty. In light of this, the Target Group started importing CBU Infiniti passenger cars in March 2011. It is the exclusive dealer for Infiniti passenger cars in Indonesia, and as of 30 September 2012, the Target Group had one retail branch for Infiniti cars.

The Target Group is also an authorised dealer for Suzuki passenger cars with three retail branches as of 30 September 2012. The Target Group also holds a 10% effective interest in joint venture companies that assemble and distribute Suzuki cars and owns retail branches for Suzuki cars. The Target Group is also an authorised dealer for Suzuki motorcycles in Batam.

In addition, the Target Group is the exclusive distributor and authorised retail dealer of CBU Volvo passenger cars, and the exclusive distributor and retail dealer of Great Wall double cabin trucks. As of 30 September 2012, the Target Group had one retail branch for Volvo passenger cars.

Heavy Duty Trucks and Equipment

The sales of heavy duty trucks and equipment by the Target Group accounted for 3.5% of its net revenues in 2009, 7.2% of its net revenues in 2010, 10.1% of its net revenues in 2011 and 11.1% of its net revenues in the nine months ended 30 September 2012.

The table below shows the unit sale volumes of the Target Group's heavy duty trucks and equipment by type in the periods indicated:

	Year Ended 31 December			Nine Months Ended 30 September
	2009	2010	2011	2012
Volvo Trucks	206	289	482	445
Renault Trucks	–	75	161	159
Volvo Construction Equipment	–	–	74	286
Kalmar	20	24	76	38
Manitou	27	33	53	42
Liu Gong	72	134	216	47
Others[(1)]	131	101	144	106
Total	456	656	1,206	1,123

Note:

(1) Includes Mack trucks, YTO and Sunward heavy equipment and others.

The Target Group is the exclusive distributor and retail dealer for Volvo heavy duty trucks, and the authorised distributor and dealer for Renault and Mack heavy duty trucks. Through its subsidiaries, the Target Group has been the sole importing agent in Indonesia for Volvo and Mack trucks since 2006. In 2009, the Target Group was also appointed by Renault trucks of France as one of its two distributors in Indonesia, and from December 2010 has been its only distributor in the country. In November 2010, the Target Group acquired a 60% stake in PT Eka Dharma Jaya Sakti, which is the sole retail dealership for Volvo and Mack trucks in Kalimantan.

The Target Group imports CBU Volvo and Renault trucks from Sweden, France and China. The Target Group sold 206 units of Volvo trucks in 2009, 364 units of Volvo and Renault trucks in 2010, 643 units of Volvo and Renault in 2011 and 604 units of Volvo and Renault trucks in the nine months ended 30 September 2012.

The Target Group also acts as the exclusive Indonesian distributors for Cargotec Asia and Manitou Asia Pte. Ltd.. Through these arrangements, the Target Group sells Kalmar container-handling equipment and Manitou telescopic handlers. The Target Group imports CBU heavy equipment which the Target Group sells from France (Manitou) and Sweden (Kalmar). Its distributorship agreement with Manitou Asia Pte. Ltd. is renewable automatically every two years, while its distributor agreement with Cargotec Asia remains effective for three years from 5 February 2010.

The standard manufacturer warranty for Volvo, Renault and Mack trucks is for either (i) one year with unlimited mileage, or for (ii) two years or 200,000 km, whichever comes first. The heavy equipment sold by the Target Group typically has a manufacturer warranty for one year or 2,000 operating hours, whichever comes first. The customers in this segment are primarily private and state-owned mining, forestry and construction companies, as well as port operators, oil and gas companies and other industrial enterprises, which often operate in geographically remote parts of Indonesia. Because these customers typically consider the equipment sold by the Target Group as capital goods required for production, their availability is critical. The Target Group plans to increase the range of heavy equipment sold to provide a more comprehensive range of heavy equipment for the mining and construction industries.

The Target Group sells its heavy duty trucks and equipment in multi-brand retail branches throughout Indonesia. As of 30 September 2012, its heavy duty trucks and equipment operations had 21 such retail branches, as well as 39 on-site operations at the premises of its customers to provide dedicated sales and after-sales service and support.

In 2010, PT Krista Mega Utama acquired a 40% interest in the Target Group's subsidiary, PSG, in which another of the Target Group's subsidiaries, WISEL, holds the remaining 60%. PSG started operations as a coal mining contractor in East Kalimantan in March 2011 using primarily heavy duty trucks and equipment sold by the Target Group. Pursuant to a contractor agreement dated 12 June 2012 between PSG as contractor and PT Nusantara Berau Coal (a member of the Salim Group) as mining concession owner, the Target Group undertakes to provide, among others, land clearing, overburden removal, coal hauling, mud removal and general works at the concession owner's mine located in Berau Regency in East Kalimantan. Please see "Related Party Transactions — Transactions with the Salim Group" set out in Section 14.4 of this Appendix A.

Commercial Vehicles

<u>Hino</u>

The Target Group is the largest authorised retail dealer in Indonesia for Hino commercial vehicles, and its sales of Hino commercial vehicles accounted for 9.3% of its net revenues in 2009, 11.7% of its net revenues in 2010, 7.6% of its net revenues in 2011 and 11.0% of its net revenues in the nine months ended 30 September 2012. Its relationship with Hino Motors, Ltd. of Japan started in 1984 when the Target Group acquired the joint venture company that was appointed the sole agent of, and assembled, Hino vehicles.

The Target Group owns three out of 32 Hino dealerships in Indonesia and operates 18 out of 117 Hino retail branches in Indonesia as of 30 September 2012, with the rest operated by other independent third-party dealers. The Hino vehicles sold by the Target Group are largely used in the mining and plantation industries, as well as for oil, cargo and other transportation. All the Hino showrooms offer customers full 4S coverage, although the Target Group performs a significant proportion of after-sales services on Hino vehicles sold by it on the customers' premises.

The Hino trucks sold by the Target Group have a manufacturer warranty for three years or 100,000 km, whichever comes first. The Target Group sold 2,073 units of Hino trucks in 2009, 3,726 units in 2010, 3,649 units in 2011 and 4,291 units in the nine months ended 30 September 2012. Unit sales volume in the Target Group's showrooms accounted for approximately 14.4% of all sales of Hino trucks in Indonesia in 2011 and 17.1% in the nine months ended 30 September 2012. The table below shows the unit sale volumes of Hino trucks by type in the periods indicated:

	Year Ended 31 December			Nine Months Ended 30 September
	2009	2010	2011	2012
Light Trucks	1,306	1,945	2,323	2,126
Medium Trucks	347	591	422	649
Heavy duty trucks	420	1,190	904	1,516
Total	2,073	3,726	3,649	4,291

The Hino commercial vehicles sold by the Target Group in Indonesia are assembled by PT Hino Motors Manufacturing Indonesia ("**HMMI**"), which was established in 1982 as the sole agent for Hino vehicles in Indonesia. HMMI is a joint venture between the Target Group and Hino Motors, Ltd. in which the Target Group holds a 10% effective interest and Hino Motors, Ltd. holds 90%. HMMI assembles Hino commercial vehicles for the Indonesian market from CKD parts at its assembly plant in Purwakarta, West Java.

Once assembled, the Hino vehicles (which include medium and heavy-duty trucks) are distributed to retail branches by HMSI, which is the sole wholesale distributor for Hino vehicles and original spare parts in Indonesia. HMSI is a joint venture company in which the Target Group holds an effective interest of 40%, Hino Motors, Ltd. holds 40% and Sumitomo Corporation holds 20%. Please see "Material Agreements" set out in Section 6 of this Appendix A.

As HMSI is an associate company of the Target Group, the income which the Target Group derives from the operations of HMSI contributes to the Target Group's share of results in its associate companies. HMSI contributed Rp.26 billion in 2009, Rp.66 billion in 2010, Rp.85 billion in 2011 and Rp.91 billion in the nine months ended 30 September 2012 to the Target Group's share of results in its associate companies.

<u>Others</u>

The Target Group is the exclusive assembler, distributor and retail dealer of Foton light trucks. It assembles Foton light trucks at the Target Group's National Assemblers assembly facility in Jakarta. The Target Group sold 315 units of Foton light trucks in 2009, 299 units in 2010, 826 units in 2011 and 75 units in the nine months ended 30 September 2012.

Financing

The Target Group provides vehicle financing through its subsidiary IMFI, which finances purchasers of motorcycles and passenger cars, commercial vehicles and heavy duty trucks and equipment. Other than motorcycle financing, substantially all of the customers of its vehicle financing operations are purchasers of its passenger cars, commercial vehicles and heavy duty trucks and equipment. Revenues from the Target Group's vehicle financing operations, which is primarily made up of interest income and commissions from insurance companies for referrals, accounted for 7.0% of its net revenues in 2009, 5.0% of its net revenues in 2010, 4.3% of its net revenues in 2011 and 3.6% of its net revenues in the nine months ended 30 September 2012.

As of 30 September 2012, the Target Group's vehicle finance operations had 80 branches and 132 outlets. In addition, IMFI cooperates with more than 2,000 dealerships throughout Indonesia.

Out of Rp.3,230 billion disbursed in vehicle financing by IMFI in 2011, motorcycle financing (which financed 128,208 motorcycle units) constituted 49.9%, passenger car financing (which financed 3,839 passenger car units) 16.4%, commercial vehicle financing (which financed 958 commercial vehicle units) 11.0% and heavy equipment financing (which financed 345 heavy equipment units) 22.7%. Out of Rp.2,159 billion disbursed in vehicle financing by IMFI in the nine months ended 30 September 2012, motorcycle financing (which financed 68,453 motorcycle units) constituted 39.7%, passenger car financing (which financed 3,121 passenger car units) 19.3%, commercial vehicle financing (which financed 1,141 commercial vehicle units) 19.7% and heavy equipment financing (which financed 168 heavy equipment units) 21.3%.

Typically, the Target Group's motorcycle loans have a term of 28 months, passenger car loans have a term of 40 months, commercial vehicle loans have a term of 35 months and heavy equipment loans, which are denominated in US dollars, have a term of 34 months. All vehicle loans are payable in monthly instalments.

As of 30 September 2012, 1.09% of all the Target Group's vehicle loans then outstanding were overdue by up to 30 days, 0.48% were overdue by between 31 and 60 days and 0.64% were overdue by more than 60 days. Any loans overdue for more than 180 days are written off periodically. Once the Target Group deems a loan defaulted, it contacts the customer by phone or mail, or sends one of its collectors on a home visit. The next steps in the event of non-payment within 14 additional days involves physical repossession of the vehicle and resale of the vehicle to third parties at a minimum selling price which is based on a prior valuation.

In addition, all vehicles financed by IMFI are required to be insured by one of IMFI's insurance company partners. IMFI is the first beneficiary in the event any claim is made under such insurance policies.

IMFI's sources of funds include bonds, bilateral loans, joint financing and channelling loans and shareholder equity.

Spare Parts

The Target Group sells fast moving spare parts for various major motorcycle and automobile brands under its own brand, "IndoParts". The Target Group sells approximately 2,200 different kinds of spare parts for motorcycles, and approximately 400 different kinds of spare parts for cars, including brake shoes, brake parts, chains, gears, tyres, batteries, pistons and bearings. Motorcycle parts contributed 46.4% of the Target Group's total spare part sales in 2009, 35.3% of the Target Group's total spare parts sales in 2010, 28.6% of the target Group's total spare part sales in 2011 and 30.0% of the Target Group's total spare part sales in the nine months ended 30 September 2012. The Target Group does not manufacture these spare parts and sources all "IndoParts" spare parts from local and overseas suppliers.

The Target Group distributes its motorcycle spare parts through 21 third-party distributors, and its automobile spare parts through 17 third-party distributors across Indonesia. The Target Group's end customers are vehicle workshops and vehicle owners, who purchase the parts for after-sales service.

Sales of the Target Group's "IndoParts" spare parts accounted for 6% of its net revenues in 2009, 5% of its net revenues in 2010, 3.8% of its net revenues in 2011 and 2.6% of its net revenues in the nine months ended 30 September 2012.

In addition, in November 2010, the Target Group acquired a 9.8% stake in PT Multistrada Arah Sarana Tbk, an Indonesian tyre manufacturer which is listed on the IDX. The Target Group acquired further shares in PT Multistrada Arah Sarana Tbk and its shareholding interest as of 30 September 2012 in the latter is 19.39%.

2.6 Vehicle Assembly and Manufacturing of Automotive Parts and Components

The Target Group's vehicle assembly operations are conducted by its subsidiary PT National Assemblers, which operates an assembly plant located in Jakarta. The Target Group assembles several models of passenger cars, including the Audi A6 and A4, the Volkswagen Touran, Tiguan and Golf and certain Kia models (which it only assembles and does not sell), as well as Foton light trucks from CKD parts. The Target Group began assembling the Audi A6 and the Volkswagen Golf in December 2010 and the Audi A4 in March 2011.

The Target Group also manufactures press dies and various automotive parts and components, such as movable drives for clutches, cross member deck floors, bracket comp shock absorbers, meter clusters and digital clocks, at its manufacturing plant in Bekasi.

Quality Control

The Target Group believes that quality control is important with respect to the conduct of its business, and therefore it implements quality control procedures at the different stages of its business process to check that the quality of its products meets or exceeds the required specifications. The Target Group's vehicle assembly operations for Audi and Volkswagen cars are certified by the respective principals.

2.7 Marketing, Sales, Distribution and After-Sales Service

The Target Group typically advertises and promotes its passenger car brands in print and electronic media and on television, as well as on billboards and at promotional exhibitions in shopping centers in Jakarta and other major Indonesian cities. For its commercial vehicles and heavy duty trucks and equipment, although the Target Group does limited advertising in trade journals and magazines, it primarily relies on its key account managers' relationships in the mining and construction industries.

The Target Group's advertising and promotional expenditures were Rp.50.9 billion in 2009, which accounted for 0.73% of its net sales in 2009, Rp.95.7 billion in 2010, which accounted for 0.87% of its net sales in 2010, Rp.97.2 billion in 2011, which accounted for 0.62% of its net sales in 2011 and Rp.119.3 billion in the nine months ended 30 September 2012, which accounted for 0.82% of its net sales for such period.

The Target Group operates a large distribution network for its passenger cars, commercial vehicles and heavy duty trucks and equipment throughout Indonesia. It distributes "IndoParts" spare parts to third-party independent distributors and dealerships.

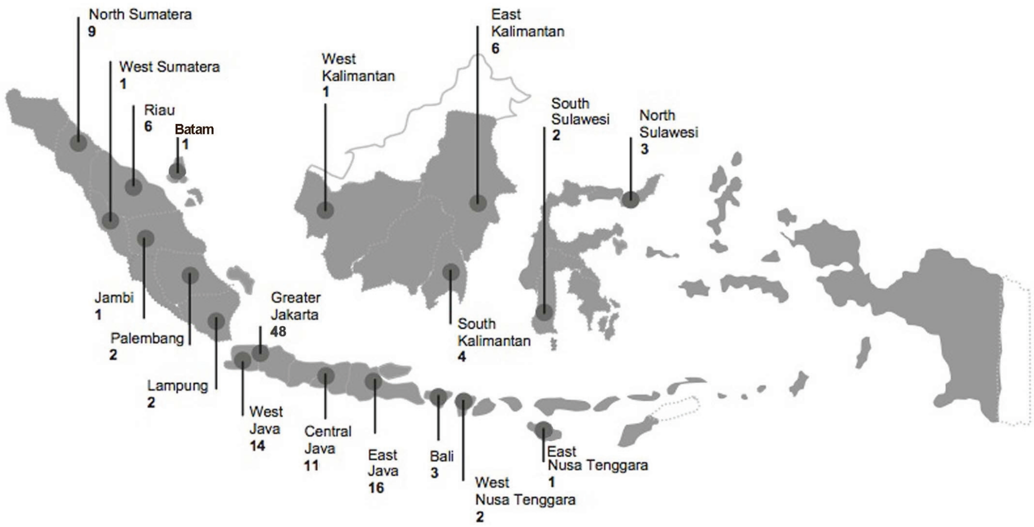
In the event of any product recalls by manufacturers, the vehicle manufacturers or their suppliers would bear the costs of such recalls, and the Target Group would charge the cost of parts and any services performed in connection with the recall to the relevant distributor or manufacturer.

In addition to the Target Group's 4S retail branches, the Target Group also distributes its spare parts to more than 8,000 independent retail outlets throughout Indonesia, including 1,283 4S retail outlets, 464 2S (after-sales service, spare parts) retail outlets and over 6,800 spare parts only outlets as of 30 September 2012. The Target Group's vehicle financing products are available at 80 IMFI branches and 132 IMFI outlets as well as more than 2,000 dealerships with whom IMFI co-operates throughout Indonesia.

The following table sets forth the number of retail branches for the brands of passenger cars, commercial vehicles and heavy equipment sold by the Target Group as of the dates indicated. All of these branches provide after-sales service on their premises, as part of their 4S services.

	As of 31 December			**As of 30 September**
	2009	**2010**	**2011**	**2012**
Nissan	46	52	65	80
Hino	11	13	13	18
Volkswagen	1	4	6	7
Suzuki	3	3	3	3
Audi	1	1	2	2
Volvo passenger cars	1	1	1	1
Infiniti	–	1	1	1
Volvo, Renault, Mack, Kalmar, Manitou & Liu Gong	12	17	21	21
Total	75	92	112	133

The map below sets out the locations of the Target Group's retail branches for the passenger cars, commercial vehicles and heavy equipment sold by the Target Group as of 30 September 2012:



The Target Group intends to increase its retail branch network numbering 133 retail branches as of 30 September 2012, by adding about 30 more retail branches by the end of 2013, barring unforeseen circumstances.

The majority of the customers of the Target Group are retail customers. Historically, other than retail customers, the largest customers have been mining contracting companies. However, none of its customers accounted for 5% or more of the Target Group's revenues in 2009, 2010, 2011 or the nine months ended 30 September 2012.

2.8 Suppliers

The Target Group relies on a large number of suppliers, both overseas and in Indonesia, in its operations.

NMI is the supplier, and NMDI is the wholesale distributor, of Nissan cars in Indonesia that supply the Target Group's cars to the Target Group's retail sales operations.

For the Audi and Volkswagen passenger cars and Foton light trucks that are assembled by the Target Group, the Target Group imports CKD parts from Germany and China, respectively.

A substantial majority of all "IndoParts" spare parts that are sold by the Target Group are sourced from various overseas and local suppliers and primarily from overseas original parts manufacturers. The Target Group has more than 30 suppliers as at 30 September 2012 and is not dependent on any single supplier for its spare parts business.

The Target Group imports CBU passenger cars, commercial vehicles and heavy duty trucks and equipment directly from the manufacturers overseas.

NMDI is the Target Group's single largest supplier, followed by HMSI and Volvo Trucks. The following table shows its five largest suppliers for the nine months ended 30 September 2012.

	% of Total Cost of Revenues
NMDI	58.28
HMSI	10.88
Volvo Trucks Corporation	4.64
Volkswagen AG	1.68
Renault Trucks S.A.S	1.55

The major suppliers who accounted for 5% or more of the Target Group's total purchases for FY2009, FY2010, FY2011 and the nine months ended 30 September 2012 are as follows:

Name of Supplier	% of Total Purchases			
	FY2009	FY2010	FY2011	FP2012
NMDI	56.2	55.7	64.0	68.8
HMSI	10.5	7.4	10.3	9.3

None of the Directors or Substantial Shareholders of the Company has an interest, direct or indirect, in HMSI (a 40%-associate company of the Target Company) or NMDI (a 25%-associate company of the Target Company), other than (where applicable) through their interests in IMAS.

2.9 Intellectual Property

The Target Group owns the "Indomobil Group", "Indomobil For You", "IndoParts" and several other related trademarks, which have been registered in Indonesia.

2.10 Subsidiaries, Associate Companies and Other Investments

The following table sets out certain information with regard to the Target Group's consolidated subsidiaries, as well as its associate companies and investee companies, as of 30 September 2012:

	Subsidiary/Associate Company/Investee Company	Percentage of Effective Ownership	Domicile	Nature of Business
	Subsidiaries:[(1)]			
	Direct			
1	PT Multicentral Aryaguna	100.00	Jakarta	Building management and outsourcing workers
2	PT Indomobil Finance Indonesia	100.00	Jakarta	Financing
3	PT Indomobil Wahana Trada	100.00	Jakarta	Dealership
4	PT Central Sole Agency	100.00	Tangerang	Importer of Volvo sedan and spare parts, distributor of "IndoParts"
5	PT Wahana Inti Central Mobilindo	100.00	Jakarta	Great Wall distributor
6	PT IMG Sejahtera Langgeng	99.98	Jakarta	Trading, goods and services, investment company
7	PT National Assemblers	99.89	Jakarta	Assembling
8	PT Unicor Prima Motor	96.48	Jakarta	Hino distributor
9	PT Garuda Mataram Motor	99.46	Jakarta	VW and Audi sole agent
10	PT Rodamas Makmur Motor	90.00	Batam	Dealership
11	PT Indotruck Utama	75.00	Jakarta	Distributor

	Subsidiary/Associate Company/Investee Company	Percentage of Effective Ownership	Domicile	Nature of Business
	Indirect			
1	PT Wahana Prima Trada Tangerang	100.00	Tangerang	Dealership
2	PT Wahana Wirawan Manado	100.00	Manado	Dealership
3	PT Wahana Wirawan	100.00	Jakarta	Dealership
4	PT Auto Euro Indonesia	100.00	Jakarta	Trading, importer of Renault vehicles
5	PT IMG Bina Trada	100.00	Jakarta	Workshop
6	PT Wahana Indo Trada	100.00	Tangerang	Dealership
7	PT Indomobil Trada Nasional	99.99	Jakarta	Dealership
8	PT Indomobil Multi Trada	99.99	Jakarta	Dealership
9	PT Wangsa Indra Permana	99.98	Jakarta	Dealership
10	PT Indomurayama Press & Dies Industries	99.98	Bekasi	Press and dies manufacturing
11	PT Wahana Inti Selaras	99.98	Jakarta	Sole agent of Volvo and Mack trucks
12	PT Kharisma Muda	97.51	Jakarta	Car rental
13	PT CSM Corporatama	97.50	Jakarta	Car rental
14	PT Indomobil Bintan Corpora	97.50	Bintan	Car rental
15	PT Wahana Indo Trada Mobilindo	97.50	Jakarta	Car rental
16	PT Indomobil Prima Niaga	96.51	Jakarta	Dealership
17	PT Wahana Wirawan Palembang	95.10	Palembang	Dealership
18	PT Indobuana Autoraya	85.84	Jakarta	Volvo, Foton distributor
19	PT Marvia Multi Trada	79.98	Tangerang	Trading, industry, transportation services
20	PT Indo Traktor Utama	59.99	Jakarta	Trading
21	PT Prima Sarana Gemilang	59.99	Jakarta	Mining, exploration, exploitation
22	PT Eka Dharma Jaya Sakti	59.99	Jakarta	Volvo distributor in Kalimantan
23	PT Lippo Indorent	58.50	Jakarta	Gas station
24	PT Wahana Niaga Lombok	55.00	Lombok	Dealership
25	PT United Indo Surabaya	51.00	Surabaya	Dealership
26	PT Wahana Meta Riau	51.00	Pekanbaru	Dealership

	Subsidiary/Associate Company/Investee Company	Percentage of Effective Ownership	Domicile	Nature of Business
	Indirect			
27	PT Wahana Lestari Balikpapan	51.00	Balikpapan	Dealership
28	PT Wahana Sumber Baru Yogya	51.00	Yogyakarta	Dealership
29	PT Wahana Senjaya Jakarta	51.00	Jakarta	Dealership
30	PT Wahana Megah Putra Makassar	51.00	Makassar	Dealership
31	PT Wahana Inti Nusa Pontianak	51.00	Pontianak	Dealership
32	PT Wahana Sumber Trada Tangerang	51.00	Tangerang	Dealership
33	PT Wahana Persada Jakarta	51.00	Bogor	Dealership
34	PT Wahana Sumber Lestari Samarinda	51.00	Samarinda	Dealership
35	PT Wahana Adidaya Kudus	51.00	Kudus	Dealership
36	PT Wahana Rejeki Mobilindo Cirebon	51.00	Cirebon	Dealership
37	PT Wahana Jaya Indah Jambi	51.00	Jambi	Dealership
38	PT Wahana Jaya Tasikmalaya	51.00	Tasikmalaya	Dealership
39	PT Indo Auto Care	51.00	Tangerang	Trading
40	PT Indomatsumoto Press & Dies Industries	50.99	Jakarta	Press and dies manufacturing
41	PT Indosentosa Trada	50.50	Bandung	Dealership
42	PT Wahana Sun Motor Semarang	50.50	Semarang	Dealership
43	PT Wahana Sun Solo	50.50	Solo	Dealership
44	PT Wahana Persada Lampung	50.50	Bandar Lampung	Dealership
45	PT Wahana Delta Prima Banjarmasin	50.50	Banjarmasin	Dealership
46	PT Wahana Trans Lestari Medan	50.50	Medan	Dealership
47	PT Wahana Sun Hutama Bandung	50.50	Bandung	Dealership
48	PT Indotama Maju Sejahtera	49.99	Jakarta	Inactive
49	PT Indomobil Cahaya Prima	49.20	Mataram	Dealership
50	PT Indomobil Sumber Baru	48.72	Semarang	Dealership

	Subsidiary/Associate Company/Investee Company	Percentage of Effective Ownership	Domicile	Nature of Business
	Associate companies:			
1	PT Indo VDO Instrument	49.99	Bekasi	Speedometer manufacturing
2	PT Indotrada Sugiron	49.99	Tangerang	Trading
3	PT Indo Citra Sugiron	49.99	Jakarta	Distributor
4	PT Kyokuto Indomobil Manufacturing Indonesia	48.99	Cikampek	Manufacturing
5	PT Car & Cars Indonesia	48.75	Jakarta	Distributor
6	PT Hamfred Technology Indonesia	48.75	Jakarta	Distributor
7	PT Gunung Ansa(2)	48.65	Jakarta	Car rental
8	PT Hino Motors Sales Indonesia	40.00	Jakarta	Distributor
9	PT Intindo Wahana Gemilang	27.20	Jakarta	Inactive (under liquidation process)
10	PT Nissan Motor Distributor Indonesia	25.00	Jakarta	Nissan distributor
11	PT Nissan Motor Indonesia	25.00	Purwakarta	Assembling
12	PT Jideco Indones	25.00	Purwakarta	Vehicle parts manufacturing
13	PT Swadharma Indotama Finance(3)	24.55	Jakarta	Financing
14	PT Sumi Indo Wiring Systems	20.50	Purwakarta	Vehicle wire manufacturing
15	PT Vantec Indomobil Logistics	20.00	Jakarta	Logistics

	Subsidiary/Associate Company/Investee Company	Percentage of Effective Ownership	Domicile	Nature of Business
	Investee companies:			
1	PT Nayaka Aryaguna	100.00	Jakarta	Inactive (under liquidation)
2	PT Lear Indonesia	25.00	Purwakarta	Inactive
3	PT Bringin Indotama Sejahtera Finance	19.60	Jakarta	Financing
4	PT Multistrada Arah Sarana	19.39	Cikarang	Tyre manufacturing
5	PT Univance Indonesia	15.00	Purwakarta	Vehicle parts manufacturing
6	PT Sumi Rubber Indonesia	15.00	Jakarta	Tyre manufacturing
7	PT Indojakarta Motor Gemilang	10.81	Jakarta	Dealership
8	PT Buana Indomobil Trada	10.81	Jakarta	Dealership
9	PT Indocar Tatabody	10.81	Jakarta	Inactive (under liquidation)
10	PT Hino Motors Manufacturing Indonesia	10.00	Jakarta	Assembling
11	PT Kotobukiya Indo Classic Industries	10.00	Purwakarta	Vehicle mat manufacturing

	Subsidiary/Associate Company/Investee Company	Percentage of Effective Ownership	Domicile	Nature of Business
	Investee companies:			
12	PT United Indohada	10.00	Surabaya	Inactive
13	PT Inti Ganda Perdana	10.00	Jakarta	Rear axle and propeller shaft manufacturing
14	PT Unipress Indonesia	10.00	Cikampek	Manufacturing
15	PT Suzuki Indomobil Sales	9.91	Jakarta	Suzuki distributor
16	PT Armindo Perkasa	9.65	Bogor	Dealership
17	PT Suzuki Indomobil Motor(4)	9.00	Jakarta	Assembling
18	PT Autotech Indonesia	5.39	Purwakarta	Steering columns, steering shaft manufacturing
19	PT Wahana Inti Sela(5)	2.97	Jakarta	Inactive

Notes:

(1) Please see "The Organisational Structure" in Section 2.4 of this Appendix A for the interests of the Salim Group in the Target Group's subsidiaries.

(2) Members of the Salim Group, namely PT Ombakindo Kreasi and PT Sutowido Galangpratama have an aggregate interest of 0.02% in PT Gunung Ansa.

(3) The remaining 75.45% in PT Swadharma Indotama Finance is owned by members of the Salim Group, namely, PT TI, PT Asuransi Central Asia, PT Indolife Pensiontama, PT Asuransi Jiwa Central Asia Raya and PT Wahana Inti Sela.

(4) PT Serasi Tunggal Karya, a member of the Salim Group, has an interest of 1% in PT Suzuki Indomobil Motor.

(5) The remaining 97.03% in PT Wahana Inti Sela is owned by PT TI, a member of the Salim Group.

2.11 Competition

The automotive industry in Indonesia is highly competitive. The Target Group's passenger cars compete primarily with Toyota and Daihatsu brands, which are distributed in Indonesia by Astra Group, as well as with Honda and Mitsubishi. Its passenger cars compete in each category generally based on price, size, equipment level, reliability, horsepower, fuel efficiency, exterior and interior design, and brand recognition and loyalty. In general, due to the Indonesian import duty structure, imported CBU cars are at a competitive disadvantage in relation to cars assembled in Indonesia from CKD parts.

The Target Group's commercial vehicles compete primarily with Isuzu, UD Trucks (formerly known as Nissan Trucks) and Mitsubishi of Japan, which are distributed in Indonesia by Astra Group and PT Krama Yudha Tiga Berlian Motors. Its heavy duty trucks compete primarily with Scania, Mercedes Benz, Iveco and Man. Its heavy equipment competes primarily with heavy equipment manufactured by companies such as Komatsu, Caterpillar, Konecrane and JCB (JC Bamford).

The Target Group's commercial vehicles and heavy duty trucks and equipment compete generally based on loading capacity, fuel efficiency, total cost of ownership, reliability, level of after sales service and technical specifications.

The Target Group also competes, though not significantly, with "parallel importers" of passenger cars that import CBU cars from various suppliers other than authorised distribution channels in Indonesia. "Parallel imports" have been allowed in Indonesia since 2001.

The Target Group's financing products compete with vehicle financing products offered by other vehicle finance companies, such as Adira Finance, Oto Multi Finance and Wom Finance, and major Indonesian banks, such as PT Bank CIMB Niaga, PT Bank Central Asia ("**BCA**") and PT ANZ Panin Bank. Commissions paid to the dealer by the other finance companies or banks are typically similar with that paid by the Target Group. The other finance companies typically also charge similar interest rates as the Target Group. Although banks have historically provided slightly lower interest rates, they generally have more stringent and slower credit processing procedures. In practice, the financing company or bank that a customer uses is typically often decided by the dealer, and as a result, the Target Group's financing products compete generally based on service and relationship with the retail dealers.

The Target Group's spare parts compete with both original parts sold and distributed by manufacturers and with other after-market parts sold by other spare parts companies such as Astra Oto Parts. Its spare parts compete generally on brand recognition and loyalty, quality and price and availability of product.

2.12 Awards and Accolades

The Target Group has received multiple awards for the vehicles sold by the Target Group over the years. Its Nissan dealership ranked at number two of JD Power Asia Pacific's 2010 Sales Satisfaction Index and at number three of JD Power Asia Pacific's 2010 Customer Service Index in Indonesia. In addition, the Target Group's models received accolades such as being the best vehicles in their category from Otomotif Awards 2010 for Audi A4 and Volkswagen Golf GTI, Autobild Awards 2010 for Audi Q5, Volkswagen Golf GTI and Nissan Teana, Mobil Motor Awards 2010 for Nissan Teana (including being named Car of the Year 2010) and Nissan X-Trail, Car & Tuning Guide Awards 2010 for Nissan X-Trail, Volkswagen Touran and Audi R8-V10 and Autocar Indonesia Reader's Choice Awards 2010 for Nissan Grand Livina, Volkswagen Golf TSI and Audi Q5, while IMFI was recognized as one of 2010's "Excellent" multi-finance companies in Indonesia with assets over Rp.1 trillion by the Infobank Magazine.

In 2011, the Target Group was named by Forbes Indonesia as one of the top 10 big companies (i.e. companies with sales over US$1 billion). This award is based on several indicators, namely the consistency of the company's operating income in the last five years, sales for the last five years, the increase in stock prices in the last year, and growth in the EPS of the company in the last three to five years. Additionally, the following vehicle models of the Target Group received accolades for being the best vehicle model in their respective categories:

Award	Vehicle Model
Target Car Best Buys Awards	Nissan Navara, VW Golf TSI, VW Touran, Audi Q5
Otomotif Award 20 years	Nissan March, Nissan NP 300, Nissan Grand Livina, VW Golf TSI
Car & Tuning Guide Magazine Awards 2011	Nissan Juke, VW Touran
Mobil Motor Indonesia Car of The Year 2011	Nissan Juke, Nissan Grand Livina, VW Touran TSI AT
Autobild Indonesia Award 2011	Nissan Juke, Infiniti FX, VW Golf TSI AT and Audi A6

In 2012, the Target Group was named by Investor Magazine as best public company in various industry sectors. Additionally, the following vehicle models of the Target Group received accolades for being the best vehicle model in their respective categories:

Award	Vehicle Model
Autocar Indonesia Readers Choice Awards 2012	Nissan March, Nissan Juke, Audi A6, VW Golf TSI, Volvo XC 60
Otomotif Award 2012	Nissan March, Nissan Elgrand, Nissan Juke, Nissan Murano, Audi A4, VW Golf TSI
Target Car Best Buys Awards	Nissan March, Audi A6, VW Golf TSI, VW Touran, Nissan Juke, Nissan Frontier Navara

2.13 Seasonality

The Target Group usually experiences an increase in sales volumes between March and November, except for the month after Lebaran (the end of the Muslim fasting period). Typically, the Target Group's sales volumes are lowest in January.

2.14 Import Duties and Other Applicable Taxes

The vehicles that are sold by the Target Group, both those that are imported CBU and those that are assembled locally from CKD parts, are subject to various Indonesian import duties, as well as different luxury and VAT tax rates (currently, the VAT rate is 10%). The table below sets forth the current tax framework for each vehicle category and engine size, and import duty and tax rates applicable to the Target Group's models. Please see also "Regulatory Overview" set out in Section 15 of this Appendix A.

		Import Duty		Luxury	
Vehicle Category	**Engine Size**	**CBU**	**CKD**	**Tax**	**Models**
Passenger < 10 (Sedan)	cc ≤ 1.5			30%	–
	1.5 < cc ≤ 3.0(G) / 2.5 (D)			40%	Teana, A4, A5, A6, S80, Beetle, TT
	cc > 3.0 (G) / 2.5 (D)			75%	A8, M37, G37, GT-R
Passenger ≤10 4x2 (MPV, SUV, Hatchback)	cc ≤ 1.5			10%	March, Grand Livina 1.5, Juke, Evalia, Golf 1.4, Touran, Polo, Scirocco 1.4
	1.5 < cc ≤ 2.5	40%	10%	20%	X-Trail, Serena, A3, Grand Livina 1.8, C30, Scirocco 2.0, Elgrand 2.5, Golf 2.0, Caravelle, C30, XC60
	2.5 < cc ≤ 3.0 (G)			40%	–
	cc > 3.0 (G) / 2.5 (D)			75%	Elgrand 3.5
4x4 (Jeep / Van 4x4)	cc ≤ 1.5			30%	–
	1.5 < cc ≤ 3.0(G) / 2.5 (D)			40%	Q5, Q7 3.0, XC90 2.5, Q3
	cc >3.0(G) / 2.5 (D)			75%	Q7 4.2, FX37, FX50, XC90 3.2, Murano, Touareg
People's Carrier Passenger > 10 (Bus)	GVW < 6 ton (G/D)	40%		10%	Hino
	6 ton < GVW ≤ 18 ton (G/D)	20%	10%		
	18 ton < (G/D) ≤ 24 ton (G/D)	40%			
	GVW > 24 ton (G/D	10%	5%		
Truck/Pick-Up	GVW < 5 ton (G/D)	40%		0%	Hino
	5 ton ≤ GVW ≤ 24 ton (G/D)		10%		
	GVW > 24 ton (G/D)	10%	5%		
Double Cabin 4x4/4x2	GVW < 5 ton (G/D) Double Cabin all cc	45%		20%	Frontier
Motorcycle	cc ≤ 0.25	25%	10%	0%	n/a
	0.25 < cc ≤ 0.50			60%	
	cc > 0.50	40%		75%	

<u>**Note**</u>:

(1) G = gasoline, D = diesel, cc = engine capacity measured in litres, GVW = gross vehicle weight.

2.15 Environmental Considerations

The Target Group is subject to various environmental regulations and certain undertakings that it has provided to the Indonesian Government under the terms of various licenses that it holds. The Target Group believes that its operations are compliant in all material aspects with applicable environmental regulations and it has obtained all necessary licenses with respect to environmental regulations.

In 2009, the Indonesian Government introduced Law No. 32 of 2009 on the Protection and Management of the Environment (the "**Environmental Law**") to uphold environmental protection in Indonesia and to create sustainable development with regard to the environment. Environmental protection in Indonesia is also governed by other laws, regulations and decrees, including Indonesian Government Regulation No. 27 of 1999 on Analysis of Environmental Impacts (AMDAL) ("**GR 27/1999**") and Regulation of the Indonesian Minister of the Environment No. 11 of 2006 on Businesses and/or Action Plans which must be completed with AMDAL.

Any activity having a major or significant impact on the environment must be analysed to determine the environmental impact. This analytical process is known as an "AMDAL" and involves the preparation of an AMDAL Report (Environmental Impact Analysis Report); an RKL (Environmental Management Plan); and an RPL (Environmental Monitoring Plan). GR 27/1999 stipulates general provisions for those activities which require an AMDAL, and the mechanism for preparing, evaluating and approving an AMDAL.

Under Regulation of the Indonesian Minister of the Environment No. 13 of 2010 on Environmental Management Efforts, Environmental Monitoring Efforts and Capability Statement for Environmental Management and Monitoring, companies which are not required to prepare an AMDAL are required to prepare a UKL (Environmental Management Effort) and a UPL (Environmental Monitoring Effort). The Target Group has prepared a UKL and a UPL for its assembly plant.

Under the Environmental Law, the Target Group is obliged to obtain an Environmental License within one year from the enactment date of the Environmental Law. Failure to comply would make the Target Group subject to administrative sanctions, which could be in the form of (i) written warnings; (ii) government coercion; (iii) suspension of its Environmental License; or (iv) revocation of its Environmental License. The revocation of the Environmental License will result in the revocation of the Target Group's business license. In February 2012, the Government issued Government Regulation No. 27 of 2012 on Environmental License ("**GR 27/2012**") as one of the implementing regulations of the Environmental Law. GR 27/2012 became effective on 23 February 2012. According to GR 27/2012, the Environmental License will be issued by the State Minister of Environment, governor or mayor/regent (in accordance with their respective authorities) following the publication of the application for an environmental license submitted by a company and will be issued simultaneously with the issue of the environmental feasibility decision *(keputusan kelayakan lingkungan hidup)* or UKL-UPL recommendations. Please see "Regulatory Overview — Environmental Protection Regulations" set out in Section 15.5 of this Appendix A.

The Target Group equips its assembly plant with waste processing facilities and employs personnel to monitor compliance with established environmental standards. The Target Group's waste management activities principally involve the monitoring and disposal of solid waste (such as iron scrap, plastic scrap and aluminium scrap), liquid waste (such as waste oil, washing thinner waste and coolant waste) and gaseous waste. The Target Group processes liquid waste in waste processing facilities and releases it once the liquid waste satisfies the relevant environmental standards.

The Target Group also holds various related environmental licenses, including (i) a Letter of Approval for the Environmental Management Plan and Letter of Approval for Monitoring Plan, (ii) a Recommendation Letter to approve the Environment Management Document for Motor Vehicle Workshop, (iii) a Permit to Extract and Use Underground Water for Industrial Activities and (iv) various Certificates of Toxic Waste in relation to the management of used oil. Most of such related environmental licenses are issued by the regional government of each area. Such licenses are valid so long as the Target Group carries out its business. However, the Target Group is required to submit a periodic report to the relevant authorities regarding the implementation of impact monitoring and management on the environment.

2.16 Employees, Training and Labour

As of 30 September 2012, the Target Group had approximately 12,800 employees, including approximately 6,600 permanent and approximately 6,200 contract employees. The following table sets forth the Target Group's employees by function as of the dates indicated:

	As of 31 December			As of 30 September
	2009	2010	2011	2012
	16	16	14	14
Sales and marketing	1,464	1,918	2,609	3,289
Marketing support	795	931	947	935
Finance and accounting	471	532	697	841
Workshop technicians and engineers	1,633	2,193	2,595	3,322
Factory workers	272	263	246	650
Credit analysts	821	1,015	988	903
Collectors	714	736	765	748
Personnel and general & administrative	374	449	508	631
Information technology	19	34	78	91
Mining contracting	–	–	337	613
Others	557	590	795	777
Total	7,136	8,677	10,579	12,814

The Target Group offers training to its employees. The workshop technicians of the Target Group undergo extensive training which lasts more than two years. In 2011, the Target Group trained 1,595 Nissan technicians, 347 Hino technicians and 653 heavy duty trucks and equipment technicians.

All of the Target Group's employees are also covered by the Indonesian Government-sponsored social security insurance fund (*Jamsostek*), which involves employee and employer contributions of a percentage of the employee's base salary as mandated by Indonesian regulations.

A majority of employees at the Target Group's National Assemblers assembly plant are members of a labour union. The Target Group believes that it has good relations with this labour union. As at 30 September 2012, the Target Group has not experienced any strikes, labour disputes or industrial action that has had a material effect on its business.

2.17 Insurance

The Target Group's significant insurance policies include property and earthquake insurance coverage and the Target Group also cover its inventories and customer vehicles on its premises as well as insure the Target Group against losses resulting from fire, lightning, explosion, impact of aircraft, smoke, riot, strikes, malicious damage, civil commotion, flood, tempest, windstorm, water damage, machinery breakdown, earthquake, volcanic eruption and tsunami. In addition, the Target Group has industrial all-risk insurance coverage for its assembly plant totalling Rp.66.6 billion as of 30 September 2012 covering losses resulting from property damage, riot, strike, civil commotion, terrorism, sabotage, theft and robbery. The Target Group also maintains insurance coverage on marine cargo. It does not have full insurance coverage against any losses arising from business interruption, expropriation or product liability.

The Target Group maintains insurance coverage totalling Rp.4,991 billion as of 30 September 2012 in respect of the Target Group's operations.

2.18 Legal Proceedings

From time to time, the Target Group is involved in legal proceedings concerning matters arising from the conduct of its business. It is currently not involved in any legal proceedings that it believes could, if determined against the Target Group, have a material adverse impact on the Target Group.

3 RISK FACTORS

An investment in the IMAS Shares by the Company involves a number of risks, some of which could be substantial, including market, liquidity, credit, operational, legal and regulatory risks relating to the Target Group, and also may be inherent in the Target Group's business.

Some of the following considerations relate principally to the industry in which the Target Group operates and its business in general. Other considerations relate principally to general economic, political and regulatory conditions, the securities market and ownership of the IMAS Shares. These are not the only risks which the Target Group faces. Some risks are not yet known to the Target Group and there may be others which they currently believe are not material but may subsequently turn out to be so. Factors that affect the value or trading price of the IMAS Shares may change and the following should not be construed as a comprehensive listing of all the risk factors and the listing is not set out in any particular order.

*If any of the following considerations, risks and uncertainties develops into actual events, the financial position, results, cash flow, performance, business operations and prospects (collectively referred to as "**Business**" in this section) of the Target Group could be, directly or indirectly, materially and adversely affected. In the event that any of the foregoing occurs, the trading price of the IMAS Shares could fluctuate and/or decline and the Company may lose all or part of its investment in the IMAS Shares.*

This Appendix A also contains forward-looking statements that involve risks, uncertainties and assumptions. The actual results could differ materially from those anticipated or implied in these forward-looking statements as a result of certain factors described below and elsewhere in this Appendix A.

3.1 RISKS RELATING TO THE BUSINESS OF THE TARGET GROUP AND ITS INDUSTRY

The Target Group may encounter problems with its joint venture partners or principals which may adversely affect its Business.

Some of the operations of the Target Group are conducted in conjunction with or directly or indirectly in reliance on certain joint venture parties and principals, such as Nissan Motor Company Ltd. of Japan or Hino Motors, Ltd. of Japan. The Target Group has shareholding interests in NMI and HMMI (being the Target Group's associate company and investee company, respectively) which assemble passenger cars and commercial vehicles for Nissan Motor Company Ltd. and Hino Motors, Ltd.. These vehicles are then distributed and sold in Indonesia via NMDI and HMSI (being the Target Group's associate companies).

If there are disagreements between the Target Group and its joint venture partners and principals regarding the business and operations of the joint ventures, there is no assurance that the Target Group will be able to resolve them in a manner that will be in the interests of the Target Group. Moreover, the Target Group's joint venture partners and principals may (i) have economic or business interests or goals that are inconsistent with the Target Group; (ii) take actions contrary to the instructions, requests, policies or objectives of the Target Group; (iii) be unable or unwilling to fulfil their obligations; (iv) have financial difficulties; or (v) have disputes with the Target Group as to the scope of their responsibilities and obligations. Any of these and other factors may materially and adversely affect the Business of the Target Group and any investment in the Shares.

The Target Group is dependent on distributorships and/or dealerships for the automotive brands that the Target Group represents.

The Target Group's distributor and dealership rights for automotive brands it represents are governed by the agency, joint venture, distribution or dealership agreements (the "**Distributorship Agreements**") entered into between the Target Group and its automotive manufacturer principals. Please see "Products and Services" in Section 2.5 and "Material Agreements" in Section 6 of Appendix A of this Circular.

The Distributorship Agreements are renewed automatically every year and the business relationships with a number of the Target Group's automotive manufacturer principals have been in place for many years. However, under the Distributorship Agreements, the automotive manufacturer principals have a right to terminate the Distributorship Agreements for specific reasons, such as failure by the Target Group to reach certain agreed minimum sales targets in a given year or if the Target Group is in default of other obligations and duties under the Distributorship Agreements subject to applicable Indonesian laws and regulations. For example, the Target Group's sales target for Nissan vehicles increased for 2011 and further increased for 2012 due to the introduction of new models and increased market demand.

There is no assurance that the Target Group will be able to renew the Distributorship Agreements on a timely basis, on commercially acceptable terms, or at all, or that the Distributorship Agreements will not be terminated by the automotive manufacturer principals for various reasons, including a change of their business strategies. The failure to renew any of the Distributorship Agreements may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

The Target Group's business operations are subject to restrictions imposed by, and significant influence from, its joint venture partners and the principals of the automotive brands the Target Group represents.

The joint venture partners and the principals of the automotive brands the Target Group represents may, under their existing Distributorship Agreements with the Target Group subject certain aspects of the Target Group's operations to various restrictions including, amongst others, precluding the Target Group from obtaining additional dealership rights for failing to fulfil certain performance criteria including criteria relating to sales results or customer satisfaction ratings, and setting pricing guidelines for the sale and distribution of automobiles and automotive spare parts.

There is no assurance that the Target Group will be able to successfully negotiate the restrictions under its existing Agreements with the respective joint venture partners or automotive manufacturer principals on more favourable terms, if at all. The restrictions imposed by the Target Group's joint venture partners and the principals could impair the Target Group's ability to respond to changes in the market or its business operations. Such an occurrence may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

The Target Group is dependent on the product brands managed and distributed by it.

The development of the brands managed and distributed by the Target Group is critical in attracting new customers to the products of the Target Group and maintaining the loyalty of its existing customers. If the quality and reputation of the Target Group's current products deteriorate, then the value of the brands managed and distributed by the Target Group could be diminished and this may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

Increase in cost, disruption of supply, or shortage of CKD or spare parts could materially harm the Target Group's Business.

The Target Group uses CKD parts in its vehicle assembly operations, and also distributes generic motorcycle and automobile spare parts that it purchases from third-party suppliers. The prices for these items fluctuate depending on market conditions and prices of materials used in such items, such as steel. In recent years, freight charges and material costs have increased significantly. Substantial increases in the prices for the spare parts increase the Target Group's operating costs and could reduce the Target Group's profitability if they result in lower consumer demand for the vehicles which the Target Group sells or supplies spare parts for. In addition, the Target Group depends on a limited number of suppliers for some of these parts, such as engine components and transmission components. The Target Group cannot guarantee that it will be able to maintain favourable arrangements and relationships with these suppliers.

In addition, in the Target Group's vehicle retail dealership operations, it depends entirely on supplies of such vehicles from either the manufacturers overseas or the assembly and wholesale distributor companies in Indonesia. For example, the Target Group's Nissan retail dealership operations depend on the supply of Nissan cars from its associate companies and its Hino retail dealership operations depend on the supply of Hino vehicles from its investee companies, each of which depends on supplies of CKD parts which are primarily imported.

An increase in the cost or a sustained interruption in the supply or shortage of CKD parts or vehicles, which may be caused by a deterioration of the Target Group's relationships with suppliers, natural disasters, such as the earthquake and tsunami in Japan, labour strikes or other factors, may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

The Target Group's future success depends on its ability to offer new, innovative and high quality products and meet consumer demand.

Meeting consumer demand with new and high quality vehicles and equipment is critical to the Target Group's success as a distributor of passenger cars and commercial vehicles in Indonesia. Any general shift in consumer preference towards different types of vehicles, which could result from, among other things, government regulations, environmental concerns and increasing fuel prices, could impact the Target Group's profitability. Any inability on the part of the manufacturers to continue to improve the quality of the vehicles which the Target Group sells, delays in bringing new vehicles to market, inability to achieve defined efficiency targets without suffering from quality losses and lack of market acceptance of new models may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

An increase in fuel prices, continued volatility of fuel prices or reductions in the fuel subsidies for private passenger cars given by the Indonesian Government may have a material adverse effect on vehicle demand.

Increases in fuel prices from global oil prices or changes to Indonesian Government fuel subsidies can affect vehicle demand, and in particular, cause a reduction in consumer demand for larger passenger cars which are less fuel efficient.

The Indonesian Government has previously in 2005 and 2008 reduced fuel subsidies to the public, despite public demonstrations. In December 2010, Indonesia's parliament approved a plan to allow subsidized fuel for public transport and motorcycles, and to restrict the sales of subsidised fuel to private passenger car users in Indonesia. The Indonesian Government announced in March 2012 that it would hold off implementing the plan, but did not indicate when such plan may be implemented. Currently, restrictions on the use of subsidised fuel only apply to government cars and cars owned by plantation and/or mining companies. However, the Indonesian Government is currently promoting the use of non-subsidised fuel throughout Indonesia. If the plans to restrict the sales of subsidised fuel to private passenger car users in Indonesia were implemented as intended, such restrictions could weaken the demand for less fuel efficient passenger cars as well as passenger cars generally. While the Target Group believes that some of the models sold by it, such as Nissan March and Nissan Grand Livina, are more fuel efficient than comparable models of its competitors, there is no assurance that any decrease in consumer demand for certain types of passenger cars or passenger cars in general would not materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

Global capital and credit market issues could negatively affect the Target Group's liquidity, increase its costs of borrowing, and disrupt the operations of its customers.

In 2008 and 2009, the capital and credit markets in much of the world experienced increased volatility and disruption, making it more difficult for companies to access those markets. The Target Group depends on stable, liquid, and well-functioning capital and credit markets to fund its operations. Although the global credit crisis did not generally affect its business and the health of the Target Group or Indonesian banks as acutely as corporations and banks in the United States and certain other countries, the global financial crisis did have a significant impact on certain sectors of Indonesia's economy, including the Indonesian automotive industry, and the stability of the Indonesian financial markets in late 2008 and 2009. Any recurrence or subsequent after-effects of the financial and credit crisis could affect Indonesia more severely in the future, and affect the ability of the Target Group to obtain bank financing and access the capital markets or increase the cost of doing so. Any disruptions experienced by the customers of the Target Group as a result of tighter capital and credit markets or a slowdown in the general economy may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

The Target Group faces risks associated with substantial amounts of indebtedness.

The Target Group has taken a considerable amount of debt financing, including a substantial amount of short term borrowings, to finance the expansion of strategies undertaken by the Target Group which includes the growth of its financing arm.

As at 30 September 2012, the total indebtedness of the Target Group owing to banks and financial institutions amounted to approximately Rp.7,876 billion. Out of the Target Group's total indebtedness as at 30 September 2012, approximately Rp.2,606 billion amounting to 33.09% accounts for the Target Group's short term borrowings. Please refer to Note 12 and Note 16 of the Target Group's unaudited consolidated financial statements as of and for the nine months ended 30 September 2012 for more details.

The Target Group currently has significant obligations to service its bank borrowings and will continue to face high debt levels in the future due to its expansion plans and requirements for additional working capital. The Target Group's debt to equity ratio (defined as the ratio of total indebtedness to shareholders' equity) as at 30 September 2012, was approximately 1.44 times. As such, the Target Group is subject to risks associated with substantial amounts of indebtedness, including the risks of its cash flows not being able to meet the required payment of principals and/or interests. In the event that the Target Group is unable to make timely payments of the principals and/or interests, it may face consequences including the risk of having enforcement action taken against its assets which have been used to secure its borrowings and the risk of having insolvency proceedings taken against it.

Moreover, while in the past cash flows from the Target Group's operations had been sufficient to meet payments to the financial institutions, there is no assurance that it will be able to do so in future. The Target Group is also reliant on short term borrowings provided by various financial institutions for its operating cash flow and working capital requirements. There is no assurance that these financial institutions will continue granting the Target Group short term loans or related banking facilities on commercially acceptable terms.

The Target Group may have also underestimated its capital requirements and other expenditures or overestimate its future cash flows. In such events, additional capital, debt or other forms of financing may be required for the Target Group's working capital requirements. If the Target Group is unable to raise additional capital, debt or other financing, including short-term financing, to meet its working capital requirements, the Business of the Target Group and any investment in the IMAS Shares may be materially and adversely affected.

Fluctuations in the value of the Rupiah may materially and adversely affect the Target Group's Business.

The functional currency of the Target Group is the Rupiah. One of the most important immediate causes of the economic crisis that began in Indonesia in mid-1997 was the depreciation and volatility of the value of the Rupiah as measured against other currencies, such as the US dollar. Although the Rupiah has appreciated considerably from its low point of approximately Rp.17,000 per US dollar in January 1998, the Rupiah continues to experience significant volatility.

The Rupiah has, with certain exceptions, generally been freely convertible and transferable. Please see "Exchange Rates and Exchange Controls" set out in Section 8 of Appendix A of this Circular. However, from time to time, Bank Indonesia has intervened in the currency exchange markets, either by selling Rupiah or by using its foreign currency reserves to purchase Rupiah. There is no assurance that the current floating exchange rate policy of Bank Indonesia will not be modified, that additional depreciation of the Rupiah against other currencies, including the US dollar, will not occur, or that the Indonesian Government will take additional action to stabilize, maintain or increase the value of the Rupiah, or that any of these actions, if taken, will be successful. Modification of Indonesia's current floating exchange rate policy could result in significantly higher domestic interest rates, liquidity shortages or capital or exchange controls. This could result in a reduction of economic activity, an economic recession, loan defaults and increases in the price of imports. Any of the foregoing consequences may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

The Target Group's purchases of the CKD parts for the vehicles which the Target Group assembles and sells are denominated in US dollars and Euro, so a depreciation of the Rupiah against these currencies would have a negative impact on the cost of revenues of the Target Group. In addition, although the Target Group purchases Nissan cars from NMI in Rupiah, NMI's purchases of CKD parts are denominated in US dollars and a depreciation of the Rupiah against the US dollar which results in higher costs for NMI would be passed on to the Target Group. Increases in the costs of revenues of the Target Group may require the Target Group to increase the price of its cars, which may result in lower sales. As the Target Group also had net foreign currency liabilities of Rp.447 billion as of 30 September 2012, primarily as a result of US dollar-denominated short-term and long-term bank loans, a depreciation of the Rupiah against the US dollar would have the effect of increasing the cost of its US dollar-denominated interest obligations, as well as (so long as the Target Group has a net US dollar foreign currency liability) incurring net losses on foreign exchange.

Please refer to Note 30 to the audited financial statements of IMAS Group for FY2011 and the unaudited financial statements of IMAS Group for FP2012 for further information.

The Target Group is exposed to risks relating to the financial instruments of the Target Company and its subsidiaries.

The primary risks that arise from the financial instruments of the Target Company and its subsidiaries are interest rate risk, foreign exchange risk, equity risk, credit risk and liquidity risk. These risks are managed by considering the changes and the volatility of both the Indonesia and international financial markets.

The Target Company's directors and its subsidiaries have analysed and specified policies to manage these risks and these are summarised in the Target Group's Audited Financial Statements for FY2011 and Unaudited Financial Statements for FP2012. There is no assurance that the Target Company's directors and its subsidiaries are able to manage these risks effectively, failing which the Business of the Target Group and any investment in the IMAS Shares may be materially and adversely affected.

Any reduction of advertising, marketing and promotional activities by the principals of the automotive brands the Target Group represents could affect the Target Group's sales of automobiles.

The Target Group's sales of automobiles are influenced by the advertising, promotional and marketing efforts of the automotive manufacturer principals designed to foster consumer demand for their automobiles.

As part of their advertising, promotional and marketing efforts, the automotive manufacturer principals are responsible for assisting the Target Group with the advertising, marketing and promotional activities, including the production of flyers, brochures and other materials relating to such activities although the Target Group may be requested by the principals to make a minor contribution to the costs of the advertising, marketing and promotional activities. The automotive manufacturer principals also hold joint organised sales and marketing events with the Target Group and periodically offer discounts, complimentary products or services, or extended product warranties through the Target Group to customers, as part of their marketing and promotional activities. In addition, while the Target Group's sales and marketing efforts are typically tailored to target the regions in which it operates in, the success of its sales and marketing efforts is also influenced by the various advertising, marketing and promotional activities carried out by the automotive manufacturer principals carried out at a national or international level.

There can be no assurance that the automotive manufacturer principals will continue or maintain their efforts in assisting the Target Group with its advertising, marketing and promotional activities. In addition, the Target Group may not be able to influence the advertising, marketing and promotional activities carried out by the automotive manufacturer principals at a national or international level. Any reduction or change to the automotive manufacturer principals' promotional and marketing efforts or activities may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

Product defects and automobile recalls could have a material and adverse effect on the Target Group's Business.

Automobile manufacturers may conduct recalls from time to time to remedy product defects or other problems with one or more vehicle models. For instance, in FY2011, the Target Group was involved in recalls of certain Nissan models such as the Nissan X-Trail, the Nissan Grand Livina, the Nissan Livina, the Nissan March A/T and the Nissan Juke. Such recalls have not had any material adverse impact on the Target Group's financial position.

Under Indonesian Consumer Protection Law, the Target Group is not liable for any costs of such recalls unless it had carried out modification works on the product and such product was recalled. It is further stipulated under Indonesian Consumer Protection Law that the manufacturer shall be liable to provide after sale services or a service centre for its products that have not been modified. While the Target Group is typically compensated by the automobile manufacturers for its assistance in conducting recalls, customers' confidence in the quality and safety of the vehicle models that have been recalled may be affected.

Any product defects or vehicle recalls may also negatively affect the reputation of the Target Group or the automobile manufacturer and may lead to cancellation of orders by the Target Group's customers and a decline in demand for a particular vehicle model or automotive brand. This may lead to a decrease in the Target Group's sales and high level of inventories for the particular vehicle model subject to the recall, vehicles of the same automotive brand and their related automotive spare parts and components. As a result, the Target Group may have to incur costs associated with holding excess inventories or reduce its selling prices.

There can be no assurance that there not be any automobile recalls in the future affecting the products sold by the Target Group. Any product defect or automobile recall may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

The sales of the Target Group may be affected if interest rates significantly increase.

The majority of purchasers of the Target Group's vehicles rely on financing to fund their purchases. Vehicle financing rates in Indonesia are generally influenced by the cost of funds, which are in times of normal liquidity linked to Bank Indonesia benchmark reference rates. However, vehicle financing rates can also increase significantly when benchmark rates are low due to liquidity shortages, which occurred in late 2008 and part of 2009 during the global financial crisis, which contributed to the lower sales of the Target Group in 2009. In addition, although Bank Indonesia has kept its benchmark reference rate at a low of 5.75% since February 2012 up to the Latest Practicable Date, there is no assurance that the reference rate will not increase in the future. Vehicle financing for heavy duty trucks and equipment are usually financed in US dollars and therefore financing rates are influenced by US dollar interest rates.

Increases in interest rates may significantly increase the cost of vehicle financing, adversely impacting the affordability of the Target Group's vehicles, or reduce the interest rate spreads or profit margins of its vehicle finance operations. In addition, the Indonesian Government and commercial banks may also change the regulatory framework in a manner that would make vehicle financing unavailable or unattractive to potential vehicle purchasers. If the availability or attractiveness of vehicle financing is reduced or limited, many prospective purchasers may not be able to arrange or obtain vehicle financing to purchase the cars of the Target Group. The occurrence of any of these events may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

The Target Group faces increasing competition which could adversely affect its Business.

The Target Group faces intense competition in all its businesses. The Target Group's distributorship and dealership operations face competition from other automotive companies in Indonesia, which distribute passenger cars, commercial vehicles and heavy equipment which compete with its models. The financing products of the Target Group compete with products offered by other vehicle finance companies and major Indonesian banks. The spare parts business of the Target Group competes with both original parts sold by manufacturers and other generic after-market parts sold by other spare parts trading companies. Intensified competition in the Indonesian automotive industry may result in increased costs for parts, labour and promotion and advertising, all of which may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares. There is no assurance that the Target Group will be able to compete successfully in the future against its existing or potential competitors or that increased competition with respect to its activities may not materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

The Target Group's business is subject to governmental rules and regulations as well as to changes and strengthening of environmental and other regulatory controls.

The automotive industry in Indonesia is subject to various rules, regulations and policies imposed by regulatory authorities in Indonesia. The Indonesian Government may introduce new policies or amend or abolish existing policies at anytime. These changes may have a material and adverse impact on the Target Group's Business. For instance, any change in the current import duty framework in Indonesia could potentially significantly alter incentives for companies to assemble vehicles from imported CKD parts, or discourage foreign car manufacturers from continuing their joint venture partnerships with their Indonesian partners like us. Failure to comply with these laws and regulations can result in penalties or other sanctions. If any such significant changes are implemented by regulatory authorities in Indonesia, the Business of the Target Group and any investment in the IMAS Shares may be materially and adversely affected.

In addition, the Target Group is subject to regulations under Indonesian environmental laws by the Ministry of Environment and the provincial environmental authorities where the Target Group operates its assembly facilities. These laws and regulations relating to the protection of the environment may require current or previous owners of property to investigate and clean-up hazardous or toxic substances on the property. Under these laws, property owners and operators may be liable for the costs of removal or remediation of certain hazardous substances or other regulated materials on or in such property. Such laws often impose such liability without regard to whether the owner or operator knew of, or was responsible for, the presence of such substances or materials. The cost of investigation, remediation or removal of these substances may be substantial. Environmental laws may also impose compliance obligations on owners and operators of real property with respect to the management of hazardous materials and other regulated substances. Failure to comply with these laws and regulations can result in penalties or other sanctions. Existing environmental reports with respect to any of the Target Group's properties may not reveal (i) all environmental liabilities, (ii) all material environmental conditions created by prior owners or operators of the Target Group's properties, or (iii) all material environmental conditions that otherwise exist with respect to any one or more of the Target Group's properties. There also exists the risk that material environmental conditions, liabilities or compliance concerns may have arisen after the review was completed or may arise in the future. Finally, any change in environmental laws and regulations applicable to the Target Group or its assembly facilities, including environmental laws and regulations and increased governmental enforcement of environmental laws or other similar developments in the future may require the Target Group to make additional capital expenditures or incur additional operating expenses in order to maintain its current operating activities, curtail the Target Group's activities or take other actions that may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

The Target Group believes that the vehicles and heavy equipment that it sells meet current vehicle emission standards and that the Target Group is in compliance in all material respects with applicable environmental regulations. The current new vehicle emission standards are governed by Regulation of Ministry of Environment No. 4 of 2009 on Emission Limit Values of New Vehicles. However, in August 2012 the Indonesian Government promulgated a new emission standard for motorcycle category L3. This new regulation shall be effective on 1 August 2013. Under the new regulation, the maximum limit on the emission of carbon monoxide, hydrocarbon, and nitrogen oxide is lower than that stipulated in the 2009 regulation. The purpose of lowering the maximum emission limit is to reduce the level of air pollution in Indonesia. There is no assurance that a change or strengthening of such standards will not increase the cost of such vehicles and materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares. In addition, any change in tax regulations applicable to consumers of automobiles may lead to reduced demand for the products of the Target Group and materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares

There are currently no laws or regulations which limit the number of vehicles on roads in various cities. However, motor vehicles may be restricted from entering certain areas such as tourist attractions or face restriction in entering certain parts of the city during stipulated times. Furthermore, with regard to vehicle ownership regulations, the Indonesian Government does not expressly limit vehicle ownership. However, the Indonesian Government's attempts to limit personal vehicle ownership by imposing progressive vehicle tax as follows: (i) 1.5% of the determined value for the first vehicle owned by an individual; (ii) 2% of the determined value for the second vehicle owned by the same individual; (iii) 2.5% of the determined value for the third vehicle owned by the same individual; (iv) 4% of the determined value for the fourth and subsequent vehicles owned by the same individual. There is no assurance that the Indonesian Government will not impose higher progressive vehicle tax in the future which may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

Please see "Regulatory Overview" in Section 15 of Appendix A of this Circular for more information on the laws and regulations affecting the Target Group and its Business.

The plans of the Target Group to expand its business through new initiatives may not be successful.

The Target Group is an integrated automotive company, with operations spanning from vehicle assembly and distributorship to vehicle financing and trading of spare parts. Going forward, its business strategy calls for, among other things, its expansion into the mining contracting industry. Although the Target Group sells heavy equipment to the mining contracting industry, and its joint venture partner has extensive experience in the mining contracting industry, the Target Group has no prior experience as a mining contractor, which may require different expertise than what the Target Group has developed in its operations thus far. The Target Group's foray into the mining contracting industry has experienced a slowdown due to the European economic crisis and the reduced demand for coal and resources, particularly from the People's Republic of China as well as fluctuating prices of coal and resources.

In addition, from time to time, the Target Group may evaluate potential acquisitions or joint ventures that would further its strategic objectives. With respect to acquisitions and new business initiatives, the Target Group may not be able to identify suitable candidates, consummate a transaction on terms that are favourable to the Target Group, or achieve expected returns and other benefits as a result of integration challenges or anti-monopoly regulations. Companies or operations acquired or joint ventures created by us may not be profitable or may not achieve sales levels and profitability that justify the investments made. The Target Group's development activities may entail financial and operational risks, including diversion of management attention from its existing core businesses (which are automotive-related), difficulty in integrating or separating personnel and financial and other system, and negative impacts on existing business relationships with suppliers and customers. Further acquisitions and new business initiatives could also result in potentially dilutive issuances of equity securities; the incurrence of debt, contingent liabilities and/or amortization expenses related certain intangible assets; and increased operating expenses, all of which may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

Downturns in economic conditions directly impact demand for the products of the Target Group.

The financial performance of the Target Group has been and it expects will continue to be linked to economic conditions in Indonesia. The demand for the products of the Target Group has historically been, and may in the future be, adversely affected by any of the following:

- increases in interest rates and inflation or other costs;
- a weakness in the national, regional and local economies;
- the adverse financial condition of some large companies;

- any changes in taxation; and
- adverse Indonesian Government regulations and policies.

To the extent that any of these conditions occur, they may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

If the Target Group is unable to hire or retain key personnel or are unable to attract and retain qualified personnel, its operations and business may suffer.

The business of the Target Group depends on its ability to attract and retain personnel who are highly qualified in the automotive industry. The Target Group competes for such personnel with other foreign and domestic companies as well as some of its industrial customer companies and then must develop and enhance their skills and competencies, which can be very time-consuming, as in the case of its workshop technicians, whose training can take more than two years to achieve the lowest level qualification as a mechanic. In particular, the Target Group is heavily dependent upon its senior management in relation to their expertise in the automotive industry and other personnel such as managers, technicians, engineers and retail branch salespeople. The departure of any of the Target Group's senior management or the inability to hire or retain managers, mechanics, technicians, engineers and other highly skilled personnel may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

The Target Group's insurance coverage may not cover all types of possible losses and may be insufficient to cover its losses.

The Target Group maintains insurance coverage totalling Rp.4,991 billion as of 30 September 2012 in respect of the Target Group's operations . However, the Target Group may incur losses that may not be fully compensated by insurance proceeds. In addition, the Target Group does not have full insurance coverage against any losses arising from business interruption, expropriation or product liability. The Target Group also does not maintain product liability insurance. As a result, the insurance coverage of the Target Group may be insufficient to cover losses should these losses arise and the Target Group may not have sufficient funds to offset any such losses. Any payments which the Target Group makes to cover any losses, damages or liabilities not otherwise covered by insurances could be significant and may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

The Target Company is exposed to certain risks because it is a holding company.

As a holding company, the Target Company is dependent upon the activities, as well as the revenues, of its subsidiaries. In the event that there is any decline in the activities and/or the revenues of its subsidiaries, there would be a direct adverse effect upon the Target Company's own revenues. Although the Target Company does not anticipate that there will be any significant decline in the activities and/or revenues of its subsidiaries in the immediate future, there is no assurance that any decline will not occur or that the Target Group will be able to mitigate the effects of any such decline adequately, or at all. In addition, certain of the Target Group companies have entered into financing transactions which limit their ability to distribute dividends prior to repayment of the relevant facilities. Such limitations may limit the dividends that the Target Company may receive as a holding company which may, in turn, materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

Restrictions imposed by the terms of the loan agreement covenants of the Target Group may adversely affect its financial condition, and limit its ability to plan for or respond to changes in its business.

The Target Company and certain of its subsidiaries are a party to various loan agreements which impose certain restrictions on the Target Group for the duration of such agreements, including the following: (i) maintaining certain financial ratios; (ii) maintaining ownership levels of the Target Company in the relevant subsidiaries; (iii) reduction of paid-up capital; (iv) repayment of loans to shareholders and distribution of dividends out of more than a certain percentage of the borrower's profits in any financial year; (v) granting of loans and/or security to third parties and acting as guarantor to third parties; (vi) receiving loans from third parties; (vii) investing or engaging in new businesses not related to the borrower's current business activities; (viii) selling or disposing of assets used to support the borrower's main business activities; (ix) carrying out mergers, consolidations, acquisitions or dissolutions; and (x) submitting a petition for bankruptcy or postponing settlement of debt obligations. Please see Note 12 and Note 16 of the Target Group's unaudited consolidated financial statements as of and for the nine months ended 30 September 2012 for more details. If the Target Group fails to comply with these covenants, it could be in default under these loans and in that event, the lender(s) would have the right, subject to the terms of the relevant agreements, to accelerate the obligation of the Target Group to repay the outstanding borrowings under these loans. Such a default may also cause cross-defaults under the Target Group's other loans and may materially and adversely affect the Business of the Target Group. In addition, the Target Group's loans may require that the Target Group obtains written consent from or notifies its lender(s) prior to, *inter alia* (i) incurring indebtedness or creating security interests over its assets; (ii) change in its shareholding composition; and (iii) distributing dividends. This may limit the ability of the Target Group to raise future financing.

As of 30 September 2012, the total indebtedness of the Target Group amounted to Rp.7,876 billion, of which 48% is due within one year, and the Target Group's total indebtedness, as defined in the "Capitalisation and Indebtedness" set out in Section 13 of Appendix A of this Circular, as a percentage of total assets, or gearing ratio, was 46%. As of 30 September 2012, the Target Group had net current assets, calculated as total current assets less total current liabilities, of Rp.1,272 billion. Although the Target Group has repaid a portion of its indebtedness from the proceeds of the rights issue undertaken in 2011, the Target Group's capital expenditure plans in the future may require the Target Group to incur additional debt, and the risk that the Target Group faces as a result of its indebtedness and leverage could increase.

As a result of this indebtedness, the Target Group will require substantial cash flows to meet its debt obligations and a substantial part of its cash flows from operations will not be available for its business. The liquidity of the Target Group depends on cash from operations and access to financial resources to fulfil its short-term payment obligations, which will be affected by its future operating performance, prevailing economic conditions, and financial, business and other factors, many of which are beyond its control.

There is no assurance that the Target Group's indebtedness and these restrictions on the Target Group's liquidity will not materially and adversely affect its ability to finance its future operations or capital needs or to engage in other business activities, or otherwise materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares. The ability of the Target Group to service current and future debt will also depend on its future performance, which, in turn, depends on the successful implementation of its strategy and on financial, competitive, regulatory, technical and other factors, general economic conditions, the demand and selling prices for its products, and other factors specific to its industry, many of which are beyond the control of the Target Group. The Target Group could face difficulties making debt service payments and may be required to refinance indebtedness if its liquidity, cash flows or operations deteriorate in the future and the Target Group cannot generate sufficient cash flows from operations to meet its debt service requirements. The ability of the Target Group to refinance indebtedness will depend upon its financial condition at the time, the restrictions in the agreements governing its indebtedness and other factors, including general market and economic conditions. There is no assurance that the Target Group will be able to refinance any of its indebtedness at commercially acceptable terms or at all.

The Target Group is exposed to the credit risks of its customers.

The Target Group extends credit terms of typically 14 to 60 days to its corporate customers and government agencies, including fleet customers who have long-term relationships with the Target Group, in the ordinary course of its automotive business. The Target Group also provides vehicle financing services. The provision of credit terms in the ordinary course of the Target Group's automotive business and the vehicle financing services by the Target Group subject the Target

Group to the risks of default and/or late payment by its customers. Although the Target Group regularly reviews its credit exposure to its customers, default risk may nevertheless arise from, *inter alia*, events or circumstances that may be difficult to anticipate, detect or control, such as bankruptcy of any of the Target Group's customers.

Any major default on trade receivables owing to the Target Group by its customers may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

3.2 RISKS RELATING TO INDONESIA

All of the Target Group's assets are located in Indonesia. The Target Group also conducts substantially all of its operations in Indonesia and a significant proportion of its revenue is derived from Indonesia. Accordingly, the Target Group's business is significantly influenced by the economic, political, and social developments in Indonesia, as well as certain actions and policies which the Indonesian Government may, or may not, take or adopt, and the consumer spending patterns, purchasing power and credit risks of the Indonesians. These factors may have a negative impact on the demand for the Target Group's products and may require the Target Group to review its marketing strategies and its future expansion plans. Certain factors affecting Indonesia and which could materially and adversely affect the Target Group's Business and any investment in the IMAS Shares are set out below.

The Target Group faces legal risks in Indonesia.

As Indonesia is a developing market, its legal and regulatory regime may be less certain than in more developed markets and may be subject to unforeseen changes. At times, the interpretation or application of laws and regulations may be unclear and the content of applicable laws and regulations may not be immediately available to the public. Under such circumstances, consultation with the relevant authority in Indonesia may be necessary to obtain better understanding or clarification of applicable laws and regulations. The legal system of Indonesia is evolving and in ways that may not always coincide with market developments, resulting in ambiguities, inconsistencies, and anomalies, and in investment risks that would not exist in more developed legal and judicial systems. Indonesia's legal system is a civil law system based on written statutes. Absent a binding precedent system, the rights of shareholders under Indonesian law might not be as clearly evident as in some other jurisdictions. In addition, under Indonesian law, companies may have rights and defences to actions filed by shareholders that these companies would not have in some other jurisdictions. Judicial decisions in Indonesia, in particular those rendered by the Supreme Court, are persuasive. However, they are not systematically and immediately published as in developed countries. The application of many Indonesian laws and regulations depends, in large part, upon subjective criteria such as the good faith of the parties to the transaction and principles of public policy. Indonesian judges operate in an inquisitorial legal system and Indonesian court decisions may omit express articulation of the legal and factual analysis of the issues presented in a case. As a result, administration and enforcement of laws and regulations by Indonesian courts and governmental agencies may be subject to uncertainty and considerable discretion. Under the Indonesian Investment Law, foreign direct investment may only be conducted in sectors which are open for foreign investment and may be subject to share ownership restriction. Foreign direct investment should also be conducted through the establishment of, or conversion into, a foreign direct investment company. In the case of portfolio investment by a foreign investor through the capital market (as in the case of the Proposed Acquisition), the Indonesian Investment Law does not require the listed company to be converted into a foreign direct investment company and therefore no foreign share ownership restriction applies. In fact, several companies listed on the IDX are not foreign direct investment companies even though they are foreign-controlled and the listed company and its subsidiaries carry on businesses which are closed or restricted to foreign investment. In 2010, the relevant government agency required foreign shareholders of a telecommunications company to meet the foreign share ownership limitation. There is no assurance that the relevant government agency will not adopt an interpretation of the investment laws adverse to the Target Group. The Target Group's businesses are subject to various licences and regulatory requirements of the Indonesian government. The breach of any law and regulations in Indonesia by the Target Group or an adverse application or interpretation of the relevant laws and regulations may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

The corporate affairs of the Target Company are governed by its articles of association and the applicable laws and regulations of Indonesia. The principles and interpretation of Indonesian laws and regulations relating to matters such as corporate governance practices may be unclear and the application and enforcement of such corporate governance practices may be subject to uncertainty and considerable discretion. The lack of certainty in the interpretation, implementation and enforcement of the Indonesian laws and regulations may affect the Target Group's Business and any investment in the IMAS Shares. Additionally, the rights of IMAS shareholders and the responsibilities of the board of Commissioners and board of Directors of IMAS under Indonesian law may be different from those applicable to a company incorporated in another jurisdiction. The public shareholders of IMAS may have more difficulty in protecting their interests in connection with actions taken by members of the board of Directors or board of Commissioners or by the principal shareholders than they would as shareholders of a company incorporated in another jurisdiction. Please see "Description of IMAS Shares – Rights of Shareholders" set out in Section 16.9 of Appendix A of this Circular.

Certain other risks associated with the legal system in Indonesia include (i) the untested nature of judicial independence and the judiciary's insulation from economic, political or nationalistic influences; (ii) inconsistencies between and among laws; (iii) the possibility that laws coming into force in the future may have a retrospective effect; (iv) insufficient funding and staffing of courts compared to levels in developed countries; (v) difficulties in predicting or anticipating future developments in the legal system; (vi) cultural differences and differences in corporate governance practices; and (vii) the relative unfamiliarity of judges and courts with complex commercial or financial transactions.

In 1999, Indonesia enacted anti-monopoly legislation which prohibits a variety of practices considered to be anti-competitive or monopolistic. The legislation focuses on the behaviour of competitors within a market and the structural characteristics of a market. Although market share is considered one of the indicators that a monopoly or unfair competition exists, it is not the only factor and there is uncertainty in the interpretation of markets and market shares.

The Target Group has a significant share of the domestic automotive industry in Indonesia. As at the 30 September 2012, the Indonesian authority has not taken any action against the Target Group for breach of any anti-monopoly legislation nor is the Target Group aware of any such action which is threatened or pending against it. However, there is no assurance that the Target Group would not be subject to actions by the Indonesian authority to enforce (in whatever form) its anti-monopoly legislation on the Target Group's business. If any proceeding were taken or threatened against the Target Group under this legislation, the Target Group may incur significant legal and other costs in defending against such actions and any unfavourable ruling against the Target Group in this respect may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

In addition, the Target Group and/or its directors, officers and principal shareholders have been and in the future may be involved in allegations, litigation or legal or administrative proceedings some of which may raise issues concerning the history of the Target Group and its association with the Salim Group. Regardless of the merits, responding to these matters and defending against litigation can be expensive, time consuming and disruptive to normal business operations. Moreover, the results of complex legal proceedings are difficult to predict. Any such allegations, lawsuits or proceedings, and unfavourable outcomes from these claims or lawsuits may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

Terrorist activities in Indonesia could destabilise Indonesia, which could adversely affect the Target Group's Business.

Since 2002, several bombing incidents with fatalities and injuries have taken place in Indonesia, most significantly, in Bali in October 2002 and October 2005, at the JW Marriott Hotel in Jakarta in August 2003, at the Australian embassy in Jakarta in September 2004, in the town of Tentena on the island of Sulawesi in May 2005 and at the JW Marriott Hotel and Ritz Carlton Hotel in Jakarta in July 2009. Further terrorist acts may occur in the future. Terrorist acts could destabilise Indonesia and increase internal divisions within the Indonesian Government as it evaluates responses to that instability and unrest. Violent acts arising from, and leading to, instability and unrest have in the past had, and may continue to have, a material adverse effect on investment and confidence in, and the performance of, the Indonesian economy, which may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

A slowdown in global or Indonesian economic growth or economic contraction could adversely affect the Target Group and its Business.

The performance of the Target Group is significantly dependent on the health of the overall global and Indonesian economy. The economic crisis that affected South East Asia, including Indonesia, from mid-1997 was characterized in Indonesia by, among other effects, currency depreciation, negative economic growth, high interest rates, social unrest and extraordinary political developments. These conditions had a material adverse effect on Indonesian businesses. The economic crisis resulted in the failure of many Indonesian companies that failed to repay their debts when due.

Indonesian financial markets and the Indonesian economy are also influenced by economic and market conditions in other countries. The global financial crisis that began in 2008 had a significant impact on certain segments of the Indonesian economy as well as the stability of Indonesian financial markets, as evidenced by the decrease in Indonesia's real GDP growth rate from 6.3% in 2007 and 6.1% in 2008 to 4.5% in 2009, based on data from BPS[4].

A loss of investor confidence in the financial systems of emerging or other markets may cause increased volatility in Indonesian financial markets which may, in turn, adversely affect the Indonesian economy in general. Any worldwide financial instability could also have a negative impact on the Indonesian economy, which could have an adverse effect on the Target Group's Business. There is no assurance that the recent improvement in economic condition will continue or that adverse economic conditions will not recur. Furthermore, any adverse economic conditions in Indonesia could, in turn, adversely affect the end users of the products of the Target Group and thus demand for its products. Such developments may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

Political instability in Indonesia could adversely affect the economy, which in turn could affect the Target Group's Business.

Since the collapse of the late President Soeharto's regime in 1998, Indonesia has experienced political changes as well as general social and civil unrest on several occasions.

For example, since 2000, thousands of Indonesians have participated in demonstrations in Jakarta and other Indonesian cities both for and against former Presidents Wahid and Megawati and current President Susilo Bambang Yudhoyono, as well as in response to specific issues, including fuel subsidy reductions, privatization of state assets, anti-corruption measures, decentralization and provincial autonomy, potential increases in electricity charges and the US-led military campaigns in Afghanistan and Iraq. Although these demonstrations were generally peaceful, some have turned violent. In particular, on several occasions since June 2001, the Indonesian Government has mandated increases in the prices of certain basic goods, such as fuel, which in turn sparked nationwide demonstrations and strikes. In 2005 and 2008, the Indonesian Government decreased fuel subsidies to the public, which led to public demonstrations. There is no assurance that future sources of popular discontent will not lead to further political and social instability. Separatist movements and clashes between religious and ethnic groups have resulted in social and civil unrest in certain parts of Indonesia.

4 BPS has not consented to the inclusion of the information quoted here and elsewhere in this Circular. While reasonable steps have been taken to ensure that the information attributed to BPS is extracted accurately and has been reproduced in its proper form and context, none of the Company, the Financial Advisers or any other party has conducted an independent review of such information or verified the accuracy of the contents of the relevant information.

In 2004, Indonesians directly elected the President, Vice-President and representatives to the Indonesian parliament for the first time. Indonesians have also started directly electing heads and representatives of local and regional governments. In April 2009, elections were held to elect representatives to the Indonesian parliament (including national, regional and local representatives). Indonesian presidential elections, held in July 2009, resulted in the re-election of President Susilo Bambang Yudhoyono for his last five-year term in office. Although parliamentary and presidential elections proceeded smoothly in 2004 and 2009, there is no assurance that social and civil disturbances will not occur in the future and on a wider scale, or that any such disturbances may not materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

Regional autonomy may create an uncertain business environment and increase the Target Group's costs of doing business.

The Indonesian Government has devolved some autonomy to local governments, allowing the imposition by such local governments of taxes, charges or additional permit requirements on businesses within their jurisdiction and often requiring local participation and investment in such businesses. Regional autonomy may increase the regulation of the Target Group's business, disrupt sources of raw materials, require organizational restructuring to be undertaken and increase taxes and other costs of doing business, all of which may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

Labour activism and legislation could adversely affect the Target Group, its customers and Indonesian companies in general, which in turn could affect its Business.

Laws and regulations that facilitate the formation of labour unions, combined with weak economic conditions, have in the past resulted, and may in the future result, in labour unrest and activism in Indonesia. A labour union law passed in 2000 permits employees to form unions without intervention from their employers. The Labour Law, passed in 2003, increased the amount of mandatory severance, service and compensation payments payable to terminated employees. The Labour Law requires implementation of regulations that may substantially affect labour regulations in Indonesia. Under the Labour Law, employees who voluntarily resign are entitled to payments for unclaimed annual leave, relocation expenses (if any) and other expenses, subject to any employment agreements, a company's regulations and collective labour agreements. The Labour Law requires employers of more than 50 employees to establish bilateral forums consisting of both employers and employees, and the participation of more than half of a company's employees in negotiating collective labour agreements. The law also set up more permissive procedures for staging strikes.

As at 30 September 2012, approximately 500 of the Target Group's employees are members of a union. Labour unrest and activism in Indonesia could disrupt its operations or those of the Target Group's contractors and customers and could affect the financial condition of Indonesian companies in general, depressing the prices of Indonesian securities on the Indonesian stock exchanges and the value of the Rupiah relative to other currencies. Such events may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares. In addition, any national or regional inflation of wages could directly or indirectly increase the operating costs of the Target Group and may hence, materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares. For example, under Law No. 13 of 2003 on Manpower, employers shall not pay wages lower than the minimum wage stipulated by the Indonesian Government. Employers who breach this obligation shall be imposed with a minimum fine of at least Rp.100 million up to a maximum amount of Rp.400 million and/or imprisonment for a minimum term of 1 year up to a maximum term of 4 years.

An outbreak of a contagious disease could adversely affect the Indonesian economy and the Target Group.

The outbreak of an infectious disease in Asia, including Indonesia, or elsewhere, or fear of an outbreak, together with any resulting travel restrictions or quarantines could have a negative impact on the economy and business activity in Indonesia and thereby materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

In recent years, large parts of Asia experienced unprecedented outbreaks of avian flu. In addition, the World Health Organisation ("**WHO**") announced in June 2006 that human-to-human transmission of avian flu had been confirmed in Sumatera.

In 2003, certain countries in Asia experienced an outbreak of Severe Acute Respiratory Syndrome ("**SARS**"), which seriously interrupted economic activity in the affected regions. In April 2009, there was a global outbreak of the Influenza A (H1N1) virus including confirmed reports in Hong Kong, Japan, Indonesia, Malaysia, Singapore and elsewhere in Asia. There were a number of deaths in Indonesia resulting from H1N1. The Influenza A (H1N1) virus is believed to be highly contagious and may not be easily contained.

An outbreak of avian flu, SARS, the Influenza A (H1N1) virus or another contagious disease or measures taken by the governments of affected countries, including Indonesia, against potential or actual outbreaks, could seriously interrupt the operations of the Target Group or those of its distributors and customers, which may materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares. The perception that an outbreak of a contagious disease may occur may also have an adverse effect on the economic conditions of countries in Asia, including Indonesia, and thereby materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

Downgrades of credit ratings of Indonesia could adversely affect the Indonesian financial market and its ability to finance operations and grow.

In 1997, certain international credit rating agencies, including Moody's, S&P and Fitch, downgraded Indonesia's sovereign rating and the credit ratings of various credit instruments of the Indonesian Government, a large number of Indonesian banks and other companies. Currently, Indonesia's sovereign foreign currency long-term debt is rated "Ba1" by Moody's (upgraded from "Ba2" on January 17, 2011), "BB+" by S&P (upgraded from "BB" on April 8, 2011) and "BB+" by Fitch, and its sovereign foreign currency short-term debt is rated "B" by S&P and Fitch. Even though the recent trend in Indonesian sovereign ratings has been positive, there is no assurance that Moody's, S&P, Fitch or any other international credit rating agency will not downgrade the credit ratings of Indonesia. Any such downgrade could have an adverse impact on liquidity in Indonesian financial markets, the ability of the Indonesian Government and Indonesian companies, including the Target Company, to raise additional financing and the interest rates and other commercial terms at which such additional financing is available to the Target Group, any of which in turn may have a negative effect on the ability of the Target Group to finance operations and growth and materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

Indonesia is located in a geologically active zone and is subject to the risk of significant geological and other natural disasters, which could lead to social and economic instability.

The Indonesian archipelago is one of the most volcanically active regions in the world. Because it is located in the convergence zone of three major lithospheric plates, it is subject to significant seismic activity, which can lead to destructive earthquakes, volcanoes and tsunamis. On December 26, 2004, an underwater earthquake off the coast of Sumatera released a tsunami that devastated coastal communities in Indonesia, Thailand and Sri Lanka. In Indonesia, more than 220,000 people died or were recorded as missing and the disaster caused billions of US dollars of damage. Aftershocks from the December 2004 tsunami also left tens of thousands homeless and hundreds more dead. There have been numerous other earthquakes since, some of which left significant numbers of people dead or homeless. In addition to these geological events, heavy rains have resulted in flooding in various parts of Indonesia, displacing large numbers of people and killing others.

While these events have not had a significant impact on the Indonesian capital markets, the Indonesian Government has had to spend significant amounts on emergency aid and resettlement efforts. Most of these costs have been underwritten by foreign governments and international aid agencies. There is no assurance that such aid will continue to be forthcoming, or that it will be delivered to recipients on a timely basis. If the Indonesian Government is unable to deliver foreign aid to affected communities in a timely fashion, political and social unrest could result. Additionally, recovery and relief efforts are likely to continue to impose a strain on the Indonesian Government's finances, and may impair its ability to meet its obligations on its sovereign debt. Any such failure on the part of the Indonesian Government, or declaration by it of a moratorium on its sovereign debt, may trigger an event of default under numerous private-sector borrowings, and materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

In addition, there is no assurance that future geological or meteorological occurrences will not significantly harm the Indonesian economy. A significant earthquake, other geological disturbance or weather-related natural disaster in any of Indonesia's more populated cities and financial centres may severely disrupt the Indonesian economy and undermine investor confidence, and materially and adversely affect the Business of the Target Group and any investment in the IMAS Shares.

3.3 RISKS RELATING TO THE OWNERSHIP OF IMAS SHARES

Market and economic conditions, and regulations governing Indonesian securities markets may affect the market price and demand for IMAS Shares, which may fluctuate widely.

Fluctuations or changes in domestic and international securities markets, economic conditions, foreign exchange rates and interest rates may affect the market price and demand for IMAS Shares. IMAS Shares and dividends, if any, are quoted and declared in Rupiah. Fluctuations in the exchange rate between Rupiah and other currencies will affect, among other things, the foreign currency value of the proceeds which the Company would receive upon sale of IMAS Shares and the foreign currency value of dividend distributions. Please see "Exchange Rates" set out on page 13 of this Circular and "Exchange Rates and Exchange Controls" set out in Section 8 of Appendix A of this Circular.

IMAS Shares are listed on the IDX. The IDX is relatively small and may be less liquid and more volatile than stock exchanges in the United States and certain other countries. The relatively small market capitalisation of, and trading volume on, the IDX, compared to certain other global stock exchanges, may cause the market price of securities listed on the IDX, including IMAS Shares, to fluctuate more than those listed on larger global stock exchanges. The market price of IMAS Shares may be adversely affected by the lack of liquidity on the IDX. These market characteristics may limit the ability to sell IMAS Shares and may also affect the market price of IMAS Shares.

The IDX has in the past experienced substantial fluctuations in the prices of listed securities. The IDX has experienced some problems which, were they to continue or recur, could affect the market price and liquidity of the securities of Indonesian companies, including IMAS Shares. These problems have included closures of the exchange, broker defaults and strikes and settlement delays. In addition, the governing bodies of Indonesian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements, and the levels of regulation and monitoring of the Indonesian securities markets and the activities of investors, brokers and other market participants may not be the same as in certain other countries. Furthermore, the ability to sell and settle trades on the IDX may be subject to delays. In light of the foregoing, there is no assurance that a holder of IMAS Shares will be able to dispose of its IMAS Shares at the prices or times that would be available to such holder in a more liquid or less volatile market. There may also be less information publicly available about Indonesian companies than is regularly made available by public companies listed on other markets.

Any of the aforementioned factors could adversely affect the trading price of IMAS Shares and IMAS Shares may trade at prices significantly below the price at which they were acquired.

The Target Group may not be able to pay dividends.

Certain of the credit facilities of the Target Group impose restrictions on the payment of dividends, limiting the Target Company's ability to pay dividends and its subsidiaries' ability to remit dividends, which could affect the liquidity and the Target Group's ability to pay dividends. The timing and amount of any dividends will depend on the Target Group's earnings, financial condition, provision for claims, cash requirements and availability, and restrictions in the loan agreements of the Target Group and other factors. The board of Directors and management of the Target Company may also recommend that shareholders set aside liquidity or other reserves for anticipated future downturns in the industry or for other reasons. Therefore, there is no assurance that the Target Company will pay dividends and there is no guarantee on the amount of dividends that the Target Company will declare for each financial year. Please see "Dividend Policy" set out in Section 7 of Appendix A of this Circular for more details on the Target Company's dividend policy. In the event that the Target Company does not declare dividends or the amount of dividends declared by the Target Company is insufficient to service the Company's loan obligations undertaken by the Company in connection with the Proposed Acquisition, the Company's ability to service such debt obligations may be impeded. The Company's ability to pay dividends to its Shareholders may be affected by the ability of the Target Company to pay dividends to the Company.

In addition, Indonesian tax laws are subject to changes and this may affect the payment of dividends to the Company. In Indonesia, non-residents are normally subject to a 20% withholding tax on the remittance of interest, dividends, royalties and other payments outside the country. However, there may be tax treaties in place which may lower the withholding tax rate. For example, under the existing tax treaty between Indonesia and Singapore, the withholding tax rate on the payment of dividends from IMAS is 10% subject to compliance with certain rules prescribed by the Indonesian tax authorities in accordance with the tax treaty. There is no assurance or guarantee that the current withholding tax will continue to apply in the future. An increase in the withholding tax rate would result in less dividends paid net of tax being upstreamed from the Target Company to the Company.

If goodwill arises from the Proposed Acquisition, the impairment of goodwill in the FY2013 or subsequent financial period may materially affect the income statement and financial position of the Enlarged Group.

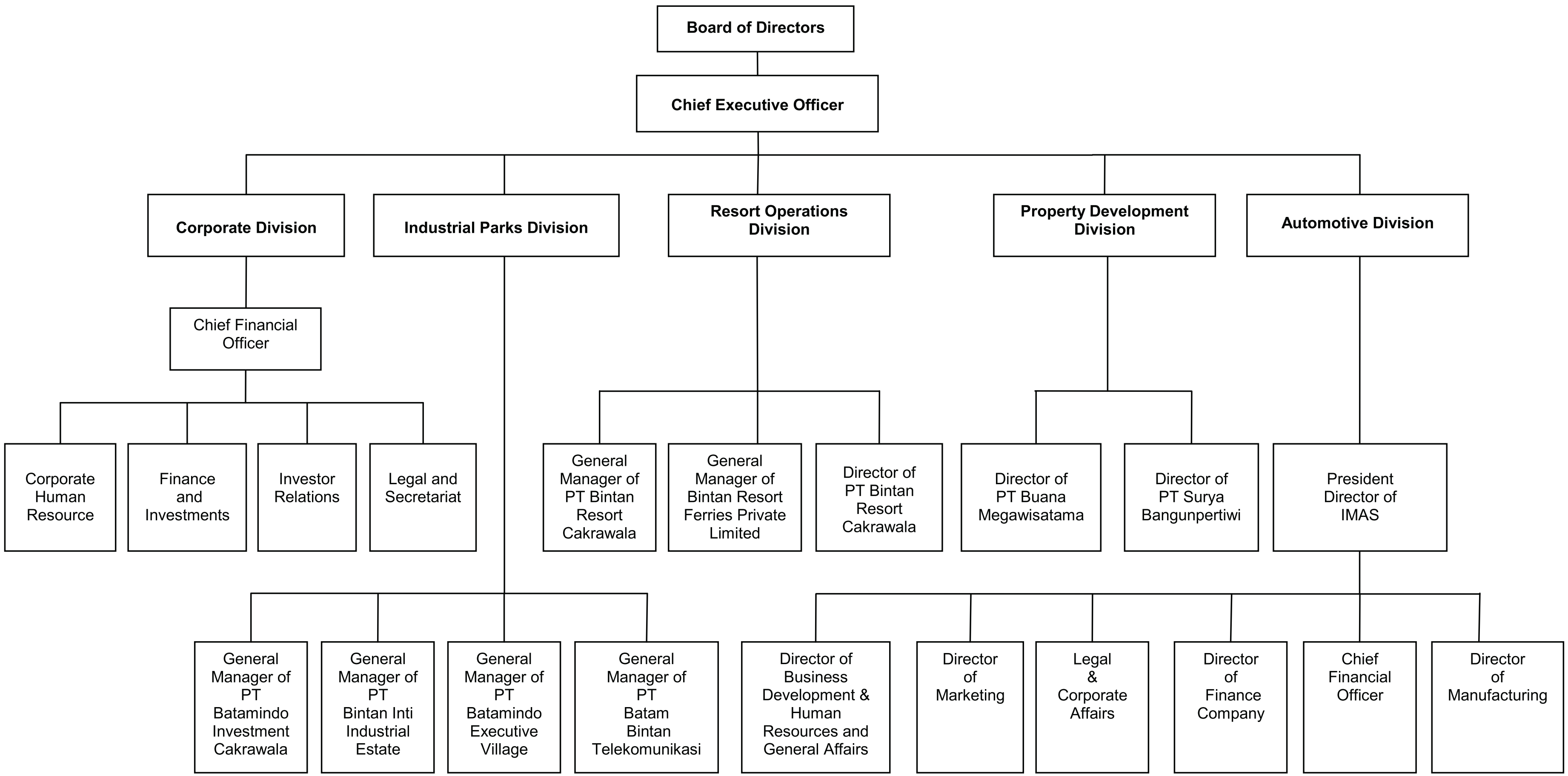
The Proposed Acquisition upon completion may result in goodwill being recognised in the financial statements of the Enlarged Group for FY2013. The goodwill represents an excess of the consideration transferred arising from the Proposed Acquisition over the fair values of the net identifiable assets and liabilities. The actual goodwill will be determined and will be accounted for in accordance with the accounting policies of the Enlarged Group. The accounting policies also require the goodwill to be tested for impairment on an annual basis or more frequently if there is indication of impairment. This assessment may lead to an impairment charge to be recorded in the income statements of the Enlarged Group in the FY2013 or subsequent financial periods. Any impairment charge against the goodwill could have a material negative impact on the profits of the Enlarged Group to be reported in respect of the FY2013 or subsequent financial periods.

The sale or possible sale of a substantial number of IMAS Shares in the public market could adversely affect the price of the IMAS Shares.

If any of the Target Company's substantial shareholders sells or is perceived as intending to sell a substantial amount of the IMAS Shares it holds, the trading price of the IMAS Shares could be adversely affected.

4A MANAGEMENT OF THE ENLARGED GROUP

The proposed management reporting structure of the Enlarged Group immediately following the completion of the Proposed Acquisition is as follows:

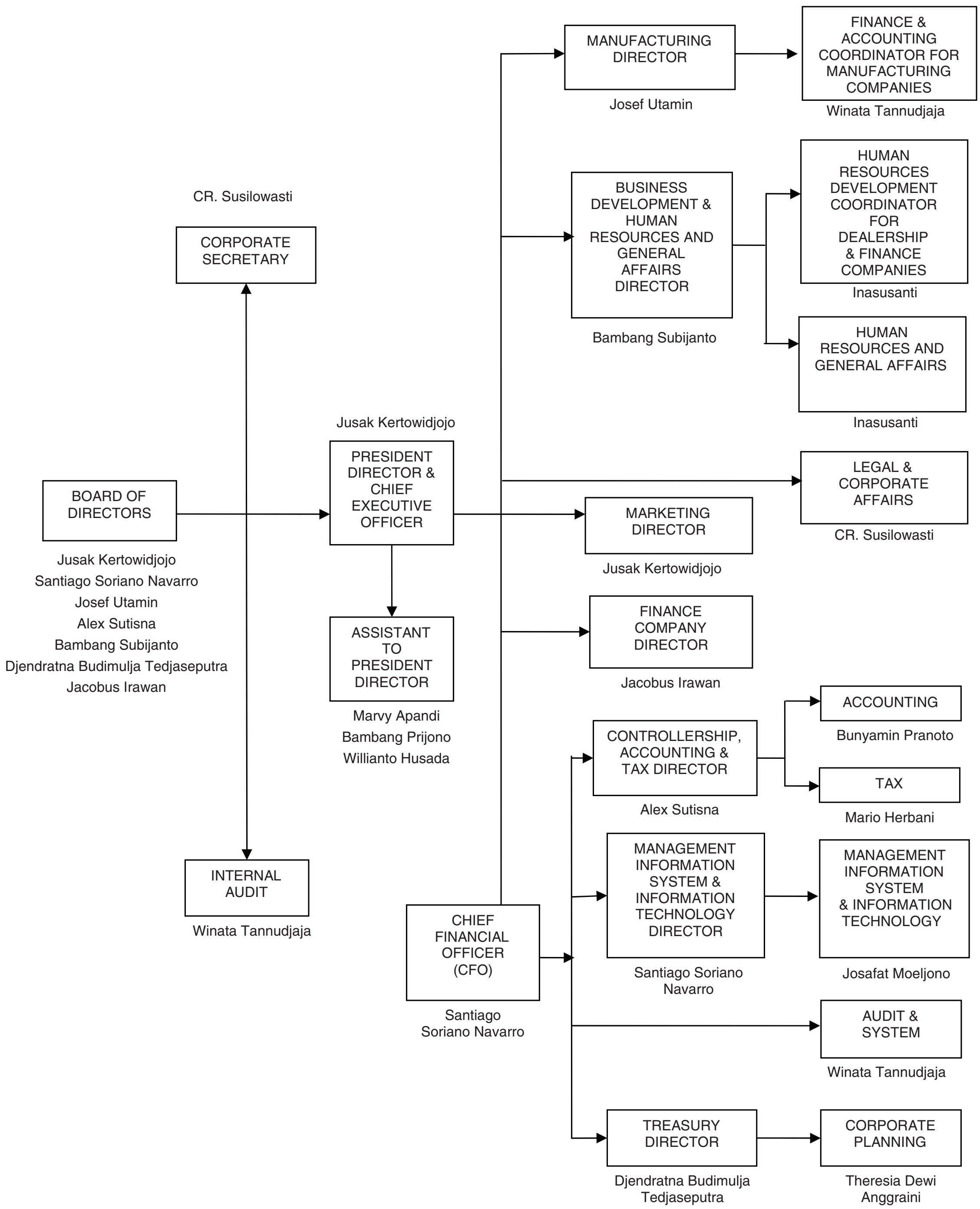


4B MANAGEMENT OF THE TARGET GROUP

In accordance with Indonesian law, the Target Company has a board of Commissioners and a board of Directors. The management and day-to-day operations of the Target Group are carried out by its board of Directors under the supervision of the board of Commissioners. The members of the boards of Directors and Commissioners are elected through a general meeting of shareholders. The two boards are separate and no individual may be a member of both boards.

The rights and obligations of each member of the board of Commissioners and board of Directors are regulated by the Target Company's articles of association, and by the decisions of general meetings of its shareholders. Any two Directors are jointly authorised to represent the board of Directors for and on behalf of the Target Company and have the authority to bind the Target Company.

The management reporting structure of IMAS is as follows:



4B.1 Board of Commissioners

The principal functions of the Target Company's board of Commissioners are to give advice and recommendations to, and supervise the policies of, its board of Directors. The board of Commissioners consists of at least three members, one of whom is appointed as the President Commissioner. Each Commissioner serves a term of five years.

In compliance with OJK (formerly known as BAPEPAM-LK) and IDX rules, the Target Company also has Independent Commissioners. Shareholders at a general meeting of shareholders have the power to nominate, elect and remove members of the board of Commissioners by means of a shareholder resolution. The general meeting of shareholders to elect or dismiss members of the board of Commissioners of the Target Company must be attended by shareholders holding at least 50% of the issued share capital of the Target Company and such resolution must be approved by more than 50% of the total votes cast at the meeting.

Generally, the board of Commissioners holds formal meetings, and visits the Target Company and discusses with the board of Directors matters relating to the implementation of their functions and responsibilities. The shareholders of the Target Company will, at the annual general meeting, determine the remuneration of the Commissioners and give the board of Commissioners the full authority to determine the remuneration of the directors taking into account the following factors: (i) the scope of duty of each director; (ii) the prevailing market rate for similar companies; and (iii) the Target Company's profitability.

Certain information with respect to the Target Company's Commissioners is set out below:

Name	Position	Age	Date of Current Appointment
Soebronto Laras	President Commissioner	69	27 April 2012
Pranata Hajadi	Vice President Commissioner	56	27 April 2012
Eugene Cho Park	Commissioner	53	27 April 2012
Gunadi Sindhuwinata	Commissioner	65	27 April 2012
Soegeng Sarjadi	Independent Commissioner	70	27 April 2012
Hanadi Rahardja	Independent Commissioner	77	27 April 2012
Mohamad Jusuf Hamka	Independent Commissioner	54	27 April 2012

Soebronto Laras, President Commissioner. Mr Laras was first appointed as President Commissioner of the Target Company in June 2002. He currently serves as the Vice President Commissioner of PT Jurnalindo Aksara Grafika (Bisnis Indonesia) and as President Commissioner of various of the Target Group's subsidiaries. Mr Laras obtained a Mechanical Engineering Degree from the Paisley College in Scotland in 1969 and a Diploma in Business Administration from the Hendon College in London in 1972.

Pranata Hajadi, Vice President Commissioner. Mr Hajadi was first appointed as Vice President of the Target Company in June 2002. He currently serves as the Vice President Director of PT Lautan Luas Tbk. Previously, he held various positions in the Asian offices of First National Bank of Chicago. Mr Hajadi obtained a Bachelor's degree in Economics and Accounting from the Monash University, Melbourne in 1978 and a Master of Business Administration degree in Finance from the University of Chicago in 1982.

Eugene Cho Park, Commissioner. Mr Park was first appointed as a Commissioner of the Target Company in June 2002. He currently serves as Chief Executive Officer and Executive Director of Gallant Venture Limited in Singapore. Previously, he held positions with several banking institutions, including Manufacturers Hanover Ltd, First Boston Corp, Chase Manhattan and Banque Paribas. Mr Park obtained a Bachelor of Arts Degree from Princeton University, USA, and a Master of Business Administration degree from INSEAD, France.

Gunadi Sindhuwinata, Commissioner. Mr Sindhuwinata was first appointed as a Director of the Target Company in November 1997 and was the Target Company's President Director from June 2002 to June 2011. Mr Sindhuwinata was first appointed as a Commissioner of the Target Company in June 2011. He currently serves as the President of the Association of Motorcycle Industry of Indonesia, Chairman of the Permanent Committee for Metal Industry Machines, Electronics and Transport Equipment of the Indonesian Chamber of Commerce and Industry and as the President of the Indonesian Society of Automotive Engineers. He also serves as President Commissioner of PT TI and as either commissioner or director in various of the Target Group's subsidiaries. Previously, he served as the Secretary General of the ASEAN Automotive Federation. Mr Sindhuwinata obtained his Engineering Degree in Mechanical Engineering in 1976 and a Doctorate Degree in Energy Technology in 1982 from the University of Stuttgart in Germany.

Soegeng Sarjadi, Independent Commissioner. Mr Sarjadi was first appointed as an Independent Commissioner of the Target Company in June 1995. He currently hosts a regular TV talk show and holds positions in various companies, including serving as the President Commissioner of PT Kodel. Mr Sarjadi obtained a Mass Communications Degree from the Padjajaran University in Bandung.

Hanadi Rahardja, Independent Commissioner. Mr Rahardja was first appointed as an Independent Commissioner of the Target Company in November 2001. He currently serves as commissioner in several public companies. Until 2003, he had been active in the field of accounting, holding various positions at a public accounting firm in Jakarta. Mr Rahardja obtained a Master's degree in Economics from the University of Indonesia.

Mohamad Jusuf Hamka, Independent Commissioner. Mr Hamka was first appointed as an Independent Commissioner of the Target Company in June 2002. He currently serves as commissioner in several public companies. Mr Hamka is trained in various disciplines such as business administration, law, medicine and political science.

4B.2 Board of Directors

The Target Company is managed on a day-to-day basis by its board of Directors. Under the Target Company's articles of association, the board of Directors consists of at least four members, one of whom is the President Director. Members of the Board of Directors are nominated, elected and removed by shareholders resolutions in a general meeting of shareholders. The general meeting of shareholders to elect or dismiss members of the board of Directors of the Target Company must be attended by shareholders holding at least 50% of the issued share capital of the Target Company and such resolution must be approved by more than 50% of the total votes cast at the meeting. Each Director of the Target Company serves for a term of five years.

Certain information with respect to the Target Company's Directors is set out below:

Name	Position	Age	Date of Current Appointment
Jusak Kertowidjojo	President Director	55	27 April 2012
Josef Utamin	Director	65	27 April 2012
Alex Sutisna	Director	56	27 April 2012
Santiago Soriano Navarro	Director	65	27 April 2012
Bambang Subijanto	Director	53	27 April 2012
Jacobus Irawan	Director	54	27 April 2012
Djendratna Budimulja Tedjaseputra	Director	51	27 April 2012

Jusak Kertowidjojo, President Director. Mr Kertowidjojo was first appointed as the Vice President Director II of the Target Company in June 2005 and as the President Director and Chief Executive Officer in June 2011. Currently he also serves as President Director of PT TI and as a director in a number of the Target Group's subsidiaries. He started his professional career with the Target Company in 1982. Mr. Kertowidjojo obtained a Bachelor's Degree in Economics and Accounting from the Parahyangan University in Bandung in 1982.

Josef Utamin, Director. Mr Utamin was first appointed as a Director of the Target Company in November 1997. Currently, he also serves as a director in a number of the Target Group's subsidiaries. Previously, he worked at the Indonesian distributor of Mercedes Benz vehicles. Mr Utamin obtained a Bachelor of Engineering degree from the Atmajaya University in Jakarta in 1975.

Alex Sutisna, Director. Mr Sutisna was first appointed as a Director of the Target Company in June 2005. Currently, he also serves as Director of PT TI and as a director in a number of the Target Group's subsidiaries. He joined the Target Company in 1994. Mr Sutisna obtained a Bachelor degree in Accounting from the Tarumanegara University in Jakarta in 1983.

Santiago Soriano Navarro, Director. Mr Navarro was first appointed as a Director of the Target Company in June 2005. Prior to joining the Target Company in 2005, he served with, among others, First Pacific Limited, PT Indocement Tunggal Prakarsa and PT Indofood Sukses Makmur Tbk (Bogasari Flour Mills). Mr Navarro obtained his Bachelor of Science degree in Commerce in 1970 from the Polytechnic University of the Philippines. He is also a Certified Public Accountant.

Bambang Subijanto, Director. Mr Subijanto was appointed as a Director of the Target Company in June 2008. Currently, he also serves as Commissioner of PT TI and as a director in a number of the Target Group's subsidiaries. Mr Subijanto started his career with the Target Company. From 2003 to 2006, he worked as Marketing Director in a company that sells Hyundai vehicles in Indonesia. Mr Subijanto rejoined the Target Company in 2006. Mr Subijanto obtained his Bachelor's degree in Economics from the Satya Wacana Christian University in Salatiga in 1983.

Jacobus Irawan, Director. Mr. Irawan was appointed as a Director of the Target Company in June 2008. Currently, he also serves as President Director of PT Swadharma Indotama Finance ("**SIF**"). Prior to joining the Target Company in 2006, Mr Irawan spent some twenty years working in financial institutions, both in Indonesia and abroad. Mr Irawan obtained his Bachelor's degree in Economic Management from the Jayabaya University in Jakarta in 1984.

Djendratna Budimulja Tedjaseputra, Director. Mr Tedjaseputra was appointed as a Director of the Target Company in June 2008. Currently, he also serves as President Commissioner of PT TI and as a director in a number of the Target Group's subsidiaries. He first worked at the Target Company from 1990 to 1997 and, prior of his return to the Target Company in 2002, he had worked in an Indonesian agribusiness company. Mr Tedjaseputra obtained his Civil Engineering degree from the Bandung Institute of Technology in 1986 and a Bachelor's degree in Economics / Accounting from the Parahyangan University in Bandung in 1988.

4B.3 Senior Management

The members of the Target Group's senior management are as follows:

Name	Position	Age
Jusak Kertowidjojo....................	President Director and Chief Executive Officer	55
Santiago Soriano Navarro	Director and Chief Financial Officer, Management Information System & Information Technology Director	65
Josef Utamin............................	Manufacturing Director	65
Alex Sutisna..............................	Controllership, Accounting & Tax Director	56
Djendratna Budimulja Tedjaseputra	Treasury Director	51

Name	Position	Age
Bambang Subijanto	Business Development & Human Resources and General Affairs Director	53
Jacobus Irawan	Finance Company Director	54
C.R. Susilowasti	Corporate Secretary	51
Susilo Darmawan	Head of Nissan Dealer Operations	50
Andrew Nasuri	Head of Volkswagen and Audi Operations	36
Santiko Wardoyo	Head of Hino Operations	50
Bambang Prijono......................	Head of Heavy Duty Trucks & Equipment Operations	43
Gunawan.................................	Head of Indomobil Finance Operations	41
Andreas Dhanu Sugih................	Head of Parts Trading Operations	58

Certain information with respect to the senior management of the Target Group is set out below:

C.R. Susilowasti, Corporate Secretary. She first joined the Target Company in 1995. Prior to joining the Target Company, she was a Corporate Lawyer at Tumbuan Pane Law Office (now known as Tumbuan & Partners) from 1989 to 1995. Currently, Ms. Susilowasti also acts as the Corporate Secretary of the Target Company. Ms. Susilowasti obtained her bachelor degree in Law from the Parahyangan University in Bandung in 1986, and her post graduate degree major in Economic Law from the University of Indonesia in Jakarta in 2004.

Susilo Darmawan, Head of Nissan Dealer Operations. He first joined the Target Company from 1990 to 1996 as national sales manager of PT Indomobil Niaga International (Two Wheels Division). Prior to his return to the Target Company in 2002 as Head of Volkswagen and Audi Operations, he had worked in an Indonesian pharmaceutical company. Mr Darmawan obtained his Bachelor's degree in Economics from the Brawijaya University in Malang in 1986.

Andrew Nasuri, Head of Volkswagen and Audi Operations. Mr Nasuri was appointed as Head of Volkswagen and Audi Operations in 2009. Prior to joining the Target Company in 2009, he served at the House of Imports Mercedes Benz in Buena Park, California (1999-2005), as President Director of Car and Cars Indonesia (2005-2006) and as President Director of PT Wolfsburg Auto Indonesia (2006-2009). Mr Nasuri obtained his Bachelor's degree in Science in Marketing from the California Polytechnic University, USA in 1997 and his Master of Business Administration degree in Marketing and Finance from the Southern California University, USA in 2003.

Santiko Wardoyo, Head of Hino Operations. Mr Wardoyo was appointed as Head of Hino Operations in 2012. He first joined the Target Company in 1991. In 2002, he was appointed as General Manager at PT Auto Euro Indonesia and in 2004 he was appointed as Chief Sales & Service Officer at PT Wahana Wirawan. Mr Wardoyo obtained his degree in Economics from the University of Jenderal Soedirman in Purwokerto in 1986.

Bambang Prijono, Head of Heavy Duty Trucks and Equipment Operations. Mr Prijono was appointed as Head of Heavy Duty Trucks and Equipment Operations in 2006. Prior to joining the Target Company in 1997, he had worked for three years for PT Astra International. Currently, he also serves as Chief Executive Officer PT Wahana Inti Selaras, Chief Operation Officer of PT Indotruck Utama, President Director of PT Prima Sarana Gemilang and President Director of PT Eka Dharma Jaya Sakti. Mr Prijono obtained his Bachelor's degree in Mechanical Engineering from the Gadjah Mada University in Yogyakarta in 1992.

Gunawan, Head of Indomobil Finance Operations. Mr Gunawan was appointed as Head of Indomobil Finance Operations in 2008. He began his career in 1993 as auditor at Prasetio Utomo & Co. Prior to joining PT Indomobil Finance Indonesia in 2005, he served as Group Financial Controller of PT Dharmala Intiutama (1996-2001), as Head of Internal Audit of PT Argha Karya Prima Industry (2001-2002) and as Assistant Finance Director of PT Adhibaladika Agung (2002-2005). Mr Gunawan obtained his Bachelor's degree in Economics / Accounting from the Atmajaya University in Jakarta in 1993.

Andreas Dhanu Sugih, Head of Parts Trading Operations. Mr Sugih was appointed as Head of Parts Trading Operations in 2007. He joined the Target Company in 1984. Mr Sugih obtained his Bachelor's degree in Management from the Parahyangan University in Bandung in 1983.

4B.4 Shareholdings by Directors and Commissioners

As of 30 September 2012, the Commissioners and the Directors of the Target Company do not hold any IMAS Shares.

4B.5 Compensation

The total remuneration (salary and discretionary bonus) paid to the Target Company's Commissioners, Directors and senior management was approximately Rp.10.15 billion (net after tax) for the year ended 31 December 2009, Rp.10.28 billion for the year ended 31 December 2010 and Rp.10.39 billion for the year ended 31 December 2011.

4B.6 Audit Committee

As required by the IDX and pursuant to BAPEPAM-LK Regulation No.IX.I.5 regarding Formation and Implementation Guidance for Audit Committee, by virtue of a circular resolution of the board of Commissioners dated 1 January 2012, the Audit Committee consisting of three members, namely Hanadi Rahardja as chairman and Nico Johannes Djajapernama and Rudi Setiadi Tjahjono as members, was reappointed.

The Audit Committee is responsible for providing advice to the board of Commissioners regarding reports or other issues that have been submitted by the Boards of Directors to the board of Commissioners, identifying other issues that the board of Commissioners should consider, and performing other tasks related to the duties to be performed by the board of Commissioners, such as: (i) reviewing the Target Company's financial information which will be released, such as financial statements, financial projection, and other financial information; (ii) reviewing the Target Company's compliance with the laws and regulations governing Indonesia's capital markets and other related regulations which apply to the Target Company; (iii) reviewing the audit conducted by the Target Company's internal auditor; (iv) reporting to the board of Commissioners regarding any risk faced by Target Company and the implementation of risk management by the Board of Directors; (v) reviewing and reporting to the board of Commissioners any public company-related complaints made against the Target Company; and (vi) keeping confidential the documents, data and information of the Target Company.

Certain information with respect to the members of the Target Company's Audit Committee is set out below:

Name	Position in Audit Committee	Age	Date of Current Appointment
Hanadi Rahardja	Chairman	77	1 January 2012
Nico Johannes Djajapernama	Member	76	1 January 2012
Rudi Setiadi Tjahjono	Member	48	1 January 2012

Nico Johannes Djajapernama, member of Audit Committee. Mr Djajapernama completed his Bachelor Degree in Economics, majoring in Corporate Economics at Padjajaran University, Bandung in 1963. Besides teaching, he also worked with a medical company (foreign investment company) in Jakarta until 1982. Thereafter, he worked in several companies ranging from offset printing, corrugated boxes, glasswares, and dairy products before joining the IMAS Group until 1998 upon reaching his retirement.

Rudi Setiadi Tjahjono, member of Audit Committee. Mr Tjahjono obtained his Master of Management in Finance from Trisakti University in 2003. In addition to his teaching activities at Indonesia Association of Financing Companies, he also assumes the position as director of PT Batavia Prosperindo Internasional.

4B.7 Corporate Secretary

Pursuant to BAPEPAM-LK Regulation No. IX.I.4 regarding Formation of Corporate Secretaries, and based on Decision Letter of the Board of Directors dated 1 December 1997 No.IMG/162/SKEP/DIR/XII/97, C.R. Susilowasti was appointed as corporate secretary of the Target Company. The function of the corporate secretary is to liaise on behalf of the Target Company with OJK, the IDX and relevant stakeholders of the Target Company.

4B.8 Other Matters

None of the Directors or members of the senior management of the Target Company referred to in Sections 4B.2 and 4B.3 of Appendix A above, respectively, have any family relationships with each other or with any principal shareholder of the Target Company referred to in Section 5 of Appendix A of this Circular .

So far as the Target Company is aware, there are no arrangements or understandings with any of the principal shareholders of the Target Company referred to in Section 5 of Appendix A of this Circular, or customers or suppliers of the Target Group, pursuant to which any person referred to above was selected as a Director or member of the senior management of the Target Company.

5 PRINCIPAL SHAREHOLDERS

As of 30 September 2012, the principal shareholders of the Target Company are PT CSDP, which holds 52.35% of IMAS Shares, and PT TI, which holds 18.05% of IMAS Shares.

PT CSDP is a limited liability company established under the laws of the Republic of Indonesia on 4 February 1999, with an issued and paid-up capital of Rp.5 billion. As of 30 September 2012, PT Eka Surya Indah Pratama held 99.99% and Mr Pranata Hajadi held 0.01% of the outstanding shares of PT CSDP. Its board of Commissioners consists of Mr Jacobus Irawan Kristanto (a Director of the Target Company) as President Commissioner and Mr Bambang Prijono Susanto Putro as Commissioner. Its board of Directors consists of Mr Jusak Kertowidjojo (the President Director of the Target Company) as President Director and Mr Djendratna Budimulja Tedjaseputra (a Director of the Target Company) as Director. As of 30 September 2012, Mr Pieter Tanuri has an effective interest in approximately 99.5% of PT CSDP.

PT TI is a limited liability company established under the laws of the Republic of Indonesia on 27 December 1994, with an issued and paid-up capital of Rp.50 billion. As of 30 September 2012, Mr Anthoni Salim held 90.0%, PT Lintas Sejahtera Langgeng held 5.0% and Mr Andree Halim held 5.0% of the issued shares of PT TI. Its board of Commissioners consists of Mr Djendratna Budimulja Tedjaseputra (a Director of the Target Company) as President Commissioner and Mr Bambang Subijanto (a Director of the Target Company) as Commissioner. Its board of Directors consists of Mr Jusak Kertowidjojo (the President Director of the Target Company) as President Director and Mr Alex Sutisna (a Director of the Target Company) as Director.

The IMAS Shares held by the principal shareholders above do not carry different voting rights from the IMAS Shares held by the other shareholders of the Target Company.

As of 30 September 2012, based on information in the Target Company's register of shareholders, no other shareholder of the Target Company holds more than 5% of its shares. As at the Latest Practicable Date, save as disclosed above and to the extent known to the Target Company, the Target Company is not directly or indirectly owned or controlled, whether severally or jointly, by any person or government.

6 MATERIAL AGREEMENTS

6.1 Joint Venture Agreements

The Target Group has entered into various joint venture agreements with its automotive principals, and has an effective interest of less than 50% in the shares in the joint ventures. The accounts of the Target Group's associate companies in which it holds at least 20% and less than 50% and which are not consolidated in the Target Group's financial statements are accounted for under the equity method of accounting. Please see Note 2 to the Target Group's Audited Financial Statements for FY2011 and Unaudited Financial Statements for FP2012, and "Management's Discussion and Analysis of Financial Condition and Results of Operations" set out in Section 12 of this Appendix A for further information on the accounting treatment of such entities.

The Target Group believes long-term partnerships with its joint venture partners facilitate the development of its business. The following is a summary of the principal terms of certain joint venture agreements with Nissan Motor Company Ltd. and Hino Motors, Ltd relating to the Target Group's operations:

	NMI	**NMDI**	**HMMI**	**HMSI**
Current shareholding structure	Nissan Motor Company Ltd:75% IMGSL:13.66% Target Company:11.34%	Nissan Motor Company Ltd.:75% IMGSL: 25%	Hino Motors, Ltd:90% Target Company:10%	Hino Motors, Ltd:40% Target Company: 40% Sumitomo Corporation:20%
Scope of business	Manufacture, assembly and sale of Nissan vehicles and parts in Indonesia	Sub-distribution and sale of Nissan vehicles and parts in Indonesia	All businesses and operations related to Hino products, including manufacturing, assembly and sale of Hino products in Indonesia and, with prior written approval from Hino Motors, Ltd., outside Indonesia	Sale of Hino products in Indonesia and, with prior written approval from Hino Motors, Ltd outside Indonesia, sale of spare parts and after-sales service
Date of agreement	17 February 1995[(1)]	16 May 2001	17 December 1982[(2)]	20 March 2003
Paid up share capital (US$)	56,000,000	500,000	47,800,000	8,000,000
Term	Unlimited	Unlimited	Unlimited (subject to prevailing laws and regulations)	Unlimited (subject to prevailing laws and regulations)

<u>Notes</u>:

(1) The original joint venture agreement was subsequently amended by a shareholder agreement and several amendments executed between 2001 and 2005. NMI was established in 1995.

(2) The original joint venture agreement was subsequently amended by a supplementary agreement and several amendments executed between 1997 and 2012. The Target Group first acquired a stake in HMMI in 1984.

Joint Venture Agreement for NMI

The objectives and purposes of NMI are (a) the importation of Nissan vehicles and parts into Indonesia; (b) the assembly of Nissan vehicles, and the manufacture and/or procurement of components and parts; (c) the distribution and sale of Nissan vehicles and parts; and (d) any other related activities.

The primary responsibilities of Nissan Motor Company Ltd. include (i) rendering technical assistance to NMI for the assembly of Nissan vehicles, the manufacture and/or procurement of components and parts, etc.; (ii) supplying CKD parts necessary for NMI's operations; and (iii) granting NMI the distributorship of certain models of Nissan vehicles in Indonesia and supplying to NMI the CBU vehicles and parts.

The primary responsibilities of the Target Group include (i) providing NMI with all necessary assistance in respect of retail sales of Nissan vehicles and parts in Indonesia; and (ii) providing NMI with know-how, expertise and assistance as required by NMI in the recruitment and employment of Indonesian personnel and management, and the arrangement of the residence visas, work permits, housing and other documents and formalities in Indonesia.

This agreement continues in full force and effect during the entire duration of the joint venture unless it is terminated. Any party of the agreement may terminate the agreement by 30 days' prior written notice if, among others, (i) any party fails to remedy any material breach of the agreement committed within 30 days from a notice of default, (ii) the joint venture vehicle ceases to carry on its business, (iii) the rights or obligations of any party under the agreement are materially altered, or any party is obligated to sell or otherwise dispose of its shares as a result of any act of the Indonesian Government or (iv) any approvals or permits granted by either or both of the governments of Indonesia and Japan in relation to the joint venture are revoked. The Directors of the Target Company are not aware of any facts that will result in the agreement not being renewed or that will result in the agreement being terminated.

Joint Venture Agreement for NMDI

The objectives and purposes of NMDI are (a) the sub-distribution and sale of Nissan vehicles, with fitting up the optional auto parts / accessories; (b) the sub-distribution and sale of spare parts for Nissan vehicles; and (c) any other related activities.

The primary responsibilities of the Target Group include (i) providing NMDI with all the necessary assistance in respect of the retail sales of Nissan vehicles and spare parts to be procured by NMDI through the Target Group's retail sales network across Indonesia; and (ii) providing NMDI with know-how, expertise and assistance as required by NMDI in the recruitment and employment of Indonesian personnel and management, and the arrangement of the residence visas, work permits, housing and other documents and formalities in Indonesia.

This agreement continues in full force and effect during the entire duration of the joint venture unless it is terminated. Any party of the agreement may terminate the agreement by 30 days' prior written notice if, among others, (i) any party fails to remedy any material breach of the agreement committed within 30 days from a notice of default, (ii) the joint venture ceases to carry on its business, (iii) the rights or obligations of any party under the agreement are materially altered, or any party is obligated to sell or otherwise dispose of its shares as a result of any act of the Indonesian Government or (iv) any approvals or permits granted by either or both of the governments of Indonesia and Japan in relation to the joint venture are revoked. The Directors of the Target Company are not aware of any facts that will result in the agreement not being renewed or that will result in the agreement being terminated.

Joint Venture Agreement for HMMI

The objectives and purposes of HMMI include (a) technical assistance of Hino; (b) selling Hino products manufactured by HMMI to main dealers; (c) selling Hino products outside the territory of Indonesia; (d) engaging in other related activities, including procurement and purchases from domestic or overseas suppliers.

The primary responsibilities of Hino Motors, Ltd. include (i) rendering necessary technical assistance in constructing, equipping and maintaining the factory and manufacturing and assembling components and vehicles under a technical cooperation agreement; and (ii) rendering necessary assistance in importing and exporting Hino brand parts and components from/to overseas countries.

The primary responsibilities of the Target Group include rendering necessary assistance (i) in obtaining and maintaining governmental approvals, permits and licenses for operating HMMI; (ii) in obtaining information of new laws, regulations and taxation related to HMMI operations; (iii) in recruiting manpower and obtaining work permits for foreign employees and in arranging factory, office and dormitory space for HMMI; and (iv) in solving any labour-related matters at HMMI.

This agreement continues in full force and effect during the entire duration of the joint venture unless it is terminated. It can be terminated when both parties agree in writing to terminate it. The joint venture agreement can also be terminated when either party gives the other party a written notice to terminate the agreement if any default of such other party in any has not been rectified within 60 days after a written notice to such defaulting party. The Directors of the Target Company are not aware of any facts that will result in the agreement not being renewed or that will result in the agreement being terminated.

Joint Venture Agreement for HMSI

The objectives and purposes of HMSI include all the business and operations relating to Hino products, including but not limited to (a) selling Hino products to the dealers or customers; (b) providing after-sales services; (c) collecting and analysing market information for HMMI.

The primary responsibilities of Hino Motors, Ltd. include rendering necessary assistance in (i) supplying Hino products in view of their conformity with the market, (ii) coordination between HMMI and HMSI on HMSI's operations, and (iii) improving after-sales service activities of HMSI and its authorised dealers.

The primary responsibilities of Sumitomo Corporation include providing necessary assistance in (i) importing certain Hino products, (ii) obtaining information for new laws, regulations and taxation which is related to HMSI's operations, and (iii) various activities to enhance HMSI's business by utilizing its own resources and network.

The primary responsibilities of the Target Group include rendering necessary assistance in (i) enhancing HMSI's operations through its marketing resources and network, (ii) obtaining and maintaining governmental approvals, indispensable permits and licenses for operating HMSI, (iii) obtaining information of new laws, regulations and taxation related to HMSI's operations, (iv) recruiting manpower and obtaining work permits for foreign employees and in arranging factory, office and dormitory space of HMSI and (v) solving any labour-related matters at HMSI.

This agreement continues in full force and effect during the entire duration of the joint venture unless it is terminated. It can be terminated when the parties agree in writing to terminate it. The joint venture agreement can also be terminated when any party gives the other party a written notice to terminate the agreement if any default of such other party has not been rectified within 60 days after a written notice to such defaulting party. The Directors of the Target Company are not aware of any facts that will result in the agreement not being renewed or that will result in the agreement being terminated.

6.2 Dealership Agreement — Nissan

NMDI (as seller) entered into dealership agreements with the Target Company's subsidiaries, PT Indomobil Trada Nasional ("**ITN**") and PT Wahana Wirawan ("**WW**") (collectively, the "**Nissan Dealers**"), on 1 September 2003 and 1 November 2003, respectively, pursuant to which the Nissan Dealers were appointed as authorised dealers in Indonesia of Nissan products, including sale and servicing of Nissan products, rental and leasing of Nissan vehicles, sales of used vehicles, body shop work, financing or insurance services and any other activities in connection with Nissan products. These agreements were amended on 11 April 2005, pursuant to which the Nissan Dealers were given the non-exclusive right to purchase (for resale) Nissan products from NMDI including, but not limited to, all current line up of Nissan cars and genuine Nissan parts and accessories.

Under the dealership agreements, the responsibilities of NMDI include (i) providing the Nissan Dealers with advice and counsel on matters relating to new vehicle sales, sales personnel training and management, merchandising and facilities used for WW's vehicle sales operations; (ii) providing training courses conducted in Indonesia for the Nissan Dealers' sales personnel; and (iii) transferring title of each Nissan product upon delivery at NMDI's delivery point to the Nissan Dealers.

The primary responsibilities of the Nissan Dealers include (i) developing and maintaining dealership facilities at locations approved by NMDI, (ii) maintaining a complete service organization and trained customer relations personnel, (iii) providing pre-delivery inspection and service, warranty repairs and goodwill adjustment, (iv) servicing Nissan vehicles, and (v) selling and servicing genuine Nissan parts and accessories.

Unless otherwise notified by either party in writing at least six months before the last day of the initial one-year term or any extension thereof, each of the agreements is extended automatically every year. Early termination applies in the case of, among others, (i) non-performance by the Nissan Dealers, (ii) any actual or attempted sale of principal assets without NMDI's prior written consent, (iii) change of direct or indirect ownership of the Nissan Dealers, (iv) failure on the part of the Nissan Dealers to maintain the dealership facilities open for business, (v) the Nissan Dealers fail to secure or maintain any licence, permit or authorisation required for its performance of any of its obligations under the agreement; (vi) if NMDI elects or is required to discontinue its present method of distributing Nissan vehicles; (vii) insolvency, or (viiii) material misrepresentation by the Nissan Dealers, or in certain other specified circumstances. Upon termination, NMDI has the right to cancel all supplies as scheduled prior to the effective date of termination and to repurchase certain new, unused, undamaged and unencumbered property from the Nissan Dealers. The managements of the Company and the Target Company have enquired and obtained a verbal confirmation from the authorised representatives of Nissan that the latter consents and has no objection to the Proposed Acquisition and the Company as the controlling shareholder of the Target Company.

The Target Company as well as the management and board of directors of the Target Company, having dealt with the Nissan group for the past 22 years, are of the view that the verbal confirmation from Nissan is sufficient for the following reasons:

(1) there is no intention that the arrangements between the Target Group and the Nissan group will be affected in any manner arising from the change of shareholding of the Target Company (as the holding company of the entities dealing with the Nissan group);

(2) there have been several changes in the major shareholders of the Target Company. Nissan has not voiced any concerns over the years arising from such changes or taken steps to terminate the arrangements with the Target Group; and

(3) in any event, obtaining a written confirmation from Nissan will not preclude Nissan from terminating the dealership agreements with the Target Group which may be terminated in writing by either party giving notification of at least six months. Please refer to the risk factor entitled "The Target Group is dependent on distributorships and/or dealerships for the automotive brands that the Target Group represents" set out in Section 3.1 of Appendix A of this Circular.

The Directors of the Target Company are not aware of any facts that will result in the agreement not being renewed or that will result in the agreement being terminated.

Please also refer to Section 2.5 of Appendix A of this Circular for other dealership and distributorship agreements entered into by the Target Group as of 30 September 2012.

6.3 Material Contracts of the Target Group

The following contracts (not being contracts entered into in the ordinary course of business of the Target Group) which are or may be material, have been entered into by the Target Group within the two years preceding 30 September 2012:

(i) Trust Deed dated 24 March 2011 (as amended on 27 April 2011 and on 23 May 2011) between IMFI, a subsidiary of the Target Company and PT Bank Mega Tbk. in relation to the issue of an aggregate of Rp.1,000 billion in principal amount of bonds which are to be issued by IMFI in three (3) series (Series A Bonds were issued in the principal amount of Rp.75 billion with interest rate of 8% per annum and will mature in 370 days after date of issue; Series B Bonds were issued in the principal amount of Rp.445 billion with interest rate of 10.15% per annum and will mature in 3 years after the date of issue; and Series C Bonds were issued in the principal amount of Rp.480 billion with interest rate of 10.65% per annum and will mature in 4 years after the date of issuance);

(ii) Rights Subscription Agreement dated 20 May 2011 between (i) the Target Company; (ii) PT TI and PT CSDP; and (iii) PT CIMB Securities Indonesia, Deutsche Bank AG (Singapore Branch), PT DBS Vickers Securities Indonesia and PT Kresna Graha Sekurindo Tbk (collectively, the "**Joint Placement Agents**"), for (a) the transfer of the rights of PT TI and PT CSDP to subscribe for new IMAS Shares (the "**Major Shareholders Rights**") under the rights issue conducted by the Target Company in June 2011, to the Joint Placement Agents; and (b) the exercise of the Major Shareholder Rights and the subsequent placement of the new IMAS Shares arising from the exercise of the Major Shareholders Rights, by the Joint Placement Agents;

(iii) International Coordination Agreement dated 30 May 2011 between (i) the Target Company; (ii) PT TI and PT CSDP; and (iii) CIMB Securities (Singapore) Pte. Ltd., PT CIMB Securities Indonesia, Deutsche Bank AG (Singapore Branch), and PT DBS Vickers Securities Indonesia (collectively, the "**International Selling Agents**"), under which the International Selling Agents agreed to act as selling agents in respect of the new IMAS Shares arising from the exercise of the Major Shareholders Rights and solicit investors (including eligible foreign investors) to subscribe for the said new IMAS Shares;

(iv) Trust Deed dated 24 February 2012 (as amended on 25 April 2012) between IMFI, a subsidiary of the Target Company and PT Bank Mega Tbk. in relation to, *inter alia*, the issue of an aggregate of Rp.1,300 billion in principal amount of bonds which are to be issued by IMFI in three (3) series (Series A Bonds were issued in the principal amount of Rp.319 billion with interest rate of 6.5% per annum and will mature on 21 May 2013; Series B Bonds were issued in the principal amount of Rp.463 billion with interest rate of 8% per annum and will mature 11 May 2015; and Series C Bonds were issued in the principal amount of Rp.518 billion with interest rate of 8.25% per annum and will mature on 11 May 2016);

(v) Trust Deed dated 29 March 2012 (as amended on 4 June 2012 and 15 June 2012) between IWT, a subsidiary of the Target Company and PT Bank Mega Tbk. in relation to *inter alia*, the issue of an aggregate of Rp.599 billion in principal amount of bonds which are to be issued by IWT in three (3) series (Series A Bonds were issued in the principal amount of Rp.271 billion with interest rate of 7.15% per annum and will mature on 29 June 2013; Series B Bonds were issued in the principal amount of Rp.147 billion with interest rate of 8.4% per annum and will mature 19 June 2015; and Series C Bonds were issued in the principal amount of Rp.181 billion with interest rate of 8.75% per annum and will mature on 19 June 2017);

(vi) Joint Venture Agreement dated 12 June 2012 between Kyokuto Kaihatsu Kogyo Co. Ltd. and IMGSL, a subsidiary of the Target Company, for the establishment of a joint venture company to be named PT Kyokuto Indomobil Manufacturing Indonesia ("**KIMI**") for the manufacture of products in the form of dump bodies along with necessary parts and/or components thereof. Under the Joint Venture Agreement, IMGSL will own 49% of KIMI and Kyokuto Kaihatsu Kogyo Co. Ltd. will own the remaining 51%; and

(vii) Joint Venture Agreement dated 12 June 2012 between Kyokuto Kaihatsu Kogyo Co. Ltd. and IMGSL, a subsidiary of the Target Company, for the establishment of a joint venture company to be named PT Kyokuto Indomobil Distributor Indonesia ("**KIDI**") which will engage in the business of sale and after sales services in respect of products manufactured by KIMI. Under the Joint Venture Agreement, IMGSL will own 51% of KIDI and Kyokuto Kaihatsu Kogyo Co. Ltd. will own the remaining 49%.

7 DIVIDEND POLICY

The Target Company's dividend policy is to pay, subject to the financial performance and financial position of the Target Company, not more than 30% of the Target Company's net income each year as dividends**,** beginning in 2012 with respect to net profit in 2011. In June 2012, the Target Company paid dividends of Rp.118 per IMAS Share amounting to Rp.163,151,426,308 for FY2011; this amounted to 20.07% of the Target Company's net income attributable to equity holders of parent entity in FY2011. The Target Company did not declare or pay dividends for FY2009 and FY2010.

Under Indonesian law, the payment of final dividends in each year is required to be approved by the shareholders at the annual general meeting of shareholders upon the recommendation of the board of Directors, which in turn will be subject to the Target Company's earnings, operating and financial results, liquidity condition, future business prospects, compliance with prevailing laws and regulations and any other factors considered relevant by its board of Directors. There is no assurance that the Target Company's earnings, financial position, expected future financial performance, expected future capital expenditures and other investment plans will permit the Target Company to pay dividends at any rate or at all. Please see also "Risk Factors — Risks Relating to the Ownership of IMAS Shares" set out in Section 3.3 of Appendix A of this Circular.

To the extent a decision is made to pay dividends, dividends will be declared and paid in Rupiah. Holders of IMAS Shares on the applicable record dates will be entitled to the full amount of dividends approved, subject to Indonesian withholding tax imposed, if any. The board of Directors of the Target Company may change its dividend policy at any time, with the approval of such change by a general meeting of shareholders. Please see "Description of IMAS Shares — Dividends" set out in Section 6.6 of this Appendix A.

Under Indonesian law, a portion of the Target Company's net profits, as determined by an annual general meeting of shareholders, after deduction of corporate tax, must be allocated as a reserve fund. The obligation to allocate net profits as a reserve fund is applicable until the amount of such reserve fund reaches at least 20% of the amount of the Target Company's subscribed and paid up capital. With the approval from the general meeting of shareholders, the remaining portion of the net profits (after deducting the reserve fund allocation), if any, can be distributed to the shareholders as dividends with recommendation from the Board of Directors of the Target Company. The Target Group's articles of association provide that if the Target Group makes a net profit in any financial year after setting aside any required reserve amounts, the Target Group may distribute dividends to its shareholders upon obtaining the necessary approval from the shareholders.

In addition, under the Indonesian Company Law, an interim dividend may be distributed prior to the end of the financial year so long as it is permitted under the articles of association of the Target Company and provided that the interim dividend does not (i) result in its net assets becoming less than the total issued and paid-up capital and statutory reserves; and (ii) disrupt or cause the Target Group to be unable to fulfil its obligations to its creditors or disrupt its activities. The interim dividend shall be payable based on the Target Company's Board of Directors' decision after obtaining approval from the board of Commissioners.

Dividends received by a Non-Indonesian Holder of shares will be subject to a 20% Indonesian withholding tax (except for a Non-Indonesian Holder of shares whose country has entered into a tax treaty with Indonesia). Indonesia has concluded double taxation treaties with a number of countries including Singapore, and these double taxation treaties offer a lower withholding tax rate which usually range from 10% to 15%. For the definition of "Non-Indonesian Holder" and further information relating to Indonesian taxation, please see "Taxation" set out in Section 18 of this Appendix A. Under the existing tax treaty between Indonesia and Singapore, the withholding tax rate on the payment of dividends from the Target Company to the Company is 10% subject to compliance with certain rules prescribed by the Indonesian tax authorities in accordance with the tax treaty.

8 EXCHANGE RATES AND EXCHANGE CONTROLS

8.1 Exchange Rates

Prior to 14 August 1997, Bank Indonesia maintained the value of the Rupiah against a basket of currencies of Indonesia's main trading partners. In July 1997, the exchange rate band was widened, and on 14 August 1997, Bank Indonesia announced it would no longer intervene to maintain the exchange rate at any particular level, if at all.

Fluctuations in the exchange rate between the Rupiah and other currencies will affect the foreign currency equivalent of the Rupiah price of IMAS Shares on the IDX. Such fluctuations will also affect the amount in foreign currency received upon conversion of cash dividends or other distributions paid by the Target Company in Rupiah in respect of, and the Rupiah proceeds received from any sales of, IMAS Shares.

8.2 Exchange Controls

Currently, based on Law No. 24 of 1999, dated 17 May 1999 on the Flow of Foreign Exchange and Exchange Rate System, Indonesia has limited foreign exchange controls. The Rupiah has been, and in general is, freely convertible. However, in order to maintain stability of the Rupiah and prevent utilization of the Rupiah for speculative purposes by non-residents, Bank Indonesia has introduced regulations requiring non-bank companies to report transactions of goods and services, and other transactions between a citizen and a non-citizen and/or the position or any change in the offshore financial assets or liabilities of such companies. Such reports shall be submitted monthly no later than the 10th day of the subsequent month. In addition, Bank Indonesia has the authority to request information and data relating to such reports. Bank Indonesia regulations also require companies that have total assets or total annual gross revenue of at least Rp.100 billion to report to Bank Indonesia all data concerning their foreign currency activities if such foreign currency transactions are not conducted through domestic banks or domestic non-bank financial institutions (such as insurance companies, securities companies, finance companies or venture capital companies). However, if the transaction is conducted via a domestic bank or domestic non-bank financial institution, such financial institution is required to report the transaction to Bank Indonesia. The transactions that must be reported include the receipt and payment of money through bank accounts outside of Indonesia.In addition, Bank Indonesia has the authority to request information and data concerning foreign currency activities of all people and legal entities that are domiciled, or who plan to reside in Indonesia for at least one year.

Bank Indonesia's regulations also require resident banks and companies that have total assets or total annual gross revenues of Rp.100 billion or more to report all data concerning their foreign currency activities to Bank Indonesia (for example, insurance companies, finance companies or venture capital companies). However, if the transaction is conducted through a domestic bank and/ or domestic non-bank financial institution, the requirement to report to Bank Indonesia applies instead to the relevant domestic banks or non-banks financial institution that carried out the transaction. The transactions that must be reported include receipt and payment of funds through bank accounts outside Indonesia.

9 PRICE RANGE OF IMAS SHARES

The IMAS Shares are listed on the IDX, under the symbol "IMAS". The table below sets forth, for the period indicated, the high and low closing prices and the average daily trading volume for the IMAS Shares.

	Closing Price on the IDX for IMAS Shares(1)(2)		Average Daily Trading Volume(1)
Calendar Period	**High (Rp.)**	**Low (Rp.)**	**No. of shares**
2009	452	303	5,462
2010	5,069	378	421,807
2011	6,925	3,131	2,021,584
2012	9,100	4,950	3,866,504
January 2013	5,400	5,150	3,816,786
February 2013	5,400	5,250	3,209,150

Notes:

(1) Source: Bloomberg L.P.. Bloomberg L.P. has not consented to the inclusion of the exchange rates quoted in this section. While reasonable steps have been taken to ensure that the information attributed to Bloomberg L.P. is extracted accurately and has been reproduced in its proper form and context, none of the Company, the Financial Advisers or any other party has conducted an independent review of such information or verified the accuracy of the contents of the relevant information.

(2) Prices for the IMAS Shares have been adjusted for the share split on 7 June 2012.

The closing price per IMAS Share on the IDX on both 13 December 2012, being the last Market Day prior to the date of the announcement released by the Company in relation to the Proposed Transactions, and on the Latest Practicable Date was Rp.5,350.

10A SHARE CAPITAL IN RELATION TO THE TARGET COMPANY

As at the Latest Practicable Date, the issued and paid-up share capital of the Target Company is Rp.691,319,603,000 comprising 2,765,278,412 common shares. Save for the common shares in the share capital of the Target Company, there are no other classes of shares in the share capital of the Target Company. All of the issued shares in the share capital of the Target Company are fully paid-up. None of the shares in the Target Company are held by or on behalf of the Target Company itself or by its subsidiary.

As at the Latest Practicable Date, no person has, or has the right to be given, an option to subscribe for any securities of the Target Company.

Save as set out below, there were no changes in the share capital of the Target Company in the three years prior to 30 September 2012:

Date of issue of share(s)	Purpose of issue	Approximate issue price per share	Approximate issue price/ Consideration	Number of share(s) issued	Resultant issued capital
14 December 2010	Debt to equity conversion in relation to debt owing by the Target Company and certain of its subsidiaries to PT TI, an 18.05% shareholder of the Target Company and a member of the Salim Group	Rp.8,894 per IMAS Share of Rp.500 each	Rp.360 billion	40,476,725 IMAS Shares of Rp.500 each	Rp.518,489,702,500 divided into 1,036,979,405 IMAS Shares of Rp.500 each
12 August 2011	Limited public offering (rights issue)	Rp.8,000 per IMAS Share of Rp.500 each	Rp.2,765,278, 408,000	345,659,801 IMAS Shares of Rp.500 each	Rp.691,319,603,000 divided into 1,382,639,206 IMAS Shares of Rp.500 each
7 June 2012	Stock split of the nominal value of IMAS Shares from Rp.500 per IMAS Share to Rp.250 per IMAS Share	–	–	–	Rp.691,319,603,000 divided into 2,765,278,412 IMAS Shares of Rp.250 each

10B MATERIAL FIXED ASSETS

As of 30 September 2012, the Target Group has interest in the following material tangible fixed assets and material properties:

Location	Expiry Date of Land Rights	Usage
IMAS		
Jl. Jend. Gatot Subroto KM 8.5 – Manis Jaya, Tangerang	1 January 2027	Warehouse
Jl. Ancol Barat VIII – 2, Mangga Dua	25 October 2025	Warehouse
Jl. Pantai Indah Selatan I – A, Kapuk Muara	3 September 2031	Showroom for Nissan, Greatwall, Suzuki, Volvo, Foton and Volkswagen
Bukit Indah City AII – 30, Purwakarta	24 September 2019	Warehouse

Location	Expiry Date of Land Rights	Usage
PT CENTRAL SOLE AGENCY		
Jl. Inspeksi Kali Malang Blok Q 4 Kav 14	15 May 2024	Nissan showroom
Jl Raden Inten II RT.008 RW. 010, Jakarta Timur	Plot 1: 13 May 2023 Plot 2: 20 April 2023 Plot 3: 20 April 2023 Plot 4: 8 August 2024 Plot 5: 4 January 2019	Nissan showroom
Jl. Ancol Barat VIII No.2 Jakarta Utara, Ancol	25 October 2025	Empty land
PT MULTICENTRAL ARYAGUNA		
Jl. MT Haryono Kav. 8, Jakarta Timur	15 November 2016	Registered office of IMAS
Jl. MT Haryono Kav. 9, Jakarta Timur	15 September 2028	Office and showroom of Hino
Jl. MT Haryono Kav. 10, Jakarta Timur	15 September 2028	Nissan showroom
Jl. MT Haryono Kav. 11, Jakarta Timur	15 September 2028	Audi showroom
Kota Bukit Indah City D I – 7, Desa Dangdeur Kec. Bungursari, Purwakarta	24 September 2019	Warehouse
PT NATIONAL ASSEMBLERS		
Jl. Raya Bekasi KM. 18 RT 008/04, Pulogadung, Jakarta 13930	Plot 1: 26 December 2021 Plot 2: 12 May 2018	Vehicle assembling / Factor
PT UNICOR PRIMA MOTOR		
Jl. Danau Sunter Selatan Kav. 53 Jakarta Utara	17 April 2018	Showroom for Nissan and Hino
Jl. Danau Sunter Selatan Kav. 54 Jakarta Utara	17 April 2018	Showroom for Nissan and Hino
Jl. Danau Sunter Selatan Kav. 55 Jakarta Utara	17 April 2018	Showroom for Nissan and Hino
Jl. Danau Sunter Selatan Kav. 56 Jakarta Utara	17 April 2018	Showroom for Nissan and Hino
PT WAHANA WIRAWAN (SURABAYA BRANCH)		
Jl. Ahmad Yani No. 248, Gayungan, Surabaya	11 June 2032	Nissan showroom
Jl. Gayungan V-5B, Surabaya	1 May 2041	Nissan showroom
Jl. Gayungan V-05, Surabaya	1 May 2041	Nissan showroom
Jl. Gayungan V-07, Surabaya	Plot 1: 1 May 2041 Plot 2: 4 August 2038	Nissan showroom
PT INDOMOBIL TRADA NASIONAL		
Proyek Perumahan Bintaro Kav. Blok B7/A5-11, Pondok Jaya, Pondok Aren, Tangerang	26 July 2015	Nissan showroom
Jl. MH. Thamrin No. 200B, Cikarang Selatan	24 June 2023	Nissan showroom
Jl. Daan Mogot KM. 3 No. 24, Jakarta Barat	1 June 2040	Nissan showroom
PT WAHANA WIRAWAN (TB SIMATUPANG BRANCH)		
JL. R.A. Kartini II-S Kav 7, Pondok Pinang	16 January 2023	Nissan showroom

11 SELECTED FINANCIAL INFORMATION

The selected financial information presented below should be read in conjunction with the Target Group's consolidated financial statements and the notes thereto[5].

The sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Capitalisation and Indebtedness" set out in Sections 12 and 13 of this Appendix A should also be read.

The selected financial information presented in the tables below have been derived from the Target Group's audited consolidated financial statements as of and for the years ended 31 December 2009, 2010 and 2011, and the Target Group's unaudited consolidated financial statements as of and for the nine months ended 30 September 2011 and 2012, the extracts of which are set out in Appendix C of this Circular. Results for the interim periods are not necessarily indicative of the results for the full year.

The Target Group's consolidated financial statements as of and for the years ended 31 December 2009, 2010 and 2011, which have been prepared in accordance with Indonesian GAAP, have been audited by Purwantono, Suherman & Surja (the Indonesian member firm of Ernst & Young Global Limited), independent public accountants, in accordance with auditing standards established by the IICPA, as stated in their audit report. The Target Group's unaudited consolidated financial statements and as of and for the nine months ended 30 September 2011 and 2012 have been prepared in accordance with Indonesian GAAP.

On 1 January 2011, the Target Group adopted PSAK No. 1(R) and PSAK No. 4(R). Under the provisions of these revised PSAKs, among others, net income for the nine months ended 30 September 2011 and 2012 is presented inclusive of net income attributable to non-controlling interests (formerly known as minority interests), while minority interest in net earnings of subsidiaries (net) is not included in the net income for the years ended 31 December 2009, 2010 and 2011. These revised PSAKs also require that non-controlling interest be presented in the consolidated statements of financial position as of 30 September 2011 and 2012 within equity, separately from the equity of the owners of the parent, while non-controlling interests as of 31 December 2009, 2010 and 2011 are presented as minority interests between liabilities and shareholders' equity in the consolidated balance sheets. In addition to selling and distribution expenses and general and administrative expenses, the Target Group also deducted or added other operating expenses and income as well as share of associated companies' results from gross profit to arrive at income from operations; and regrouped finance income and charges for the nine months ended 30 September 2011 and 2012 in relation to the adoption of the revised PSAKs. As a result, certain line items have been reclassified in the Target Group's unaudited consolidated financial statements as of and for the nine months ended 30 September 2011 and 2012, and such financial statements have been presented differently from the Target Group's audited consolidated financial statements as of and for the years ended 31 December 2009, 2010 and 2011. See Note 2 to the unaudited consolidated financial statements as of and for the nine months ended 30 September 2011 and 2012. Additionally, the inclusion of the consolidated statements of financial position as of 31 December 2011, and as of 1 January 2011 / 31 December 2010 as the comparative periods to the unaudited consolidated statements of financial position as of 30 September 2011 and 2012 in the Target Group's unaudited consolidated financial statements as of and for the nine months ended 30 September 2011 and 2012, is solely for the purpose of complying with PSAK No. 1(R) for financial reporting purposes, and is not used for

5 The extracts of the audited financial statements for FY2009, FY2010 and FY2011 and the unaudited financial statements for FP2012 of the IMAS Group are set out in Appendix C of this Circular. The full sets of the aforementioned financial statements of the IMAS Group, including the notes thereto, can be viewed at the relevant websites set out in Appendix C of this Circular. In addition, the full set of the aforementioned financial statements of the IMAS Group, including the notes thereto, is available in the CD-ROM sent together with this Circular and Shareholders who wish to have a printed copy can request for the same from the Company by completing the request form sent together with this Circular.

presentation and discussion of such consolidated financial information in this Circular. Therefore, unless otherwise stated, the presentation and discussion of the consolidated financial information as of and for the year ended 31 December 2011 included in this Circular, whether in paragraphs, tables, or other formats of presentation, is based on and derived from the Target Group's audited consolidated financial statements as of and for the year ended 31 December 2011.

The Target Group's consolidated financial statements are reported in Rupiah, which is its functional currency. The Target Group has prepared and presented the consolidated financial statements in accordance with Indonesian GAAP.

	Year Ended 31 December		
	2009	**2010**	**2011**
	(Rp. in billion except net income per IMAS Share)		
Income statement data			
Net revenues	6,940	10,935	15,776
Cost of revenues	(6,029)	(9,530)	(13,787)
Gross profit	911	1,405	1,989
Selling expenses	(345)	(548)	(777)
General and administrative expenses	(435)	(528)	(607)
Other operating income	162	160	421
Income from operations	293	489	1,026
Share of results in associate companies	78	271	315
Finance income	55	32	58
Finance charges	(195)	(185)	(211)
Income before income tax	231	607	1,188
Income tax expense – net	(77)	(99)	(217)
Income for the year	154	508	971
Other comprehensive income			
Net change in fair value of available-for-sale investment	_	17	96
Net change in fair value of derivative instruments, net of tax	_	2	(1)
Total comprehensive income for the year	154	527	1,066
Income for the year attributable to:			
Equity holders of parent entity	118	449	813
Non-controlling interest	36	59	158
Total	154	508	971
Total comprehensive income for the year attributable to :			
Equity holders of parent entity	_	468	906
Non-controlling interest	_	59	160
Total	–	527	1,066
Net income per share	118	449	695

	Nine Months Ended 30 September	
	2011	2012
	(Rp. in billion except basic and dilutive earnings per IMAS Share) (Unaudited)	
Income statement data		
Net revenues	10,825	14,598
Cost of revenues	(9,505)	(12,844)
Gross profit	1,320	1,754
Selling expenses	(567)	(744)
General and administrative expenses	(383)	(560)
Other operating income	351	345
Income from operations	721	795
Finance income	39	56
Finance charges	(172)	(217)
Share of results in associate companies	216	231
Income before income tax	804	865
Income tax expense – net	(151)	(147)
Income for the period	653	718
Other comprehensive income		
Net change in fair value of available-for-sale investment	108	(185)
Net change in fair value of derivative instruments, net of tax	–	2
Total comprehensive income for the period	761	535
Net income attributable to:		
Equity holders of the parent company	535	628
Non-controlling interests	118	90
Total	653	718
Total comprehensive income for the year attributable to :		
Equity holders of parent entity	647	446
Non-controlling interest	114	89
Total	761	535
Net income per share	516	319

	Year Ended 31 December			Nine Months Ended 30 September	
	2009	2010	2011	2011	2012
	(Rp. in billion)				
	(Audited)			(Unaudited)	
Cash flow data					
Net cash provided by / (used in) operating activities	772	(1,192)	(1,215)	(1,243)	(2,245)
Net cash provided by / (used in) investing activities	42	(486)	(774)	(410)	(1,449)
Net cash provided by / (used in) financing activities	(747)	1,738	3,108	2,700	3,614
Net increase / (decrease) in cash and cash equivalents	67	60	1,119	1,047	(80)
Cash and cash equivalents at beginning of year/period	367	434	490	490	1,609
Net effects of changes in exchange rate on cash and cash equivalents	–	(4)	–	–	–
Cash and cash equivalents at end of year/period	434	490	1,609	1,537	1,529

	As of 31 December		
	2009	2010	2011
	(Rp. in billion) (Audited)		
Balance sheet data			
Cash and cash equivalents	434	490	1,609
Total current assets	2,861	4,509	7,406
Total non-current assets	2,232	3,476	5,508
Total assets	5,093	7,985	12,914
Total current liabilities	3,063	4,217	5,414
Total non-current liabilities	1,379	2,160	2,416
Total liabilities	4,442	6,377	7,830
Minority interest in net assets of consolidated subsidiaries	214	331	406
Shareholders' equity-net	437	1,277	4,678
Total equity	651	1,608	5,084
Total liabilities and shareholders' equity	5,093	7,985	12,914

	As of 30 September 2012 (Rp. in billion) (Unaudited)
Balance sheet data	
Cash and cash equivalents	1,529
Total current assets	8,741
Total non-current assets	8,379
Total assets	17,120
Total current liabilities	7,469
Total non-current liabilities	4,190
Total liabilities	11,659
Equity attributable to the equity holders of the parent company	4,962
Non-controlling interests	499
Total equity	5,461
Total liabilities and shareholders' equity	17,120

12 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following management's discussion and analysis of financial condition and results of operations should be read in conjunction with the Target Group's consolidated financial statements and the notes thereto which have been prepared and presented in accordance with Indonesian GAAP[6].

6 The extracts of the audited financial statements for FY2009, FY2010 and FY2011 and the unaudited financial statements for FP2012 of the IMAS Group are set out in Appendix C of this Circular. The full sets of the aforementioned financial statements of the IMAS Group, including the notes thereto, can be viewed at the relevant websites set out in Appendix C of this Circular. In addition, the full set of the aforementioned financial statements of the IMAS Group, including the notes thereto, is available in the CD-ROM sent together with this Circular and Shareholders who wish to have a printed copy can request for the same from the Company by completing the request form sent together with this Circular.

The Target Group has derived its management's discussion and analysis of financial condition and results of operations discussed below from the Target Group's audited consolidated financial statements as of and for the years ended 31 December 2009, 2010 and 2011, and the Target Group's unaudited consolidated financial statements as of and for the nine months ended 30 September 2011 and 2012, the extracts of which are set out in Appendix C of this Circular. Results for the interim periods are not necessarily indicative of results for the full year.

The Target Group's consolidated financial statements as of and for the years ended 31 December 2009, 2010 and 2011, which have been prepared in accordance with Indonesian GAAP, have been audited by Purwantono, Suherman & Surja (the Indonesian member firm of Ernst & Young Global Limited), independent public accountants, in accordance with auditing standards established by the IICPA, as stated in their audit report. The Target Group's unaudited consolidated financial statements and as of and for the nine months ended 30 September 2011 and 2012 have been prepared in accordance with Indonesian GAAP.

On 1 January 2011, the Target Group adopted PSAK No. 1(R) and PSAK No. 4(R). Under the provisions of these revised PSAKs, among others, net income for the nine months ended 30 September 2011 and 2012 is presented inclusive of net income attributable to non-controlling interests (formerly known as minority interests), while minority interest in net earnings of subsidiaries (net) is not included in the net income for the years ended 31 December 2009, 2010 and 2011. These revised PSAKs also require that non-controlling interest be presented in the consolidated statements of financial position as of 30 September 2011 and 2012 within equity, separately from the equity of the owners of the parent, while non-controlling interests as of 31 December 2009, 2010 and 2011 are presented as minority interests between liabilities and shareholders' equity in the consolidated balance sheets. In addition to selling and distribution expenses and general and administrative expenses, the Target Group also deducted or added other operating expenses and income as well as share of associated companies' results from gross profit to arrive at income from operations; and regrouped finance income and charges for the nine months ended 30 September 2011 and 2012 in relation to the adoption of the revised PSAKs. As a result, certain line items have been reclassified in the Target Group's unaudited consolidated financial statements as of and for the nine months ended 30 September 2011 and 2012, and such financial statements have been presented differently from its audited consolidated financial statements as of and for the years ended 31 December 2009, 2010 and 2011. See Note 2 to the unaudited consolidated financial statements as of and for the nine months ended 30 September 2011 and 2012. Additionally, the inclusion of the consolidated statements of financial position as of 31 December 2011 and as of 1 January 2011 / 31 December 2010 as the comparative periods to the unaudited consolidated statements of financial position as of 30 September 2011 and 2012 in the Target Group's unaudited consolidated financial statements as of and for the nine months ended 30 September 2011 and 2012, is solely for the purpose of complying with PSAK No. 1(R) for financial reporting purposes, and is not used for presentation and discussion of such consolidated financial information in this Circular. Therefore, unless otherwise stated, the presentation and discussion of the consolidated financial information as of and for the year ended 31 December 2011 included in this Circular, whether in paragraphs, tables, or other formats of presentation, is based on and derived from the Target Group's audited consolidated financial statements as of and for the year ended 31 December 2011.

The discussion in this section contains forward-looking statements that involve risks and uncertainties and reflects the current view of the Target Group with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including, but not limited to, those set forth under "Cautionary Note Regarding Forward-Looking Statements", "Risk Factors" and elsewhere in this Circular.

12.1 Overview

Revenue

The Target Group's automobiles segment revenues include primarily sales of vehicles and related after-market services original manufacturers' spare parts, its spare parts segment revenues include primarily sales of "IndoParts" spare parts and original manufacturers' spare parts and its financial services segment revenues include primarily interest income from the Target Group's vehicle finance subsidiary and commissions from insurance companies for referrals.

The following table sets forth a breakdown of the Target Group's revenue by business segment (after elimination of inter-segment revenues) for the periods indicated:

Revenue by business segment	Audited						Unaudited			
	FY2009		FY2010		FY2011		FP2011		FP2012	
	Rp. 'billion	%	Rp. 'billion	%	Rp. 'billion	%	Rp. 'billion	%	Rp. 'billion	%
Automobiles	5,445	78.5	8,750	80.0	12,944	82.0	8,825	81.5	11,839	81.1
Financial	487	7.0	550	5.0	684	4.3	481	4.4	522	3.6
Spare Parts(1)	701	10.1	1,296	11.9	1,474	9.4	1,144	10.6	1,283	8.8
Service	116	1.7	164	1.5	197	1.3	208	1.9	207	1.4
Others	191	2.7	175	1.6	477	3.0	167	1.6	747	5.1
Total Revenue	**6,940**	100.0	**10,935**	100.0	**15,776**	100.0	**10,825**	100.0	**14,598**	100.0

Note:

(1) Spare parts include original manufacturers' parts sold through authorised workshops and "IndoParts".

From FY2009 to FY2011, the Target Group's total revenue increased by approximately Rp.8,836 billion, or 127.3% from Rp.6,940 billion in FY2009 to Rp.15,776 billion, in line with the significant increase in the total number of vehicles sold by Target Group of 38,857 units, or 151.6% from 25,626 units in FY2009 to 64,483 units in FY2011.

In FP2012, the Target Group's total revenue increased by approximately Rp.3,773 billion, or 34.9% from Rp.10,825 billion in FP2011 to Rp.14,598 billion in FP2012 as a result of higher demand for passenger cars and motorcycles in Indonesia.

Revenue from sales of automotive products is recognized upon issuance of both invoices and delivery orders; while revenue from services is recognized when the services are rendered and the corresponding invoices are issued. Revenue from consumer financing and finance leases are recognized over the term of the respective agreements using effective interest rate method.

The principal factors that can affect the Target Group's revenue include the following:

(i) The State of the Indonesian Economy

Macroeconomic conditions in Indonesia impact the Target Group's financial performance and operations. The Target Group derives a significant proportion of its revenue from the sale of passenger cars, commercial vehicles and heavy equipment to customers in Indonesia. The purchases of such vehicles and equipment are correlated with Indonesia's overall economic growth, as Indonesian income and household spending tend to increase as the economy improves. Although the Target Group's business generally remained fairly resilient during the recent global financial crisis, slower economic growth or recessionary periods in the future may lead to slower growth or even declines in its net revenues. During periods of economic uncertainty, particularly when the disposable income of consumers is affected, consumers may generally reduce purchases of passenger cars. Conversely, in periods of economic growth, the Target Group is able to benefit from increased disposable income and consumer purchasing power.

According to BPS data[7], Indonesia's real GDP growth was 4.5% in 2009, 6.1% in 2010 and 6.5% in 2011, and private consumption expenditure grew by 58.6%, 56.7% and 54.6% in 2009, 2010 and 2011, respectively.

(ii) Interest Rate Fluctuations and Vehicle Financing Rates

The majority of purchasers of the Target Group's vehicles rely on financing to fund their purchases. The Target Group's performance is influenced by vehicle financing rates. Vehicle financing rates in Indonesia are generally influenced by the cost of funds, which are in times of normal liquidity linked to Bank Indonesia benchmark reference rates. However, vehicle financing rates can also increase significantly when benchmark rates are low due to liquidity shortages, which occurred in late 2008 and part of 2009 during the global financial crisis, and which contributed to the Target Group's lower sales in 2009.

The following table shows the range of interest rates for the Target Group's financing for motorcycles, passenger cars, commercial vehicles and heavy equipment for the periods indicated.

	FY2009	**FY2010**	**FY2011**	**FP2012**
Motorcycle financing	28%-33%	24%-30%	24%-32%	22%-35%
Passenger car financing	13%-16%	13%-16%	10%-16%	8.4%-12%
Commercial vehicle financing	13%-16%	13%-16%	13%-14%	13%-14%
Heavy equipment financing(1)	13%-16%	13%-16%	12%-16%	14.5%-16.5%

Note:

(1) In 2010 and 2011, some heavy equipment financing was denominated in US$ and the interest rate range between 8.0% and 9.5%. For FP2012, interest rate range between 7.3% and 9.0%.

In addition, although Bank Indonesia kept its benchmark reference rate at average of 7.98% from 2005 until 2012, it has gradually reduced and maintained its reference rate at 5.75% since February 2012. Any fluctuation in the benchmark interest rate will have an impact to the vehicle financing interest rates. Increase in interest rate will have a corresponding increase in financing cost for some of the Target Group's target customers and reduce demand for the Target Group's vehicles as well as demand for the products of its vehicle finance operations.

Additionally, the Target Group finances some of its operations with bank loans, including the Target Group's vehicle financing business. Any increase in interest rates increases the Target Group's cost of funding. The Target Group's vehicle finance business generally seeks to maintain a stable interest rate spread, and will typically seek to increase its vehicle financing rates if its cost of funds increases, subject to competitive factors.

(iii) Indonesian Vehicle Tax Structure and Other Regulations

The automotive industry in Indonesia is subject to various rules, regulations and policies imposed by regulatory authorities in Indonesia. The vehicles that are sold by the Target Group, both those that are imported CBU and those that are assembled locally from CKD parts, are subject to various Indonesian import duties, as well as different luxury and VAT tax rates. See "Business — Import Duties and Other Applicable Taxes" and "Regulatory Overview" set out in Sections 2.14 and 15 of this Appendix A. In general, imported CBU cars are at a competitive disadvantage in relation to cars assembled in Indonesia from CKD parts. Therefore, the ability of the Target Group to be sufficiently competitive to sell significant volumes of vehicle models for the mass market largely depends on whether these vehicles are assembled locally from CKD parts.

7 BPS has not consented to the inclusion of the information quoted here and elsewhere in this Circular. While reasonable steps have been taken to ensure that the information attributed to BPS is extracted accurately and has been reproduced in its proper form and context, none of the Company, the Financial Advisers or any other party has conducted an independent review of such information or verified the accuracy of the contents of the relevant information.

In addition, there are currently fuel subsidies to the public in place in Indonesia. Any changes to government fuel subsidies can affect vehicle demand, and particularly decrease consumer demand for larger passenger cars which are less fuel efficient. The Indonesian Government has previously in 2005 and 2008 decreased fuel subsidies to the public, despite public demonstrations. In December 2010, Indonesia's parliament approved a plan to allow subsidized fuel for public transport and motorcycles, and to restrict the sales of subsidized fuel to private passenger car users in Indonesia. The Indonesian Government announced in March 2011 that it would hold off implementing the plan, but did not indicate when such plan may be implemented. Currently, restrictions on the use of subsidised fuel only apply to government cars and cars owned by plantation and/or mining companies. However, the Indonesian Government is currently promoting the use of non-subsidised fuel throughout Indonesia. If the plans to restrict the sales of subsidised fuel to private passenger car users in Indonesia were implemented as intended, such restrictions could weaken the demand for less fuel efficient passenger cars as well as passenger cars generally. While the Target Group believes that some of the models sold by it, such as Nissan March and Nissan Grand Livina, are more fuel efficient than comparable models of its competitors, there is no assurance that any decrease in consumer demand for certain types of passenger cars or passenger cars in general would not negatively impact the Target Group's revenues and have a material adverse effect on the Target Group business, prospects, financial condition and results of operations.

(iv) The State of the Indonesian Natural Resources Industry

The Target Group's results depend in part on the state of the Indonesian coal mining and plantations industries, given that the Target Group's sales of heavy duty trucks and equipment, which accounted for 10.1% of its net revenues in 2011 and 11.1% of its net revenue for FP2012, are in part made to the mining and plantation operators. The Target Group expects the expansion in the natural resources sector in Indonesia, particularly coal mining and plantation activities, to drive growth in demand for its Volvo and Renault heavy duty trucks and heavy equipment. Indonesia had proven coal resources of approximately 105.2 billion tonnes in 2011, according to the Ministry of Energy and Mineral Resources. Annual coal production increased from 0.26 billion tonnes in 2009 to 0.35 billion tonnes in 2011, according to the Ministry of Energy and Mineral Resources.

This business segment generates a higher gross margin compared to the Target Group's passenger cars segment. The higher profitability is partly due to the high volume of business generated in the after-sales service division and the spare parts division, as the Target Group's customers require these trucks and equipment to be continually available for use. The Target Group plans to increase the range of heavy equipment it sells to provide a more comprehensive range of heavy equipment for the mining and construction industries. The Target Group also plans to increase the hiring and training of skilled mechanics to service the growth in this business.

In addition, in order to seek synergies with the Target Group's heavy equipment sales operations, in March 2011, the Target Group (through its subsidiary) also started operations in East Kalimantan as a coal mining contractor, using heavy duty trucks and equipment that is sold by the Target Group. As a coal mining contractor, the Target Group undertakes land clearing, overburden removal, hauling and road maintenance activities.

(v) *Availability of New Models of Vehicles*

Sales of existing vehicle models are impacted by the introduction of new models and the age of the models currently available on the market. The Target Group works closely with its principal partners to introduce CKD vehicles targeted for the local market. For Nissan, its current high-volume sellers (over 1,000 units on average per month) are the Grand Livina multi-purpose vehicle, launched in April 2007 and the Evalia multipurpose vehicle launched in June 2012. In addition, the Target Group plans to selectively introduce new models in the higher-end consumer market. The Target Group started assembling the CKD versions of the Volkswagen Golf and Audi A6 in December 2010 and the Audi A4 in March 2011. In the CBU segment, the Target Group introduced several Infiniti models in March 2011. The Target Group introduced Nissan New Navara sports version, New X-Trail urban selection, New Teana, Evalia and New Grand Livina in 2012. For Audi, the Target Group introduced Q3, A5, Coupe and A6 in 2012. For Volkswagen, the Target Group introduced New Caravelle, New Touareg, Scirocco and Tiguan in 2012.

(vi) *Vehicle Sales and Related Income*

The results of the Target Group are generally affected by the number and value of passenger cars, commercial vehicles and heavy duty trucks and equipment sold by the Target Group. As the volume of vehicle sales increases, there is a corresponding increase in the demand for after-market services and spare parts which in turn, causes the Target Group's revenues to rise as well. The Target Group's targeted expansion of retail branches will also increase its network of branches that provide after-market services. The Target Group also earns ancillary income in connection with vehicle sales, such as commission from the sale of insurance underwritten by third parties, and if the customer uses the Target Group's vehicle financing services, interest income.

(vii) *Marketing and Sales Capabilities*

The Target Group's results of operations are dependent on its ability to successfully market and deliver its products to meet market demand in an effective and timely manner. These, in turn, depend on, among others, the Target Group's ability to manage, maintain and coordinate its assembly facilities, logistics and distribution channels judiciously. Any major disruption in the Target Group's assembly and distribution channels can have an adverse impact on the Target Group's revenue. As a distributor of passenger cars and commercial vehicles and branded spare parts, the Target Group's revenue is also affected by its ability to generate demand for its products through maintaining brand awareness, brand loyalty and product differentiation.

The Target Group has one of the most extensive automotive distribution networks in Indonesia. As of 30 September 2012, the Target Group supplied either original manufacturers' parts or "IndoParts" compatible spare parts to more than 6,000 outlets across Indonesia. Out of these outlets, 133 retail branches, which use only original manufacturers' parts, are majority owned by the Target Group. For Nissan passenger cars, the Target Group is the exclusive authorised retailer in Indonesia through its 80 retail branches, which gives the Target Group control over the marketing and sales of the cars, and ensures the absence of any price under-cutting among the different retail branches.

The Target Group sells its heavy duty trucks and equipment in multi-brand retail branches throughout Indonesia. As of 30 September 2012, the Target Group's heavy duty trucks and equipment operations had 21 such retail branches, as well as 39 on-site operations at the premises of its customers to provide dedicated sales and after-sales service and support. The Target Group intends to increase its retail branch network numbering 133 retail branches as of 30 September 2012 by adding about 30 more retail branches by the end of 2013, barring unforeseen circumstances. The Target Group intends for all of these retail branches to offer full 4S services and serve as showrooms for the respective brands. As the Target Group expects vehicle sales in areas outside of Jakarta to grow more quickly than vehicle sales in the Jakarta region, the Target Group will plan the expansion of its retail branch network accordingly.

The Target Group typically advertises and promotes its passenger car brands in print and electronic media and on television, as well as on billboards and at promotional exhibitions in shopping centres in Jakarta and other major Indonesian cities. For its commercial vehicles and heavy duty trucks and equipment, although the Target Group does limited advertising in trade journals and magazines, it primarily relies on its key account managers' relationships in the mining and construction industries. The Target Group's advertising and promotional expenditures were Rp.50.9 billion in 2009, which accounted for 0.73% of its net revenues in 2009, Rp.95.7 billion in 2010, which accounted for 0.87% of its net revenues in 2010, Rp97.2 billion in 2011, which accounted for 0.62% of its net revenues in 2011 and Rp.119 billion in the nine months ended 30 September 2012, which accounted for 0.82% of its net revenues for such period.

(viii) Foreign Currency Fluctuations

A majority of the Target Group's revenues and costs of revenue are in Rupiah. However, changes in exchange rates may affect the Target Group's results of operations and cash flows. For example, a depreciation of the Rupiah against the US dollar or other international currencies may increase the Target Group's cost of revenues. It may also lead to an increase in the Target Group's revenue if the selling prices of its end products increase in tandem with its increased costs. Because the Target Group buys and sells its heavy duty trucks and equipment in US dollars but book these purchases and sales in Rupiah, an appreciation of the Rupiah against the US dollar may also decrease the Target Group's heavy duty trucks and equipment revenues and related cost of revenues, and vice versa.

As the Target Group had net foreign currency liabilities of Rp.447 billion as of 30 September 2012, primarily as a result of US dollar-denominated short-term and long-term bank loans, trade payables, other payables, accrued expenses and due to related parties, a depreciation of the Rupiah against the US dollar and/or other foreign currencies would thus have the effect of increasing the cost of the Target Group's US dollar-denominated interest obligations as well as, so long as the Target Group has a net US dollar foreign currency liability, incurring net losses on foreign exchange recognized during the period. The Target Group experienced a net gain on foreign exchange of Rp.82 billion in 2009, a net gain on foreign exchange of Rp.7 billion in 2010, a net loss on foreign exchange of Rp.0.2 billion in 2011 and a net loss on foreign exchange of Rp.53 billion in the nine months ended 30 September 2012.

Cost of Revenue

The principal costs of revenues are (i) with respect to trading operations, (a) purchases of vehicles, including Nissan cars, Hino commercial vehicles and heavy duty trucks and equipment, purchases of CKD parts as well as original manufacturers' spare parts and (b) purchases of spare parts, namely "IndoParts" spare parts, (ii) with respect to financial services, primarily interest expense and financing charges relating to the Target Group's vehicle finance subsidiary, (iii) with respect to manufacturing operations, various raw materials used, such as paint, labour costs and manufacturing overheads.

The cost of revenue of the Target Group amounted to approximately 86.9%, 87.2%, 87.4%, 87.8% and 88.0% of its revenue for FY2009, FY2010, FY2011, FP2011 and FP2012, respectively. The following table sets forth a breakdown of the Target Group's cost of revenue by business segment for the periods indicated:

Cost of revenue by business segment	Audited						Unaudited			
	FY2009		FY2010		FY2011		FP2011		FP2012	
	Rp. 'billion	%	Rp. 'billion	%	Rp. 'billion	%	Rp. 'billion	%	Rp. 'billion	%
Automobiles	5,155	85.5	8,202	86.1	12,080	87.6	8,257	86.9	11,119	86.6
Financial	218	3.6	218	2.3	294	2.1	220	2.3	221	1.7
Spare Parts	477	7.9	898	9.4	1,072	7.8	842	8.9	917	7.1
Service	53	0.9	62	0.7	87	0.6	81	0.9	110	0.9
Others	126	2.1	150	1.5	254	1.9	105	1.0	477	3.7
Total	**6,029**	100.0	**9,530**	100.0	**13,787**	100.0	**9,505**	100.0	**12,844**	100.0

For the periods under review, the above trends of the cost of revenue of the business segments were generally in line with the corresponding segmental revenue. The above fluctuations of the cost of revenue during the periods under review will be further explained in the subsequent section entitled "Review of Results of Operations".

Gross Profit and Gross Profit Margin

The following table sets forth a breakdown of the Target Group's gross profit and gross profit margin by business segment for the periods indicated:

Gross profit by business segment	Audited						Unaudited			
	FY2009		FY2010		FY2011		FP2011		FP2012	
	Rp. 'billion	%	Rp. 'billion	%	Rp. 'billion	%	Rp. 'billion	%	Rp. 'billion	%
Automobiles	290	31.8	548	39.0	864	43.4	568	43.0	720	41.1
Financial	269	29.5	332	23.6	390	19.6	261	19.8	301	17.2
Spare Parts	224	24.6	398	28.3	402	20.3	302	22.9	366	20.9
Service	63	7.0	102	7.3	110	5.5	127	9.6	97	5.5
Others	65	7.1	25	1.8	223	11.2	62	4.7	270	15.3
Total	**911**	100.0	**1,405**	100.0	**1,989**	100.0	**1,320**	100.0	**1,754**	100.0

Gross profit margin by business segment	Audited			Unaudited	
	FY2009	FY2010	FY2011	FP2011	FP2012
Automobiles	5.3%	6.3%	6.7%	6.4%	6.1%
Financial	55.2%	60.4%	57.0%	54.3%	57.7%
Spare Parts	32.0%	30.7%	27.3%	26.4 %	28.5%
Service	54.3%	62.2%	55.8%	61.1%	46.9%
Others	34.0%	14.3%	46.8%	37.1%	36.1%
Overall	**13.1%**	**12.8%**	**12.6%**	**12.2%**	**12.0%**

For the period under review, the Target Group's gross profit margin has remained relatively stable within the range of 13.1% to 12.0%.

Selling Expenses

Selling expenses amounted to approximately 5.0%, 5.0%, 4.9%, 5.2% and 5.1% of the total revenue of the Target Group in FY2009, FY2010, FY2011, FP2011 and FP2012, respectively. Selling expenses include mainly salaries, wages and employee benefits, promotion and advertising, packaging and delivery, loss on foreclosed assets, incentives and depreciation.

General and administrative Expenses

General and administrative expenses amounted to approximately 6.3%, 4.8%, 3.8%, 3.5% and 3.8% of the total revenue of the Target Group in FY2009, FY2010, FY2011, FP2011 and FP2012, respectively. General and administrative expenses include mainly salaries, wages and employee benefits, provision for doubtful accounts, depreciation, security, communication, stationeries and office supplies, transportation and travelling, professional fees taxes and licenses and packaging and delivery.

Other operating income - net

Other operating income amounted to approximately 2.3%, 1.5%, 2.7%, 3.2% and 2.4% of the total revenue of the Target Group in FY2009, FY2010, FY2011, FP2011 and FP2012 respectively. Other operating income include mainly sales bonus and commission income, income from recovery of accounts receivables written off, sales & promotion subsidy income, gain on disposal of fixed assets, net gain on foreign exchange.

Share of results in associate companies

Share of results in associate companies refers to the share of net income/loss of the Target Group's associate companies, primarily NMI, NMDI and HMSI.

Finance Income

Finance income amounted to approximately 0.8%, 0.3%, 0.4%, 0.4%, 0.4% of the total revenue of the Target Group in FY2009, FY2010, FY2011, FP2011 and FP2012, respectively. Finance income includes mainly interest income from current and time deposits.

Finance Charges

Finance charges amounted to approximately 2.8%, 1.7%, 1.3%, 1.6%, 1.5% of the total revenue of the Target Group in FY2009, FY2010, FY2011, FP2011 and FP2012, respectively. Finance charges include mainly interest expense on short-term loans and long-term loans from banks and bonds.

Income tax expenses

The effective tax rate of the Target Group was approximately 33.3%, 16.3%, 18.3%, 18.8% and 17.0% in FY2009, FY2010, FY2011, FP2011 and FP2012, respectively. The corporate tax rate in Indonesia applicable to the Target Group is 25% beginning 2011. The difference between the effective tax rate and the corporate tax rate is mainly due to permanent differences such as non-taxable income, non-deductible expenses, and under/over provision in respect of prior periods.

Non controlling interest

Non controlling interest refers to income attributable to minority shareholders of the subsidiaries of the Target Group.

12.2 Review of Financial Performance

FP2012 compared to FP2011

Revenue

The Target Group's revenue increased by approximately Rp.3,773 billion, or 34.9% from Rp.10,825 billion in FP2011 to Rp.14,598 billion in FP2012 driven mainly by higher revenue from the automobiles and spare parts segments.

Revenue from the automobiles segment increased by approximately Rp.3,014 billion, or 34.2%, from Rp.8,825 billion in FP2011 to Rp.11,839 billion in FP2012 as a result of higher demand for passenger cars and motorcycles in Indonesia.

Revenue from the spare parts segment increased by approximately Rp.139 billion, or 12.2%, from Rp.1,144 billion in FP2011 to Rp.1,283 billion in FP2012, in line with the increased vehicle ownership in Indonesia.

Cost of Revenue

The Target Group's cost of revenue increased by approximately Rp.3,339 billion, or 35.1% from Rp.9,505 billion in FP2011 to Rp.12,844 billion in FP2012 as a result of (i) an increase in purchase of vehicles by approximately Rp.4,263 billion, or 52.7%, from Rp.8,094 billion in FP2011 to Rp.12,357 billion in FP2012 and (ii) an increase in purchases of spare parts by approximately Rp.67 billion, or 7.5%, from Rp.897 billion in FP2011 to Rp.964 billion in FP2012. These increases in segmental cost of revenue were generally in line with the corresponding increases in segmental revenue for FP2011 and FP2012.

Gross Profit and Gross Profit Margin

Accordingly, the Target Group's gross profit increased by approximately Rp.434 billion, or 32.9% from Rp.1,320 billion in FP2011 to Rp.1,754 billion in FP2012. Gross profit margin declined slightly from approximately 12.2% in FP2011 to 12.0% in FP2012.

Selling Expenses and General Administrative Expenses

The Target Group's selling expenses and general administrative expenses increased by approximately Rp.354 billion, or 37.3%, from Rp.950 billion in FP2011 to Rp.1,304 billion in FP2012 attributable to (i) increase in salaries, wages and employees' benefits as a results of an increase in number of employees and salary increments, (ii) increase in promotion and advertising and sales incentives in line with the increase in revenue, (iii) increase in security expenses in line with the addition of new dealerships and (v) increase in provision for doubtful account in line with higher average accounts receivable balance.

Other operating income - net

The Target Group's other operating income decreased by approximately Rp.6 billion, or 1.7%, from Rp.351 billion in FP2011 to Rp.345 billion in FP2012 attributable to (i) loss on foreign exchange of Rp.53 billion in FP2012. These were partially offset by an increase in vehicle registration and insurance income, income from recovery of accounts receivables written off and sales and promotion subsidy income.

Share of results in associate companies

The Target Group's share of results in its associate companies increased by approximately Rp.15 billion, or 6.9%, from Rp.216 billion in FP2011 to Rp.231 billion in FP2012 as a result of an increase in contribution from Nissan and Hino associate companies.

Finance Income

The Target Group's finance income increased by approximately Rp.17 billion, or 43.6%, from Rp.39 billion in FP2011 to Rp.56 billion in FP2012 as a result of higher average balance for cash and cash equivalent and higher interest rate.

Finance Charges

The Target Group's finance charges increased by approximately Rp.45 billion, or 26.2%, from Rp.172 billion in FP2011 to Rp.217 billion in FP2012 as a result of higher level of borrowings from Rp.3,991 billion in FP2011 to Rp.7,876 billion in FP2012.

Income tax expenses

The Target Group's income tax expenses decreased by approximately Rp.4 billion, or 2.6%, from Rp.151 billion in FP2011 to Rp.147 billion in FP2012. The effective tax rate decreased from approximately 18.8% in FP2011 to 17.0% in FP2012 as a result of the benefit from the tax loss carried forward.

Net Income

As a result of the foregoing, the Target Group's net income increased by approximately Rp.65 billion, or 10.0%, from Rp.653 billion in FP2011 to Rp.718 billion in FP2012.

FY2011 compared to FY2010

Revenue

The Target Group's revenue increased by approximately Rp.4,841 billion, or 44.3% from Rp.10,935 billion in FY2010 to Rp.15,776 billion in FY2011, which was driven mainly by higher revenue from the automobiles and spare parts segments.

Revenue from the automobiles segment increased by approximately Rp.4,194 billion, or 47.9%, from Rp.8,750 billion in FY2010 to Rp.12,944 billion in FY2011. The increase was mainly due to higher demand for passenger cars and motorcycles on the back of Indonesia's strong economic growth and the expanding middle class.

Revenue from the spare parts segment increased by approximately Rp.178 billion, or 13.7%, from Rp.1,296 billion in FY2010 to Rp.1,474 billion in FY2011, in line with the increase in vehicle ownership in Indonesia.

Cost of Revenue

The Target Group's cost of revenue increased by approximately Rp.4,257 billion, or 44.7% from Rp.9,530 billion in FY2010 to Rp.13,787 billion in FY2011 as a result of (i) an increase in purchase of vehicles by approximately Rp.3,870 billion, or 44%, from Rp.8,793 billion in FY2010 to Rp.12,663 billion in FY2011 and (ii) an increase in purchases of spare parts by approximately Rp.258 billion, or 26.5%, from Rp.975 billion in FY2010 to Rp.1,233 billion in FY2011. These increases in segmental cost of revenue were generally in line with the corresponding increases in segmental revenue for in FY2010 and FY2011.

Gross Profit and Gross Profit Margin

The Target Group's gross profit increased by approximately Rp.584 billion, or 41.6% from Rp.1,405 billion in FY2010 to Rp.1,989 billion in FY2011 due to the reasons described above. Gross profit margin declined slightly from approximately 12.8% in FY2010 to 12.6% in FY2011.

Selling Expenses and General Administrative Expenses

The Target Group's selling expenses and general administrative expenses increased by approximately Rp.308 billion, or 28.6%, from Rp.1,076 billion in FY2010 to Rp.1,384 billion in FY2011 attributable to (i) increase in salaries, wages and employees' benefits as a results of an increase in number of employees and salary increments; (ii) increase in promotion and advertising expenses and sales incentives in line with the increase in revenue; (iii) increase in loss on foreclosed assets in line with higher average accounts receivable balance; and (iv) increase in provision for doubtful account in line with higher average accounts receivable balance.

Other operating income - net

The Target Group's other operating income increased by approximately Rp.261 billion, or 163.1%, from Rp.160 billion in FY2010 to Rp.421 billion in FY2011 attributable to increase in sales bonus and commission income, vehicle registration and insurance income, penalty income, recovery of accounts receivable written off and sales and promotion subsidy income.

Share of results in associate companies

The Target Group's share of results in its associate companies increased by approximately Rp.44 billion, or 16.2%, from Rp.271 billion in FY2010 to Rp.315 billion in FY2011 as a result of an increase in contribution from Nissan and Hino associate companies.

Finance Income

The Target Group's finance income increased by approximately Rp.26 billion, or 81.3%, from Rp.32 billion in FY2010 to Rp.58 billion in FY2011 as a result of higher average balance for cash and cash equivalent and higher interest rates.

Finance Charges

The Target Group's finance charges increased by approximately Rp.26 billion, or 14.1%, from Rp.185 billion in FY2010 to Rp.211 billion in FY2011 as a result of higher level of borrowings and interest rates.

Income tax expenses

The Target Group's income tax expenses increased by approximately Rp.118 billion, or 119.2%, from Rp.99 billion in FY2010 to Rp.217 billion in FY2011 in line with the corresponding increase in income before income tax. The effective tax rate increased from approximately 16.3% in FY2010 to 18.3% in FY2011.

Net Income

As a result of the foregoing, the Target Group's net income increased by approximately Rp.463 billion, or 91.1%, from Rp.508 billion in FY2010 to Rp.971 billion in FY2011.

FY2010 compared to FY2009

Revenue

The Target Group's revenue increased by approximately Rp.3,995 billion, or 57.6% from Rp.6,940 billion in FY2009 to Rp.10,935 billion in FY2010 driven mainly by higher revenue from the automobiles and spare parts segment.

Revenue from the automobiles segment increased by approximately Rp.3,305 billion, or 60.7%, from Rp.5,445 billion in FY2009 to Rp.8,750 billion in FY2010 mainly due to increased sales of Nissan cars and heavy duty trucks and equipment.

Revenue from the spare parts segment increased by approximately Rp.595 billion, or 84.9%, from Rp.701 billion in FY2009 to Rp.1,296 billion in FY2010, in line with the increase in vehicle ownership in Indonesia.

Cost of Revenue

The Target Group's cost of revenue increased by approximately Rp.3,501 billion, or 58.1% from Rp.6,029 billion in FY2009 to Rp.9,530 billion in FY2010 as a result of (i) an increase in purchase of vehicles by approximately Rp.3,552 billion, or 67.8%, from Rp.5,241 billion in FY2009 to Rp.8,793 billion in FY2010 and (ii) an increase in purchases of spare parts by approximately Rp.499 billion, or 104.8%, from Rp.476 billion in FY2009 to Rp.975 billion in FY2010. These increases in segmental cost of revenue were generally in line with the corresponding increases in segmental revenue for FY2009 and FY2010.

Gross Profit and Gross Profit Margin

Accordingly, the Target Group's gross profit increased by approximately Rp.494 billion, or 54.2% from Rp.911 billion in FY2009 to Rp.1,405 billion in FY2010. Gross profit margin declined slightly from approximately 13.1% in FY2009 to 12.8% in FY2010.

Selling Expenses and General Administrative Expenses

The Target Group's selling expenses and general administrative expenses increased by approximately Rp.296 billion, or 38.0%, from Rp.780 billion in FY2009 to Rp.1,076 billion in FY2010 attributable to (i) increase in salaries, wages and employees' benefits as a results of an increase in number of employees and salary increments as well as (ii) increase in selling commissions, technician commissions and other selling expenses, primarily resulting from an increase in sales volumes to distributors and an increase in the export tax rate applicable to us, which ranged between 3% and 15% during 2010.

Other operating income - net

The Target Group's other operating income decreased by approximately Rp.2 billion, or 1.2%, from Rp.162 billion in FY2009 to Rp.160 billion in FY2010 attributable to the decrease in foreign exchange gain.

Share of results in its associate companies

The Target Group's share of results in its associate companies increased by approximately Rp.193 billion, or 247.4%, from Rp.78 billion in FY2009 to Rp.271 billion in FY2010 as a result of an increase in contribution from Nissan and Hino associate companies.

Finance Income

The Target Group's finance income decreased by approximately Rp.23 billion, or 41.8%, from Rp.55 billion in FY2009 to Rp.32 billion in FY2010 as a result of as a result of lower average balance for cash and cash equivalent and lower interest rates.

Finance Charges

The Target Group's finance charges decreased by approximately Rp.10 billion, or 5.1%, from Rp.195 billion in FY2009 to Rp.185 billion in FY2010 as a result of lower interest rate.

Income tax expenses

The Target Group's income tax expenses increased by approximately Rp.22 billion, or 28.6%, from Rp.77 billion in FY2009 to Rp.99 billion in FY2010. The effective tax rate decreased from approximately 33.3% in FY2009 to 16.3% in FY2010 as a result of the benefit from the tax loss carried forward.

Net Income

As a result of the foregoing, the Target Group's net income increased by approximately Rp.354 billion, or 229.9%, from Rp.154 billion in FY2009 to Rp.508 billion in FY2010.

12.3 Review of Financial Position

A review of the financial position of the Target Group as at 30 September 2012 is set out below, which should be read in conjunction with the unaudited financial statements of the Target Group for FP2012.

Current assets

Current assets consist mainly of inventories, trade and other receivables, current portion of financing receivables and cash and cash equivalent. As at 30 September 2012, current assets amounted to Rp.8,741 billion and accounted for approximately 51.1% of total assets.

Inventories amounted to Rp.3,807 billion as at 30 September 2012 and accounted for approximately 43.6% of current assets. Inventory included mainly automobiles, heavy duty trucks and equipment, spare parts, and work in progress. Inventories are stated at the lower of cost and net realizable value. Inventory increased by approximately Rp.1,379 billion, or 56.8%, from Rp.2,428 billion in FY2011 to Rp.3,807 billion in FP2012 mainly due to the increase in inventory for automobiles, heavy duty trucks and equipment as a result of the expansion of the Target Group's dealership network.

Trade and other receivables (net of allowance for impairment losses) amounted to Rp.2,247 billion as at 30 September 2012 and accounted for approximately 25.7% of current assets. Trade and other receivables included accounts receivables from third parties, account receivables from related parties, other receivables from third parties and other receivables from related parties. Trade and other receivables increased by approximately Rp.860 billion, or 62.0%, from Rp.1,387 billion in FY2011 to Rp.2,247 billion in FP2012 in line with the corresponding increase in Target Group's revenue.

Current portion of financing receivables amounted to Rp.663 billion as at 30 September 2012 and accounted for approximately 7.6% of current assets. Financing receivables refers to loans to customers provided through IMFI for the purchase of motorcycles as well as cars, commercial vehicles and heavy duty trucks and equipment. Current portion of financing receivables decreased by approximately Rp.1,027 billion, or 60.8%, from Rp.1,690 billion in FY2011 to Rp.663 billion in FP2012.

Cash and cash equivalents amounted to Rp.1,529 billion as at 30 September 2012 and accounted for approximately 17.5% of current assets. Cash and cash equivalents decreased by approximately Rp.80 billion, or 5.0%, from Rp.1,609 billion in FY2011 to Rp.1,529 billion in FP2012.

Non-current assets

Non-current assets consist mainly of fixed assets, investment in shares of stock and non-current portion of financing receivables. As at 30 September 2012, non-current assets amounted to Rp.8,379 billion and accounted for approximately 48.9% of total assets.

Fixed assets amounted to Rp.2,578 billion as at 30 September 2012 and accounted for approximately 30.8% of non-current assets. Fixed assets include mainly of land rights, building and improvements, machinery and factory equipment and transportation equipment. Fixed assets increased by approximately Rp.701 billion, or 37.4%, from Rp.1,877 billion in FY2011 to Rp.2,578 billion in FP2012 mainly as a result of the expansion of the Target Group's dealership network.

Investment in shares of stock amounted to Rp.2,156 billion as at 30 September 2012 and accounted for approximately 25.7% of non-current assets. Investment in shares of stock refers to the Target Group's investment in associated companies and investee companies.

Non-current portion of financing receivables amounted to Rp.3,008 billion as at 30 September 2012 and accounted for approximately 35.9% of non-current assets. Total financing receivables increased by approximately Rp.451 billion, or 14.0%, from Rp.3,220 billion in FY2011 to Rp.3,671 billion in FP2012 as a result of the expansion of the financing business.

Current liabilities

Current liabilities consist mainly of short-term loans, accounts payable and current portion of long-term debts. As at 30 September 2012, current liabilities amounted to Rp.7,469 billion and accounted for approximately 64.1% of total liabilities.

Short-term loans amounted to Rp.2,606 billion as at 30 September 2012 and accounted for approximately 34.9% of current liabilities. Short-term loans included mainly of working capital facilities, term loan facilities and overdraft facilities. Short-term loans increased by approximately Rp.1,464 billion, or 128.2%, from Rp.1,142 billion in FY2011 to Rp.2,606 billion in FP2012 for working capital purposes.

Accounts payable amounted to Rp.3,000 billion as at 30 September 2012 and accounted for approximately 40.2% of current liabilities. Accounts payable included trade payables due to third parties, trade payables due to related parties, non-trade payables due to third parties and non-trade payables due to related parties. Accounts payable increased by approximately Rp.509 billion, or 20.4%, from Rp.2,491 billion in FY2011 to Rp.3,000 billion in FP2012 in line with the increase in purchases of vehicles and spare parts.

Current portion of long-term debts amounted to Rp.1,193 billion as at 30 September 2012 and accounted for approximately 16.0% of current liabilities. Current portion of long-term debts consist of the current portion of bank loans, bond payable, consumer financing and other loans. Current portion of long-term debts decreased by approximately Rp.62 billion, or 4.9% as a result of the repayment of loans.

<u>Non-current liabilities</u>

Non-current liabilities consist mainly of non-current portion of long-term debts. As at 30 September 2012, non-current liabilities amounted to Rp.4,190 billion and accounted for approximately 35.9% of total liabilities.

Non-current portion of long-term debts amounted to Rp.4,077 billion as at 30 September 2012 and accounted for approximately 97.3% of the non-current liabilities. Non-current portion of long-term debts consist of the non-current portion of bank loans, bond payables, consumer financing and other loans. Bond payable represents bond issued by the Target Group's subsidiaries, PT Indomobil Wahana Trada ("**IWT**") and IMFI for working capital purposes and repayment of loans. Non-current portion of long-term debts increased by approximately Rp.1,762 billion, or 76.1%, mainly due to the Rp.599 billion and Rp.1,300 billion bond issuance in 2012.

<u>Shareholders' equity</u>

As at 30 September 2012, equity attributable to shareholders amounted to Rp.4,962 billion.

12.4 Liquidity and Capital Resources

The growth and expansion of the Target Group have been funded by a combination of internal and external sources of fund. Its internal sources of funds include mainly cash generated from operations and cash and cash equivalents while external sources of funds include mainly bank borrowings and capital contribution from shareholders.

The Target Group had a positive working capital position of approximately Rp.1,992 billion and Rp.1,272 billion as at 31 December 2011 and 30 September 2012, respectively. The Target Group expects that its working capital will continue to be addressed by various funding sources, including cash from operating activities and bank loans from existing and/or new facilities. Cash from operating activities refers to proceeds from the sale of automobiles and automobile spare parts, interest income from the Target Group's vehicle financing business and commissions from insurance companies for referrals. As of 30 September 2012, the Target Group had Rp.2,331 billion and US$123 million available to it under existing credit facilities that had not been drawn, and had cash and cash equivalents of Rp.1,529 billion.

Please refer to the section entitled "Capitalisation and Indebtedness" set out in Section 13 of Appendix A of this Circular for further details of the cash and cash equivalents and level of borrowings.

<u>Indebtedness</u>

As of 30 September 2012, the Target Group had total outstanding indebtedness of approximately Rp.7,876 billion, of which 75.2% were denominated in Rupiah and 24.8% were denominated in US dollars.

The Target Group has outstanding borrowings as of 30 September 2012 from the following financial institutions:

1. Indonesia Eximbank;
2. PT Bank BCA Syariah;
3. PT Bank Central Asia Tbk;
4. PT Bank Chinatrust Indonesia;
5. PT Bank CIMB Niaga Syariah;
6. PT Bank CIMB Niaga Tbk.;
7. PT Bank Danamon Indonesia Tbk.;

8. PT Bank DBS Indonesia;
9. PT Bank ICB Bumiputera;
10. PT Bank ICBC Indonesia;
11. PT Bank Internasional Indonesia Tbk.;
12. PT Bank Mandiri (Persero) Tbk.;
13. PT Bank Mayora;
14. PT Bank Nusantara Parahyangan Tbk.;
15. PT Bank OCBC NISP Tbk.;
16. PT Bank Pan Indonesia Tbk.;
17. PT Bank Permata Tbk.;
18. PT Bank Rakyat Indonesia (Persero) Tbk;
19. PT Bank Resona Perdania;
20. PT Bank UOB Indonesia;
21. PT Bank Victoria International Tbk.; and
22. PT Standard Chartered Bank Indonesia.

The names and addresses of the principal bankers of the Target Group are as follows:

No.	Name of Bank	Address of Bank
1	PT Bank Central Asia Tbk.	Menara BCA 10th Floor, Grand Indonesia, Jl. MH Thamrin No. 1, Jakarta, Indonesia
2	PT Bank CIMB Niaga Tbk.	The Energy Building 18th Floor, Lot 11A, Jl. Jend. Sudirman Kav. 52-53, Jakarta, Indonesia
3	PT Bank DBS Indonesia	Plaza Permata 12th Floor, Jl. MH Thamrin Kav. 57, Jakarta, Indonesia
4	PT Bank Mandiri (Persero) Tbk.	Plaza Mandiri 1st Floor, Jl. Jend. Gatot Subroto Kav. 36-38, Jakarta, Indonesia
5	PT Bank UOB Indonesia	UOB Plaza 10th Floor, Jl. MH Thamrin No. 10, Jakarta, Indonesia

The following table sets forth the maturity profile of the Target Group's indebtedness as of 30 September 2012:

Rp.' billion	Less Than 1 Year	1–3 Years	3–5 Years	More Than 5 Years	Total
Bank loans	3,103	1,384	272	–	4,759
Bonds payable	585	329	1,899	–	2,813
Other long-term debts	111	193	–	–	304
Total	3,799	1,906	2,171	–	7,876

Certain of the Target Group's subsidiaries have entered into loan agreements which contain covenants restricting their ability to make loans or advances other than in the ordinary course of business, including loans or advances to the Target Company. In addition, certain of the Target Group's subsidiaries have entered into loan agreements which contain covenants restricting their ability to repay debt owed to the Target Company. As of 30 September 2012, none of the loans from the Target Company to such subsidiaries were subject to such restrictions. Please refer to the risk factor "Restrictions imposed by the terms of the loan agreement covenants of the Target Group may adversely affect its financial condition, and limit its ability to plan for or respond to changes in its business" in Section 3.1 of Appendix A of this Circular for more information.

To the best of the knowledge of the Target Company's directors, the Target Group is not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the financial position and results of business operations or the investment by the Target Group.

The Target Company's directors believe that, after taking into account the internal and external sources of funds, the Target Group's working capital is sufficient to meet its present requirements and for the next 3 years from the date of this Circular.

The following table sets out summary of the Target Group's cash flows for the periods under review:

	Audited			**Unaudited**
	FY2009	**FY2010**	**FY2011**	**FP2012**
	Rp.' billion	**Rp.' billion**	**Rp.' billion**	**Rp.' billion**
Net cash generated from/(used in) operating activities	772	(1,192)	(1,215)	(2,245)
Net cash generated from/(used in) investing activities	42	(486)	(774)	(1,449)
Net cash generated from/(used in) financing activities	(747)	1,738	3,108	3,614
Net increase/(decrease) in cash and cash equivalents	67	60	1,119	(80)
Cash and cash equivalents at beginning of the year/period	367	434	490	1,609
Net effects of changes in exchange rate on cash and cash equivalents	–	(4)	–	–
Cash and cash equivalents at end of the year/period	434	490	1,609	1,529

<u>Net cash generated from/(used in) operating activities</u>

In FP2012, despite profit before tax of Rp.865 billion, the Target Group used Rp.2,245 billion in its operating activities mainly due to the increase in inventory of Rp.1,379 billion and increase in financing receivables of Rp.451 billion as a result of the expansion of the Target Group's business.

In FP2012, the Target Group's total revenue increased by approximately Rp.3,773 billion, or 34.9% from Rp.10,825 billion in FP2011 to Rp.14,598 billion in FP2012 as a result of higher demand for passenger cars and motorcycles in Indonesia. The IMAS Group has also increased its number of automotive retail branches from 112 as at 31 December 2011 to 133 as at 30 September 2012.

The abovementioned expansion in the IMAS Group's business and distribution network resulted in the build-up of its holdings of inventories from approximately Rp.2,428 billion as at 31 December 2011 to Rp.3,807 billion as at 30 September 2012.

Financing receivables increased by approximately Rp.451 billion from Rp.3,220 billion in FY2011 to Rp.3,671 billion in FP2012 in line with the increase in revenue and the increase in sales volume of which the loans to customers were provided through IMFI. In FP2012, the Target Group's revenue from the financial business segment increased by approximately Rp.41 billion, or 8.5% from Rp.481 billion in FP2011 to Rp.522 billion in FP2012.

In FY2011, net cash used in operating activities amounted to approximately Rp.1,215 billion. This was mainly due to the increase in inventory by approximately Rp.885 billion and the increase in financing receivables of approximately Rp.892 billion as a result of the expansion of the Target Group's business.

In FY2010, net cash used in operating activities amounted to approximately Rp.1,192 billion. This was mainly due to the increase in inventory by approximately Rp.777 billion and the increase in financing receivables of approximately Rp.806 billion as a result of the expansion of the Target Group's business.

In FY2009, net cash generated from operating activities amounted to approximately Rp.772 billion. This was mainly due to the decrease in financing receivables of approximately Rp.493 billion which were partially offset by the increase in inventory of approximately Rp.67 billion.

<u>Net cash generated from/(used in) investing activities</u>

In FP2012, net cash used in investing activities amounted to approximately Rp.1,449 billion. This was mainly due to the acquisition of fixed assets of approximately Rp.885 billion, investment in shares of approximately Rp.570 billion and payment of dividends by subsidiaries of approximately of approximately Rp.156 billion. These were partially offset by dividends received from associated companies of approximately Rp.114 billion and proceeds from additional capital stock contribution by non-controlling interests of approximately Rp.20 billion.

In FY2011, net cash used in investing activities amounted to approximately Rp.774 billion. This was mainly due to the acquisition of fixed assets of approximately Rp.442 billion, investment in shares of approximately Rp.422 billion and payment of dividends by subsidiaries of approximately Rp.32 billion. These were partially offset by the dividend received from associated companies of approximately Rp.97 billion and proceeds from sale of fixed assets of approximately Rp.15 billion.

In FY2010, net cash used in investing activities amounted to approximately Rp.486 billion. This was mainly due to the acquisition of fixed assets of approximately Rp.273 billion and investment in shares of approximately Rp.297 billion. These were partially offset by the dividends received from associated companies of approximately Rp.51 billion and proceeds from sale of fixed assets of approximately Rp.29 billion.

In FY2009, net cash generated from investing activities amounted to approximately Rp.42 billion. This was mainly attributable to the proceeds from short-term investment of approximately Rp.368 billion and interest received on and proceeds from terminations of restricted cash in banks and time deposits of approximately Rp.53 billion. These were partially offset by the purchase of short-term investments of approximately Rp.250 billion, acquisition of fixed assets of approximately Rp.112 billion, payment of dividends by subsidiaries of approximately Rp.23 billion and the investment in shares of stock of approximately Rp.20 billion.

<u>Net cash generated from/(used in) financing activities</u>

In FP2012, net cash generated from financing activities amounted to approximately Rp.3,614 billion (which includes net cash generated from financing activities of approximately Rp.721 billion relating to IMFI's operation). This was mainly due to proceeds from short-term loans of approximately Rp.8,155 billion, proceeds from long-term loans of approximately Rp.3,813 billion and proceeds from other financing loans of approximately Rp.326 billion. These were partially offset by repayment of short-term loans of approximately Rp.6,293 billion, repayment of long-term loans of approximately Rp.2,112 billion and repayment of other financing loans of approximately Rp.275 billion.

In FY2011, net cash generated from financing activities amounted to approximately Rp.3,108 billion (which includes net cash generated from financing activities of approximately Rp.1,245 billion relating to IMFI's operation). This was mainly due to proceeds from short-term loans of approximately Rp.4,440 billion, proceeds from long-term loans of approximately Rp.4,316 billion and proceeds from rights issue of approximately Rp.2,765 billion. These were partially offset by repayment of short-term loans of approximately Rp.6,427 billion, repayment of long-term loans of approximately Rp.2,050 billion and repayment of other financing loans of approximately Rp.822 billion.

In FY2010, net cash generated from financing activities amounted to approximately Rp.1,738 billion (which includes net cash generated from financing activities of approximately Rp.728 billion relating to IMFI's operation). This was mainly due to the proceeds from short-term loans of approximately Rp.4,459 billion and proceeds from other financing loans of approximately Rp.1,577 billion, which were partially offset by the repayment of short-term loans of approximately Rp.3,681 billion and repayment of other financing loans of approximately Rp.671 billion.

In FY2009, net cash used in financing activities amounted to approximately Rp.747 billion (which includes net cash used in financing activities of approximately Rp.502 billion relating to IMFI's operation). This was mainly due to the repayment of long-term loans of approximately Rp.1,641 billion, repayment of short-term loans of approximately Rp.948 billion which were partially offset by the proceed from short-term loans of approximately Rp.851 billion, proceed from long-term loans of approximately Rp.488 billion, proceeds from issuance of bonds of approximately Rp.500 billion and proceeds from other financing activities of Rp.399 billion.

12.5 Material Capital Expenditures and Divestments

The Target Group has made capital expenditures to expand its distribution network for the passenger cars, commercial vehicles and heavy duty trucks and equipment for the periods under review.

The following table sets forth the Target Group's material capital expenditures and divestments for FY2009, FY2010, FY2011 and FP2012:

	Audited			Unaudited
(Rp.' billion)	**FY2009**	**FY2010**	**FY2011**	**FP2012**
Capital Expenditures				
Land rights	17	11	219	227
Building and improvements	22	9	45	77
Machinery and factory equipments	21	62	171	201
Transportation equipment	25	49	63	59
Furniture, fixture and office equipment	14	24	37	37
Transportation equipment under capital lease	–	–	–	–
Construction in progress	19	93	46	406
Build, operate and transfer assets	5	1	13	1
Total	123	249	594	1,008
Capital Divestment				
Land rights	–	8	6	2
Building and improvements	–	5	–	1
Machinery and factory equipments	2	6	1	3
Transportation equipment	23	23	22	27
Furniture, fixture and office equipment	2	1	4	3
Transportation equipment under capital lease	2	–	1	–
Construction in progress	–	20	10	11
Build, operate and transfer assets	–	3	–	–
Total	29	66	44	47

The above capital expenditures were financed by a combination of funds generated from operations, credit facilities, finance lease and hire purchase facilities.

12.6 Material Commitments and Contingencies

The Target Group has various contractual obligations, some of which are required to be recorded as liabilities in our financial statements, including long-term and short-term loans. Others, such as purchase obligations, are not generally required to be recorded as liabilities on the financial statements.

As at 30 September 2012, the Target Group has the following material commitments:-

Capital commitment

As at 30 September 2012, the Target Group has capital commitments of approximately Rp.58.8 billion which relate to the joint venture with Kyokuto Kaihatsu Kogyo Co., Ltd.

The Target Group has discharged its aforementioned capital expenditure commitment in October 2012.

12.7 Bank Guarantees

The amount of corporate guarantees provided by the Target Group as at FY2009, FY2010, FY2011 and FP2012 are as follows:-

Rp.' billion	**FY2009**	**FY2010**	**FY2011**	**FP2012**
Corporate guarantees	203	213	46	268[(1)]

Note:

(1) This relates to the corporate guarantee provided by the Target Group for loans obtained by its associate company, SIF.

12.8 Credit Management

(a) Customers

The Target Group reviews and monitors closely the receivable balances to reduce the Target Group's exposure to bad debts. The Target Group also reviews periodically the credit terms and limits granted to its customers as well as their financial strength and creditworthiness. To assess the financial strength and creditworthiness of its customers, the Target Group reviews customers' recent payment history, sales performance and their financial statements (if available). The Target Group also makes enquiries with management of the customers as part of its assessment.

The Target Group only extends credit terms and limit to its corporate customers and government agencies, including fleet customers who have long term relationships with the Target Group. The Target Group typically extends credit terms of 14 to 60 days to its customers. These terms vary on a case-to-case basis depending on the customer's creditworthiness and our existing relationship with the customer.

The Target Group's trade receivables relate to a large number of diversified customers.

The trade receivables' turnover days for FY2009, FY2010, FY2011 and FP2012 are as follows:-

	FY2009(1)	FY2010(1)	FY2011(1)	FP2012(2)
Trade receivables' turnover in days	24	22	25	30

Notes:

(1) Trade receivables' turnover = (Average trade receivables / revenue) X 365 days. Where "Average trade receivables" is defined as the average of the opening and closing trade receivables amount of the relevant year.

(2) Trade receivables' turnover = (Average trade receivables / revenue) X 270 days. Where "Average trade receivables" is defined as the average of the opening and closing trade receivables amount of the relevant year.

Trade receivables' turnover in days was relatively stable and within the credit terms extend to the Target Group's customers.

The Target Group evaluate specific accounts where it has information that certain customers are unable to meet their financial obligations; based on the best available facts and circumstances including but not limited to the length of relationships with the customer and the customer's current credit status based on third party credit report and known market factors to records specific provisions for customers against amounts due to reduce its receivable amount that the Target Group expect to collect.

These specific provisions are re-evaluated and adjusted as additional information received affects the amounts of allowance for impairment losses of accounts receivables. This is applicable to accounts receivables, financing receivables and other receivables.

The amount of allowance for impairment losses of accounts receivables for FY2009, FY2010, FY2011 and FP2012 were as follows:

	FY2009	FY2010	FY2011	FP2012
Allowance for impairment losses of accounts receivables (Rp.' billion)	3	17	16	17
As a percentage of revenue (%)	0.04	0.16	0.10	0.11

The amount of accounts receivables written off in FY2009, FY2010, FY2011 and FP2012 were as follows:

	FY2009	FY2010	FY2011	FP2012
Amount of accounts receivables written-off (Rp.' million)	60	170	590	–
As a percentage of revenue (%)	0.001	0.002	0.004	–

The amount of allowance for impairment losses of financing receivables for FY2009, FY2010, FY2011 and FP2012 were as follows:

	FY2009	FY2010	FY2011	FP2012
Allowance for impairment losses of financing receivables (Rp.' billion)	30	31	38	42
As a percentage of revenue (%)	0.44	0.29	0.24	0.29

The amount of financing receivables written off in FY2009, FY2010, FY2011 and FP2012 were as follows:

	FY2009	FY2010	FY2011	FP2012
Amount of financing receivables written-off (Rp.' billion)	67	70	119	105
As a percentage of revenue (%)	0.97	0.64	0.75	0.72

The amount of allowance for impairment losses of others receivables for FY2009, FY2010, FY2011 and FP2012 were as follows:

	FY2009	FY2010	FY2011	FP2012
Allowance for impairment losses of others receivables (Rp.' million)	970	1,302	1,146	1,165
As a percentage of revenue (%)	0.01	0.01	0.01	0.01

Aging Analysis

An analysis of the trade receivables aging schedule as at 30 September 2012 is as follows:

	As at 30 September 2012	
	Rp.' billion	%
Current	1,308	65.1
Overdue:		
1 – 30 days	317	15.8
31 – 60 days	104	5.2
61 – 90 days	125	6.2
More than 90 days	155	7.7
Total trade receivables	**2,009**	**100.0**
Allowance for impairment of trade receivables	(17)	
Net trade receivables	**1,992**	

(b) Suppliers

The payment terms granted by the Target Group's suppliers may vary from supplier to supplier. In general, the credit terms granted by the suppliers are usually 30 to 60 days. The trade payables' turnover for FY2009, FY2010, FY2011 and FP2012 are as follows:

	FY2009[1]	FY2010[1]	FY2011[1]	FP2012[2]
Trade payables' turnover in days	46	43	46	49

Notes:

(1) Trade payables' turnover = (Average trade payables / cost of sale) X 365 days. Where "Average trade payables" is defined as the average of the opening and closing amount of trade payables of the relevant year.

(2) Trade payables' turnover = (Average trade payables / cost of sale) X 270 days. Where "Average trade payables" is defined as the average of the opening and closing amount of trade payables of the relevant year.

Trade payables' turnover in days was relatively stable and within the credit terms granted by the suppliers to the Target Group.

12.9 Inventory Management

The Target Group's inventory includes mainly automobiles and motorcycles, spare parts, and work in progress. The Target Group's inventory level is determined mainly by sales forecasts. The Target Group generally maintains inventory of up to two months of its monthly sales volume.

The inventory report is reviewed periodically including but not limited to the beginning balance, purchase (including lead time of importation, the goods in transit and in production line until finished goods), estimated sales and estimated ending balance to obtain an optimum level of inventory during the monthly meeting with the board of directors.

Overall physical count is carried out at least once a year during year-end audit and any material adjustment has to be approved by the board of directors. Partial physical count can be performed anytime, if required.

The inventory turnover (in days) for each of FY2009, FY2010, FY2011 and 1H2012 are as follows

	FY2009(1)	**FY2010(1)**	**FY2011(1)**	**FP2012(2)**
Inventory turnover in days	44	44	53	66

__Notes__:

(1) Inventory turnover = (Average Inventory Balances / cost of sale) X 365 days. "**Average inventory balances**" is defined as the average of the opening and closing amount of inventory of the relevant year.

(2) Inventory turnover = (Average Inventory Balances / cost of sale) X 270 days.

The increase in inventory turnover days from FY2010 to FP2012 was mainly due to the Target Group's policy to maintain a higher level of inventory for passenger cars as it anticipates higher sales in the automotive segment. Furthermore, the slowdown in the mining sector in Indonesia has resulted in higher level of inventory for heavy trucks and equipment.

Allowance for decline in market values and obsolescence of inventories is estimated based on the best available facts and circumstances based on the review of individual item including but not limited to inventories' own physical conditions, their market selling prices, estimated cost of completion and estimated cost to be incurred for their sales. The provision are re-evaluated and adjusted as additional information received affects the amount estimated.

The amount of inventory written off in FY2009, FY2010, FY2011 and FP2012 were as follows:

Rp.' billion	**FY2009**	**FY2010**	**FY2011**	**FP2012**
Amount of inventory written-off	–	–	0.71	6.63

12.10 Financial Risk Management

The Target Group is exposed to certain financial risks that arise in the ordinary course of business, such as market risk, credit risk and liquidity risk. The Target Group has implemented risk management policies and guidelines to monitor and manage these risks.

The Target Group uses derivative financial instruments, principally interest rate swaps and cross currency swaps to manage fluctuations in foreign exchange rates and interest rates in accordance to the risk management policies. The Target Group do not enter into derivative financial instruments for speculative purposes.

12.11 Market Risks

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Target Group's financial position or cash flows.

Foreign exchange risk

The Target Group's functional and reporting currency is in Rupiah as majority of its sales, purchases and operating expenses were denominated in Rupiah. Accordingly, transactions in currencies other than the functional currency during the period, if any, will be translated into the functional currency at exchanges rates in effect at the time of the transactions. Monetary assets and liabilities denominated in currencies other than the functional currency at the balance sheet date, if any, will be translated into the functional currency in effect at the balance sheet date. Exchange gains and losses are recorded in the income statement of the Target Group.

The Target Group is exposed to foreign exchange risk on purchases, cash and cash equivalents, receivables, payables and certain loans that are denominated in currencies other than the Rupiah. In respect of the exposure that is certain, the Target Group has entered into cross currency swaps to partially hedge the impact of movements in foreign exchange rates.

For the Periods Under Review, the net foreign exchange gain/(loss) of the Target Group are as follows:

Rp.' billion	FY2009	FY2010	FY2011	FP2012
Foreign exchange gain/(loss) recognised in income statement	82	7	(0.2)	(53)

Currently, the Target Group does not have any formal hedging policy with respect to foreign exchange exposure. However, the exposures are managed partly by using natural hedges that arises from monetary assets and liabilities in the same foreign currency.

Interest Rate Risk

The Target Group is exposed to interest rate risk mainly from its debt obligations with banks and financial institutions. The Target Group's fixed-rate financial assets and borrowings are exposed to a risk of change in their fair value due to changes in interest rates while the variable-rate financial assets and borrowings are exposed to a risk of change in cash flows due to changes in interest rates. The Target Group's policy is to manage interest rate risk through a combination of fixed and variable rate loans as well as interest rate swaps to manage the exposure to adverse movements in interest rates.

The Target Group's borrowings profile after taking into account hedging transactions is as follows:

	As at 30 September 2012
	Rp.' billion
Fixed interest rate borrowings	4,061
Floating interest rate borrowings	3,815
Total borrowings	7,876

As of 30 September 2012, the interest rate applicable to Target Group's Rupiah denominated indebtedness that bore interest at floating rates ranged from 7.45% to 11.75% and the interest rate applicable to its US dollar denominated indebtedness ranged from 3.15% to 6.25%.

12.12 Seasonality

The Target Group usually experiences an increase in sales volumes between March and November, except for in the month after Lebaran (the end of the Muslim fasting period). Typically, the Target Group's sales volumes are lowest in January.

12.13 Inflation

According to BPS's data, Indonesia's annual overall inflation rate as measured by the change in the consumer price index was approximately 2.8% in 2009, 7.0% in 2010 and 3.8% in 2011. Inflation has resulted generally in higher costs incurred for raw materials and fuel, increases in wages and higher operating expenses.

12.14 Change in accounting policies

Except as disclosed in the Audited Financial Statement of the Target Group, there have been no changes in the accounting policies for the last three financial years ended 31 December 2011 and nine months ended 30 September 2012.

12.15 Order book

As the Target Group is in the retail business, order books are not relevant to the Target Group.

12.16 Significant Changes

The Target Company is not aware of any event which has occurred since 30 September 2012 and up to the Latest Practicable Date which may have a material effect on the financial position and results of the Target Group.

13 CAPITALISATION AND INDEBTEDNESS

The following information should be read in conjunction with the Target Group's unaudited consolidated financial statements for FP2012 and the related notes thereto[8].

The Target Group's capitalisation and indebtedness based on its financial position as at 30 September 2012 were as follows:

	As at 30 September 2012 (Rp.' billion)
Cash and cash equivalents	1,529
Indebtedness	
Short-term loans	2,606
Bonds payable – net	2,813
Current maturities of long-term debts[(1)]	608
Long-term debts – net of current maturities[(1)]	1,849
Total indebtedness	7,876
Total Equity	5,462
Total capitalisation	**10,732**

Notes:

(1) Including bank loans, consumer financing and other loans, but excluding bonds payable — net.

(2) Total capitalisation is the sum of total equity, long-term debt (including current maturities) and bonds payable — net (including current maturities)

8 The extracts of the audited financial statements for FY2009, FY2010 and FY2011 and the unaudited financial statements for FP2012 of the IMAS Group are set out in Appendix C of this Circular. The full sets of the aforementioned financial statements of the IMAS Group, including the notes thereto, can be viewed at the relevant websites set out in Appendix C of this Circular. In addition, the full set of the aforementioned financial statements of the IMAS Group, including the notes thereto, is available in the CD-ROM sent together with this Circular and Shareholders who wish to have a printed copy can request for the same from the Company by completing the request form sent together with this Circular.

14 RELATED PARTY TRANSACTIONS

In the normal course of its business, the Target Group is a party to a number of transactions with its principal shareholders and affiliated companies that have a common controlling shareholder. The Target Group's subsidiaries, associate companies and investee companies also engage in trade and financial transactions with certain related parties. The Target Group from time to time in the ordinary course of business, enters into transactions with the Salim Group. The aggregate value of such transactions with the Salim Group for each of 2009, 2010, 2011 and the nine months ended 30 September 2012 is insignificant.

The Target Group believes the above agreements and transactions have been entered into on arms'-length terms or on terms that it believes are at least as favourable to the Target Group as similar transactions with non-affiliates, except for certain financing arrangements set out in "Transactions of the Target Group's Subsidiaries, Associate Companies and Investee Companies – Financing-Related Arrangements" under Section 14.1 of this Appendix A. The Target Group may from time to time enter into additional transactions with its affiliates, which will be on arms'-length terms or on terms that the Target Group believes are at least as favourable to the Target Group as similar transactions with non-affiliates. The material transactions that the Target Group has entered into with related parties are described below. Please see also Note 2(e) and Note 26 of the Target Group's unaudited consolidated financial statements as of and for the nine months ended 30 September 2012 for information on the Target Group's related party transactions.

A party is considered to be related to the Target Group if:

(a) directly, or indirectly through one or more intermediaries, the party (i) controls, is controlled by, or is under common control with, the Target Group; (ii) has an interest in the Target Group that gives it significant influence over the Target Group; or, (iii) has joint control over the Target Group;

(b) the party is an associate of the Target Group. An "associate" is an entity, including an unincorporated entity such as a partnership, over which the relevant party has significant influence and that is neither a subsidiary nor an interest in a joint venture;

(c) the party is a joint venture in which the Target Group is one of the joint venture partners;

(d) the party is a member of the key management personnel of the Target Group or its parent;

(e) the party is a close member of the family of any individual referred to in (a) or (d). "Close members of the family" of a person are defined as those family members who may be expected to influence, or to be influenced by, that person in their dealings with the entity and include (i) that person's children and spouse; (ii) children of that person's spouse; and (iii) dependants of that person or that person's spouse;

(f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or

(g) the party is a post employment benefit plan set up for the benefit of employees of the Target Group, or of any entity that is a related party of the Target Group.

BAPEPAM-LK Regulation No. IX.E.1 regulates affiliated party transactions and conflict of interest transactions. An affiliated party transaction is defined as a transaction conducted by a public company or its controlled company with an affiliated company of the public company or an affiliated party to the members of the board of Directors, the board of Commissioners or substantial shareholders (defined as a holder of 20.0% or more of the issued shares) of the public company. Unless falling under certain exemptions, an affiliated party transaction must be disclosed to the public within two days after entering into the transaction. A “conflict of interest” is defined as a difference of interests between the economic interests of a company and the personal economic interests of any member of the board of Commissioners, board of Directors or substantial shareholders in a transaction that may cause loss to the company. If a transaction is considered as a conflict of interest transaction, the transaction must be approved by independent shareholders (i.e., shareholders who do not have a conflict of interest in the proposed transaction). OJK has the power to enforce this rule. Under BAPEPAM–LK Regulation No. IX.E.1, an affiliated transaction and conflict of interest transaction must be appraised by an Independent Appraiser and registered with OJK. An “Independent Appraiser” is an appraiser who is not related to the public company or any party involved in the transaction.

Disclosure of an affiliated party transaction shall be announced and its supporting documents shall be submitted to OJK at no later than the second business day after the occurrence of the affiliated party transaction. Such disclosure of affiliated party transaction shall cover at least the object, value, parties involved, the nature of affiliation of the transaction, background and consideration as to why the public company chose to carry out an affiliated transaction, and a summary of the report from the independent appraisal.

Should a transaction fall under a conflict of interest category, the public company shall obtain approval from its shareholders in general meeting, attended by independent shareholders. A general meeting of shareholders approving any conflict of interest transaction must be attended by more than 50% of shares owned by independent shareholders and such transaction must be approved by more than 50% of the independent shareholders.

IMAS has been listed on the IDX since 1993. As such, its internal procedures have been set up to capture affiliated party transactions or conflict of interest transactions from the perspective of OJK (formerly known as BAPEPAM-LK) regulations and the information in this Section 14 on related party transactions for the period under review, namely FY2009, FY2010, FY2011 and FP2012, has been provided with reference to BAPEPAM-LK Regulation No. IX.E.1 regulating affiliated party transactions and conflict of interest transactions. The information in this Section 14 may therefore not contain all the information which may be required under Part VIII of the Fifth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005, if IMAS were an applicant seeking admission to the Official List of the SGX-ST by way of an initial public offering. Following the completion of the Proposed Acquisition, IMAS will implement internal procedures to capture interested person transactions (as defined in the Listing Manual) entered into by the IMAS Group.

14.1 Transactions of the Target Group’s Subsidiaries, Associate Companies and Investee Companies

The Target Group from time to time enters into various transactions or arrangements with its associate companies, investee companies and other related parties, relating to:

- the purchase and sales of products;
- lease of land, buildings and other properties;
- financing transactions including loans and guarantees that the Target Group provide to creditors of its related parties to secure the repayment of loans provided to its subsidiaries;

- management services agreements in which the Target Group provides services relating to administration, personnel, finance, law, tax and internal control; and
- IT maintenance services for which the Target Group pays service fees to certain related parties.

Purchase and Sale of Products

The Target Group sells various products, primarily automobiles, stamping dies, spare parts, accessories and souvenirs, to its subsidiaries and associated companies. The Target Group also purchases various products, such as Nissan and Hino vehicles, from certain related parties.

The table below sets forth the transaction amounts for purchase and sale of products between the Target Group and the relevant related parties for the periods indicated.

Related Party	Relationship with the Target Company[(1)]	Primary Types of Products Purchased or Sold	Year Ended 31 December			Nine Months Ended 30 September 2012 (Unaudited)
			2009	2010	2011	
			(Rp. in billion)			
Purchase of products						
PT Nissan Motor Distributor Indonesia	Associate	Nissan vehicles and parts	3,932	6,253	7,733	8,237
PT Hino Motors Sales Indonesia	Associate	Hino vehicles and parts	552	1,225	1,013	1,354
PT Nissan Motor Indonesia	Associate	Nissan parts	231	268	286	308
Salim Wanye Enterprises Co., Ltd. China	Affiliate of PT TI[(2)]	Heavy equipment	26	71	87	15
PT Suzuki Indomobil Sales	Investee company	Suzuki vehicles	163	222	233	225
PT Suzuki Indomobil Motor	Investee company	Suzuki vehicles	42	94	112	67
Total			4,946	8,133	9,464	10,206
Sale of Products						
PT Wolfsburg Auto Indonesia	Affiliate of PT TI[(3)]	Vehicles and parts	19	62	79	79
PT CSM Corporatama	Affiliate of PT TI[(4)]	Vehicles and parts	6	36	–	–
Salim Group companies and others[(5)]	Affiliate of PT TI	Vehicles and parts	85	252	–	–
Total			110	350	79	79

Notes:

(1) Entities under common control include (i) subsidiaries and associates of the Salim Group and (ii) companies which have common members of management and/or shareholders with the Target Company. Please see "Related Party Transactions — Transactions with the Salim Group" set out in Section 14.4 of Appendix A of this Circular.

(2) Salim Wanye Enterprises Co., Ltd. China is a member of the Salim Group and is a substantial shareholder of the Company.

(3) PT Wolfsburg Auto Indonesia is a subsidiary of PT TI and a member of the Salim Group.

(4) In November 2011, PT CSM Corporatama became a subsidiary of the Target Company.

(5) Includes PT Asuransi Central Asia, PT Laju Perdana Indah, PT Indofood Sukses Makmur Tbk, PT Indocement Tunggal Prakarsa, PT Indomarco Prismatama, PT Indomarco Adiprima, PT Salim Ivomas Pratama Tbk. and PT Perushaan Perkebunan London Sumatra Indonesia Tbk.

Lease of Properties

The Target Group entered into separate rental agreements with certain related parties in the past few years, for the lease to these related parties of certain parts of its land and buildings, such as warehouses, offices and service centres, for a period of one year. The aggregate amounts received by the Target Group for the lease of properties by the Target Group to these related parties were Rp.16.26 billion in 2009, Rp.17.33 billion in 2010, Rp.20.01 billion in 2011 and Rp.13.80 billion in the nine months ended 30 September 2012.

Financing-Related Arrangements

From time to time, the Target Group grants cash advances to related parties.

The Target Group issued corporate guarantees for loans obtained by SIF, an associated company, from PT Bank Negara Indonesia (Persero) Tbk. and PT Bank Central Asia Tbk.. The outstanding amount of loans granted to SIF and guaranteed by the Target Group amounted to Rp.180.4 billion as of 31 December 2009, Rp.188.7 billion as of 31 December 2010, Rp.21.7 billion as of 31 December 2011 and Rp.267.9 billion as of 30 September 2012. The Target Company has informed the Company that the corporate guarantee provided by the Target Company to PT Bank Central Asia Tbk. in connection with facilities granted to SIF has been discharged as there are no further obligations under the said facilities. In connection with the corporate guarantee provided by the Target Company in favour of PT Bank Negara Indonesia (Persero) Tbk. ("**BNI**") on 30 April 1998, the liability of the Target Company thereunder is 51% as that was the percentage shareholding of the Target Company in SIF at the time the corporate guarantee was granted. As the Target Company's shareholding in SIF is now 24.55%, PT TI has agreed to fully indemnify the Target Company for all obligations, losses and liabilities arising from the said guarantee such that the Target Company will only bear 24.55% of any obligations, losses and liabilities in respect of the facilities by BNI to SIF.

The Target Group had also previously issued corporate guarantees for loans obtained by PT Indobuana Autoraya ("**IBAR**"), a subsidiary of the Target Company. There is no outstanding amount under such loans and the corporate guarantees have been discharged.

The table below sets forth the amounts for the financing-related arrangements between the Target Group and the relevant related parties as of the dates indicated.

Related Parties	Relationship with the Target Company	As of 31 December 2009	As of 31 December 2010	As of 31 December 2011	As of 30 September 2012 (Unaudited)
		(Rp. in billion)			
Consumer financing receivables		29	34	7	6
Amounts due from					
Terraza Inc	Affiliate of PT TI(1)	23	23	–	–
PT Wolfsburg Auto Indonesia	Affiliate of PT TI(2)	21	4	5	7(3)
PT Multi Tambang Abadi	Affiliate of PT TI(4)	–	69	1	1(5)
PT Swadharma Indotama Finance	Associate	–	–	15	–
PT Kyokuto Indomobil Manufacturing Indonesia	Associate	–	–	–	36
Others		1	12	1	3
Total		45	108	22	47
Amounts due to					
PT TI	Shareholder	356	22	1	18
PT Indofood Sukses Makmur Tbk	Affiliate of PT TI(6)	–	–	184(7)	–
PT Swadharma Indotama Finance	Associate	–	40	–	–
PT Kyokuto Indomobil Manufacturing Indonesia	Associate	–	–	–	52(8)
Others		9	1	–	1
Total		365	63	185	71

Notes:

(1) Terraza Inc. is a subsidiary of PT TI and a member of the Salim Group.

(2) PT Wolfsburg Auto Indonesia is a subsidiary of PT TI and a member of the Salim Group.

(3) The loan has been repaid in October 2012.

(4) PT Multi Tambang Abadi is a subsidiary of PT TI and a member of the Salim Group.

(5) The loan has been repaid in October 2012.

(6) PT Indofood Sukses Makmur Tbk is a member of the Salim Group.

(7) This relates to outstanding payables for the purchase of land with an area of approximately 266,800m^2 located in West Java by the Target Group from PT Indofood Sukses Makmur Tbk in December 2011 for a purchase consideration of approximately US$19.5 million. Please see "Related Party Transactions — Transactions with the Salim Group – Acquisitions of Land from the Salim Group" set out in Section 14.4 of Appendix A of this Circular for more information.

(8) This amount relates to the investment of the Target Group in PT Kyokuto Indomobil Manufacturing Indonesia.

After the completion of the Proposed Acquisition, the transactions conducted under the financing-related arrangements described above will be subject to Rules 905 and 906 of the Listing Manual, if applicable.

Management Services Agreements

The Target Group has entered into management services agreements with a number of related parties, which include PT Suzuki Indomobil Motor (the Target Company's investee company in which the Target Group has an effective ownership of 9.00% and a member of the Salim Group has an interest of 1.00%), SIF (the Target Company's associate company in which the Target Group has an effective ownership of 24.55% and members of the Salim Group have an aggregate interest of approximately 75%), PT TI (an 18.05% shareholder of the Target Company), and PT Indomobil Insurance Consultant (a subsidiary of PT TI), to provide them with technical and management services that are relevant to their operations. The Target Group is engaged by its related parties to provide consultation services on operations and activities relating to administration, personnel, finance, law, tax, internal control methods and organisation as well as to recruit employees in various positions for the related parties. During the term of such agreements, the Target Group will allocate resources of its appropriately qualified employees to its related party companies to provide such consultation services.

The Target Group typically enters into such management services agreements as its personnel are involved in the administrative functions of entities outside the Target Group, for which the Target Group charges a fee. These agreements are entered into primarily to ensure proper record-keeping by the related parties which accord with the appropriate corporate governance practices including the consolidation of financial results in accordance with the relevant accounting standards and financial reporting procedures and internal control measures which are in line with those adopted for the Target Group. This is achieved with the engagement of professionals sourced by personnel of the Target Group.

The management services agreements are renewable on an annual basis and the annual fee is agreed separately each year and is typically paid every January and July. The annual fee is arrived at taking into account factors including the type of services provided, the extent of work and the time to be spent by the relevant personnel from the Target Group on the provision of such services. There is no fixed formulation or benchmark for determining the annual fee. In the event that any circumstances arise which complicate or increase the complexity of the services to be provided by the Target Group or the Target Group is required to undertake work beyond what was initially contemplated, there will be additional fees payable to the Target Group. After the completion of the Proposed Acquisition, the transactions conducted under the management services agreements described above will be subject to Rules 905 and 906 of the Listing Manual, if applicable. The agreements remain valid until there are any changes or both parties agree in writing to terminate them.

The aggregate amounts received by the Target Group from the relevant related parties under the management services agreements were Rp.2.75 billion in 2009, Rp.2.87 billion in 2010, Rp.3.06 billion in 2011 and Rp.2.48 billion in the nine months ended 30 September 2012.

IT Maintenance Services

The Target Group engages several related parties to provide the Target Group with various IT services. The Target Group paid to these related parties the aggregate amount of Rp.0.4 billion in 2009, Rp.3.3 billion in 2010, Rp.0.03 billion in 2011 and Rp.0.04 billion in the nine months ended 30 September 2012 in connection with these services. The fees paid for these IT services are arrived at taking into account factors including the type of IT services provided, the extent of work and the time to be spent by the relevant personnel from the Target Group on the provision of such services.

14.2 Rental Agreements and Build, Operate and Transfer Agreements with MCA

PT Multicentral Aryaguna ("**MCA**"), the Target Company's wholly-owned subsidiary, principally leases out its office buildings under various rental and service agreements to related parties. MCA has also entered into Build, Operate and Transfer Agreements with related parties. Total rental and service income under such agreements amounted to Rp.11.6 billion in 2009, Rp.13.8 billion in 2010, Rp.18.29 billion in 2011 and Rp.16.42 billion in the nine months ended 30 September 2012.

14.3 Other Agreements among the Target Group's Subsidiaries, Associate Companies and Investee Companies

Rental Agreements

In 2007, PT Wahana Wirawan ("**WW**"), the Target Company's wholly-owned subsidiary, entered into an agreement with NMI for the use of WW's land and building as office for period of ten years from 1 October 2007 until 1 October 2017. Total rental income for the ten years amounts to Rp.9.2 billion. WW also entered into a rental agreement in November 2006 with NMDI for the use of certain parts of buildings as an office for a period of one year, renewable every year. Total rental income in connection with these agreements amounted to Rp.2.0 billion in 2009, Rp.2.1 billion in 2010, Rp.2.3 billion in 2011 and Rp.1.9 billion in the nine months ended 30 September 2012.

Sub-Distribution and Dealership Agreements

Certain of the Target Group's subsidiaries entered into sub-distribution and dealership agreements with related parties in relation to the distribution of the Target Group's products, including but not limited to the following:

- Letter of sole distributor appointment between PT Garuda Mataram Motor ("**GMM**") and PT Wangsa Indra Permana ("**WIP**") for the distribution and service operations of Volkswagen and Audi motor vehicles and parts, effective from March 1999;
- Sub-distribution agreement between NMI and NMDI for distribution and service operations of Nissan motor vehicles and parts, effective from December 2001;
- Dealership agreement between NMDI and ITN for the distribution and service operations of Nissan motor vehicles and parts, effective from September 2003;
- Dealership agreement between NMDI and WW for the distribution and service operations of Nissan motor vehicles and parts, effective from November 2003;
- Dealership agreement between WISEL and PT Indo Truck Utama ("**ITU**") for the distribution and service operations of Volvo trucks and spare parts, effective from May 2006;
- Dealership agreement between WISEL and PT Eka Dharma Jaya Sakti ("**EDJS**") for the distribution and service operations of Volvo trucks and spare parts, effective from May 2006;
- Dealership agreement between HMSI and PT Indomobil Prima Niaga ("**IPN**") for the sales and promotion of Hino vehicles and spare parts, and maintenance and services of Hino vehicles, effective from January 2007; and
- Letter of dealership appointment between PT Central Sole Agency ("**CSA**") and IBAR for the distribution and service operations of Volvo cars and spare parts, effective from June 2007.

These agreements were entered into on arms'-length terms in the ordinary course of the Target Group's business. Pursuant to these sub-distribution and dealership agreements, the Target Group and its affiliates entered into a number of related party transactions for sales and purchases of various automobiles and parts in 2009, 2010 and 2011 and the nine months ended 30 September 2012.

14.4 Transactions with the Salim Group

PT TI, which owned 18.05% interest in the Target Company as of 30 September 2012, is a member of the Salim Group[9].

Sales to the Salim Group

Certain of the subsidiaries of the Target Group from time to time sell cars, trucks and heavy equipment to companies associated with the Salim Group. The sales by the Target Group to the members of the Salim Group were in the aggregate amount of Rp.62.9 billion in 2009, Rp. 86.8 billion in 2010, Rp.57.0 billion in 2011 and Rp.56.4 billion for the nine months ended 30 September 2012. The sales of cars, trucks and heavy equipment to the Salim Group represented 0.91%, 0.79%, 0.36% and 0.39% of the total sales of the IMAS Group for FY2009, FY2010, FY2011 and FP2012, respectively. Please see also "Related Party Transactions — Transactions with the Target Group's Subsidiaries, Associate Companies and Investee Companies — Purchase and Sale of Products" set out in Section 14.1 of this Appendix A.

Acquisitions of Land from the Salim Group

In December 2011, ITN, a subsidiary of the Target Company, acquired two parcels of land in West Java with a total land area of approximately 266,800m^2 from PT Indofood Sukses Makmur Tbk (a member of the Salim Group), for a total purchase consideration of approximately US$19.5 million, which was based on the independent valuation conducted.

In June 2012, ITN acquired two parcels of land in West Java with a total land area of approximately 128,000m^2 from PT Indofood Sukses Makmur Tbk, for a total purchase consideration of approximately US$10.3 million. The acquisition was done in the ordinary course of business to support the business operations of the Target Group. Therefore, the Target Group was not required under the relevant laws and regulations to appoint an independent valuer to value the land acquired.

Contractor Agreement for Mining

In 2010, PT Krista Mega Utama acquired a 40% interest in the Target Group's subsidiary, PSG, in which another of the Target Group's subsidiaries, WISEL, holds the remaining 60%, and which started operations as a coal mining contractor in East Kalimantan in March 2011 using primarily heavy duty trucks and equipment that is sold by the Target Group. Pursuant to a contractor agreement dated 12 June 2012 between PSG as contractor and PT Nusantara Berau Coal (a member of the Salim Group) as mining concession owner, the Target Group undertakes to provide, among others, land clearing, overburden removal, coal hauling, mud removal and general works at the concession owner's mine located in Berau Regency in East Kalimantan.

Based on the production schedule, which sets out the mining concession owner's estimates, as adjusted for the actual operational start date, the targeted production is estimated at approximately 2 million metric tonnes of coal and 14 million bank cubic meters of overburden in 2012, and at approximately 2.5 million metric tonnes of coal and 17.5 million bank cubic meters of overburden in 2013. The targeted production amounts may be revised from time to time depending on economic and other factors. The agreement is valid for three years of mining operations, and can be extended for periods of three years thereafter by mutual consent, until the completion of mining operations at the site.

After the completion of the Proposed Acquisition, the transactions conducted under the contractor agreement for mining described above will be subject to Rules 905 and 906 of the Listing Manual, if applicable.

9 The Salim Group also has interests in certain insurance companies, the insurance funds of which may be invested in IMAS Shares for the benefit of the policyholders. The Salim Group understands that at present such investments amount to approximately 4% of IMAS' issued share capital.

Insurance Services Arrangement

The Target Group obtained insurance services from PT Asuransi Central Asia ("**ACA**"), a member of the Salim Group, to cover the Target Group's inventories, fixed assets and investment property against fire and other risks. These insurance services are provided on normal commercial terms at market rates comparable to third-party insurers. Under the insurance package with ACA, the total insurance coverage amounted to Rp.281.2 billion for 2009, Rp.306.7 billion for 2010, Rp.291.0 billion and US$250,000 for 2011, and Rp.291.0 billion and US$250,000 for the nine months ended 30 September 2012.

Property Leases

On 26 May 2003, CSA, the Target Group's subsidiary, entered into a rental agreement with ACA, whereby CSA was granted the right to use the land located in Pondok Indah, South Jakarta, as a showroom starting from 1 July 2003 until 30 June 2008. This rental agreement was amended on 1 July 2008, when the rental period was extended until 30 June 2013. As compensation, ACA charges CSA fees amounting to approximately Rp.0.477 billion per year. The rental expense is presented as part of operating expenses in the Target Group's consolidated statements of income.

Debt-to-Equity Conversion

In December 2010, the shareholders of the Target Company in general meeting approved, *inter alia*, the following transactions:

(i) the assignment of loans amounting to approximately Rp.329 billion (the "**Subsidiaries' Debt**") together with interest accrued thereon which were owed to PT TI by some of the Target Company's subsidiaries (namely PT National Assemblers, PT Unicor Prima Motor, PT Wahana Inti Central Mobilindo and IMGSL), such amount owing to be assigned by the aforementioned subsidiaries to the Target Company; and

(ii) the conversion of the Subsidiaries' Debt as well as the principal amount of the loan owed by the Target Company to PT TI, which in aggregate amounted to Rp.360 billion, into new IMAS Shares to be issued to PT TI.

Arising from the debt-to-equity conversion as aforementioned, 40,476,725 new IMAS Shares of par value of Rp.500 each were issued to PT TI. The conversion price to effect the above was Rp.8,894 per IMAS Share being the average of the daily closing price of IMAS Shares for the 25 trading days before the day the Target Company published the notification for the general meeting of shareholders to be held for the purposes of approving the aforementioned transactions in Indonesian newspapers. The said conversion price was above the price of Rp.5,434 per IMAS Share based on the independent valuation conducted by Jennywati, Kusnanto & Rekan, a firm of independent appraisers appointed to opine on the debt-to-equity conversion. Jennywati, Kusnanto & Rekan had opined that the debt-to-equity conversion was fair for the Target Company and its minority shareholders and will also benefit the shareholders of the Target Company from the economic and financial perspectives.

Acquisition and Disposal of Shares of the Target Company's Subsidiaries involving the Salim Group

The Salim Group had in the past acquired and disposed of shares in the Target Company's subsidiaries.

For the period from 1 January 2009 up to 30 September 2012, the transactions required to be publicly announced by the Target Group relating to shares in the Target Company's subsidiaries which were acquired or disposed of by the Salim Group are as follows:

(i) in December 2010, PT TI subscribed for shares in SIF (an associate company of the Target Company) representing 28.57% of the total issued capital of SIF for a subscription amount of approximately Rp.40 billion, and the shareholders of SIF waived their rights to subscribe for the additional shares;

(ii) in September 2011, the Target Company acquired shares representing 24.50% of IMGSL from PT TI, Mr Anthoni Salim and PT Lintas Sejahtera Langgeng (which is a member of the Salim Group) at an aggregate purchase consideration of approximately Rp.296 billion which was within the range of fair market value based on the independent valuation conducted;

(iii) in October 2011, PT TI subscribed for additional shares in SIF (an associate company of the Target Company) representing 50% of the total issued capital of SIF for a subscription amount of approximately Rp.60 billion, and the other shareholders of SIF waived their rights to subscribe for the additional shares; and

(iv) in May 2012, the Target Company acquired shares representing 10.00% of WISEL from PT TI at an aggregate purchase consideration of Rp.6.4 billion which was within the range of fair market value based on the independent valuation conducted.

14.5 Other Transactions with Officers and Employees

Financing Loans

Certain of the Target Group's subsidiaries, in particular, ITU, EDJS, PT Indomobil Multi Trada, PT Rodamas Makmur Motor and WISEL, provide non-interest bearing loans to officers and employees subject to certain terms and conditions, which are determined in accordance with the subsidiaries' respective policies. These officers and employee loans are collected through salary deductions. The outstanding aggregate amount of these loans was Rp.4.2 billion as of 31 December 2009 and Rp.2.7 billion as of 31 December 2010, Rp.0.7 billion as of 31 December 2011 and Rp.4.9 billion as of 30 September 2012.

Retirement Benefits

In addition, the Target Group and certain of its subsidiaries have a defined contribution retirement plan covering substantially all of its qualified permanent employees. The pension fund is administered by Dana Pensiun Indomobil Group ("**DPIG**"), a related party established for the sole purpose of administration of the pension fund for the Target Group and certain of its subsidiaries. DPIG has a board of management and a board of supervisors, mostly consisting of the Target Group's management team other than its directors. The pension fund has been approved by the Indonesian Ministry of Finance based on its decision letter issued in December 1995, which was amended in March 1997.

Contributions are funded by the Target Company and each of the relevant subsidiaries at 9% of the employees' pensionable earnings.

The management of the Target Company believes that this retirement plan and the provision for employee service entitlements benefits have taken into account the requirements of the Labour Law and that the Target Company and its subsidiaries recorded the estimated liabilities for employees' separation, gratuity and compensation benefits as required under the Labour Law.

15 REGULATORY OVERVIEW

The regulatory overview described below is limited to the core business of the Target Group, which includes the business activities of manufacturing of automotive parts and components, vehicle assembly, distribution of vehicles, automotive spare parts distribution, after-sales services, financing services and other related business activities. Aside from specific regulations that regulate the core business of the Target Group, there are various laws and regulations in the investment, industry and trade sectors that stipulate particular arrangements which are applicable to the core business of the Target Group.

15.1 Investment Related Regulations

A foreign investor which intends to establish a business in Indonesia must comply with certain regulations related to the investment sector. Currently, investment activities in Indonesia are being coordinated and supervised by BKPM as the authorised authority in the investment field.

Negative List of Investments

Investment activities in Indonesia are regulated by the Investment Law. As the implementation of the Investment Law, the President issued Regulation of the President No. 36 of 2010 on the List of the Lines of Business which are Closed and Open with Certain Requirements Related to Investments ("**Presidential Regulation No. 36**"). All foreign investment companies, which may either be 100% foreign owned or a joint venture between foreign and domestic investors, are subject to Investment Law and Presidential Regulation No. 36.

According to Presidential Regulation No. 36, the automotive industry is classified under the manufacturing industry. There are no prohibitions for foreigners to own 100% of a company engaging in the automotive manufacturing industry, including manufacturing of automotive parts and components and vehicle assembly. However, there is a requirement to make a partnership with a local investor if the foreigner is involved in manufacturing two-wheel or three-wheel vehicles, including the parts and components of these two-wheel or three-wheel vehicles.

In addition, limitations apply to the trading sectors, especially retailing products, maintenance and repair services sectors, and financing services sectors. Based on Presidential Regulation No. 36, the marketing or selling of products directly to customers may be carried out by foreign investors or foreign investment companies. Companies which carry out these activities cannot have any foreign ownership. Therefore, foreign investment companies which wish to market or sell their products directly to customers must appoint local distributors. Further, based on Presidential Regulation No. 36, the maximum foreign ownership of companies which provides maintenance and repair services for cars is limited to 49%. For companies which provide financing services (other than banking services), the maximum foreign ownership is 85%.

Investment License

Pursuant to Regulation of the Chairman of BKPM No. 12 of 2009 on Guidelines and Provisions on Investment Applications, to engage in activities open for foreign investment, foreign investment companies must first procure an Investment License (*Izin Usaha*) in order to enable these companies in commencing with its operational activity/ commercial production. This Investment License is valid so long the relevant holder carries out its business activities.

15.2 Industry Related Regulations

Introduction

In general, industrial activities in Indonesia, which include manufacturing activities, are regulated by Law No. 5 of 1984 on Industries ("**Industry Law**") and its implementing regulations, including Indonesian Government Regulation No. 13 of 1995 on Industry Business License. For the automotive industry in particular, the Ministry of Industry has issued Regulation of the Indonesian Minister of Industry and Trade No. 41/M-IND/PER/6/2008on Procedures for the Issuance of Industrial Business License, Expansion License and Industrial Registration ("**Regulation No. 41**") and Regulation of the Indonesian Minister of Industry No.59/M-IND/ER/5/2010 on Vehicle Industry ("**Regulation No. 59**"). According to Regulation No. 59, there are two types of vehicle industry sectors: (i) vehicle manufacturer and (ii) component manufacturer.

The regulations set out in this Section 15.2 of Appendix A of this Circular relate to manufacturing activities and are applicable to the Target Company's subsidiaries, namely PT National Assemblers, PT Indomurayama Press & Dies Industries and PT Indomatsumoto Press & Dies Industries. The Target Group believes that the above subsidiaries are compliant with the regulations set out in this Section 15.2 of Appendix A of this Circular in all material aspects.

Vehicle Manufacturer

There are two types of activities covered by a vehicle manufacturing business, namely:

- manufacturing of CKD vehicles;
- manufacturing of IKD vehicles.

Vehicles manufacturing companies may use imported vehicle components in the form of CKD and IKD in its production activities.

Component Manufacturer

A component manufacturing company may use raw materials and sub-components, and components in the form of IKD for certain component manufacturing, in its production activities.

Licensing and Key Obligations

Pursuant to Regulation No. 59, CKD vehicles and IKD vehicles can only be manufactured or produced by a manufacturing company which holds an Industry Business License. The requirements in obtaining an Industry Business License are set out in Regulation No. 41. Further, pursuant to Regulation No. 59, (i) a vehicle manufacturer must hold an Industrial Business License (*Izin Usaha Industri*), conduct activities that include, at least, the painting, main component manufacturing until the complete built-up of the vehicle unit, perform testing and quality control, possess a trademark agreement with the principal or register the trademark with the Directorate General of Intellectual Property, and possess the company code to apply for a vehicle identification number and (ii) a component manufacturer must hold an Industrial Business License and have adequate equipment to manufacture components in accordance with the types of components that will be manufactured.

All type of vehicles that will be produced or imported must have their types and variants registered at the Ministry of Industry. Further, every component which is produced domestically or is imported must comply with the quality as determined by Indonesian National Standard (*Standar Nasional Indonesia*) ("**SNI**") or other prevailing standards. As evidence of the compliance to the SNI standard, the manufacturer will be provided with a Certificate of SNI Technical Specification issued by the Product Certification Body appointed by the Ministry of Industry.

Vehicles which can be registered and obtain a Vehicles Registration Number (*Surat Tanda Nomor Kendaraan Bermotor*) are: (i) vehicles produced by an assembling company which holds an Industrial Business License and has its operation in Indonesia, and (ii) imported vehicles whose types and variant have been registered at the Ministry of Industry and have obtained a Vehicle Identification Number (*Nomor Identifikasi Kendaraan* or NIK).

Reporting Obligation

According to Regulation No. 59:

- a component manufacturing company must submit periodic reports every six months to the Ministry of Industry on its importation realization and vehicle production;
- a vehicle manufacturing company must submit periodic reports every six months to the Ministry of Industry on the raw materials and component importation, results of vehicle production and Vehicle Identification Numbers;
- an importer who imports vehicles other than CKD vehicles must submit an importation realization report for each vehicle, including the relevant Vehicle Identification Number, to the Ministry of Industry.

Assembling Manufacturing Activities

Based on Circular Letter of the Director General of Customs and Excise No. SE-18/BC/2002 on the Provisions of the Assembling and the Knocked-Down Level of Vehicles and Components for Assembling Purpose, every vehicle assembling manufacturing company must at least conduct the business activities of welding, painting, assembling of main components of vehicles so that these vehicles become whole vehicles, and examine and control the quality of these vehicles.

In conducting the assembling manufacturing activities, a vehicle assembling manufacturing company can:

- use its own equipments and facilities to carry out the manufacturing activities; or
- assign such activities to another party (subcontracting) if the company does not have its own facility, provided that the company must enter into a sub-contract agreement for at least three years.

Every vehicle assembling manufacturing company must have:

- a trademark license agreement with the principal of the product that it assembles or a trademark registration at the Directorate General of Intellectual Property Rights of the relevant trademark from its principal; and
- a company code to apply for a Vehicles Identification Number issued by the Director General of Industry for Metal, Machinery, Electronics, and Various Industries.

Sanctions

Non-compliance with Regulation No. 59 may result in the revocation of the Industrial Business License of the relevant manufacturing company. Further, Article 24 of the Industry Law stipulates that violation of the requirement to obtain an Industrial Business License and/or violation of the reporting requirement will result in the revocation of the relevant Industry Business License (if this has been obtained) or criminal sanction in the form of imprisonment against the management of the relevant company or financial penalties.

15.3 Trade Related Regulations

Companies that are engaged in the automotive manufacturing sector must also comply with certain regulations in the trade sector. As the regulatory authority in the trade sector, the Ministry of Trade has issued various regulations on this matter, including regulations related to obtaining licenses as agents or distributors for the marketing of automotive products, and regulations related to import licenses.

Distributorship and Agency Regulations

Arrangements for distributorships and agencies are regulated by Regulation of the Ministry of Trade No. 11/M-DAG/PER/3/2006 on the Guidelines and Procedures for the Issuance of Registration Certificates for Agents/Distributors of Goods/Services ("**Regulation No. 11**"). Regulation No. 11 requires the registration of all agency/distribution agreements involving Indonesian agents/ distributors, whether the principal is domiciled in Indonesia or overseas. Upon registration, the Ministry of Trade will issue a Registration Letter (*Surat Tanda Pendaftaran* or STP) to the registering agent/distributor. A Registration Letter shall be valid for two years. In the event the agency/distribution agreement between principal and the agent/distributor is terminated prior to the end of this 2-year period and the principal intends to appoint a new agent/distributor, the Registration Letter can be given to the new agent/distributor after the relevant parties reach a settlement agreement. If the parties fail to reach a settlement agreement within 3 months after the termination of agent/distributor agreement, the Registration Letter shall be deemed invalid and the principal may appoint new agent/distributor. Agents, sole agents, sub-agents, distributors, sole distributors, and sub-distributors are required to submit their business activities report every six months to the Ministry of Trade. As the Target Company is a foreign-investment company, all agreements between the Target Company and an agent/sole agent/distributor/sole distributor shall be legalized by a Notary and approved in writing by the principal abroad.

Agency

Under Regulation No. 11, an agent is defined as a domestic trading company which is contractually engaged to act for and on behalf of its principal for the purposes of marketing products and/or services owned by the principal. The agent has the duty to carry out marketing of the products and/or services of its principal. However, title over these products and/or services remain with the principal and is not transferred to the agent. If the principal appoints a person as an agent, the agent is then entitled to bind and commit the principal, and the principal is bound by the commitment made by the agent to the end-user on the principal's behalf. Based on this concept, an agent's act is always performed for, and on behalf of, the principal, and for the principal's risk. In addition to being an agent, a company can also carry out activities as (i) a sole agent, which includes an agent of a principal or a trademark holding sole agent (*Agen Tunggal Pemegang Merek* or ATPM) and (ii) a sub-agent. A sole agent is a national trading company appointed by the principal manufacturer to exclusively import, promote, distribute and maintain after sales service within a specific jurisdiction. The sole agent is appointed for a specific time period based on an agreement. Based on Decree of the Indonesian Minister of Industry No. 295/M/ SK/7/1982 on the Provision Concerning Sole Agency ("**Decree No. 295**"), as partly amended by Decree of the Indonesian Minister of Industry No. 428/SK/12/1987 on the Simplification of Acknowledgement Stipulations and Reduction of Motorized Vehicles and Heavy Equipment Sole Agency Acknowledgement and Electronics Equipment and Household Electrical Equipment ("**Decree No. 428**"), a sole agent is also required to have a Sole Agency Acknowledgement Letter (*Surat Pengakuan Keagenan Tunggal*) from the Indonesian Minister of Industry. The agreement upon which the sole agency is granted must also be submitted to the Ministry of Industry (in case of the request for the Sole Agency Acknowledgement Letter is for an ATPM, an agreement which evidences the granting of the trademark license must also be submitted). The Sole Agency Acknowledgment Letter for an assembling or manufacturing company will be effective for five years and may be renewed. Under Regulation 11, the Sole Agency Acknowledgment Letter is not automatically renewed. The request for renewal as a sole agent requires (i) a confirmation from the Principal which has been legalised by a Notary Public and a notification letter from the Indonesian Trade Attaché or Indonesian Representative Office in the Principal's country; (ii) a Company activities report for the past 6 months; and (iii) the original Sole Agency Acknowledgment Letter.

Furthermore, any other requirements applicable to an agent are to apply to the sole agent as well.

A sub-agent is a national trading company (which is defined under Government Regulation No. 36 of 1977 on Termination of Foreign Business Activities in the Trade Sector and Law No. 6 of 1968 on Domestic Investment as a company in which 75% of its shares is owned by an Indonesian entity engaging in trading activities) appointed by the agent or sole agent based on a letter of appointment or an agreement for the purpose of marketing the product of the principal manufacturer. The sub-agent is a representative of and acts on behalf of, the principal. The Target Group has no sub-agent.

A company which has obtained a Sole Acknowledgement Letter from the Indonesian Government is obliged to: (i) implement a marketing network for the products which are represented by the company within the area of the Republic of Indonesia; and (ii) provide after sales service for the products which are represented by the company. In addition, a sole agent which has obtained a Sole Acknowledgement Letter may escalate its sole agency status to become a manufacturing company for the products that it represents provided that it has obtained industrial business licenses, including to implement marketing network within or outside the country (for export purposes).

An existing agency contract can only be terminated by: (i) mutual consent of both parties, or (ii) one of the relevant parties if: (A) the company is liquidated; (B) the company ceases its business activities; (C) the company assigns its rights relating to agency and distribution; (D) the company is bankrupt; or (E) the agreement is not extended.

Distribution

In a distribution relationship, the situation and implication will be different from the agency structure. The local distributor is not acting on behalf of the principal in distributing the products. The distributor is acting as buyer and independent party to the principal, and the distributor will be responsible for the products purchased by it. Generally, the principal will not pay any commission to the distributor, but the distributor will have a profit from a margin between the purchase price and the sale price of the products.

Pursuant to Regulation No. 11, a distributor is a domestic trading company who acts for, and on behalf of, itself based on a contract to purchase, store, sell and market goods and/or service that it owns. The achievement of the distributor to meet the sales target would be the prime weighted point in evaluating the distributor's performance under the distribution contract. The same licensing and/or permit requirements for agents are also to apply for distributors.

The other forms of distributorship are: (i) the sole distributor and (ii) the sub-distributor. A sole distributor is a national trading company which has an exclusive right from the principal manufacturer or importer based on an agreement to distribute exclusively the products within a specific jurisdiction. The requirements for sole distributor are the same as those for a sole agent. A sub-distributor is a national company acting in its own interests based on an appointment from the distributor or sole distributor to distribute the products or services. The licence requirements for a sub-distributor are the same as those for a sub-agent.

After-Sales Services

An automotive manufacturer can provide after-sales services to its customers, such as maintenance and repair services as well as providing spare parts. To guarantee quality and after-sales services is a requirement for vehicle distributors under Decree No. 295, as partly amended by Decree No. 428. After-sales services include the repair and maintenance, as well as the provision of genuine spare parts or components of vehicles or equivalent, and workshop facilities, including competent human resources.

Workshop companies, especially for imported vehicles in a CBU condition must ensure the repairing and/or maintenance of vehicles as well as provision of genuine spare parts or equivalent.

Pursuant to Decision of the Director General of Metal, Machine, Electronic and Multi-various Industries No. 007/SK/DJ-ILMEA/V/2001 on Technical Directives for Registration of Types and Variants and Application of Vehicle Identification Number ("**Decision No. 007/2001**"), the following companies will issue Statement of Guarantee for Quality and After Sales Service which would have to be legalised by a Notary Public:

- guarantor companies having workshop specifically designated to import vehicle in CBU condition with a minimum Class IB classification and fulfilling the criteria for after sales service of vehicle with tariff heading HS 87.03 and double cabin vehicle with tariff heading HS.87.04; and

- guarantor companies having general workshop of imported vehicle in CBU condition with minimum classification of Class IIIB for vehicle subsumed into tariff heading HS 87.01.87.02.87.04, 87.05 and 87.11

According to Regulation of the Directorate General of Transportation Industry and Telematics No. 008/IATT/PER/10/2006 on the Provision of Quality Assurance and After-Sales Service of Imported Vehicle ("**Regulation No. 8**"), such a statement will be effective for two years at the minimum as from the date of issue of the statement.

The quality and after sales service guarantee must at least provide guarantee for the following aspects:

- the assurance for repairing and/or replacing components/spare parts and/or service in the case of the imported vehicles facing damage mechanic failure attributable to production/ factory fault and not attributable to mistakes of operation or wearing out/using up; and

- the guaranteed components or spare parts must at least consist of the list of components or spare parts guaranteed by guarantor workshop attached to Decision No. 007/2001.

Under Regulation No. 8, the workshop providing guarantee and after sales service must at least comply with the following requirements:

- possess workshop business license from the authorised government agency;

- have proper experience, capability, skill and commitment in providing quality and after sales service warranty for three years at the minimum, as evidenced by guarantee books and other documents;

- have computer-based diagnosis instruments capable of handling vehicle imported in CBU condition;

- have mechanics capable of operating diagnosis instruments and special tools proven by certificate certifying that such mechanics have passed training for the operation of the tools;

- have information and information technology management capable of tracing the guaranteed vehicles; and

- have workshop and after sales service networks in big cities in Indonesia.

According to Decree of Indonesian Minister of Industry and Trade No. 551/MPP/Kep/10/1999 as partly amended by Decree of Indonesian Minister of Industry and Trade No. 191/MPP/Kep/6/2001 on Vehicles Workshop, each workshop will be evaluated and certified periodically by an independent certification body appointed by the Indonesian Government to determine the class of the workshop. Four elements are evaluated in this certification process: (i) quality system, (ii) facilities and equipment, (iii) mechanic and (iv) workshop information management. The certificates issued by the certification body will be valid for five years and consist of the following three classes:

- certificate of class I types A, B and C;
- certificate of class II types A, B, and C; and
- certificate of class III types A, B, and C.

Workshop class I is a workshop which achieves a certification score of more than 80; workshop class II is a workshop which achieves a certification score of between 60-80; and workshop class III is a workshop achieves a certification score of less than 60.

Workshop type A is a workshop which can conduct vehicle servicing, minor and major repairs, and body and chassis repair; workshop type B is a workshop which can conduct vehicle servicing, minor repair, and body and chassis repair; and workshop type C is a workshop which can conduct vehicle servicing and minor repair.

Trading License

Pursuant to Regulation of the Indonesian Minister of Trade No. 36/M-DAG/PER/9/2007 as amended by Regulation of the Indonesian Minister of Trade No. 46/M-DAG/PER/9/2009 and Regulation of the Indonesian Minister of Trade No. 39/M-DAG/PER12/2011 on the Issuance of Trade Business License ("**Regulation No. 36**"), a trading company must obtain a Trade Business License (*Surat Izin Usaha Perdagangan* or SIUP) issued by the Indonesian Minister of Trade. Under Regulation No. 36, the net asset of a company determines the type of Trade Business Licence of SIUP which it has to procure as set out in the table below:

Net Asset (excluding land and building used as business site)	Type of SIUP
In excess of Rp.50,000,000 up to Rp.500,000,000,	Small SIUP
In excess of Rp.500,000,000 up to Rp.10,000,000,000	Medium SIUP
In excess of Rp.10,000,000,000	Large SIUP

The trade sector is closed to individual foreign nationals, foreign trading companies, foreign domestic trading companies, foreign investment manufacturing companies and foreign domestic manufacturing companies. The negative investment list as described above has clearly stipulated that retail trading for cars, spare parts and cars accessories are 100% closed for foreign shares ownership. Trading activities which include import, export, distribution of ex-imported goods and domestic products and services are made available for operation by individual Indonesian nationals and/or local trading companies, but are closed to foreign investors. This is in line with Indonesian Government Regulation Number 36 of 1977 as last amended by Indonesian Government Regulation Number 15 of 1998 on Termination of Foreign Business Activities in the Trade Sector ("**Government Regulation No. 15**").

However, according to Government Regulation No. 15, foreign investment manufacturing companies may sell its products to end-users through foreign investment companies which are specifically established as a retailer or wholesaler/distributor.

The Target Company is not required to have a trading license as it is an investment holding company. The Target Company's subsidiaries which are engaged in general trading, vehicles wholesale and spare parts trading, hold trading licences.

IMAS is a domestic investment company listed on the IDX. Indonesian Law No. 25 of 2007 on Investment Law and Presidential Regulation No. 36 of 2010 provide that portfolio investment by a foreign investor through the capital market (as is the case in the Proposed Acquisition) is not considered as foreign investment and therefore, the investee company (in this case, the Target Company as well as its subsidiaries) is not required to be converted into a foreign direct investment company and the foreign share ownership restrictions do not apply to the Target Company as well as its subsidiaries.

15.4 Importation Regulation

A vehicle manufacturing company in its production activities may import certain industrial goods and components to support its industry. Pursuant to Regulation of the Indonesian Minister of Trade No. 27/M-DAG/PER/5/2012 as partly amended by Regulation of the Indonesian Minister of Trade No 59/M-DAG/PER/9/2012 on Importer Identification Number*)* ("**Regulation No. 27**"), an importer must obtain an Importer Identification Number (*Angka Pengenal Importir* or API) to be able to perform importation activities. The API is divided into: (i) General Importer Identification Number (*Angka Pengenal Importir Umum* or API-U) and (ii) Producer Importer Identification Number (*Angka Pengenal Importir Produsen* or API-P). An API-U is granted to the importers who import goods for the purposes of business activity of trading or transferring such goods to another party. An API-P is granted to the importers who import goods which will be used by the importers themselves and/or to support the production process of the importers. Holders of API-P are not allowed to trade or transfer the imported goods to another party. In the event such imported goods have been given customs exemption and have been used personally for at least 2 years since the import customs notification, such imported goods may be transferred.

Decree of the Indonesian Minister of Industry and Trade No. 49/MPP/Kep/2/2000 on the Requirements to Import Completely Built-Up Vehicles ("**Decree No. 49**") regulates on the requirements for importing CBU vehicles. Pursuant to Decree No. 49, each CBU vehicle which will be imported must be registered with the Ministry of Industry. The Ministry of Industry will then issue a Vehicle Type Registration Certificate (*Tanda Pendaftaran Tipe*).

The importer is required to submit the following documents to obtain the Vehicle Type Registration Certificate:

- Vehicle Identification Number from the country of origin where the vehicles are manufactured which at least contains information about the country of origin, factory, types and specification and year of production;

- where more than ten units of a particular type of vehicle have been imported, the certificate/evidence of testing by the Ministry of Transportation in respect of the vehicle;

- where more than ten units of a particular type of vehicle have been imported, the certificate/evidence of testing by the country of origin in respect of the vehicle;

- a statement letter from the importer on the warranty applicable in Indonesia for the quality of the product and after-sales service; and

- other documents to be determined by the Ministry of Industry.

Vehicles Import Duty

Based on the prevailing regulations, such as Law No. 8 of 1983 on Value Added Tax and Sales Tax on Luxury Goods on Vehicles as lastly amended by Law No 42 of 2009, importation of vehicles is subject to an import duty, value added tax, and sales tax on luxury goods.

The tariff of import duty is determined from time to time by the Indonesian Government based on regulations issued by the Indonesian Minister of Finance. The tariffs vary from 5% to 50% depending on the types of vehicles, propeller, engine systems, capacity and whether it is a CBU or CKD vehicle.

The Indonesian Government also regulates and determines, from time to time, certain types of goods and raw materials to produce vehicles components, which may be exempted from the import duty. A company may apply for such an exemption to the Director General of Custom and Excise by enclosing the Goods Import Plan approved and authorised by the Director General of Industry of Transportation Device and Information Technology to be exempted from the import duty. The Indonesian Government may either approve or reject such application. If approved, the Indonesian Government will issue a Indonesian Minister of Finance Decree to exempt the company from such import duty.

As an implementation to Agreement between the Republic of Indonesia and Japan for an Economic Partnership (*Persetujuan antara Republik Indonesia dan Jepang Mengenai suatu Kemitraan Ekonomi*), the Indonesian Government has issued Regulation of the Indonesian Minister of Finance No. 95/ PMK.011/2008 on the Determination of Import Duty in Relation to the Agreement between the Republic of Indonesia and Japan for an Economic Partnership ("**Regulation No. 95**"). Based on Regulation No. 95, the Indonesian Government has applied special reduced import duties rate for various goods originated from Japan including vehicles commencing from the year of 2008 until the year of 2012. This facility will be made available provided that import of such goods are enclosed with Certificate of Origin (Form JIEPA) issued by the relevant authority in Japan.

Vehicles Tax

Value Added Tax is 10% of the selling price of the product, while the Sales Tax on Luxury Goods varies from 10% to 75% based on the type of vehicles (e.g., sedan/station wagon, other than sedan/station wagon, vehicle for 10 up to 15 passengers, double cabin vehicles, special purpose vehicles and motorcycle), type of propeller, engine system and capacity.

The Value Added Tax will be imposed each time the vehicles are sold, but the Sales Tax on Luxury Goods is imposed once, namely upon delivery of vehicles by taxable entrepreneurs which manufacture the taxable goods or upon importation of such goods.

Based on Regional Regulation of the Province of the Jakarta Special Capital Region No. 8 of 2010 on Vehicle Tax ("**Jakarta Vehicles Tax Regulation**"), the owner of a vehicle in Jakarta will be subject to an annual tax. Such annual tax will commence twelve months from the date of the registration of the vehicle and is calculated based on the multiplication of two main components: (i) sales value of the vehicle based on the average market price at the first week of December of the previous fiscal year, and (ii) the weight of such vehicles which represent the level of the damage of road and/or environment pollution due to the use of such vehicles. The Indonesian Minister of Home Affairs based on consideration of Indonesian Minister of Finance will each year issue a table containing the basic value of vehicles that will be imposed with annual tax.

Vehicles Tax Rate

According to the Jakarta Vehicles Tax Regulation, the tax rate on personal ownership of vehicles is calculated on a progressive basis as follows:

- 1.5% from the determined value for the first vehicle owned by an individual;
- 2% from the determined value for the second vehicle owned by the same individual;
- 2.5% from the determined value for the third vehicle owned by the same individual;
- 4% from the determined value for the fourth and above vehicles owned by the same individual.

However, such progressive tax calculation is not applicable to a company. The rate for vehicles owned by a company is 1.5%.

15.5 Environmental Protection Regulations

Environmental protection in Indonesia is governed by various laws, regulations, and decrees, including the Environmental Law, which was enacted on 3 October 2009 to replace Law No. 23 of 1997 on Environmental Management. The Environmental Law stipulates that all business sectors that are required to obtain an Environmental Impact Assessments (*Analisis Mengenai Dampak Lingkungan* or AMDAL) or an Environment Management Effort and Environment Monitoring Effort (*Upaya Pengelolaan Lingkungan Hidup dan Upaya Pemantauan Lingkungan Hidup* or UKL-UPL) shall obtain an Environmental License, which is issued by the State Minister of Environment, Governor, or Mayor/Regent (in accordance with their respective authorities). Such Environmental License is issued based on an environmental feasibility decision *(keputusan kelayakan lingkungan hidup)* or a UKL-UPL recommendation.

Every business activity that may cause substantial and important effect towards its environment must prepare an AMDAL. The AMDAL will then need to be approved by the relevant authorities. Such activities covers the fields of business activities which may cause huge and important impact to the environment, such as: (i) the conversion of the forms of land and natural extents; (ii) the exploitation of natural resources, either renewable or non-renewable; (iii) processes and activities which can potentially lead to environmental squandering, pollution and damage and degradation in natural resources in their utilization; (iv) processes and activities whose results can affect the environment, artificial environment and social and cultural environment; (v) processes and activities whose results can affect the conservation of areas for the conservation of areas for the conservation of natural resources and/or protection of cultural reserves; (vi) the introduction of the species of vegetation, animals and micro organisms; (vii) making and use of biological and non-biological materials; (viii) the application of technology estimated to possess a big potential to affect the environment; (ix) activities within high risks and/or those affecting state defense.

An AMDAL consists of the following documents:

- an Environmental Impact Analysis Report (*Analisis Dampak Lingkungan*);
- an Environmental Management Plan (*Rencana Pengelolaan Lingkungan*); and
- an Environmental Monitoring Plan or (*Rencana Pemantauan Lingkungan*).

Under Regulation of the Indonesian Minister of the Environment No. 13 of 2010 on Environmental Management Efforts, Environmental Monitoring Efforts and Capability Statement for Environmental Management and Monitoring, companies who are not required to prepare an AMDAL in conducting their business activities are required to prepare an Environmental Management Effort (*Usaha Pengelolaan Lingkungan*) ("**UKL**") and an Environmental Monitoring Effort (*Usaha Pemantauan Lingkungan*) ("**UPL**"). Regional governments are given the authority to determine whether a business activity must be supported by an UKL and UPL. An UKL and UPL are reports issued by a company to show that it has properly managed and monitored environmental issues when carrying out its business. This report will be submitted by the company to the relevant authorities for its review, discussion and approval. Once the report has been submitted, it will be the responsibility of the relevant authority to review and respond to it, and the company to make any required adjustment. The final result of the process of procuring a UKL-UPL is getting a UKL-UPL recommendation confirming that the UKL-UPL has been approved.

The Environmental Law further stipulates that within two years after its enactment date, all businesses that have obtained business licenses but do not yet have an AMDAL document or UKL-UPL are obligated to either complete an environmental audit, if they need an AMDAL, or to have an environment management document, if they need a UKL-UPL. Furthermore, under the Environmental Law, businesses are required to integrate their current environmental permits (AMDAL or UKL/UPL documents) issued by the relevant authority, into an Environmental License by the first anniversary of the enactment date. Businesses that fail to comply with the Environmental License requirements are subject to administrative sanctions, which may be in the form of (i) a written warning; (ii) Government coercion; (iii) suspension of the Environmental License; or (iv) revocation of the Environmental License.

Further, in February 2012, the Government issued Government Regulation No. 27 of 2012 on Environmental License ("**GR 27/2012**") as one of the implementing regulations of the Environmental Law. GR 27/2012 became effective on 23 February 2012. According to GR 27/2012, the Environmental License will be issued by the State Minister of Environment, governor or mayor/regent (in accordance with their respective authorities) following the publication of the application for an environmental license submitted by a company and will be issued simultaneously with the issuance of the environmental feasibility decision *(keputusan kelayakan lingkungan hidup)* or UKL-UPL recommendations.

GR 27/2012 stipulates that any environmental document which has been approved prior to 23 February 2012 shall be declared as a valid document and deemed to be an Environmental License.

In Jakarta, pursuant to Decree of the Governor of the Jakarta Special Capital Region No. 189 of 2002 on Types of Business Activities which Require Environmental Management Effort and Environment Monitoring Effort in the Province of the Jakarta Special Capital Region, the following business activities must be supported by an UKL and UPL:

- vehicles industry, including assembling of vehicles;
- vehicles spare parts industry;
- machinery maintenance;
- workshop.

According to Regulation of Indonesian Minister of Environment No. 4 of 2009 on Emission Limit Values of New Vehicles, the carbon monoxide ("**CO**") emission limit values for new vehicles are as follows:

- for gasoline passenger vehicles with no more than eight seats, excluding driver seat, weighing less than or equal to 3.5 tons, the CO emission limit is between 2.2-5.0 gram/km;
- for Compressed Natural Gas ("**CNG**") passenger vehicles with no more than eight seats, excluding driver seat, weighing less than or equal to 3.5 tons, the CO emission limit is between 2.2-5.0 gram/km;
- for diesel passenger vehicles with no more than eight seats, excluding driver seat, weighing less than or equal to 3.5 tons, the CO emission limit is between 1.0-1.5 gram/km;
- for gasoline freight vehicles weighing less than or equal to 3.5 tons, the CO emission limit is between 2.2-5.0 gram/km;
- for CNG freight vehicles weighing less than or equal to 3.5 tons, the CO emission limit is between 2.2-5.0 gram/km;
- for diesel freight vehicles weighing less than or equal to 3.5 tons, the CO emission limit is between 1.0-1.5 gram/km;
- for CNG passenger or freight vehicles weighing more than 3.5 tons, the CO emission limit is 4.0 gram/km; and
- for diesel passenger or freight vehicles weighing more than 3.5 tons, the CO emission limit is 4.0 gram/km.

The Company understands from the Target Company that the only reports in connection with environmental protection regulations which are required and have been prepared by the Target Group relate to its assembly plant and are set out below:

(i) RKL (Environmental Management Plan) and RPL (Environmental Monitoring Plan);

(ii) UKL (Environmental Management Effort) and UPL (Environmental Monitoring Effort); and

(iii) testing for the liquid waste of the Target Group's assembly plant for which the test result showed that the liquid waste level complies with the applicable threshold.

15.6 Financing Related Regulations

Pursuant to Regulation of the Indonesian Minister of Finance No. 84/PMK.012/2006 on Financing Companies ("**Regulation No. 84**"), financing companies other than banks, may carry out the following financing activities:

- leasing business activities, covering finance lease and operating lease;
- factoring business activities;
- credit card business activities; and
- consumer financing business activities.

In carrying out its activities, financing companies may cooperate with commercial banks, through channeling or a joint financing. To be able to carry these activities, a company must obtain a Financing Company Business License (*Izin Usaha sebagai Perusahaan Pembiayaan*) from the Indonesian Minister of Finance. In carrying out its activities, financing companies may cooperate with commercial banks, through finance channeling or joint financing.

Under Regulation No. 84, financing companies must have financing receivables of at least 40% of their assets and an issued and paid-up capital of at least Rp.100 billion. Further, financing companies may only hold shares in other companies who are engaged in the financial sector in Indonesia. The maximum amount of participation of financing companies in other companies is limited to:

- 25% of the issued and paid-up capital of the subsidiary; and
- 40% of the issued and paid-up capital of the financing company as disclosed in the latest audited financial report of the financing company.

Certain limitations apply to financing companies in carrying out their business activities. These restrictions are as follows:

- withdrawing funds directly from the public in the form of a giro, deposits, savings and/or other forms of instruments equivalent to these instruments;
- issuing promissory notes, unless for the purpose of securing a loan facility to its creditor banks;
- providing security in any form to any other parties.

According to Regulation No. 84, foreign investors may contribute up to 85% of a financing company's paid-up capital provided that in the event that the investor is a legal entity, the capital contribution that can be made by that investor is capped at 50% of that investor's issued and paid up capital.

Further, financing companies are also subject to certain periodical reporting obligations to the Indonesian Minister of Finance and Bank Indonesia, covering among other things monthly financial statements, semester business activities reports and annual audited financial report.

The Indonesian Minister of Finance has the authority to revoke the Financing Company Business License if the financing company is, among other things:

- dissolved;
- imposed of a sanction under Regulation No. 84;
- no longer a financing company;
- merged or consolidated with another financing company; or
- no longer in compliance with the provisions set out in Regulation No. 84

16 DESCRIPTION OF IMAS SHARES

Pursuant to the articles of association of the Target Company, the purpose and objectives of the Target Company are doing business in trade, construction, transportation, agriculture, industry, repairs, services and mining. The authorised share capital of the Target Company as at 30 September 2012 was Rp.1,900,000,000,000 consisting of 7,600,000,000 shares of par value Rp. 250 each, and its issued and paid-up share capital of the Target Company was Rp. 691,319,603,000 consisting of 2,765,278,412 shares of Rp.250 each.

The following is a summary of material rights and restrictions related to the IMAS Shares under applicable provisions of Indonesian law and the provisions of the articles of association of the Target Company. This description does not purport to be complete.

16.1 Rights and Restrictions of the Target Company's Share Capital

Pursuant to the articles of association of the Target Company, the Target Company only acknowledges the ownership of each IMAS Share under the name of one shareholder, whether an individual person or a legal entity, which such individual or legal entity is registered as a shareholder under the Register of Shareholders of the Target Company.

In the event that an IMAS Share is owned by several individuals, such individuals are obliged to appoint a representative among them or any other person in writing, whose name will be registered under the Register of Shareholders of the Target Company and will be deemed a holder of such IMAS Share and thus entitled to the rights rendered by law by virtue of the share ownership. To the extent this provision is not complied with, the collective shareholder is not entitled to cast a vote at a general meeting of the shareholders of the Target Company, and any payments of dividends to such collective shareholder will be suspended.

The shareholders of the Target Company must abide by the provisions of its articles of association and by the resolutions legally adopted at a general meeting of its shareholders, as well as prevailing laws and regulations in Indonesia.

In the event that the Target Company intends to issue its portfolio shares by means of a limited public offering, the shareholders and/or the Target Company intends to issue convertible bonds, warrants or other convertible securities, the shareholders whose names are registered in the Register of Shareholders of the Target Company are given the pre-emptive right to purchase such shares, convertible bonds, warrants or other convertible securities, and each shareholders is entitled to purchase such securities proportionally to its holding of the IMAS Shares.

The pre-emptive right of the shareholders of the Target Company to purchase new securities may be sold and transferred to third parties in accordance with prevailing Indonesian capital market and IDX regulations.

The issuance of shares by means of a limited public offering, convertible bonds, warrants or other convertible securities must be approved by a general meeting of the shareholders of the Target Company, with terms and conditions determined by the Directors of the Target Company in accordance with its articles of association and capital market and IDX regulations.

16.2 Ownership of Shares by Non-Indonesians

In accordance with Indonesian Investment Law, non-Indonesians are permitted to own and purchase up to 100.0% of the Target Company's shares.

16.3 Shareholder Meetings and Voting Rights

Each IMAS Share entitles the registered holder thereof to one vote at any general meeting of the shareholders of the Target Company. There are two types of general meeting: (i) an annual general meeting; and (ii) an extraordinary general meeting.

The Target Company's annual general meeting must be held at the latest six months after the end of a financial year. At the annual general meeting, the Board of Directors of the Target Company must (i) submit for approval and ratification the financial statements for the most recent financial year; (ii) submit for approval and ratification the annual report for such financial year which has been reviewed and approved by the board of Commissioners; (iii) submit a plan for use of any net profits for the current year and any profits from previous years which have not been distributed; and (iv) submit any other matters normally discussed at an annual general meeting that are to be addressed at the annual general meeting. The termination and appointment of the board of Directors and the board of Commissioners may also be resolved during such meeting. Any documents or information relating to the matters that will be discussed at the annual general meeting must be made available at the offices of the Target Company for inspection by shareholders no later than 14 days prior to the date of the annual general meeting.

An extraordinary general meeting may be convened if necessary. An extraordinary general meeting may also be convened by the board of Directors or the board of Commissioners upon receipt of written request from one or more shareholders representing at least 10.0% of the Target Company's subscribed shares. If neither the board of Directors nor the board of Commissioners convenes such a meeting within 45 days of receipt of such written notice, the shareholders concerned may call such meeting after obtaining the approval of the District Court having jurisdiction over the Target Company.

For listed companies, an announcement of a general meeting must be given to shareholders at least 14 days prior to the issuance of notice of a general meeting of shareholders (excluding the date of the announcement and the date of the notice) by placing an advertisement in at least two daily newspapers in Indonesia, which must be published in Bahasa Indonesia, at least one of which has a wide circulation in Indonesia and at least one of which is circulated at the domicile of the company.

In general, resolutions must be adopted through deliberation for consensus. If consensus cannot be reached, the quorum for general meetings of shareholders consists of shareholders and/or their duly authorised proxies representing more than 50.0% of the issued and voting shares. If the meeting fails to reach such quorum, a second meeting can be called with the quorum requirement of at least 33.3%, and if such quorum is not reached, then upon request of the Company, the chairman of OJK may determine any new quorum requirements.

A Commissioner, a Director or an employee of the Target Company may act as a shareholder's proxy. Such proxy will be counted for the purposes of the quorum but he may not vote on a resolution on behalf of the shareholder and if the proxy does vote, the vote would not be counted. For certain resolutions, such as approving amendments to the articles, a higher quorum is required, see, for example, "Description of IMAS Shares— Amendments to the Target Company's Articles" in Section 16.7 of this Appendix A.

In general, resolutions require the affirmative vote of more than 50.0% of the shares which are present, in person or by proxy, and voted at a shareholders' meeting in order to be adopted. For certain resolutions, a higher percentage is required in order for the resolution to be adopted. Some examples are as follows:

(a) amendments to the articles of association can only be effected pursuant to a resolution at a general meeting of shareholders attended by shareholders or their proxies representing at least 66.67% or 2/3 of the total issued shares. A resolution adopted at such a meeting must be approved by more than 66.67% or 2/3 of the total valid votes cast at the meeting. If the meeting fails to reach such quorum, a second meeting can be called with the quorum requirement of at least 60% of the total issued shares, and the resolution must be adopted by more than 50% of the total valid votes cast at the meeting, and if the quorum of this second meeting is not reached, then upon request of the Target Company, the chairman of OJK may determine any new quorum and voting requirements;

(b) any proposal to conduct a merger, consolidation, acquisition, or liquidation or dissolution, to extend the company's duration, or to undertake spin off transactions, can only be effected pursuant to a resolution at a general meeting of shareholders attended by shareholders or their proxies representing at least 75% of the total issued shares. A resolution adopted at such a meeting must be approved by more than 75% of the total valid votes cast at the meeting. If the meeting fails to reach such quorum, a second meeting can be called with the quorum requirement of at least 66.67% or 2/3 of the total issued shares, and the resolution must be adopted by more than 75% of the total valid votes cast at the meeting, and if the quorum of this second meeting is not reached, then upon request of the Target Company, the chairman of OJK may determine any new quorum and voting requirements; and

(c) any proposal to dispose the Target Company's assets representing more than 50% of the Target Company's net assets or to provide security representing more than 50% of the Target Company's net assets can only be effected pursuant to a resolution at a general meeting of shareholders attended by shareholders or their proxies representing at least 75% of the total issued shares. A resolution adopted at such a meeting must be approved by more than 75% of the total valid votes cast at the meeting. If the meeting fails to reach such quorum, a second meeting can be called with the quorum requirement of at least 66.67% or 2/3 of the total issued shares, and the resolution must be adopted by more than 75% of the total valid votes cast at the meeting, and if the quorum of this second meeting is not reached, then upon request of the Target Company, the chairman of OJK may determine any new quorum and voting requirements.

16.4 Appointment of the Board of Directors and the Board of Commissioners

The appointment of the board of Directors and the board of Commissioners of the Target Company is approved at a general meeting of shareholders the Target Company.

16.5 Financial Year and Accounts

The Target Company's financial year commences on 1 January and ends on 31 December of the same year. The articles of association of the Target Company provides that within five months after the end of each financial year, the board of Directors of the Target Company must prepare the Target Company's annual report in accordance with prevailing regulations to be signed by all members of the board of Directors and board of Commissioners of the Target Company and approved by the shareholders at the annual general meeting. However, pursuant to a recent regulation by BAPEPAM-LK issued in August 2012, the Target Company will be required to issue its annual report within four months from the end of each financial year with immediate effect.

Shareholders vote at the annual general meeting on whether to approve the Target Company's annual report, which includes the Target Company's audited financial statements. Such approval discharges the board of Directors and the board of Commissioners of the Target Company from any liabilities in respect of the annual report to the extent that their relevant actions are reflected in the annual report.

16.6 Dividends

The general position under the Indonesian Company Law is that a company may pay dividends in cash or shares provided:

- its shareholders have approved such payments at the company's annual general meeting; and
- it has sufficient net profits available for such purpose.

Under Indonesian Law, a portion of the Target Company's net profits, as determined by an annual general meeting of the shareholders the Target Company, after deduction of corporate tax, must be allocated as a reserve fund. The remaining portion of the net profits (after deducting the reserve fund allocation), if any, can be distributed to shareholders as dividends. A company's reserve fund is designed to provide a reserve to offset any future losses. At least 20.0% of the company's issued share capital should be allocated to the reserve fund, although there is no time period specified for achieving this level of allocation. A decision by a company to allocate any of its net profits to its reserve fund must be approved by its shareholders.

Assuming a company has sufficient net profits, its board of directors may propose to the company's annual general meeting the proposed dividend and the time and manner of its payment. The company's shareholders will vote on the resolution in the usual way, see "Description of IMAS Shares— Shareholder Meetings and Voting Rights" set out in Section 16.3 of this Appendix A.

Dividends are payable to the persons whose names, on the date determined at the annual general meeting, are entered in the Register of Shareholders of the Target Company. All holders of IMAS Shares that are fully paid-up and outstanding at the time the dividend is declared are entitled to share equally in the dividend.

16.7 Amendments to the Target Company's Articles of Association

Amendments to the articles of association can only be effected pursuant to a resolution at a general meeting of shareholders attended by shareholders or their proxies representing at least 66.67% or 2/3 of the total issued shares. A resolution adopted at such a meeting must be approved by more than 66.67% or 2/3 of the total valid votes cast at the meeting. If the meeting fails to reach such quorum, a second meeting can be called with the quorum requirement of at least 60.% of the total issued shares, and the resolution must be adopted by more than 50% of the total valid votes cast at the meeting, and if the quorum of this second meeting is not reached, then upon request of the Target Company, the chairman of OJK may determine any new quorum and voting requirements.

Any amendment that would change the Target Company's (i) name and domicile, (ii) company objectives and purposes, (iii) business activities or term of establishment, or would (i) increase or reduce its authorised capital, (ii) reduce the issued and paid-up capital or (iii) change its status from a private company to a public company or vice versa, will only be effective upon approval by the Indonesian Ministry of Law and Human Rights ("**MOLHR**"). Any amendment to the articles must be made in the form of a notarial deed no later than 30 days from the date of the shareholders meeting and (apart from amendments requiring approval as referred to above) be reported to MOLHR at least 30 calendar days after the date of the notarial deed which contains such an amendment. All amendments must then be registered at the Company Register maintained at the Department of Trade. A resolution reducing the capital must be delivered to the Target Company's creditors and published in the State Gazette of the Republic of Indonesia and announced in at least two newspapers with wide circulation in Indonesia within seven days after such resolution.

16.8 Dissolution and Liquidation

The Target Company can be dissolved or liquidated pursuant to (i) a resolution passed at an extraordinary general meeting of shareholders, (ii) the expiry of the incorporation period of the company, (iii) a court decision, (iv) bankruptcy, when the company's assets are not sufficient to settle its bankruptcy obligations, (v) bankruptcy, when the company is insolvent, or (vi) revocation of the business license of the company which requires the company to be liquidated in accordance with prevailing regulations.

If the Target Company is dissolved pursuant to a resolution passed at an extraordinary general meeting of shareholders or are declared bankrupt, the board of Directors of the Target Company will carry out the liquidation under the supervision of the board of Commissioners unless the extraordinary general meeting of shareholders determines otherwise.

The liquidator must notify MOLHR and publish the result of the liquidation process in Indonesian daily newspapers and in the State Gazette. A publicly listed company is also required to notify its creditors, the IDX and OJK, no later than 30 days from the dissolution.

Any balance remaining in a liquidation account after the payment of creditors will be distributed first to the shareholders in proportion to their respective shareholdings.

16.9 Rights of Shareholders

In general, Indonesian law has historically afforded shareholders fewer rights than those in common law jurisdictions. See "Risk Factors – Risks Relating to Indonesia - The Target Group faces legal risks in Indonesia" set out in Section 3.2 of this Appendix A. Indonesia does, however, afford certain rights to shareholders and certain additional rights to shareholders together holding at least 10.0% of all voting shares of a company.

A shareholder generally has the right to initiate an action against the Target Company if it has been harmed by any unfair or unreasonable action which has been taken by the Target Company. In addition, each shareholder of the Target Company has the right to request the Target Company to repurchase the shareholder's shares at the then prevailing market price if the shareholder has been deemed to have been harmed by certain actions of the Target Company, subject to certain limitations. These actions include the amendment of the Target Company's articles, the sale or pledge of more than 50.0% of the Target Company's net assets, or the Target Company's merger, consolidation or acquisition or separation. The Indonesian Company Law provides that the Target Company may repurchase shares, provided that such repurchase: (i) does not cause its net assets (as stated in the Target Company's recent balance sheet, as approved by the shareholders within the last six months) to fall below the Target Company's paid in capital and mandatory reserves; and (ii) the total of the repurchased shares does not exceed 10% of the Target Company's issued capital, except as otherwise regulated by capital market regulations. To the extent that a requested repurchase exceeds these limitations, the Target Company is required to seek a third-party purchaser for such shares.

One or more shareholders who together hold at least 10.0% of total issued and paid-up share capital of a company have certain additional rights which differ from those of shareholders generally. These rights include the right to call an extraordinary general meeting of shareholders. Such shareholders also have the right (i) to lodge a derivative action on behalf of the Target Company against Directors or Commissioners of the Target Company, who, through error or negligence, have caused the Target Company losses; (ii) to request that an examination of the Target Company be carried out if they are suspicious that the Target Company or any Director or Commissioner has committed acts contrary to law and (iii) to apply to a court for the dissolution of the Target Company, on grounds which are not specified by the Indonesian Company Law.

Under the Indonesian Company Law, Commissioners and Directors are obliged to act in good faith, with full responsibility and in the best interests of the Target Company when carrying out their fiduciary duties.

17 INDONESIAN CAPITAL MARKETS

The following information has been derived from publicly available information and has not been independently verified by the Target Group or its advisers and should not be unduly relied on.

17.1 Background and Development

In 1976, the Indonesian Government established a regulatory agency, the Capital Market Executive Board, *Badan Pelaksana Pasar Modal,* or BAPEPAM, and a national investment trust company, PT Danareksa (Persero), to reactivate and promote the development of a securities market in Indonesia. In August 1977, the first share issue was listed on the Jakarta Stock Exchange ("**JSX**"). Up until the end of 1988, the shares of 24 companies were listed on the JSX and the volume of shares traded was relatively low.

From 1988 to 2000, a number of reform measures affecting the Indonesian capital markets were implemented. These have led to the privatization of the JSX and its establishment as a limited liability company, PT Bursa Efek Jakarta in December 1991, incorporating 221 securities trading companies as its shareholders. In July 1992, the operation of the JSX was transferred from BAPEPAM to PT Bursa Efek Jakarta. At that time, BAPEPAM operated under a new name, the Capital Markets Supervisory Board or *Badan Pengawas Pasar Modal*, and its principal function was to ensure the orderly and fair operation of the securities exchanges. In December 2005, BAPEPAM merged with the Financial Institution Supervisory Board or *Badan Pengawas Lembaga Keuangan* under the Department of Finance, thus changing its name to its current name, the Capital Markets and Financial Institution Supervisory Board or BAPEPAM-LK.

On 22 November 2011, with the enactment of Law No. 21 of 2011 regarding Financial Services Authority (the "**OJK Law**"), Indonesia has effectively created a new integrated and independent financial authority called the Financial Services Authority or *Otoritas Jasa Keuangan* (OJK). By the authority given under the OJK Law, OJK takes over the supervision and regulation of capital markets, insurance, pension funds, and multi finance companies from Bapepam-LK from 31 December 2012 and will take over the supervision and regulation of banks from Bank Indonesia from 31 December 2013. The OJK Law stipulates that all existing licenses, approvals, and decisions issued before the transfer of duties and authorities of Bapepam-LK to OJK shall continue to be valid, while applications for licenses and approvals and other decisions made or outstanding after 31 December 2012 shall be processed by OJK. In terms of applicable regulations, the OJK Law stipulates that the preceding laws and regulations issued by Bapepam-LK will still prevail unless they are in contrary to the OJK Law. Therefore, it is safe to assume that at the early stage of the transition period, the regulatory regime should remain the same as it was before 31 December 2012.

The various reforms have sought to strengthen the operational and supervisory framework of the Indonesian securities market and to improve the Indonesian securities market's trading environment. The measures also established an over-the-counter market ("**Bursa Paralel**") and private stock exchanges outside Jakarta, the first of which was established in Surabaya (the "**SSX**"). In July 1995, the Bursa Paralel and the SSX were merged to form a single exchange intended to focus on small and medium sized companies.

On 30 November 2007, the JSX and SSX were merged to form a single exchange and changed its name to the IDX, *Bursa Efek Indonesia*.

Other reforms were also introduced to provide increased protection for minority shareholders, to improve disclosure requirements and clarify listing procedures.

17.2 Overview of the IDX

At present, trading rules on the IDX are generated in the form of decisions by the IDX. There are currently two daily trading sessions for both the regular market and the negotiated market. From Monday to Thursday, there is a morning trading session from 9:00 am to 12:00 noon and an afternoon session from 1:30 pm to 4:00 pm. On Friday, there is a morning trading session from 9:00 am to 11:30 am and an afternoon session from 2:00 pm to 4:00 pm. There is one cash market trading session from Monday to Thursday, 9:00 am to 12:00 noon, and on Friday, 9:00 am to 11:30 am.

Trading of securities is divided into three market segments: regular market, negotiated market and cash market (except for rights issues which may only be traded in the cash and negotiated markets). The regular market is the mechanism for trading stock in standard lots on a continuous auction market during exchange hours. Regular market and cash market trading is generally carried out in unit lots of 500 shares. Price movements of traded securities are as follows:

- for shares with a previous price of under Rp.200, the share are traded in multiples of Rp. 1, and each price movement should be no more than Rp. 10;
- for shares with a previous price of at least Rp.200 but less than Rp.500, the shares are traded in multiples of Rp.5, each price movement should be no more than Rp.50;
- for shares with a previous price of at least Rp.500 but less than Rp.2,000, the shares are traded in multiples of Rp.10, each price movement should be no more than Rp.100;
- for shares with a previous price of at least Rp.2,000 but less than Rp.5,000, the shares are traded in multiples of Rp.25, each price movement should be no more than Rp.250; and
- for shares with a previous price of Rp.5,000 or more, the shares are traded in multiples of Rp.50, each price movement should be no more than Rp.500.

Auctioning takes place according to price priority and time priority. Price priority refers to the giving of priority to buying orders at a higher price or selling orders at a lower price. If buying or selling orders are placed at the same price, priority is given to the buying or selling order which is placed first.

The negotiated market trading is carried out (i) by direct negotiation between members of IDX, (ii) between clients through one member of the IDX, or (iii) between one client and one member of the IDX. Negotiated market trading does not use round lots.

Transactions on the IDX regular market are required to be settled no later than the third trading day after the transactions. Transactions on the negotiated market are settled based on agreement between the selling exchange member and the buying exchange member, and are settled after each and every transaction. In the event the selling and buying exchange members have not determined the period for settlement, then the settlement is required to be completed no later than the third trading day after the transaction.

Transactions on the IDX cash market are required to be settled on the trading day of the respective transactions. All cash market transactions must be reported to the IDX. An exchange member is obliged to pay a transaction cost as regulated by the IDX and any delay in payment of the transaction cost will be subject to a fine of 1.0% of the outstanding amount for each day of delay. For any violation of IDX rules, the IDX may impose the following sanctions on exchange members: (i) a fine up to Rp.500 million, (ii) a written warning, (iii) a written admonition, (iv) temporary suspension from trading activities, or (v) revocation of license as an exchange member.

All transactions involving shares listed on the IDX only and which use the services of exchange members, must be conducted through the IDX. In order for a trade (except a block trade) to be made on the IDX, both the cash and securities settlement must be conducted through the facilities of the IDX. Short selling and margin trading are allowed, subject to the fulfillment of certain requirements, such as: (i) the maintenance of a regular securities account that shows the transaction records of the trader, (ii) the maintenance of a margin trading or short selling financing securities account, and (iii) an initial deposit of Rp.200 million into the margin trading or short selling financing securities account. Under the prevailing laws, only a member of the IDX that has obtained approval from the IDX can enter into a short selling transaction or a margin transaction. Furthermore, the IDX may cancel a transaction if proof exists of fraud, market manipulation or the use of insider information. The IDX may also suspend trading if there are indications of fraudulent transactions or artificial inflation of share prices, misleading information, use of insider information, counterfeit securities or securities blocked from trading, or any other material event. The IDX may suspend trading of certain securities or suspend certain members of the stock exchange.

Based on agreements with their clients, members of the IDX charge a brokerage fee for their services up to a maximum of 1.0% of the transaction value. When conducting share transactions on the IDX, exchange members are required to pay a transaction levy in the amount of 0.018% of the transaction value for transactions in the regular and cash markets and a transaction levy in the amount stipulated by IDX in its policies for transactions in the negotiated markets. The minimum transaction levy of Rp.2 million per month contributes towards the funding of the facilities provided by the stock exchange and will continue to apply to exchange members which have been suspended. Clients are also responsible for paying a 10.0% value-added tax on the brokerage fee and transaction levy. In addition, Indonesian sellers are required to pay a withholding tax of 0.1% (plus an additional 0.6% for founder shares) of the total transaction value. Additionally, stamp duty of Rp.3,000 is payable on any transaction with a value between Rp.250,000 and Rp.1,000,000 and stamp duty of Rp. 6,000 is payable on any transaction with a value of more than Rp.1,000,000. See “Taxation — Indonesian Taxation” set out in Section 18.1 of this Appendix A.

At any time during working hours, shareholders or their appointees may request the issuer or a securities administration bureau appointed by the issuer of such shares to register their shares in the issuer’s registry of shareholders. Reporting of share ownership to OJK is mandatory for (i) the directors and commissioners of a listed company; and (ii) shareholders whose ownership has reached 5.0% or more of issued and fully paid-up capital of an issuer. A director, commissioner or shareholder who owns 5.0% or more of the shares in a public company in Indonesia must report any changes in their shareholding to OJK within 10 days after the transaction.

17.3 Foreign Equity Ownership Restrictions

Direct investment by foreigners in the shares of a company is generally regulated by Law No. 25 of 2007 on Capital Investment, and its implementing regulations under the rulings and policies of BKPM, the regulatory authority for investments in Indonesia. According to Presidential Regulation No. 36, there are no prohibitions for foreigners to own 100% of a company engaging in the automotive manufacturing industry, including manufacturing of automotive parts and components and vehicle assembly.

17.4 Offering, Listing and Reporting Regulations

OJK regulates and monitors securities issues, which are publicly offered or listed in Indonesia. Initial securities offerings are generally conducted as underwritten public offers for sale by subscription. OJK regulates the offering and allocation procedures.

Unless waived, companies are required to meet certain requirements in order to become listed on the IDX. These requirements are set out in the Decision of the Board of Directors of JSX No. Kep-305/BEJ/ 07-2004 dated 19 July 2004 on Listing of Shares and Equity-Linked Securities Convertible into Shares other than Shares issued by Listed Company ("**IDX Listing Regulation No. J-A**").

Listed companies are required to submit the following documents to OJK and the IDX:

- An annual report, to be submitted not later than four months after the end of the financial year of the company;
- financial statements consisting of:
  (1) an annual financial report audited by an accountant registered with OJK, to be submitted not later than three months after the date of such report;
  (2) any of the following mid-year reports: (a) a mid-year report (unaudited), to be submitted not later than one month after the date of such report; (b) a mid-year report with limited review by an accountant registered with OJK, to be submitted not later than two months after the date of such report; or (c) a mid-year report audited by an accountant registered with OJK containing a full opinion on the fairness of such report, to be submitted not later than three months after the date of such report; and
  (3) (a) a quarterly report (unaudited and unreviewed) to be submitted not later than one month after the end of each quarter; (b) a quarterly report with limited review by an accountant registered with OJK to be submitted not later than two months after the end of each quarter; or (c) a quarterly report audited by an accountant registered with OJK containing a full opinion on the fairness of such report, to be submitted not later than three months after the end of each quarter;
- material information that is important and relevant according to OJK (formerly known as BAPEPAM-LK) regulations and which may affect the value of the security or an investment decision, such as a merger, acquisition, consolidation, stock split, distribution of stock dividend, change in management, replacement of a public accountant, replacement of a trustee, material legal claims, and other important information possibly affecting share prices on the exchange must be submitted to OJK and announced publicly within two business days of such an event taking place;
- a copy of any amendment to the company's articles of association;
- notice of any change in shareholding;
- notice of any appointment and replacement of the corporate secretary;
- notice of opportunities and/ore replacement of the company's public accountant;
- notice of any change in the composition of the company's board of directors or board of commissioners; and
- notice of any material deviation from projections published by such companies.

Based on Circular Letter of the Chairman of BAPEPAM-LK No. SE-01/BL/2007 dated 8 February 2007, a company that owns subsidiaries of which the financial statements are consolidated and that wishes to submit a registration to OJK in relation to public offerings, including any rights issue, must submit the following documents:

(a) the consolidated financial statements of the company;

(b) individual/stand alone, unconsolidated financial statements of the company; and

(c) individual/stand alone, unconsolidated financial statements for each subsidiary whose financial statements are consolidated into the financial statements of the company.

In addition, the annual financial statements submitted to OJK for any subsidiary of a listed company must be audited by a public accountant if the subsidiary in question fulfils any of the following requirements:

(a) it is a public company;

(b) it is engaged in a line of business which is related to the generation of public funds;

(c) it issues an acknowledgement of indebtedness;

(d) it has assets of at least Rp.50 billion;

(e) it is required by a creditor to audit its annual financial statements;

(f) it is a state enterprise; or

(g) it is otherwise required by law.

Insider trading, fraud and market manipulation of securities are all prohibited under Indonesian capital markets laws. In such circumstances, a transaction may be cancelled or suspended by the IDX, or OJK may suspend or revoke the license of the capital market supporting institution and supporting professionals involved. A party engaging in (i) misleading conduct, fraud or falsification in connection with the sale of securities; (ii) other actions misleading the public regarding trading activities, market conditions or price; or (iii) insider trading, is liable for the loss incurred and could face a fine of up to Rp.15 billion and imprisonment of up to 10 years.

17.5 Developments

Scripless Trading

On 23 December 1997, a private limited company, the Indonesian Central Securities Depository (*PT Kustodian Sentral Efek Indonesia* or KSEI), was established to serve as the central securities clearing house. On 11 November 1998, KSEI obtained a license from BAPEPAM-LK to act as an approved central securities depository and settlement institution. The shareholders of KSEI currently includes 30 securities firms, nine custodian banks, the Stock Administration Bureau *(Biro Administrasi Efek),* the SSX, the IDX and the KPEI. In 2000, KSEI introduced the Central Depository and Book Entry Settlement System ("**C-Best**"), which is a computerized system for the registration and settlement of securities.

In 2000, BAPEPAM-LK implemented regulations to provide for a scripless trading system. Only shares held through KSEI (and which have not been pledged, foreclosed upon based on a court order or seized for the purpose of criminal proceedings) may be traded on the IDX. Any institution becoming a KSEI participant is required to open at least one securities account and sub-account with KSEI for the deposit, withdrawal or transfer of securities. Under the scripless system, a member broker, sub-broker or local custodian (a "**KSEI Participant**") may deposit with KSEI, certificates evidencing ownership of securities on an account kept for such purpose making KSEI the registered holder of those securities. After acceptance, KSEI will hold such securities on behalf of the KSEI Participant, or the clients of the KSEI Participant, and through this system, purchasers in securities become beneficial owners of the securities, rather than direct owners. Thus, to establish ownership rights, each holder of an account for deposit, withdrawal or transfer of securities (the "**KSEI Account Holder**") is obliged to maintain a list of the owners of securities deposited with it. Sales and purchases of securities are settled on the relevant securities deposit account via a computer system. At the end of each trading day, KSEI delivers a statement showing the balance of securities held for each participant.

A company that intends to register its securities with KSEI enters into a standard registration agreement with KSEI. Subsequently, KSEI Account Holders or KSEI Participants must issue confirmations for the benefit of KSEI for the entire value of the securities they have deposited with KSEI.

Securities registered with KSEI are recorded and administered electronically in securities accounts opened with KSEI ("**KSEI Securities Accounts**") and KSEI Account Holders administer deposits, withdrawals and transfers of securities through their KSEI Securities Accounts. Parties that are eligible to become KSEI Account Holders are (i) securities companies (ii) custodian banks and (iii) other parties determined by the prevailing capital market laws and regulations. In addition, any institution becoming a KSEI Participant is required to open at least one securities account with KSEI. Each KSEI Account Holder who maintains customers' securities and funds must also open sub-accounts for the deposit of securities and funds on behalf of their customers.

In accordance with the KSEI rules, C-Best is the central computer system for depository services and the settlement of securities transactions by book-entry settlement. C-Best is provided by KSEI to KSEI Account Holders. Sales, purchases and transfer of securities are settled by setting off the relevant securities accounts using the C-Best system and at the end of each trading day, KSEI delivers, through C-Best, a statement to KSEI Account Holders showing the balance of securities held by that KSEI Account Holder.

Pursuant to a Circular Letter issued by BAPEPAM-LK dated 23 November 2001, listed companies were required to register their securities in in a central depository prior to 30 June 2002. Further, on 15 January 2003, BAPEPAM-LK issued a new regulation, effective as of 1 May 2003, which required each KSEI Participant holding securities accounts with KSEI on behalf of its clients to do the following:

- establish a securities sub-account on behalf of each client and record each client's securities account in such sub-account,
- ensure that the balance in the client's security account in the KSEI Participant's records is always equivalent with the balance in the client's sub-account with KSEI,
- take measures to ensure that the identity of each client is properly recorded by the KSEI Participant, and
- take measures to ensure that the securities sub-account balance of each client is and remains correct.

Transfers of Shares

Transfers of listed shares on the IDX are governed by the Indonesian Company Law and IDX rules. Under the Indonesian Company Law, as a general matter, ownership of shares is based on the registration of ownership in the relevant company's share register. To be valid against the issuing company, a request for an entry of the transfer into a share registry must be received by the company. To be valid against a third party, the entry of the transfer must actually be made into the share register.

Transfers of scripless shares are made by way of appropriate instructions to the relevant brokers, sub-brokers or custodians with whom the transferor and the transferee involved maintain securities accounts in accordance with the individual arrangements with such brokers, sub-brokers or custodians. Upon receipt of such instructions, the relevant brokers, sub-brokers or custodians will, in accordance with such arrangements, effect the relevant changes in the register which they are required to maintain for rights and entitlements purposes.

From 30 June 2002 onwards, only shares held through KSEI (and which have not been pledged or foreclosed upon based on a court order, or seized for the purpose of criminal proceedings) may be traded on the IDX.

Securities transaction settlement services are part of the central depository services provided for the fulfilment of the rights and obligations arising from stock exchange transactions or over-the-counter transactions by means of the transfer of securities and or funds between securities accounts. The settlement of stock exchange transactions is performed by KSEI based on transfer instructions received from both a selling Clearing Member (defined as a member of the stock exchange registered as the KSEI Clearing Member) and a buying Clearing Member. Alternatively, KSEI may settle over-the-counter transactions based on transfer instructions from a selling KSEI Account Holder and acceptance from a buying KSEI Account Holder and the availability of sufficient securities in the relevant sub-account. Over the counter transfer instructions must also state whether the transaction requires a payment or not. When a transfer of securities and/or funds is completed and settled, KSEI submits a report to the KPEI or the Clearing Member on the settlement of a stock exchange transaction and confirmation is given to the relevant KSEI Account Holder on the settlement of over-the-counter transactions.

Under the BAPEPAM-LK Regulation No. IX.H.1 on Take Over of Publicly Companies ("**Regulation IX.H.1**"), a transfer of more than 50% of the shares of a public company or acquisition of direct or indirect control of the management or policies of a public company will be considered as an acquisition of a public company and thus trigger a mandatory tender offer by the new controlling shareholder. Pursuant to point 3.a.2 of Regulation IX.H.1, the new controlling shareholder is required to conduct a mandatory tender offer for all the remaining shares in the public company, except for: (i) shares owned by shareholders who conducted the acquisition in conjunction with the new controlling shareholder, (ii) shares owned by other parties who received an offer on the same terms and conditions as the new controlling shareholder, (iii) shares owned by the other parties who are also conducting a tender offer at the same time on the same public company's shares, (iv) shares owned by the principal shareholders, and (v) shares owned by the other controlling shareholders of the public company. If the tender offer results in the new controlling shareholder holding more than 80% of the total paid-up capital in the public company, the new controlling shareholder must transfer shares to the public so that 20% of the total paid-up shares in the public company are owned by the public, comprising of more than 300 parties within two years from the completion of the mandatory tender offer. Under point 5.b of Regulation IX.H.1, if the acquisition results in the new controlling shareholder of obtaining more than 80% of the total paid-up capital in the public company, the new controlling shareholder will have to transfer shares to the public equal to the percentage of shares obtained in the mandatory tender offer, at a minimum, and the shares must be owned by at least 300 parties within two years.

KSEI

KSEI is a self-regulating organization and is licensed and regulated by OJK. Under KSEI's rules, securities companies or custodian banks fulfilling certain criteria determined by the prevailing capital market laws and regulations, and authorised by OJK may become KSEI Participants.

The principal shareholders of KSEI are large custodian banks, securities companies, the Stock Administration Bureau (*Biro Administrasi Efek*), IDX and the KPEI. In the scripless system, the role of KSEI is to settle the transfer and receipt of securities and to act as the central securities depository, while fund settlement is conducted by KPEI.

KSEI is managed by a board of Directors as supervised by a board of Commissioners who are subject to the provisions of the Indonesian Company Law. KSEI is also a member of several international associations that are related to securities depositories, including the Association of National Numbering Agency, the International Society of Securities Administrators, the Society for Worldwide Inter-bank Financial Telecommunication and the Asia Pacific Central Securities Depositories Group.

OJK and its precedessor BAPEPAM-LK sets strict standards for the internal controls of KSEI. These standards call for daily reconciliation of account balances between KSEI and the issuers whose securities are held in the name of KSEI. This daily reconciliation is required to be verified continuously by the head of the audit unit of KSEI who must report this verification to the Internal Control Committee of KSEI, the board of Directors of KSEI and OJK. Each KSEI participant has the right to send auditors to KSEI to verify the reconciliation of its accounts with those of KSEI and the right to send auditors to verify the registry of the securities on the books of the issuer.

The internal control systems of KSEI are required to be audited annually by an independent auditor with international experience and reputation and to include a review of the protections against fraud, embezzlement, natural disruptions and electronic damage. This report is to be sent to all KSEI shareholders along with the annual report.

The regulations call for a number of fundamental security measures to ensure the integrity of KSEI:

- access to data processing functions, record-keeping functions and customer account service areas of KSEI is required to be restricted;

- KSEI must have a primary computer and back-up computer at different locations that allow continued processing within two hours of a breakdown of the primary computer;

- duplicate electronic records are required to be maintained in repositories that are at least 30 kilometers away from each other;

- software development and maintenance are required to be segregated from data processing operations; and

- a special security division of KSEI's own funds is required to be segregated from data processing operations; all debits and credits to securities accounts must be based on instructions of account holders and controlled by a division that is separate from the data processing division.

In addition to the oversight of internal controls and specific regulations regarding recovery and security, the legal basis for securities accounts permits recovery of an investor's assets even in the event of destruction of all records of KSEI. This is done based on investors' confirmations and statements and records of the issuer, all of which are maintained independently from records of KSEI. With daily reconciliation of key records, strong internal control supervision by major banks, special security measures, and legal safeguards, recovery is theoretically possible even if there is a catastrophic occurrence.

17.6 IDX Listing, Relisting, Delisting and Corporate Governance Rules

The IDX listing rules and regulations for equity securities are aimed at enhancing good corporate governance and clarifying listing, relisting and delisting criteria, sanctions for violation of stock exchange rules and e-reporting and monitoring.

The new listing rules of IDX also introduced the two-board system, consisting of the Main Board and the Development Board.

The IDX Main Board serves as the flag carrier of the IDX and is intended for companies fulfilling regional listing standards relating to size, track record and net tangible assets. The Development Board allows both large and small companies with prospects but who do not qualify to be listed on the IDX Main Board yet, as well as companies in the recovery phase, to be listed on the IDX.

Initial Listing

Under the new listing rules, a company is deemed qualified to undertake an initial listing on the IDX Main Board if it meets certain requirements, including having:

- a registration statement declared effective by OJK;
- been duly incorporated as a limited liability company;
- net tangible assets of at least Rp.100 billion based on the latest audited financial report of the company;
- audited financial reports covering at least the last three years and unqualified audit opinions from the auditors covering the financial report for the last two years and the last audited interim report (if any);
- operated in the same core business for the past three consecutive years;
- at least 1,000 shareholders, each holding a securities account with exchange members; and
- shares owned by minority shareholders immediately after the initial listing, with at least 100 million shares in number or representing 35.0% of the total paid-in capital, whichever is lower.

Under the listing rules, a company is deemed qualified to undertake an initial listing on the IDX Development Board if it meets certain requirements, including the following:

- having a registration statement declared effective by OJK;
- having been duly incorporated as a limited liability company for at least the last 12 consecutive months;
- having net tangible assets of at least Rp.5 billion;
- having operated for the past 12 consecutive months in the same core area of business activity;
- having an unqualified audit opinion from the auditor covering the financial report for the last 12 months and the last audited interim report (if any);

- if the proposed company to be listed is a company which has been experiencing losses, has not booked any profit yet, or has been in operation for less than two years, then it must do the following:

  (1) report net profit at the latest by the end of the second financial year since its listing, based on the financial projection which has been announced in the stock exchange; or

  (2) if the proposed listed company is a company that engages in business in an area which requires an extended period to achieve profitability due to the nature of its business (such as infrastructure, plantation, forestry concession right, industrial forest concession right or other business related to public service), report net profit at the latest by the end of the sixth financial year based on its financial projection.

- having at least 500 shareholders, each holding a securities account with exchange members;

- having shares owned by minority shareholders (immediately after the initial listing), with at least 50 million shares or representing at least 35.0% of the total paid-up capital, whichever is lower; and

- if the proposed company to be listed is a company which will conduct initial listing, having a full underwriting commitment from underwriters with respect to the Indonesian offering.

The rules allow a company listed in the IDX Development Board to be promoted to the IDX Main Board if it meets the requirement for listing on the IDX Main Board.

Delisting

A company can be delisted voluntarily or by the stock exchange. A company can be delisted if, (i) it suffers certain conditions which adversely affect the going concern of the company, either financially or legally, or adversely affect the continuing status of the company as a publicly listed company and the company has not shown any sufficient remedial actions; or (ii) for the last 24 months, its shares have been suspended from the regular market and the cash market and have only been traded in the negotiation market.

Under the IDX regulations, all companies listed on the IDX must have:

- independent commissioners in proportion to the number of shares held by the non-controlling shareholders, provided that the independent commissioners comprise at least 30.0% of the total number of members of the commissioners;

- at least one non-affiliated director;

- an audit committee at the latest within six months of listing;

- a nominal value of shares of at least Rp.100; and

- a corporate secretary.

Independent Commissioner and Audit Committee

Based on Decision of Chairman of BAPEPAM-LK No. Kep-643/BL/2012 on Regulation No. IX.I.5 regarding Formation and Implementation Guidance for Audit Committee, issued on 7 December 2012 ("**BAPEPAM-LK Regulation No. IX.I.5**") and the IDX Listing Regulation, an independent commissioner in a listed company:

- comes from outside of the listed company;

- may not own any shares of the listed company directly or indirectly;

- may not have an affiliated relationship with the listed company, or with any commissioner, director, controlling shareholder, or principal shareholder of the listed company;

- has no business relationship which is directly or indirectly related to the listed company's business activity;

- must not be a person who is employed by or has the authority and responsibility to plan, lead, control or supervise the activities of the listed company within the past 6 months;

- may not hold a dual position as a director of another company affiliated with the listed company; and

- has adequate knowledge of statutory regulations in the field of capital markets.

The audit committee comprises at least three members, one of whom will be the independent commissioner of the listed company who will serve as chairman of the audit committee. The other members must also be independent persons, at least one of whom must be an expert in the field of accounting and/or finance.

Pursuant to BAPEPAM-LK Regulation No.IX.I.5, members of the audit committee must satisfy the following criteria:

- high integrity, ability, knowledge and adequate experience according to their education background, and proper communication skills;

- possess the ability to comprehend financial reports, the business activities of the listed company, the audit process, risk management, and applicable regulations;

- comply with ethical codes stipulated by the listed company;

- willing to continuously increase competence by means of education and training;

- at least one member of the audit committee is required to have an educational background in accountancy or finance;

- no status of an insider of the public accountant's office, the legal consultant's office, or of other parties that provide assurance services, non-assurance services, appraisal services and/or other consultation services to the issuer or to the public company, within six months before his/her appointment by the commissioner;

- no authority or responsibility to plan, lead, or control the activities of the listed company, within six recent months before being appointed by the commissioner, unless he/she is an independent commissioner;

- no holding of shares directly or indirectly in the listed company. If a member of the audit committee obtains shares as a consequence of a legal event, then within at least six months after the shares are obtained he/she must transfer them to other parties;

- not affiliated to the listed company or the commissioners, directors or the principal shareholders of the listed company; and

- no direct or indirect business relationship to the business operation of the listed company.

Based on IDX regulations, a non-affiliated director in a listed company:

- may not have an affiliated relationship with the company's controlling shareholders at least six months before his/her appointment as a non affiliated director in a listed company;
- may not have an affiliated relationship with commissioners or other directors of the listed company;
- may not act as a director of another company; and
- may not be an insider at a capital market supporting professional or institution of which his/her/its service was used by the listed company for six months before his appointment as a director of the listed company.

The function of a corporate secretary is performed by one of the directors of the listed company, or by an official of the listed company designated to carry out such function. The corporate secretary acts as a liaison or contact person between the listed company, government authorities including OJK and the public. The corporate secretary must have access to material and relevant information relating to the listed company and must be familiar with all statutory regulations relating to capital markets, particularly on disclosure matters.

18 TAXATION

The following discussion is a summary of certain Indonesian income tax and stamp duty consequences under present law of the purchase, ownership and disposition of IMAS Shares. It addresses only purchasers who will hold IMAS Shares as capital assets. It does not address the tax treatment of investors subject to special rules including banks, dealers, insurance companies, tax-exempt entities, holders of 10.0% or more of IMAS voting Shares, and persons holding IMAS Shares as part of a hedge, straddle, conversion or constructive sale transaction. It does not address state, local and foreign tax consequences of ownership and disposition of IMAS Shares.

18.1 Indonesian Taxation

Resident taxpayers, individual or corporate, and permanent establishments are subject to income tax in Indonesia. Subject to the provisions of any applicable treaty on the avoidance of double taxation, non-resident taxpayers, namely individuals or corporations not domiciled or established in Indonesia, which derive income sourced in Indonesia from, among other things, the sale or transfer of assets situated in Indonesia, services performed in or outside Indonesia or interest, royalties or dividends from Indonesia, are subject to a withholding tax on that income at the rate of 20.0% or at a lower rate in accordance to the relevant tax treaty between Indonesia and the country of residence of the non-resident taxpayers, as long as the income is not effectively connected with a permanent establishment of such individuals or corporations in Indonesia and that the non-resident taxpayer satisfies both substances and administrative requirements. If the income is effectively connected with a permanent establishment in Indonesia, the income can be deemed to be income of the permanent establishment subject to an income tax of up to a maximum rate of 30.0% for individuals and 25.0% for corporations. The tax rate shall be imposed on the transaction value except for asset sales or transfers whereby the withholding tax on such transactions is imposed on the estimated net income.

The following is a summary of the principal Indonesian tax consequences of the ownership and disposition of shares for a non-resident individual or non-resident entity (a "**Non-Indonesian Holder**") that holds shares in an Indonesian company. It does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase shares. A "non-resident individual" is a foreign national who does not reside in Indonesia, does not have an intention to stay in Indonesia, or is not physically present in Indonesia for more than 183 days during any 12-month period during which period such non-resident individual receives income in respect of the ownership or disposition of the shares. A "non-resident entity" is a corporation or non-corporate body that is established under the laws of a jurisdiction other than Indonesia, is not domiciled in Indonesia, and does not have a fixed place of business or permanent establishment in Indonesia during an Indonesian tax year in which such non-resident entity receives income in respect of the ownership or disposition of shares.

18.2 Taxation of Dividends

Dividends declared by the Target Company out of retained earnings and distributed to a Non-Indonesian Holder in respect of Shares are subject to Indonesian withholding tax, currently at the rate of 20.0%, on the amount of the distribution (in the case of cash dividends) or on the shareholders' proportional share of the value of the distribution (normally par value in the case of stock dividends). Dividend withholding tax must be deducted by the company declaring the dividend. Such dividend withholding tax has to be paid by the company to the State Treasurer (or Kas Negara) not later than the 10th of the following month after the dividend is declared by the shareholders of the company or recording date of the dividend for a public listed company at the shareholders' meeting of the company.

A lower rate provided under certain double taxation treaties may be applicable provided that the recipient of the income (i) is the beneficial owner of the dividend, (ii) has submitted a Certificate of Residence, which is based on a specific form determined by the Indonesian tax authority, completed by the recipient of the income and certified by the competent authority of the country where the recipient resides and (iii) does not misuse the provision in the prevailing tax treaty. The Certificate of Residence is only valid for one year from the date of certification and must be renewed subsequently. The original Certificate of Residence should be submitted to the Indonesian tax office that has jurisdiction over us.

18.3 Tax Treaties

Indonesia has concluded double taxation treaties with a number of countries including Australia, Belgium, Canada, France, Germany, Japan, Luxembourg, the Netherlands, Singapore, Sweden, Switzerland, the United Kingdom and the United States. The relevant tax treaty may also affect the definition of a non-resident party.

Under the Indonesia-Singapore tax treaty, the rates of withholding tax applicable to payments to recipients in Singapore are as follows (in %):

	Dividends				
	Portfolio	**Substantial holdings**	**Interest**	**Royalties**	**Branch Profit Tax**
Singapore	15	10	10/0[1]	15	15

Note:

(1) The applicable withholding tax rate is 0% of interest payments if such interest payments were made in respect of bonds (or other similar instruments) issued by the Indonesian government. As such, payments by the Target Company to the Company will be subject to withholding tax at the applicable rates under the tax treaty between Indonesia and Singapore.

18.4 Taxation on the Disposition of IMAS Shares

Pursuant to Indonesian Government Regulation No. 41 of 1994 regarding Withholding Tax on Income from Share Trading Transactions on the Stock Exchange dated 23 December 1994 and its amendments in Indonesian Government Regulation No. 14 of 1997 dated 29 May 1997, the sale or transfer of shares that are listed on an Indonesian stock exchange is subject to final withholding tax of 0.1% of the total amount of the transaction value and should be withheld by the stock exchange through the broker handling the transaction. An additional 0.5% final tax (totalling a total tax of 0.6%) is imposed on the share value for the founder shares (except for the founder shares of a mutual fund). The imposition of 0.5% withholding tax will occur at the time of the initial public offering for shares traded on the stock exchange on or after 1 January 1997. The imposition of 0.5% withholding tax on the founder shares is not compulsory. The tax regulations provide an option for the taxpayer to elect to substitute the 0.5% additional final tax with the taxation of actual capital gains (if any) resulting from the sale of the founder shares subject to the normal tax rates (a flat rate of 25.0% for corporate taxpayers or progressive rates with a maximum of 30.0% for individual taxpayers). Currently, the tax regulations for listed shares do not contain any provision in respect of treaty protections. In practice, the 0.1% final withholding tax is applied irrespective of the fact that there may be treaty exemptions. Indonesian tax authorities have a general rule regarding refunds, which may be used in case of an applicable treaty exemption.

18.5 Stamp Duty

According to Law No. 13 of 1985 dated 27 December 1985 on Stamp Duty in conjunction with Indonesian Government Regulation No. 24 of 2000, an agreement that effects a sale of Indonesian shares is subject to stamp duty of Rp.6,000. The nominal amount of the Indonesian stamp duty for any kind of securities transaction having a value greater than Rp.1,000,000 is Rp.6,000 but this is reduced to Rp. 3,000 for transactions having a value between Rp.250,000 and Rp.1,000,000. Generally, the stamp duty is due at the time the document is executed.

19 SUMMARY OF DIFFERENCES BETWEEN INDONESIAN GAAP AND SFRS

The Target Group's consolidated financial statements included in this Circular are prepared and presented in accordance with Indonesian GAAP. The table below sets out certain differences which exist between Indonesian GAAP and SFRS:

PSAK		SFRS		Differences
PSAK 1	Presentation of Financial Statements	FRS 1	Presentation of Financial Statements	PSAK 1 is consistent with FRS 1 in all significant respects, except for the following: 1. PSAK 1 defines Indonesian Financial Accounting Standards (IFAS) as consisting of Statements of Financial Accounting Standards, their interpretations and financial reporting rules issued by capital market authorities. FRS 1 does not include the latter. 2. Unlike FRS 1, PSAK 1 disallows an entity to use titles for the financial statements other than those used in PSAK 1. PSAK 1 however allows the entity to use balance sheets instead of the statement of financial position. 3. Under PSAK 1, where compliance with the PSAK would be so misleading that it would conflict with the objectives of the financial statements, an entity is not allowed to depart from the relevant standards; however it may disclose the fact that: (a) the application of those standards would be misleading and (b) alternative reporting basis should be applied to achieve fair presentation of financial statements. FRS 1, under similar circumstances, allows for departure from the prevailing standards.

<table>
<tr><th colspan="2">PSAK</th><th colspan="2">SFRS</th><th>Differences</th></tr>
<tr><td>PSAK 8</td><td>Events after the Reporting Period</td><td>FRS 10</td><td>Events after the Balance Sheet Date</td><td>PSAK 8 is consistent with FRS 10 in all significant respects, except that FRS 10 requires disclosure in cases where owners or other parties have the power to amend financial statements after issue. PSAK does not require such disclosure.</td></tr>
<tr><td>PSAK 46</td><td>Income Taxes</td><td>FRS 12</td><td>Income Taxes</td><td>1. FRS 12 contains an exception to the measurement of deferred tax assets or liabilities arising on investment property measured at fair value which assumes that an investment property is recovered entirely through sale.

PSAK 46 regulates several items that are not covered by FRS 12, i.e. (a) final income tax (no deferred tax applicable, recognition and presentation of the related financial income tax expense and balance) and (b) specific rules with regard to tax assessment letters (mainly on the recognition of additional tax expenses/income arising from the tax examination letters).</td></tr>
<tr><td></td><td></td><td></td><td></td><td>2. FRS 12 contains an exception for accounting for unremitted foreign income.

Under Recommended Accounting Practice (RAP) 8 issued by the Institute of Certified Public Accountants of Singapore (ICPAS), no deferred tax is accounted for temporary difference arising from foreign income not yet remitted to Singapore if:

(a) the entity is able to control the timing of the reversal of the temporary difference; and

(b) it is probable that the temporary difference will not be reversed in the foreseeable future.

Under PSAK 46, deferred tax is required to be accounted for temporary difference arising from such unremitted foreign income.</td></tr>
</table>

PSAK		SFRS		Differences
PSAK 16 ISAK 25	Fixed Assets Land Rights	FRS 16	Property, Plant and Equipment	PSAK 16 is consistent with FRS 16 in all significant respects. PSAK 16 provides reference to ISAK 25 in relation to land rights. However, ISAK 25 still maintains that land that is held under Hak Guna Bangunan (HGB), Hak Guna Usaha (HGU) and Hak Pakai rights is not amortised unless there is an indication that the renewal or extension of the rights is not probable or cannot be obtained. Costs to obtain those rights for the first time are capitalised as fixed assets but subsequent costs to extend or renew the rights are recognised as intangible assets and then amortised based on paragraph 11 of ISAK 25.
PSAK 4	Consolidated and Separate Financial Statements	FRS 27	Separate Financial Statements	PSAK 4 is consistent with FRS 27 in all significant respects, except that: 1. Unlike FRS 27, PSAK 4 does not allow a parent entity to present its own separate financial statements as standalone general purpose financial statements. PSAK 4 stipulates that the separate financial statements have to be presented as supplementary information to the consolidated financial statements. 2. PSAK 4 does not provide an exemption for the parent entity from consolidating the financial statements of its subsidiaries. All parent entities are required to present the consolidated financial statements. Under FRS 27, such an exemption exists provided certain criteria are met.
PSAK 15	Investments in Associates	FRS 28	Investments in Associates	PSAK 15 is consistent with FRS 28 in all significant respects, except that under FRS 28, an entity or an investor is exempted from applying the equity method of accounting for its associates if they meet certain criteria. In this case, the investor prepares separate financial statements as their only financial statements and records investments in associates, either at cost or in accordance with FRS 39.
PSAK 12	Interests in Joint Ventures	FRS 31	Interests in Joint Ventures	PSAK 12 is consistent with FRS 31 in all significant respects except that while both PSAK 12 and FRS 31 allow either the equity method or the proportionate consolidation method, PSAK 12 puts more emphasis on the equity method, whereas FRS 31 recommends the proportionate consolidation method.

PSAK		SFRS		Differences
PSAK 55	Financial Instruments: Recognition and Measurement	FRS 39	Financial Instruments: Recognition and Measurement	There are several amendments being made in the FRS 39 which have not been incorporated by PSAK 55. PSAK 55 is consistent with FRS 39 in all significant respects except that FRS 39 includes several amendments with regard to: ● the prohibition of the reclassification of a hybrid (combined) contract out of the fair value through profit or loss category when the entity is unable to separately measure an embedded derivative; and ● further clarification on the scope exemption to forward contract for business combination.
	No equivalent standard under PSAK	FRS 41	Agriculture	The FRS 41 model currently is not considered to be compatible with the agricultural environment in Indonesia. Unlike FRS 41 which requires the agriculture to be measured at fair value, the accounting for agriculture under PSAK is still based on historical costs.
	No equivalent standard under PSAK	FRS 101	First-time Adoption of Financial Reporting Standards	FRS 101 will not be adopted as it has been considered or included in the transitional provision in the individual standards/ interpretations.
PSAK 22	Business Combinations	FRS 103	Business Combinations	Two standards in key principals are the same. However there are several minor amendments being made in FRS 103 which has not been incorporated by PSAK 22. There is a difference in measuring non-controlling interests where FRS 103 provides clearer requirements (on present ownership interest and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation) which reduces diversity in the application. FRS 103 also provides application guidance on all share-based payment transactions that are part of business combinations, including unreplaced and voluntarily replaced share-based payment awards.

PSAK		SFRS		Differences
PSAK 62 PSAK 28 PSAK 36	Insurance Contracts Accounting for Loss Insurance Accounting for Life Insurance	FRS 104	Insurance Contracts	PSAK 62 is adopted from FRS 104 except for the requirements in FRS 104 to measure the insurance liabilities on an undiscounted basis because this contradicts PSAK 28 and PSAK 36. The purpose of PSAK 28 and 36 is to complement the requirements of PSAK 62. There are no standards in FRS which are equivalent to PSAK 28 and 62.
PSAK 64 PSAK 33	Exploration and Evaluation of Mineral Resources Mining Stripping Activities and Environmental Management in General Mining	FRS 106	Exploration for and Evaluation of Mineral Resources	PSAK 64 is consistent with FRS 106 in all significant respects. PSAK 33 provides specific guidelines on the general mining in relation to stripping and environmental management activities. There are no standards in FRS which are equivalent to PSAK 33 and thus this additional provision may lead to different accounting treatment.
PSAK 60	Financial Instruments: Disclosures	FRS 107	Financial Instruments: Disclosures	There are several amendments being made in FRS 107 which has not been incorporated by PSAK 60. The main differences are as follows: 1. PSAK 60, under the credit risk disclosure requirements, still includes a provision to disclose the carrying amount of financial assets that would otherwise be past due or impaired whose terms have been renegotiated and a description of collateral held by the entity as security and other credit enhancements, whereas FRS 107 has deleted these points. 2. FRS 107 requires greater disclosure of transferred financial assets in both categories of (a) transferred assets that are not derecognised in their entirety and (b) transferred assets that are derecognised in their entirety. The second category has more extensive disclosures requirements.

However, these differences are either not material and/or not relevant to the unaudited proforma combined financial information of the Enlarged Group for FY2009, FY2010, FY2011 and FP2012, except as set out in Appendix B of this Circular.

Regulatory bodies and/or standard setters that promulgate Indonesian GAAP and SFRS have ongoing projects that could affect future comparisons between Indonesian GAAP and SFRS. No attempt has been made to identify future differences between Indonesian GAAP and SFRS as a result of prescribed changes in financial reporting standards and regulations. Further, no attempt has been made to identify all future differences between Indonesian GAAP and SFRS that may affect the consolidated financial statements as a result of transactions or events that may occur in future.

No assurance is given that the application of SFRS to the consolidated financial statements has not material or significant impact upon the consolidated financial statements reported under Indonesian GAAP. In making an investment decision, investors must rely upon their own examination of us, terms of the offering, and the consolidated financial statements. Potential investors should consult their own professional advisors for an understanding of the differences between Indonesian GAAP and SFRS, and how those differences might affect the consolidated financial statements included herein.

20 CORPORATE SOCIAL RESPONSIBILITY

As part of the Target Group's corporate social responsibility efforts, the Target Group has participated in various community development projects so as to protect the environment and raise social standards in Indonesia. This includes, among others, donations in various forms and the renovation of schools. The Target Group has also provided assistance to victims of natural calamities.

REPORT ON EXAMINATION OF UNAUDITED PROFORMA COMBINED FINANCIAL INFORMATION OF THE ENLARGED GROUP FOR FY2009, FY2010, FY2011 AND FP2012

The Board of Directors
Gallant Venture Ltd.
991A Alexandra Road
#02-06/07
Singapore 119969

Dear Sirs

The report has been prepared for inclusion in the Circular to the shareholders of Gallant Venture Ltd. ("Gallant" or the "Company") together with its subsidiaries (the "Group") in connection with, *inter alia*, the proposed acquisition of shares representing approximately 52.35% of the issued capital of PT Indomobil Sukses Internasional Tbk ("IMAS") (the "Proposed Acquisition"), proposed renounceable non-underwritten rights issue of 2,412,482,556 new shares in the capital of the Company (the "Proposed Rights Issue") and proposed tender offer for shares in IMAS, subject to completion of the Proposed Acquisition (the "Proposed IMAS Tender Offer") (collectively, the "Proposed Transactions"). The enlarged group of companies comprising the Company and IMAS and their subsidiaries, following the completion of the Proposed Transactions, is collectively known as the "Enlarged Group".

We report on the unaudited proforma combined financial information of the Enlarged Group set out on pages B-3 to B-27 of the Circular dated 13 March 2013, which has been prepared, for illustrative purposes only and based on certain assumptions and after making certain adjustments to show what:

(i) the unaudited proforma combined income statements and statements of comprehensive income of the Enlarged Group for the financial years ended 31 December 2009, 2010 and 2011 and nine months ended 30 September 2012 would have been if the Enlarged Group structure as described in Note 1.3 had been in place since 1 January 2009;

(ii) the unaudited proforma combined balance sheet of the Enlarged Group as at 31 December 2011 and nine months ended 30 September 2012 would have been if the Enlarged Group structure as described in Note 1.3 had been in place on 31 December 2011; and

(iii) the unaudited proforma combined statement of changes in equity and cash flows of the Enlarged Group for the financial year ended 31 December 2011 and nine months ended 30 September 2012 would have been if the Enlarged Group structure as described in Note 1.3 had been in place since 1 January 2011.

The unaudited proforma combined financial information of the Enlarged Group, because of its nature, may not give a true picture of the Enlarged Group's actual financial position, results, changes in equity and cash flows.

The unaudited proforma combined financial information of the Enlarged Group is the responsibility of the directors. Our responsibility is to express an opinion on the unaudited proforma combined financial information of the Enlarged Group based on our work.

We carried out procedures in accordance with Singapore Statement of Auditing Practice 24: "Auditors and Public Offering Documents". Our work, which involved no independent examination of the underlying financial statements, considered primarily of comparing the unaudited proforma combined financial information of the Enlarged Group to the financial statements of each entity in the Enlarged Group, considering the evidence supporting the adjustments and discussing the unaudited proforma combined financial information of the Enlarged Group with the directors of the Company.

In our opinion,

(a) the unaudited proforma combined financial information of the Enlarged Group has been properly prepared:

(i) in a manner consistent with the accounting policies of the Group in its audited combined financial statements for the financial years ended 31 December 2009, 2010 and 2011 and nine months ended 30 September 2012; and

(ii) on the basis set out in Note 2.1 to the unaudited proforma combined financial information of the Enlarged Group.

(b) each material adjustment made to the information used in the preparation of the unaudited proforma combined financial information of the Enlarged Group is appropriate for the purpose of preparing such combined financial information.

Foo Kon Tan Grant Thornton LLP
Public Accountants and
Certified Public Accountants
Singapore

13 March 2013

Partner in charge: Kon Yin Tong

UNAUDITED PROFORMA COMBINED BALANCE SHEET AS AT 31 DECEMBER 2011 AND NINE MONTHS ENDED 30 SEPTEMBER 2012

(Amounts expressed in Singapore Dollar)

	31 December 2011 S$'000	Financial period ended 30 September 2012 S$'000
ASSETS		
Non-current assets		
Intangible assets	1,268,908	1,270,857
Property, plant and equipment	543,788	589,361
Investment properties	232,437	211,591
Financing receivables	219,323	384,365
Associates	241,279	292,564
Deferred tax assets	26,110	20,462
Loan receivable	47,500	47,500
Notes receivable	279,556	260,478
Derivatives receivable	–	169
Other non-current assets	68,922	118,982
	2,927,823	3,196,329
Current assets		
Land inventories	569,681	582,015
Other inventories	358,956	499,275
Financing receivables	242,309	84,742
Trade and other receivables	285,686	394,396
Cash and bank balances	325,830	254,514
	1,782,462	1,814,942
Total assets	**4,710,285**	**5,011,271**

The accompanying accounting policies and explanatory notes form an integral part of the unaudited proforma combined financial information.

UNAUDITED PROFORMA COMBINED BALANCE SHEET AS AT 31 DECEMBER 2011 AND NINE MONTHS ENDED 30 SEPTEMBER 2012 (CONT'D)

(Amounts expressed in Singapore Dollar)

	31 December 2011 S$'000	Financial period ended 30 September 2012 S$'000
EQUITY AND LIABILITIES		
Share capital	1,917,517	1,917,517
Translation reserves	(1,461)	(80,981)
Retained earnings	46,960	76,482
Equity attributable to equity holders of the Company	1,963,016	1,913,018
Non-controlling interests	978,323	991,702
Total equity	**2,941,339**	**2,904,720**
Liabilities		
Non-current liabilities		
Deposits from tenants/golf membership	31,856	31,258
Employee benefits liabilities	19,935	19,536
Deferred tax liabilities	2,148	3,148
Bonds payable	282,409	434,834
Consumer financing	9,869	4,471
Loans and borrowings	495,493	587,184
Other liabilities	2,893	2,048
	844,603	1,082,479
Current liabilities		
Trade and other payables	481,497	499,155
Other liabilities	18,747	20,479
Derivatives payable	140	–
Bonds payable	39,749	74,722
Consumer financing	7,742	8,323
Loans and borrowings	376,468	421,393
	924,343	1,024,072
Total liabilities	**1,768,946**	**2,106,551**
Total equity and liabilities	**4,710,285**	**5,011,271**

The accompanying accounting policies and explanatory notes form an integral part of the unaudited proforma combined financial information.

UNAUDITED PROFORMA COMBINED INCOME STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2009, 2010 AND 2011 AND NINE MONTHS ENDED 30 SEPTEMBER 2012

(Amounts expressed in Singapore Dollar)

	Financial years ended 31 December			Financial period ended 30 September
	2009	**2010**	**2011**	**2012**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Revenue	1,149,522	1,864,003	2,459,986	2,122,149
Cost of sales	(989,347)	(1,600,706)	(2,133,268)	(1,865,570)
Gross profit	160,175	263,297	326,718	256,579
Other income	33,248	50,234	98,068	78,041
General and administrative expenses	(75,422)	(97,730)	(105,365)	(89,461)
Other operating expenses	(75,027)	(107,262)	(137,035)	(119,334)
Share of associate companies' profits	10,924	40,801	45,784	33,025
Finance costs	(36,992)	(49,181)	(53,089)	(48,971)
Profit before taxation	**16,906**	**100,159**	**175,081**	**109,879**
Taxation	(19,911)	(28,766)	(42,033)	(28,916)
Profit after taxation	**(3,005)**	**71,393**	**133,048**	**80,963**
Other comprehensive income after taxation:				
- Net change in fair value of available-for-sale investment	–	2,614	13,739	(25,079)
- Net change in fair value of derivative Instruments	–	237	(98)	197
- Currency translation differences	4,861	(5,340)	(120)	(79,545)
	4,861	(2,489)	13,521	(104,427)
Total comprehensive income for the year	**1,856**	**68,904**	**146,569**	**(23,464)**
Profit attributable to:				
- Equity holders of the Company	(12,189)	33,352	57,143	29,523
- Non-controlling interests	9,184	38,041	75,905	51,440
	(3,005)	**71,393**	**133,048**	**80,963**
Total comprehensive income attributable to:				
- Equity holders of the Company	(12,988)	34,543	63,647	(1,746)
- Non-controlling interests	14,844	34,361	82,922	(21,718)
	1,856	**68,904**	**146,569**	**(23,464)**
Basic and diluted (loss)/earnings per share (in cents)	**(0.25)**	**0.68**	**1.16**	**0.60**

The accompanying accounting policies and explanatory notes form an integral part of the unaudited proforma combined financial information.

UNAUDITED PROFORMA COMBINED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011 AND NINE MONTHS ENDED 30 SEPTEMBER 2012

(Amounts expressed in Singapore Dollar)

	Share capital	Translation reserves	Retained Earnings	Attributable to equity holders of the Company	Non-controlling interests	Total Equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Opening balance at 1 January 2011	1,207,642	(908)	38,676	1,245,410	26,759	1,272,169
Total comprehensive income for the year	–	6,557	57,090	63,647	82,922	146,569
Contributions by and distribution to owners						
Dividends paid to non-controlling interests	–	–	–	–	(5,136)	(5,136)
Adjustment pursuant to the acquisition	675,269	(7,110)	(48,806)	619,353	873,778	1,493,131
Convertible bonds	34,606	–	–	34,606	–	34,606
	709,875	(7,110)	(48,806)	653,959	868,642	1,522,601
Closing balance at 31 December 2011	**1,917,517**	**(1,461)**	**46,960**	**1,963,016**	**978,323**	**2,941,339**
Total comprehensive income for the period	**–**	**(33,962)**	**32,216**	**(1,746)**	**(21,718)**	**(23,464)**
Contributions by and distribution to owners						
Dividends paid to non-controlling interests	**–**	**–**	**(22,161)**	**(22,161)**	**(1,372)**	**(23,533)**
Adjustment pursuant to the acquisition	**–**	**(45,558)**	**19,467**	**(26,091)**	**36,469**	**10,378**
	–	**(45,558)**	**(2,694)**	**(48,252)**	**35,097**	**(13,155)**
Closing balance at 30 September 2012	**1,917,517**	**(80,981)**	**76,482**	**1,913,018**	**991,702**	**2,904,720**

The accompanying accounting policies and explanatory notes form an integral part of the unaudited proforma combined financial information.

UNAUDITED PROFORMA COMBINED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011 AND NINE MONTHS ENDED 30 SEPTEMBER 2012

(Amounts expressed in Singapore Dollar)

	Financial year ended 31 December 2011 S$'000	Financial period ended 30 September 2012 S$'000
Cash Flow from Operating Activities		
Profit before taxation	**175,081**	**109,879**
Adjustments for:		
Amortisation of intangible assets	160	154
Depreciation of property, plant and equipment and investment properties	75,493	69,570
Currency translation difference	(29,278)	37,075
Gain on disposal of investment property	(80)	–
Gain on disposal of property, plant and equipment	932	1,658
Net fair value gain/(loss) on available-for-sales investments and derivatives	13,519	(110,646)
Provisions for employees' benefits	3,968	2,915
Interest expense	53,089	48,971
Interest income	(27,768)	(24,801)
Share of associates' results	(45,784)	(33,025)
Operating cash flows before working capital changes	**219,332**	**101,750**
Changes in working capital:		
Increase in land inventories	(11,172)	(12,334)
Increase in inventories	(126,842)	(140,319)
Increase in trade and other receivables	(144,862)	(106,657)
Increase in trade and other payables	200,884	69,164
Cash generated from/(used in) operating activities	**137,340**	**(88,396)**
Income tax paid	(94,998)	(72,886)
Employee benefits paid	(760)	(338)
Interest paid	(95,366)	(72,128)
Interest received	1,524	2,649
Deposits refunded to tenants/golf members	(3,442)	(598)
Net cash used in operating activities	**(55,702)**	**(231,697)**
Cash Flows from Investing Activities		
Acquisition of intangible assets	(101)	(2,103)
Acquisition of property, plant and equipment	(190,264)	(103,484)
Acquisition of investment properties	(899)	(33)
Acquisition of other investments	(28,879)	(58,303)
Proceeds from additional shares issued to non-controlling interests	1,144	2,703
Interest received on and proceeds from termination of restricted cash in bank	829	–
Dividend from associates	7,704	10,802
Dividend paid to equity holders	–	(22,161)
Dividend paid to non-controlling interests	(5,086)	(1,335)
Proceeds from disposal of property, plant and equipment	3,397	3,378
Proceeds from disposal of subsidiaries	688	–
Proceeds from sale of investment property	125	4,187
Deposits refunded	402	83
Net cash used in investing activities	**(210,940)**	**(166,266)**

The accompanying accounting policies and explanatory notes form an integral part of the unaudited proforma combined financial information.

UNAUDITED PROFORMA COMBINED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011 AND NINE MONTHS ENDED 30 SEPTEMBER 2012 (CONT'D)

(Amounts expressed in Singapore Dollar)

	Financial year ended 31 December 2011 S$'000	Financial period ended 30 September 2012 S$'000
Cash Flows from Financing Activities		
Proceeds from long-term loans	106	–
Payment of long-term loans	–	(309)
Proceeds from other financing activities	136,233	182,582
Payment to hire purchase creditors	(29)	–
Repayment of bank loans	(159,090)	–
Loan from financial institutions	–	136,616
Allowance for loss on foreclosed assets	–	7,795
Dividend paid to non-controlling interests	(50)	(37)
Proceeds from rights issue	384,770	–
Net cash generated from financing activities	**361,940**	**326,647**
Net increase/(decrease) in cash and cash equivalents	**95,298**	**(71,316)**
Cash and cash equivalents at beginning of year/period	**230,532**	**325,830**
Cash and cash equivalents at end of year/period	**325,830**	**254,514**

The accompanying accounting policies and explanatory notes form an integral part of the unaudited proforma combined financial information.

1. Corporate information

Gallant Venture Ltd. (the "Company") is a limited liability company which is incorporated and domiciled in Singapore. The registered office and principal place of business of the Company is located at 991A Alexandra Road #02-06/07, Singapore 119969. The principal activity of the Company is that of investment holding.

1.1 General

The unaudited proforma combined financial information has been prepared for inclusion in the Circular to shareholders of the Company in connection with, *inter alia*, the proposed acquisition of shares representing approximately 52.35% issued share capital of PT Indomobil Sukses Internasional Tbk ("IMAS") (the "Proposed Acquisition"), proposed renounceable non-underwritten rights issue of 2,412,482,556 new shares in the capital of the Company ("Proposed Rights Issue") and proposed tender offer for shares in IMAS, subject to completion of the Proposed Acquisition ("Proposed IMAS Tender Offer") (collectively, the "Proposed Transactions"). The enlarged group of companies comprising the Company and its subsidiaries (the "Group") and IMAS and their respective subsidiaries ("IMAS Group"), following the completion of the Proposed Transactions, is collectively known as the "Enlarged Group".

1.2 The Proposed Transactions

On 13 December 2012, the Company entered into a conditional sales and purchase agreement ("S&P Agreement") with PT Cipta Sarana Duta Perkasa (the "Vendor") for, *inter alia*, the acquisition by the Company of shares representing approximately 52.35% of the issued share capital of IMAS, a company listed on the Indonesia Stock Exchange ("IDX"), for an aggregate consideration (the "Purchase Consideration") of US$809.3 million (equivalent to approximately S$988.2 million) (the "Proposed Acquisition").

The Company is proposing a renounceable non-underwritten rights issue (the "Proposed Rights Issue") of 2,412,482,556 new ordinary shares ("Shares") in the capital of the Company (the "Rights Shares") at an issue price of S$0.28 per Rights Share ("Issue Price"), on the basis of one (1) Rights Share for every one (1) existing Share, to raise gross proceeds of approximately S$675.5 million, of which S$675.3 million are proposed to be applied towards payment of part of the Purchase Consideration.

Subject to the completion of the Proposed Acquisition, the Company would be obliged under the relevant Indonesian laws and regulations to make a mandatory tender offer for the remaining shares in the issued share capital of IMAS ("IMAS Shares") which are not held by the Company (the "Proposed IMAS Tender Offer").

Please refer to Section 5.1(iv) of the Circular for more information on the Purchase Consideration and the way in which it will be funded. In summary, the Purchase Consideration is in effect funded as follows:

a. approximately S$675.3 million from the proceeds of the Proposed Rights Issue;

b. approximately S$128.2 million by borrowings from financial institution(s);

c. S$80.0 million from the issue of the Convertible Bonds; and

d. approximately S$104.7 million from the issue of the Non-Convertible Bonds.

1. Corporate information (cont'd)

1.3 The Enlarged Group

On the basis of the subsidiaries and associates of Gallant and IMAS as at 30 September 2012. Upon completion of the Proposed Transactions, Gallant will have the following subsidiaries and associates (the "Enlarged Group"):

Name	Country of incorporation	Principal activities	Percentage of effective interest %
Held by Gallant			
PT Batamindo Investment Cakrawala	Indonesia	Development and management of industrial estate	99.99
Verizon Resorts Limited	Malaysia	Investment holding	100.00
PT Bintan Inti Industrial Estate	Indonesia	Development, operation, maintenance and management of Bintan Industrial Estate together with the supporting infrastructure support activities	100.00
PT Bintan Resort Cakrawala	Indonesia	Development and operation of a tourism area in Bintan including the sale of land in such area	86.77
Bintan Resort Ferries Private Limited	Singapore	Provision of ferry services between Singapore and Bintan	90.74
PT Indomobil Sukses Internasional Tbk ("IMAS")	Indonesia	Investment holding	52.35
PT Batamindo Executive Village	Indonesia	Development and operation of Southlinks Country Club and Batam Executive Village, an integrated complex consisting of golf course, condominiums, cottages and other social facilities	60.00
PT Batam Bintan Telekomunikasi	Indonesia	Telecommunications service provider	95.00
Batamindo Medical Management Pte Ltd[1]	Singapore	Dormant	100.00
PT Surya Bangunpertiwi	Indonesia	Wholesaler of hotels, resorts and golf courses	99.99

[1] Batamindo Medical Management Pte Ltd has been struck off the Register of Companies with effect from 8 January 2013. Please refer to the announcement released by the Company on 16 January 2013 relating to this, for more information.

1. Corporate information (cont'd)

1.3 The Enlarged Group (cont'd)

Name	**Country of incorporation**	**Principal activities**	**Percentage of effective interest %**
Subsidiaries:			
<u>Held by Gallant (cont'd)</u>			
PT Buana Megawisatama	Indonesia	Wholesaler of hotels, resorts and golf courses, resort development activities and business management consultancy	99.99
PT Suakajaya Indowahana	Indonesia	Trading, industry, development and services	100.00
Batamindo Investment (S) Ltd	Singapore	Management consultancy services	100.00
Bintan Resorts International Pte. Ltd.	Singapore	Marketing and providing support services to PT BRC and PT BMW	100.00
Golf View Limited	Seychelles	Investment holding	100.00
Crystal Grace International Ltd	British Virgin Islands	Investment holding	100.00
Treasure Home Ltd	British Virgin Islands	Investment holding	100.00
Win Field Ltd	British Virgin Islands	Investment holding	100.00
Starhome Ltd	British Virgin Islands	Investment holding	100.00
BU Holdings Pte Ltd	Singapore	Investment holding	100.00
Lagoi Dreams Limited	British Virgin Islands	Investment holding	100.00
PT Taman Indah	Indonesia	Property development	100.00
<u>Held by IMAS</u>			
PT Multicentral Aryaguna	Indonesia	Building management and outsourcing workers	100.00
PT Indomobil Finance Indonesia	Indonesia	Financing	100.00
PT Indomobil Wahana Trada	Indonesia	Dealership	100.00

1. Corporate information (cont'd)

1.3 The Enlarged Group (cont'd)

Name	Country of incorporation	Principal activities	Percentage of effective interest %
<u>**Held by IMAS (cont'd)**</u>			
PT Central Sole Agency	Indonesia	Importer of Volvo sedan and spare parts, distributor of "IndoParts"	100.00
PT Wahana Inti Central Mobilindo	Indonesia	Great Wall distributor	100.00
PT IMG Sejahtera Langgeng	Indonesia	Trading, goods and services, investment company	99.98
PT National Assemblers	Indonesia	Assembling	99.89
PT Garuda Mataram Motor	Indonesia	VW and Audi sole agent	99.46
PT Unicor Prima Motor	Indonesia	Hino distributor	96.48
PT Rodamas Makmur Motor	Indonesia	Dealership	90.00
PT Indotruck Utama	Indonesia	Distributor	75.00
PT Wahana Prima Trada Tangerang	Indonesia	Dealership	100.00
PT Wahana Wirawan Manado	Indonesia	Dealership	100.00
PT Wahana Wirawan	Indonesia	Dealership	100.00
PT Auto Euro Indonesia	Indonesia	Trading, importer of Renault vehicles	100.00
PT IMG Bina Trada	Indonesia	Workshop	100.00
PT Wahana Indo Trada	Indonesia	Dealership	100.00
PT Indomobil Trada Nasional	Indonesia	Dealership	99.99
PT Indomobil Multi Trada	Indonesia	Dealership	99.99
PT Wangsa Indra Permana	Indonesia	Dealership	99.98
PT Indomurayama Press & Dies Industries	Indonesia	Press and dies manufacturing	99.98
PT Wahana Inti Selaras	Indonesia	Sole agent of Volvo truck and Mack trucks	99.98
PT Kharisma Muda	Indonesia	Car rental	97.51
PT CSM Corporatama	Indonesia	Car rental	97.50
PT Indomobil Bintan Corpora	Indonesia	Car rental	97.50

1. Corporate information (cont'd)

1.3 The Enlarged Group (cont'd)

Name	Country of incorporation	Principal activities	Percentage of effective interest %
Held by IMAS (cont'd)			
PT Wahana Indo Trada Mobilindo	Indonesia	Car rental	97.50
PT Indomobil Prima Niaga	Indonesia	Dealership	96.51
PT Wahana Wirawan Palembang	Indonesia	Dealership	95.10
PT Indobuana Autoraya	Indonesia	Volvo, Foton distributor	85.84
PT Marvia Multi Trada	Indonesia	Trading, industry, transportation service	79.98
PT Indo Traktor Utama	Indonesia	Trading	59.99
PT Prima Sarana Gemilang	Indonesia	Mining, exploration, exploitation	59.99
PT Eka Dharma Jaya Sakti	Indonesia	Volvo truck distributor in Kalimantan	59.99
PT Lippo Indorent	Indonesia	Gas station	58.50
PT Wahana Niaga Lombok	Indonesia	Dealership	55.00
PT United Indo Surabaya	Indonesia	Dealership	51.00
PT Wahana Meta Riau	Indonesia	Dealership	51.00
PT Wahana Lestari Balikpapan	Indonesia	Dealership	51.00
PT Wahana Sumber Baru Yogya	Indonesia	Dealership	51.00
PT Wahana Senjaya Jakarta	Indonesia	Dealership	51.00
PT Wahana Megah Putra Makassar	Indonesia	Dealership	51.00
PT Wahana Inti Nusa Pontianak	Indonesia	Dealership	51.00
PT Wahana Sumber Trada Tangerang	Indonesia	Dealership	51.00
PT Wahana Persada Jakarta	Indonesia	Dealership	51.00
PT Wahana Sumber Lestari Samarinda	Indonesia	Dealership	51.00
PT Wahana Adidaya Kudus	Indonesia	Dealership	51.00
PT Wahana Rejeki Mobilindo Cirebon	Indonesia	Dealership	51.00
PT Wahana Jaya Indah Jambi	Indonesia	Dealership	51.00
PT Wahana Jaya Tasikmalaya	Indonesia	Dealership	51.00

1. Corporate information (cont'd)

1.3 The Enlarged Group (cont'd)

Name	Country of incorporation	Principal activities	Percentage of effective interest %
Held by IMAS (cont'd)			
PT Indo Auto Care	Indonesia	Trading	51.00
PT Indomatsumoto Press & Dies Industries	Indonesia	Press and dies manufacturing	50.99
PT Indosentosa Trada	Indonesia	Dealership	50.50
PT Wahana Sun Motor Semarang	Indonesia	Dealership	50.50
PT Wahana Sun Solo	Indonesia	Dealership	50.50
PT Wahana Persada Lampung	Indonesia	Dealership	50.50
PT Wahana Delta Prima Banjarmasin	Indonesia	Dealership	50.50
PT Wahana Trans Lestari Medan	Indonesia	Dealership	50.50
PT Wahana Sun Hutama Bandung	Indonesia	Dealership	50.50
PT Indotama Maju Sejahtera	Indonesia	Inactive	49.99
PT Indomobil Cahaya Prima	Indonesia	Dealership	49.20
PT Indomobil Sumber Baru	Indonesia	Dealership	48.72
Associates:			
Held by Gallant			
PT Soxal Batamindo Industrial Gases	Indonesia	Production and sale of industrial gases	30.00
Batamindo Carriers Pte Ltd	Singapore	Provision of ship and boat chartering services	36.00
Gallant Power and Resources Limited	British Virgin Islands	Investment holding	49.00
Bintan Resort Management Pte Ltd	Singapore	Dormant	40.00
Held by IMAS			
PT Indo VDO Instrument	Indonesia	Speedometer manufacturing	49.99
PT Indotrada Sugiron	Indonesia	Trading	49.99
PT Indo Citra Sugiron	Indonesia	Distributor	49.99
PT Kyokuto Indomobil Manufacturing	Indonesia	Manufacturing	48.99
PT Car & Cars Indonesia	Indonesia	Distributor	48.75

1. Corporate information (cont'd)

1.3 The Enlarged Group (cont'd)

Name	Country of incorporation	Principal activities	Percentage of effective interest %
<u>**Held by IMAS (cont'd)**</u>			
PT Hamfred Technology Indonesia	Indonesia	Distributor	48.75
PT Gunung Ansa	Indonesia	Car rental	48.65
PT Hino Motors Sales Indonesia	Indonesia	Distributor	40.00
PT Intindo Wahana Gemilang	Indonesia	Inactive (under liquidation process)	27.20
PT Nissan Motor Distributor Indonesia	Indonesia	Nissan distributor	25.00
PT Nissan Motor Indonesia	Indonesia	Assembling	25.00
PT Jideco Indonesia	Indonesia	Vehicle parts manufacturing	25.00
PT Swadharma Indotama Finance	Indonesia	Financing	24.55
PT Sumi Indo Wiring Systems	Indonesia	Vehicle wire manufacturing	20.50
PT Vantec Indomobil Logistics	Indonesia	Logistics	20.00

2. Summary of significant accounting policies

2.1 Basis of preparation

(a) The unaudited proforma combined financial information of the Enlarged Group set out in this report is expressed in Singapore Dollar ("S$") and all values are rounded to the nearest thousand (S$'000) except where otherwise indicated. The financial information has been prepared for illustrative purposes only. It has been prepared based on certain assumptions and after making certain adjustments to show what:

(i) the unaudited proforma combined income statements and statements of comprehensive income of the Enlarged Group for the financial years ended 31 December 2009, 2010 and 2011 and nine months ended 30 September 2012 would have been if the Enlarged Group structure as described in Note 1.3 had been in place since 1 January 2009;

(ii) the unaudited proforma combined balance sheet of the Enlarged Group as at 31 December 2011 and nine months ended 30 September 2012 would have been if the Enlarged Group structure as described in Note 1.3 had been in place on 31 December 2011; and

(iii) the unaudited proforma combined statement of changes in equity and cash flows of the Enlarged Group for the financial year ended 31 December 2011 and nine months ended 30 September 2012 would have been if the Enlarged Group structure as described in Note 1.3 had been in place since 1 January 2011.

2. Summary of significant accounting policies (cont'd)

2.1 Basis of preparation (cont'd)

The objective of the unaudited proforma combined financial information of the Enlarged Group is to show what the historical financial results would have been had the Enlarged Group existed since 1 January 2009 and what the historical statement of financial position would have been had the Enlarged Group existed since 31 December 2011. However, the unaudited proforma combined financial information of the Enlarged Group is not necessarily indicative of the results of operations or related effects on financial position that would have been obtained had the Enlarged Group actually existed earlier.

(b) In presenting the unaudited proforma combined financial information of the Enlarged Group, the following key assumptions and adjustments were taken into account:

(i) In the preparation of the unaudited proforma combined statement of comprehensive income for the years ended 31 December 2009, 2010 and 2011 and nine months ended 30 September 2012, the Proposed Transactions are assumed to occur on 1 January 2009.

(ii) In the preparation of the unaudited proforma combined balance sheet as at 31 December 2011 and nine months ended 30 September 2012, it is assumed that the Proposed Transactions took place on 31 December 2011.

(iii) In the preparation of the unaudited proforma combined statement of changes in equity and the unaudited proforma combined statement of cash flows for the year ended 31 December 2011 and nine months ended 30 September 2012, the Proposed Transactions are assumed to occur on 1 January 2011.

(iv) IMAS will be accounted for as a subsidiary of the Enlarged Group. According to the Group's accounting policies, the Group shall determine the fair value of each of the identifiable assets and liabilities including intangible assets of the IMAS Group and calculate the goodwill arising from the Proposed Acquisition which represents the difference between the consideration transferred and the fair value of the identifiable assets and liabilities of the IMAS Group. For the purposes of the proforma financial information, the book value of the IMAS Group is assumed to be equal to the fair value of its assets and liabilities and no impairment of goodwill is assumed.

Upon completion of the Proposed Acquisition, in accordance with Singapore Financial Reporting Standards ("SFRS") 103 "Business Combinations", the Group is required to finalise within one year, a purchase price allocation exercise to assess the fair values of the net identifiable assets and liabilities of the IMAS Group. The excess of the consideration transferred arising from the Proposed Acquisition over the fair values of the net identifiable assets and liabilities will be recorded as actual goodwill in the balance sheet and subject to at least an annual impairment test and more frequent if there are indicators of impairment.

(v) Certain differences exist between Generally accepted accounting principles in Indonesia and/or the Indonesian Financial Accounting Standards ("Indonesian GAAP") and SFRS which are neither not material and/or not relevant to the proforma combined financial information, except for land use rights are depreciated on a straight line basis over the term of the lease.

2. Summary of significant accounting policies (cont'd)

2.1 Basis of preparation (cont'd)

Under Indonesian Agrarian law No. 5 of 1960, land use is accomplished through land rights whereby the holder of the right enjoys the full use of the land for a stated period of time, subject to extensions. The land rights generally are freely tradable and may be pledged as security under borrowing agreements. In accordance with Pernyataan Standar Akuntansi Keuangan or the Indonesian Financial Accounting Standards ("PSAK") No. 47 "Accounting for Land", land ownership based on various kinds of rights to be accounted for as real property and not depreciated, unless the right holder finds the possibility of extension or renewal to be remote.

Under SFRS 17 "Leases", leases of land are classified as operating or finance leases in the same way as leases of other assets. A long-term land lease may be classified as a finance lease, if substantially all risks and rewards are transferred to the lessee, even if at the end of the lease term title will not pass to the lessee. When there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the asset should be fully depreciated over the shorter of its useful life or the lease term.

(vi) Certain assets and liabilities of IMAS are reclassified pursuant to the Proposed Acquisition to conform to the presentation adopted by the Group.

(vii) Additional finance cost arising from the financial institution and the issue of non-convertible bonds to the Vendor are recognised in the unaudited proforma income statements for the years ended 31 December 2009, 2010 and 2011 and nine months ended 30 September 2012.

(viii) The convertible bonds issued to the Vendor in connection with the Proposed Acquisition is assumed to be (1) at the option of Vendor, converted only in whole any time between one year after the Issue Date and up to Maturity Date; or (2) redeemed in whole or in part at the option of Issuer anytime prior to Maturity Date; or (3) at the option of Issuer at maturity, redeem or mandatorily convert the convertible bonds, unless previously redeemed by Issuer or converted by Vendor.

This liability component of the convertible bonds is measured first, and the difference between the proceeds of the bond issue and the fair value of the liability is assigned to the equity component. The present value of the liability component is calculated using a discount rate at 12.0%, the market interest rate for an equivalent third party borrowing. This is shown in the unaudited proforma balance sheet as at 31 December 2011 and nine months ended 30 September 2012.

(ix) For the purpose of consolidation with IMAS whose measurement currency is in Rupiah, the financial statements of IMAS were translated from Rupiah to Singapore dollars using the following exchange rates:

	Financial years ended 31 December			Financial Period ended 30 September
	2009	**2010**	**2011**	**2012**
Closing exchange rate	6,699	6,981	6,974	7,826
Average exchange rate	7,194	6,652	6,991	7,362

2. Summary of significant accounting policies (cont'd)

2.1 Basis of preparation (cont'd)

(c) The unaudited proforma combined financial information of the Enlarged Group is based on the following:

(i) The audited financial statements of Gallant Venture Ltd. and its subsidiaries for the financial years ended 31 December 2009, 2010 and 2011 and unaudited financial statements for the financial period from 1 January 2012 to 30 September 2012, which have been prepared in accordance with Singapore Financial Reporting Standards; and

(ii) The audited financial statements of IMAS and its subsidiaries for the financial years ended 31 December 2009, 2010 and 2011 and unaudited financial statements for the financial period from 1 January 2012 to 30 September 2012, which have been prepared in accordance with Indonesian Financial Accounting Standards, after certain adjustments had been made as set out in Note 2.1(b)(v) for the material differences between Indonesia GAAP and SFRS.

After the adjustments, IMAS is profitable for each of the financial year ended 31 December 2009, 2010 and 2011 and the financial period from 1 January 2012 to 30 September 2012.

The audited financial statements of Gallant Venture Ltd. and its subsidiaries for the financial years ended 31 December 2009, 2010 and 2011 were audited by Foo Kon Tan Grant Thornton LLP. The independent auditors' reports of the abovementioned audited financial statements were not subject to any qualification.

The audited financial statements of IMAS and its subsidiaries for the financial years ended 31 December 2009, 2010 and 2011 were audited by Purwantono, Suherman & Surja. The independent auditors' reports of the abovementioned audited financial statements were not subject to any qualification.

2. Summary of significant accounting policies (cont'd)

2.2 Statement of adjustments

The following adjustments have been made in arriving at the unaudited proforma combined financial information of the Enlarged Group:

Unaudited Proforma Combined Statement of Comprehensive Income for the financial year ended 31 December 2009

	Summation of Financial Information (1)		Adjustments	Proforma Financial Information of the Enlarged Group After Adjustments
	S$'000		S$'000	S$'000
Revenue	1,149,522			1,149,522
Cost of sales	(989,347)			(989,347)
Gross profit	160,175			160,175
Other income	33,248			33,248
General and administrative expenses	(70,777)	(g)	(4,645)	(75,422)
Other operating expenses	(75,027)			(75,027)
Share of associate companies' profits	10,924			10,924
Finance costs	(29,868)	(a)	(7,124)	(36,992)
Profit before taxation	**28,675**		**(11,769)**	**16,906**
Taxation	(19,911)			(19,911)
Profit after taxation	**8,764**		**(11,769)**	**(3,005)**
Other comprehensive income after taxation:				
Net change in fair value of available-for-sale investment	–			–
Net change in fair value of derivative instrument	–			–
Currency translation differences	10,198	(g)	(5,337)	4,861
	10,198		(5,337)	4,861
Total comprehensive income for the year	**18,962**		**(17,106)**	**1,856**

2. Summary of significant accounting policies (cont'd)

2.2 Statement of adjustments (cont'd)

Unaudited Proforma Combined Statement of Comprehensive Income for the financial year ended 31 December 2010

	Summation of Financial Information [(1)] S$'000		Adjustments S$'000	Proforma Financial Information of the Enlarged Group After Adjustments S$'000
Revenue	1,864,003			1,864,003
Cost of sales	(1,600,706)			(1,600,706)
Gross profit	263,297			263,297
Other income	50,234			50,234
General and administrative expenses	(92,589)	(g)	(5,141)	(97,730)
Other operating expenses	(107,262)			(107,262)
Share of associate companies' profits	40,801			40,801
Finance costs	(41,991)	(a)	(7,190)	(49,181)
Profit before taxation	**112,490**		**(12,331)**	**100,159**
Taxation	(28,766)			(28,766)
Profit after taxation	**83,724**		**(12,331)**	**71,393**
Other comprehensive income after taxation:	2,614			2,614
Net change in fair value of available-for-sale investment	237			237
Net change in fair value of derivative instrument				
Currency translation differences	(7,472)	(g)	2,132	(5,340)
	(4,621)		2,132	(2,489)
Total comprehensive income for the year	**79,103**		**(10,199)**	**68,904**

2. Summary of significant accounting policies (cont'd)

2.2 Statement of adjustments (cont'd)

Unaudited Proforma Combined Statement of Comprehensive Income for the financial year ended 31 December 2011

	Summation of Financial Information (1)		Adjustments	Proforma Financial Information of the Enlarged Group After Adjustments
	S$'000		S$'000	S$'000
Revenue	2,459,986			2,459,986
Cost of sales	(2,133,268)			(2,133,268)
Gross profit	326,718			326,718
Other income	98,068			98,068
General and administrative expenses	(100,196)	(g)	(5,169)	(105,365)
Other operating expenses	(137,035)			(137,035)
Share of associate companies' profits	45,784			45,784
Finance costs	(45,829)	(a)	(7,260)	(53,089)
Profit before taxation	**187,510**		**(12,429)**	**175,081**
Taxation	(42,033)			(42,033)
Profit after taxation	**145,477**		**(12,429)**	**133,048**
Other comprehensive income after taxation:				
Net change in fair value of available-for-sale investment	13,739			13,739
Net change in fair value of derivative instrument	(98)			(98)
Currency translation differences	(63)	(g)	(57)	(120)
	13,578		(57)	13,521
Total comprehensive income for the year	**159,055**		**(12,486)**	**146,569**

2. Summary of significant accounting policies (cont'd)

2.2 Statement of adjustments (cont'd)

Unaudited Proforma Combined Statement of Comprehensive Income for the financial period ended 30 September 2012

	Summation of Financial Information (2)		Adjustments	Proforma Financial Information of the Enlarged Group After Adjustments
	S$'000		S$'000	S$'000
Revenue	2,122,149			2,122,149
Cost of sales	(1,865,570)			(1,865,570)
Gross profit	256,579			256,579
Other income	78,041			78,041
General and administrative expenses	(85,513)	(g)	(3,948)	(89,461)
Other operating expenses	(119,334)			(119,334)
Share of associate companies' profits	33,025			33,025
Finance costs	(43,471)	(a)	(5,500)	(48,971)
Profit before taxation	**119,327**		**(9,448)**	**109,879**
Taxation	(28,916)			(28,916)
Profit after taxation	**90,411**		**(9,448)**	**80,963**
Other comprehensive income after taxation				
Net change in fair value of available-for-sale investment	(25,079)			(25,079)
Net change in fair value of derivative instrument	197			197
Currency translation differences	(85,764)	(g)	6,219	(79,545)
	(110,646)		6,219	(104,427)
Total comprehensive income for the period	**(20,235)**		**(3,229)**	**(23,464)**

2. Summary of significant accounting policies (cont'd)

2.2 Statement of adjustments (cont'd)

Unaudited Proforma Combined Balance Sheet as at 31 December 2011

	Summation of Financial Information (3)		Adjustments	Proforma Financial Information of the Enlarged Group After Adjustments
	S$'000		S$'000	S$'000
ASSETS				
Non-current assets				
Intangible assets	1,344	(b)	1,267,564	1,268,908
Property, plant and equipment	576,773	(f), (g)	(32,985)	543,788
Investment properties	254,466	(f)	(22,029)	232,437
Financing receivables	219,323			219,323
Associates	241,279			241,279
Deferred tax assets	26,110			26,110
Loan receivable	47,500			47,500
Notes receivable	279,556			279,556
Other non-current assets	68,922			68,922
	1,715,273		1,212,550	2,927,823
Current assets				
Land inventories	569,681			569,681
Other inventories	358,956			358,956
Financing receivables	242,309			242,309
Trade and other receivables	285,686			285,686
Cash and bank balances	325,829	(c)	1	325,830
	1,782,461		1	1,782,462
Total assets	**3,497,734**		**1,212,551**	**4,710,285**
EQUITY AND LIABILITIES				
Share capital	1,306,766	(c), (d), (g)	610,751	1,917,517
Translation reserves	(1,461)			(1,461)
Premium on share capital	429,244	(d)	(429,244)	–
Others	(6,945)	(d)	6,945	–
Retained earnings	196,242	(d)	(149,282)	46,960
Equity attributable to equity holders of the Company	1,923,846		39,170	1,963,016
Non-controlling interests	83,255	(e), (g)	895,068	978,323
Total equity	**2,007,101**		**934,238**	**2,941,339**

2. Summary of significant accounting policies (cont'd)

2.2 Statement of adjustments (cont'd)

Unaudited Proforma Combined Balance Sheet as at 31 December 2011 (cont'd)

	Summation of Financial Information (3)		Adjustments	Proforma Financial Information of the Enlarged Group After Adjustments
	S$'000		S$'000	S$'000
Liabilities				
Non-current liabilities				
Deposits from tenants/golf membership	31,856			31,856
Employee benefits liabilities	19,935			19,935
Deferred tax liabilities	2,148			2,148
Bonds payable	132,312	(c)	150,097	282,409
Consumer financing	9,869			9,869
Loans and borrowings	367,277	(c)	128,216	495,493
Other liabilities	2,893			2,893
	566,290		278,313	844,603
Current liabilities				
Trade and other payables	481,497			481,497
Other liabilities	18,747			18,747
Derivatives payable	140			140
Bonds payable	39,749			39,749
Consumer financing	7,742			7,742
Loans and borrowings	376,468			376,468
	924,343			924,343
Total liabilities	**1,490,633**		**278,313**	**1,768,946**
Total equity and liabilities	**3,497,734**		**1,212,551**	**4,710,285**

2. Summary of significant accounting policies (cont'd)

2.2 Statement of adjustments (cont'd)

Unaudited Proforma Combined Balance Sheet as at 30 September 2012

	Summation of Financial Information (4)		Adjustments	Proforma Financial Information of the Enlarged Group After Adjustments
	S$'000		S$'000	S$'000
ASSETS				
Non-current assets				
Intangible assets	3,293	(b)	1,267,564	1,270,857
Property, plant and equipment	620,858	(f), (g)	(31,497)	589,361
Investment properties	232,837	(f)	(21,246)	211,591
Financing receivables	384,365			384,365
Associates	292,564			292,564
Deferred tax assets	20,462			20,462
Loan receivable	47,500			47,500
Notes receivable	260,478			260,478
Derivative receivable	169			169
Other non-current assets	118,982			118,982
	1,981,508		1,214,821	3,196,329
Current assets				
Land inventories	582,015			582,015
Other inventories	499,275			499,275
Financing receivables	84,742			84,742
Trade and other receivables	394,396			394,396
Cash and bank balances	254,513	(c)	1	254,514
	1,814,941		1	1,814,942
Total assets	**3,796,449**		**1,214,822**	**5,011,271**
EQUITY AND LIABILITIES				
Share capital	1,295,982	(c), (d)	621,535	1,917,517
Translation reserves	(2,117)		(78,864)	(80,981)
Premium on share capital	382,548	(d)	(382,548)	–
Others	(29,153)	(d)	29,153	–
Retained earnings	233,340	(d)	(156,858)	76,482
Equity attributable to equity holders of the Company	1,880,600		32,418	1,913,018
Non-controlling interests	87,611	(e), (g)	904,091	991,702
Total equity	**1,968,211**		**936,509**	**2,904,720**

2. Summary of significant accounting policies (cont'd)

2.2 Statement of adjustments (cont'd)

Unaudited Proforma Combined Balance Sheet as at 30 September 2012 (cont'd)

	Summation of Financial Information [(4)]		Adjustments	Proforma Financial Information of the Enlarged Group After Adjustments
	S$'000		S$'000	S$'000
Liabilities				
Non-current liabilities				
Deposits from tenants/golf membership	31,258			31,258
Employee benefits liabilities	19,536			19,536
Deferred tax liabilities	3,148			3,148
Bonds payable	284,737	(c)	150,097	434,834
Consumer financing	4,471			4,471
Loans and borrowings	458,968	(c)	128,216	587,184
Other liabilities	2,048			2,048
	804,166		278,313	1,082,479
Current liabilities				
Trade and other payables	499,155			499,155
Other liabilities	20,479			20,479
Derivatives payable	–			–
Bonds payable	74,722			74,722
Consumer financing	8,323			8,323
Loans and borrowings	421,393			421,393
	1,024,072			1,024,072
Total liabilities	**1,828,238**		**278,313**	**2,106,551**
Total equity and liabilities	**3,796,449**		**1,214,822**	**5,011,271**

(1) The Summation of Financial Information comprises the audited statement of comprehensive income of Gallant and its subsidiaries and audited statement of comprehensive income of IMAS and their subsidiaries for the financial years ended 31 December 2009, 2010 and 2011.

(2) The Summation of Financial Information comprises the unaudited statement of comprehensive income of Gallant and its subsidiaries and unaudited statement of comprehensive income of IMAS and their subsidiaries for the financial period ended 30 September 2012.

(3) The Summation of Financial Information comprises the audited balance sheet of Gallant and its subsidiaries and audited balance sheet of IMAS and their subsidiaries as at 31 December 2011.

(4) The Summation of Financial Information comprises the unaudited balance sheet of Gallant and its subsidiaries and unaudited balance sheet of IMAS and their subsidiaries as at 30 September 2012.

2. Summary of significant accounting policies (cont'd)

2.2 Statement of adjustments (cont'd)

Details of adjustments made are as follows:

(a) To reflect interest expense of non-convertible bonds and external bank borrowings;

(b) To reflect recognition of fair value on net assets and liabilities of IMAS arising from the Proposed Acquisition;

(c) To reflect the Proposed Acquisition of IMAS by Gallant;

(d) To reflect elimination of share capital and pre-acquisition reserves of IMAS;

(e) To reflect recognition of non-controlling interests of 46.65% interest in the fair value of the net assets of IMAS on acquisition;

(f) To reclassify certain assets and liabilities of IMAS pursuant to the Proposed Acquisition conform to the presentation adopted by Gallant; and

(g) To adjust IMAS depreciation of land use rights pursuant to the Proposed Acquisition to conform to SFRS.

APPENDIX C – EXTRACTS OF AUDITED FINANCIAL STATEMENTS OF THE IMAS GROUP FOR FY2009, FY2010 AND FY2011 AND UNAUDITED FINANCIAL STATEMENTS OF THE IMAS GROUP FOR FP2012

Extract of the Audited Financial Statements of the IMAS Group for FY2009

The extract of the audited financial statements of the IMAS Group for FY2009 is set out below. A full set of the audited financial statements of the IMAS Group for FY2009, including the notes thereto, may be viewed at the websites of the Company and IMAS at http://www.gallantventure.com and http://www.indomobil.com, respectively. In addition, the full set of the aforementioned financial statements is available in the CD-ROM sent together with this Circular and Shareholders who wish to have a printed copy can request for the same from the Company by completing the request form sent together with this Circular.

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PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
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	2009	Catatan/ *Notes*	2008	
ASET				***ASSETS***
ASET LANCAR				***CURRENT ASSETS***
Kas dan setara kas	434.291.054.860	2c,3	366.512.671.725	*Cash and cash equivalents*
Penempatan jangka pendek	-	2d	135.142.750.000	*Short-term investments*
Piutang				*Accounts receivable*
Usaha - setelah dikurangi penyisihan piutang ragu-ragu sebesar Rp2.707.245.053 pada tahun 2009 dan Rp1.854.706.993 pada tahun 2008				*Trade - net of allowance for doubtful accounts of Rp2,707,245,053 in 2009 and Rp1,854,706,993 in 2008*
Pihak ketiga	360.968.409.760	2e,4,12, 16a	421.012.909.271	*Third parties*
Pihak yang mempunyai hubungan istimewa	50.561.404.990	2e,2x,4,12, 16a,25a	94.915.297.725	*Related parties*
Pembiayaan - setelah dikurangi penyisihan piutang ragu-ragu sebesar Rp18.558.339.220 pada tahun 2009 dan Rp32.401.433.550 pada tahun 2008	965.152.218.179	2e,2s,2t,2x, 7,12,16a,16b, 17,25a	1.173.504.158.643	*Financing - net of allowance for doubtful accounts of Rp18,558,339,220 in 2009 and Rp32,401,433,550 in 2008*
Lain-lain - setelah dikurangi penyisihan piutang ragu-ragu sebesar Rp969.880.981 pada tahun 2009 dan Rp308.260.914 pada tahun 2008	138.267.769.934	2e,2x,15c	118.690.530.396	*Others - net of allowance for doubtful accounts of Rp969,880,981 in 2009 and Rp308,260,914 in 2008*
Persediaan - setelah dikurangi penyisihan untuk persediaan usang sebesar Rp1.152.922.565 pada tahun 2009 dan 2008	766.017.302.117	2f,5,12,16a, 16c,25h	698.784.951.817	*Inventories - net of allowance for inventory obsolescence of Rp1,152,922,565 in 2009 and 2008*
Uang muka pembelian	38.916.274.869		22.721.045.250	*Advance payments*
Biaya dibayar di muka dan pajak pertambahan nilai	106.478.384.244	2g,15a,26b	82.664.229.548	*Prepaid expenses and value added tax*
Jumlah Aset Lancar	2.860.652.818.953		3.113.948.544.375	*Total Current Assets*

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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

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	2009	Catatan/ *Notes*	2008	
ASET BUKAN LANCAR				***NON-CURRENT ASSETS***
Penyertaan saham - setelah dikurangi penyisihan penurunan nilai penyertaan saham sebesar Rp1.170.022.500 pada tahun 2009 dan 2008	669.681.256.965	2b,2h,8,26d, 26f	580.154.056.881	*Investments in shares of stock - net of allowance for decline in value of investments of Rp1,170,022,500 in 2009 and 2008*
Aset tetap - setelah dikurangi akumulasi penyusutan sebesar Rp278.255.081.237 pada tahun 2009 dan Rp235.101.149.240 pada tahun 2008	598.164.887.528	2i,2k,2l,2t,9, 12,16a,24, 25h,26c,33	548.751.406.843	*Fixed assets - net of accumulated depreciation of Rp278,255,081,237 in 2009 and Rp235,101,149,240 in 2008*
Piutang pembiayaan - setelah dikurangi penyisihan piutang ragu-ragu sebesar Rp11.839.654.396 pada tahun 2009 dan Rp23.197.641.218 pada tahun 2008	556.932.183.906	2e,2s,2t,2x, 7,12,16a,16b, 17,25a	841.296.166.055	*Financing receivables - net of allowance for doubtful accounts of Rp11,839,654,396 in 2009 and Rp23,197,641,218 in 2008*
Aset pajak tangguhan - bersih	129.402.922.253	2u,15d	119.493.847.796	*Deferred tax assets - net*
Properti investasi - setelah dikurangi akumulasi penyusutan sebesar Rp46.248.889.384 pada tahun 2009 dan Rp41.630.031.880 pada tahun 2008	128.202.399.984	2j,2k,10, 12,16a,24, 25h,33	131.586.206.429	*Investment property - net of accumulated depreciation of Rp46,248,889,384 in 2009 and Rp41,630,031,880 in 2008*
Piutang pihak yang mempunyai hubungan istimewa	44.965.686.053	2x,6,25c	42.878.855.001	*Due from related parties*
Taksiran tagihan pajak penghasilan	23.072.302.195	15c	30.646.524.376	*Estimated claims for tax refund*
Aset yang dikuasakan kembali - setelah dikurangi penyisihan penurunan nilai atas aset yang dikuasakan kembali sebesar Rp5.103.402.754 pada tahun 2009 dan Rp8.059.918.469 pada tahun 2008	18.246.406.417	2m	35.662.267.683	*Foreclosed assets - net of allowance for decline in value on foreclosed assets of Rp5,103,402,754 in 2009 and Rp8,059,918,469 in 2008*
Kas di bank dan deposito berjangka yang dibatasi penggunaannya	11.261.288.665	2c,11,12, 26e	11.116.139.880	*Restricted cash in banks and time deposits*
Aset kontrak lindung nilai - bersih	-	2o,16a,26e	53.985.326.119	*Foreign exchange contract assets - net*
Aset bukan lancar lainnya	52.566.122.182	2g,2n,2x, 15c,25e,26b	68.995.124.275	*Other non-current assets*
Jumlah Aset Bukan Lancar	2.232.495.456.148		2.464.565.921.338	*Total Non-Current Assets*
JUMLAH ASET	**5.093.148.275.101**		**5.578.514.465.713**	***TOTAL ASSETS***

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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	2009	Catatan/ *Notes*	2008	
KEWAJIBAN DAN EKUITAS				***LIABILITIES AND SHAREHOLDERS' EQUITY***
KEWAJIBAN JANGKA PENDEK				***CURRENT LIABILITIES***
Hutang jangka pendek	1.103.097.498.991	12,16a, 26e,31a	1.134.253.084.570	*Short-term loans*
Hutang				*Accounts payable*
Usaha				*Trade*
Pihak ketiga	89.747.695.718	13	198.811.804.606	*Third parties*
Pihak yang mempunyai hubungan istimewa	750.793.958.655	2x,13, 25b	463.913.503.709	*Related parties*
Lain-lain	91.704.542.297	2r,2x,26b	112.662.807.634	*Others*
Uang muka pelanggan dan penyalur	74.723.682.284		103.248.084.086	*Advances from customers and distributors*
Hutang pajak	40.507.336.598	2u,15b,15c	62.738.366.648	*Taxes payable*
Biaya masih harus dibayar	100.080.368.821	14	101.403.818.494	*Accrued expenses*
Kewajiban kontrak lindung nilai - bersih	1.978.395.910	2o,16a,26e	-	*Foreign exchange contract payable - net*
Hutang jangka panjang yang jatuh tempo dalam waktu satu tahun				*Current maturities of long-term debts*
Hutang bank	448.329.280.224	12,16a 26e,33	830.485.712.689	*Bank loans*
Hutang lainnya	208.077.036.666	2s,2t,16b, 19,26e,33	357.604.927.642	*Other loans*
Hutang obligasi - bersih	124.542.141.093	2p,2q,7,17,31r	-	*Bonds payable - net*
Pembiayaan konsumen	28.761.460.281	2x,16c,25f	58.574.744.702	*Consumer financing*
Sewa guna usaha	502.528.146	2t,2x,16d,25g	857.216.794	*Obligations under capital lease*
Jumlah Kewajiban Jangka Pendek	3.062.845.925.684		3.424.554.071.574	*Total Current Liabilities*
KEWAJIBAN JANGKA PANJANG				***NON-CURRENT LIABILITIES***
Hutang pihak yang mempunyai hubungan istimewa	364.790.651.377	2x,6,16a,25d	457.304.012.657	*Due to related parties*
Hutang jangka panjang - setelah dikurangi bagian yang jatuh tempo dalam waktu satu tahun				*Long-term debts - net of current maturities*
Hutang bank	204.105.533.630	12,16a, 26e,33	529.396.743.587	*Bank loans*
Hutang lainnya	379.431.892.377	2s,2t,16b, 19,26e,33	642.842.945.493	*Other loans*
Hutang obligasi - bersih	373.191.948.007	2p,2q,7,17,31r	-	*Bonds payable - net*
Pembiayaan konsumen	325.647.748	2x,16c,25f	699.831.924	*Consumer financing*
Sewa guna usaha	199.982.320	2t,2x,16d,25g	762.082.290	*Obligations under capital lease*
Penyisihan imbalan kerja karyawan	44.612.150.196	2w,2x,25i,27	35.807.044.488	*Provision for employee service entitlements benefits*
Kewajiban pajak tangguhan - bersih	6.625.146.350	2u,15d	29.493.029	*Deferred tax liabilities - net*
Pendapatan diterima di muka	6.185.336.000	2r,26b	7.101.108.000	*Unearned revenue*
Jumlah Kewajiban Jangka Panjang	1.379.468.288.005		1.673.943.261.468	*Total Non-current Liabilities*
JUMLAH KEWAJIBAN	**4.442.314.213.689**		**5.098.497.333.042**	***TOTAL LIABILITIES***
HAK MINORITAS ATAS ASET BERSIH ANAK PERUSAHAAN YANG DIKONSOLIDASI	**213.502.378.569**	2b,18	**193.204.631.362**	***MINORITY INTEREST IN NET ASSETS OF CONSOLIDATED SUBSIDIARIES***

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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	2009	Catatan/ *Notes*	2008	
EKUITAS				***SHAREHOLDERS' EQUITY***
Modal saham				*Share capital*
Modal dasar - 3.800.000.000 saham dengan nilai nominal Rp500 per saham				*Authorized - 3,800,000,000 shares at par value of Rp500 each*
Modal ditempatkan dan disetor penuh - 996.502.680 saham	498.251.340.000	1b,16b,19	498.251.340.000	*Issued and fully paid - 996,502,680 shares*
Agio saham	136.827.729.800	1b,20	136.827.729.800	*Premium on share capital*
Selisih transaksi perubahan ekuitas anak perusahaan dan perusahaan asosiasi	49.354.434.589	2b	63.064.698.063	*Differences arising from changes in equity of subsidiaries and associated companies*
Selisih nilai transaksi restrukturisasi entitas sepengendali	8.610.310.044	2b,2v,26f	(38.025.683.501)	*Differences arising from restructuring transactions among entities under common control*
Akumulasi rugi	(255.712.131.590)	21	(373.305.583.053)	*Accumulated losses*
EKUITAS - BERSIH	**437.331.682.843**		**286.812.501.309**	***SHAREHOLDERS' EQUITY - NET***
JUMLAH KEWAJIBAN DAN EKUITAS	**5.093.148.275.101**		**5.578.514.465.713**	***TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY***

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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

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PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
DAN ANAK PERUSAHAAN
LAPORAN LABA RUGI KONSOLIDASI
Tahun yang berakhir pada tanggal-tanggal 31 Desember 2009 dan 2008
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
Years ended December 31, 2009 and 2008
(Expressed in Rupiah, unless otherwise stated)

	2009	Catatan/ *Notes*	2008	
PENGHASILAN BERSIH	6.939.569.696.730	2r,2s,2t, 2x,22,25a, 26b,28	8.197.135.054.996	***NET REVENUES***
BEBAN POKOK PENGHASILAN	6.029.288.081.286	2r,2s,2t, 2x,9,10,23, 25b,26e,28	7.115.658.497.969	***COST OF REVENUES***
LABA KOTOR	**910.281.615.444**		**1.081.476.557.027**	***GROSS MARGIN***
BEBAN USAHA:				***OPERATING EXPENSES:***
Penjualan	344.548.229.393	2r,9,24,26b	353.916.161.698	*Selling*
Umum dan administrasi	435.415.151.741	2r,9,10,24, 26b	471.349.544.571	*General and administrative*
Jumlah beban usaha	**779.963.381.134**		**825.265.706.269**	***Total operating expenses***
LABA USAHA	**130.318.234.310**		**256.210.850.758**	***OPERATING INCOME***
PENGHASILAN (BEBAN) LAIN-LAIN:				***OTHER INCOME (EXPENSES):***
Laba (rugi) selisih kurs - bersih	81.592.758.073	2y	(147.952.475.606)	*Gain (loss) on foreign exchange - net*
Bagian atas laba bersih perusahaan asosiasi - bersih	77.689.568.103	2b,2h,8	43.391.368.977	*Equity in net earnings of associated companies - net*
Penghasilan bunga	55.448.762.634		22.886.431.878	*Interest income*
Laba penjualan aset tetap - bersih	7.062.736.679	2i,26f	50.237.961.937	*Gain on sale of fixed assets - net*
Laba atas penjualan penyertaan saham - bersih	4.468.530.105	8	5.327.406.500	*Gain on sale of investment in shares of stock - net*
Beban bunga dan beban keuangan lainnya	(194.862.617.863)		(139.991.088.050)	*Interest and other financing charges*
Realisasi selisih nilai transaksi restrukturisasi entitas sepengendali	(46.635.993.545)	2b,2v,26f	(319.505)	*Realization difference arising from restructuring transaction among entities under common control*
Lain-lain - bersih	115.895.097.945	2h,8,15c, 26b,26e	78.330.700.447	*Miscellaneous - net*
Penghasilan (beban) lain-lain - bersih	**100.658.842.131**		**(87.770.013.422)**	***Other income (expense) - net***
LABA SEBELUM BEBAN (MANFAAT) PAJAK PENGHASILAN BADAN	**230.977.076.441**		**168.440.837.336**	***INCOME BEFORE CORPORATE INCOME TAX EXPENSE (BENEFIT)***
BEBAN (MANFAAT) PAJAK PENGHASILAN BADAN		2u,15c		***CORPORATE INCOME TAX EXPENSE (BENEFIT)***
Tahun berjalan	80.124.900.719		90.309.323.167	*Current*
Tangguhan	(3.313.421.136)		9.570.473.776	*Deferred*
Beban pajak penghasilan badan - bersih	**76.811.479.583**		**99.879.796.943**	***Corporate income tax expense - net***

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
DAN ANAK PERUSAHAAN
LAPORAN LABA RUGI KONSOLIDASI (lanjutan)
Tahun yang berakhir pada tanggal-tanggal 31 Desember 2009 dan 2008
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME (continued)
Years ended December 31, 2009 and 2008
(Expressed in Rupiah, unless otherwise stated)

	2009	Catatan/ *Notes*	2008	
LABA SEBELUM HAK MINORITAS ATAS LABA BERSIH ANAK PERUSAHAAN - Bersih	**154.165.596.858**		**68.561.040.393**	***INCOME BEFORE MINORITY INTEREST IN NET EARNINGS OF SUBSIDIARIES - Net***
HAK MINORITAS ATAS LABA BERSIH ANAK PERUSAHAAN - Bersih	(36.572.145.395)	2b,18	(37.093.270.093)	***MINORITY INTEREST IN NET EARNINGS OF SUBSIDIARIES - Net***
LABA SEBELUM LABA PRA AKUISISI	**117.593.451.463**		**31.467.770.300**	***INCOME BEFORE PREACQUISITION INCOME***
LABA PRA AKUISISI *	**-**	1d,2b,2h,26f	(8.420.840.353)	***PREACQUISTION INCOME ****
LABA BERSIH	**117.593.451.463**		**23.046.929.947**	***NET INCOME***
Laba Usaha Per Saham	131	2z	257	*Operating Income Per Share*
Laba Bersih Per Saham	118	2z	23	*Net Income Per Share*

* Laba pra akuisisi merupakan laba bersih konsolidasi PT IMG Sejahtera Langgeng dan Anak Perusahaan (IMGSL) sebelum Perusahaan menjadi pemegang saham utama pada tanggal 8 Oktober 2008. Pada tanggal ini, Perusahaan mengakuisisi 75,00% kepemilikan ekuitas IMGSL untuk menjadi pemegang saham utama dan pemegang kendali. Oleh karenanya, neraca dan laporan laba rugi konsolidasi IMGSL tahun 2008 telah dikonsolidasikan ke dalam Perusahaan sejak tanggal tersebut (Catatan 1*d*, 2*h* dan 26*f*.9).

* *Preacquisition income represents the consolidated net income of PT IMG Sejahtera Langgeng and Subsidiaries (IMGSL) before the Company became its majority shareholder on October 8, 2008. On this date, the Company acquired 75.00% equity ownership of IMGSL to become its majority and controlling shareholder. Therefore, the 2008 consolidated balance sheet and statement of income of IMGSL have been consolidated into the Company since that date (Notes 1d, 2h and 26f.9).*

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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PT INDOMOBIL SUKSES INTERNASIONAL Tbk. DAN ANAK PERUSAHAAN
LAPORAN PERUBAHAN EKUITAS KONSOLIDASI
Tahun yang berakhir pada tanggal-tanggal 31 Desember 2009 dan 2008
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT INDOMOBIL SUKSES INTERNASIONAL Tbk. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
Years ended December 31, 2009 and 2008
(Expressed in Rupiah, unless otherwise stated)

	Catatan/ *Notes*	Modal Saham/ *Share Capital*	Agio Saham/ *Premium on Share Capital*	Selisih Transaksi Perubahan Ekuitas Anak Perusahaan dan Perusahaan Asosiasi/ *Differences Arising from Changes in Equity of Subsidiaries and Associated Companies*	Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali/ *Differences Arising from Restructuring Transactions among Entities under Common Control*	Akumulasi Rugi/ *Accumulated Losses*	Ekuitas - Bersih/ *Shareholders' Equity - Net*	
Saldo 1 January 2008		**498.251.340.000**	**136.827.729.800**	**157.751.354.512**	**(229.834.752.532)**	**(396.352.513.000)**	**166.643.158.780**	***Balance as of January 1, 2008***
Selisih transaksi perubahan ekuitas anak perusahaan dan perusahaan asosiasi	2b	-	-	(94.686.656.449)	-	-	(94.686.656.449)	*Differences arising from changes in equity of subsidiaries and associated companies*
Selisih nilai transaksi restrukturisasi entitas sepengendali - bersih	2b,2v,26f	-	-	-	191.809.069.031	-	191.809.069.031	*Differences arising from restructuring transactions among entities under common control - net*
Laba bersih tahun 2008		-	-	-	-	23.046.929.947	23.046.929.947	*Net income for 2008*
Saldo 31 Desember 2008		**498.251.340.000**	**136.827.729.800**	**63.064.698.063**	**(38.025.683.501)**	**(373.305.583.053)**	**286.812.501.309**	***Balance as of December 31, 2008***
Selisih transaksi perubahan ekuitas anak perusahaan dan perusahaan asosiasi	2b	-	-	(13.710.263.474)	-	-	(13.710.263.474)	*Differences arising from changes in equity of subsidiaries and associated companies*
Selisih nilai transaksi restrukturisasi entitas sepengendali - bersih	2b,2v,26f	-	-	-	46.635.993.545	-	46.635.993.545	*Differences arising from restructuring transactions among entities under common control - net*
Laba bersih tahun 2009		-	-	-	-	117.593.451.463	117.593.451.463	*Net income for 2009*
Saldo 31 Desember 2009		**498.251.340.000**	**136.827.729.800**	**49.354.434.589**	**8.610.310.044**	**(255.712.131.590)**	**437.331.682.843**	***Balance as of December 31, 2009***

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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

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PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
DAN ANAK PERUSAHAAN
LAPORAN ARUS KAS KONSOLIDASI
Tahun yang berakhir pada tanggal-tanggal 31 Desember 2009 dan 2008
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years ended December 31, 2009 and 2008
(Expressed in Rupiah, unless otherwise stated)

	2009	Catatan/ *Notes*	2008	
ARUS KAS DARI AKTIVITAS OPERASI				***CASH FLOWS FROM OPERATING ACTIVITIES***
Penerimaan kas dari pelanggan	7.552.880.552.671		7.903.372.360.950	*Cash receipts from customers*
Pembayaran kas kepada pemasok	(5.914.212.411.135)		(7.178.309.334.067)	*Cash payments to suppliers*
Pembayaran beban usaha	(758.922.921.155)		(785.170.168.060)	*Payments of operating expenses*
Pembayaran beban bunga dan beban keuangan lainnya	(179.370.408.499)		(140.922.499.727)	*Payments of interest and other financing charges*
Pembayaran pajak	(110.859.288.583)		(69.961.126.807)	*Payments of taxes*
Penerimaan lain-lain - bersih	182.668.266.959		60.733.072.607	*Other receipts - net*
Kas bersih yang diperoleh dari (digunakan untuk) aktivitas operasi	**772.183.790.258**		**(210.257.695.104)**	***Net cash provided by (used in) operating activities***
ARUS KAS DARI AKTIVITAS INVESTASI				***CASH FLOWS FROM INVESTING ACTIVITIES***
Penerimaan investasi jangka pendek	368.020.950.815	2d	-	*Proceeds from short-term investments*
Bunga yang diterima dan penerimaan dari pencairan kas di bank dan deposito berjangka yang dibatasi penggunaannya	52.690.979.763		14.164.335.012	*Interest received on and proceeds from terminations of restricted cash in banks and time deposits*
Penerimaan dari penjualan aset tetap	17.261.133.570		68.532.618.796	*Proceeds from sale of fixed assets*
Penerimaan dividen dari perusahaan asosiasi	7.750.238.249	2h,8	14.524.743.301	*Dividends received from associated companies*
Penerimaan dari penjualan penyertaan saham	4.983.697.750		9.324.310.900	*Proceeds from sale of investments in shares of stock*
Penerimaan penambahan modal saham dari pemegang saham minoritas	2.840.000.000		7.105.000.000	*Proceeds from additional capital stock contribution of minority interest*
Penerimaan dari penjualan saham yang diperoleh kembali	1.212.500.000		-	*Proceeds from sale of treasury stocks*
Penempatan dana untuk investasi jangka pendek	(250.000.000.000)	2d	(134.689.317.642)	*Placement of funds for short-term investments*
Pembelian aset tetap	(112.227.324.477)	28a	(151.212.103.906)	*Acquisition of fixed assets*
Pembayaran dividen oleh Anak Perusahaan	(23.390.350.000)		(9.012.000.000)	*Payments of dividends by Subsidiaries*
Penambahan penyertaan saham	(20.357.500.000)		(2.556.615.600)	*Additions to investments in shares of stock*
Pembayaran uang muka pembelian tanah	(5.141.587.375)		(7.561.823.529)	*Advances payments for land acquisition*
Pembelian aset investasi	(1.282.521.829)		-	*Acquisition of investment property*
Bunga yang diterima dari aktivitas investasi lainnya	-		4.754.300.401	*Interest received from other investing activities*
Kas bersih yang diperoleh dari (digunakan untuk) aktivitas investasi	**42.360.216.466**		**(186.626.552.267)**	***Net cash provided by (used in) investing activities***

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
DAN ANAK PERUSAHAAN
LAPORAN ARUS KAS KONSOLIDASI (lanjutan)
Tahun yang berakhir pada tanggal-tanggal 31 Desember 2009 dan 2008
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)
Years ended December 31, 2009 and 2008
(Expressed in Rupiah, unless otherwise stated)

	2009	Catatan/ *Notes*	2008	
ARUS KAS DARI AKTIVITAS PENDANAAN				***CASH FLOWS FROM FINANCING ACTIVITIES***
Penerimaan dari hutang jangka pendek	851.172.435.075		1.025.493.466.639	*Proceeds from short-term loans availments*
Penerimaan dari sumber pendanaan lainnya	398.915.033.790		266.622.254.945	*Proceeds from other financing activities*
Penerimaan dari penerbitan obligasi	500.000.000.000	17	-	*Proceeds from issuance of bonds*
Penerimaan dari hutang jangka panjang	487.586.891.237		1.887.650.946.523	*Proceeds from long-term debts availments*
Pembayaran hutang jangka panjang	(1.640.548.277.861)		(1.195.490.344.110)	*Payments of long-term debts*
Pembayaran hutang jangka pendek	(948.338.443.777)		(848.712.827.336)	*Payments of short-term loans*
Pembayaran untuk sumber pendanaan lainnya	(391.742.446.671)		(254.268.436.765)	*Payments of other financing activities*
Pembayaran untuk beban emisi obligasi	(3.810.815.382)		-	*Payments for bonds issuance costs*
Pembayaran untuk penebusan obligasi	-		(350.000.000.000)	*Payments for redemption of bonds*
Kas bersih yang diperoleh dari (digunakan untuk) aktivitas pendanaan	**(746.765.623.589)**		**531.295.059.896**	***Net cash provided by (used in) financing activities***
KENAIKAN BERSIH KAS DAN SETARA KAS	**67.778.383.135**		**134.410.812.525**	***NET INCREASE IN CASH AND CASH EQUIVALENTS***
KAS DAN SETARA KAS AWAL TAHUN	366.512.671.725	3	232.101.859.200	***CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR***
KAS DAN SETARA KAS AKHIR TAHUN	**434.291.054.860**	3	**366.512.671.725**	***CASH AND CASH EQUIVALENTS AT END OF YEAR***

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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

Extract of the Audited Financial Statements of the IMAS Group for FY2010

The extract of the audited financial statements of the IMAS Group for FY2010 is set out below. A full set of the audited financial statements of the IMAS Group for FY2010, including the notes thereto, may be viewed at the websites of the Company and IMAS at http://www.gallantventure.com and http://www.indomobil.com, respectively. In addition, the full set of the aforementioned financial statements is available in the CD-ROM sent together with this Circular and Shareholders who wish to have a printed copy can request for the same from the Company by completing the request form sent together with this Circular.

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PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
DAN ANAK PERUSAHAAN
NERACA KONSOLIDASI
31 Desember 2010, 2009 dan 2008
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
December 31, 2010, 2009 and 2008
(Expressed in Rupiah, unless otherwise stated)

	Catatan/ *Notes*	2010	2009	2008	
ASET					***ASSETS***
ASET LANCAR					***CURRENT ASSETS***
Kas dan setara kas	2c,3	489.799.095.280	434.291.054.860	366.512.671.725	*Cash and cash equivalents*
Penempatan jangka pendek	2d	-	-	135.142.750.000	*Short-term investments*
Piutang					*Accounts receivable*
Usaha - setelah dikurangi penyisihan piutang ragu-ragu sebesar Rp16.992.436.487 pada, tahun 2010, Rp2.707.245.053 pada tahun 2009 dan Rp1.854.706.993 pada tahun 2008					*Trade - net of allowance for doubtful accounts of Rp16,992,436,487 in 2010, Rp2,707,245,053 in 2009 and Rp1,854,706,993 in 2008*
Pihak ketiga	2e,4,12, 16a	831.228.403.558	360.968.409.760	421.012.909.271	*Third parties*
Pihak yang mempunyai hubungan istimewa	2e,2y,4,12, 16a,25a	63.758.365.066	50.561.404.990	94.915.297.725	*Related parties*
Pembiayaan - setelah dikurangi penyisihan piutang ragu-ragu sebesar Rp16.716.149.384 pada tahun 2010, Rp18.558.339.220 pada tahun 2009 dan Rp32.401.433.550 pada tahun 2008	2e,2t,2v,2y, 7,12,16a,16b 17,25a	1.214.662.323.798	965.152.218.179	1.173.504.158.643	*Financing - net of allowance for doubtful accounts of Rp16,716,149,384 in 2010, Rp18,558,339,220 in 2009 and Rp32,401,433,550 in 2008*
Lain-lain - setelah dikurangi penyisihan piutang ragu-ragu sebesar Rp1.302.167.797 pada tahun 2010, Rp969.880.981 pada tahun 2009 dan Rp308.260.914 pada tahun 2008	2e,2y,15c	93.567.252.328	138.267.769.934	118.690.530.396	*Others - net of allowance for doubtful accounts of Rp1,302,167,797 in 2010, Rp969,880,981 in 2009 and Rp308,260,914 in 2008*
Persediaan - setelah dikurangi penyisihan untuk persediaan usang sebesar Rp11.097.775.652 pada tahun 2010, Rp1.152.922.565 pada tahun 2009 dan 2008	2f,5,12,16a, 16c,25h	1.542.709.421.457	766.017.302.117	698.784.951.817	*Inventories - net of allowance for inventory obsolescence of Rp11,097,775,652 in 2010, Rp1,152,922,565 in 2009 and 2008*
Uang muka pembelian		37.852.396.911	38.916.274.869	22.721.045.250	*Advance payments*
Biaya dibayar di muka dan pajak pertambahan nilai	2g,15a,26b	127.299.860.929	106.478.384.244	82.664.229.548	*Prepaid expenses and value added tax*
Piutang dari pihak yang mempunyai hubungan istimewa	2y,6,25c	108.318.721.029	-	-	*Due from related parties*
Jumlah Aset Lancar		4.509.195.840.356	2.860.652.818.953	3.113.948.544.375	*Total Current Assets*

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
DAN ANAK PERUSAHAAN
NERACA KONSOLIDASI (lanjutan)
31 Desember 2010, 2009 dan 2008
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (continued)
December 31, 2010, 2009 and 2008
(Expressed in Rupiah, unless otherwise stated)

	Catatan/ *Notes*	2010	2009	2008	
ASET BUKAN LANCAR					***NON-CURRENT ASSETS***
Piutang pembiayaan - setelah dikurangi penyisihan piutang ragu-ragu sebesar Rp14.456.927.879 pada tahun 2010, Rp11.839.654.396 pada tahun 2009 dan Rp23.197.641.218 pada tahun 2008	2e,2t,2u,2y, 7,12,16a,16b, 17,25a	1.113.224.678.215	556.932.183.906	841.296.166.055	*Financing receivables - net of allowance for doubtful accounts of Rp14,456,927,879 in 2010, Rp11,839,654,396 in 2009 and Rp23,197,641,218 in 2008*
Penyertaan saham - setelah dikurangi penyisihan penurunan nilai penyertaan saham sebesar Rp1.170.022.500 pada tahun 2010, 2009 dan 2008	2b,2h,8,26d, 26f	1.110.371.980.169	669.681.256.965	580.154.056.881	*Investments in shares of stock - net of allowance for decline in value of investments of Rp1,170,022,500 in 2010, 2009 and 2008*
Aset tetap - setelah dikurangi akumulasi penyusutan sebesar Rp340.969.741.538 pada tahun 2010, Rp278.255.081.237 pada tahun 2009 dan Rp235.101.149.240 pada tahun 2008	2i,2k,2l,2u,9, 12,16a,24, 25h,26c	745.521.923.952	598.164.887.528	548.751.406.843	*Fixed assets - net of accumulated depreciation of Rp340,969,741,538 in 2010, Rp278,255,081,237 in 2009 and Rp235,101,149,240 in 2008*
Aset pajak tangguhan - bersih	2v,15d	155.779.600.348	129.402.922.253	119.493.847.796	*Deferred tax assets - net*
Properti investasi - setelah dikurangi akumulasi penyusutan sebesar Rp52.994.169.880 pada tahun 2010, Rp46.248.889.384 pada tahun 2009 dan Rp41.630.031.880 pada tahun 2008	2j,2k,10, 12,16a,24, 25h	136.808.572.124	128.202.399.984	131.586.206.429	*Investment property - net of accumulated depreciation of Rp52,994,169,880 in 2010, Rp46,248,889,384 in 2009 and Rp41,630,031,880 in 2008*
Kas di bank dan deposito berjangka yang dibatasi penggunaannya	2c,11,12, 26e	47.193.911.015	11.261.288.665	11.116.139.880	*Restricted cash in banks and time deposits*
Taksiran tagihan pajak penghasilan	15c	30.495.912.159	23.072.302.195	30.646.524.376	*Estimated claims for tax refund*
Aset yang dikuasakan kembali - setelah dikurangi penyisihan penurunan nilai atas aset yang dikuasakan kembali sebesar Rp8.190.615.407 pada, tahun 2010, Rp5.103.402.754 pada tahun 2009 dan Rp8.059.918.469 pada tahun 2008	2m	27.719.190.497	18.246.406.417	35.662.267.683	*Foreclosed assets - net of allowance for decline in value on foreclosed assets of Rp8,190,615,407 in 2010, Rp5,103,402,754 in 2009 and Rp8,059,918,469 in 2008*
Piutang pihak yang mempunyai hubungan istimewa	2y,6,25c	-	44.965.686.053	42.878.855.001	*Due from related parties*
Aset kontrak lindung nilai - bersih	2o,16a,26e	-	-	53.985.326.119	*Foreign exchange contract assets - net*
Aset bukan lancar lainnya	2g,2n,2y, 15c,25e,26b	108.707.952.405	52.566.122.182	68.995.124.275	*Other non-current assets*
Jumlah Aset Bukan Lancar		3.475.823.720.884	2.232.495.456.148	2.464.565.921.338	*Total Non-Current Assets*
JUMLAH ASET		**7.985.019.561.240**	**5.093.148.275.101**	**5.578.514.465.713**	***TOTAL ASSETS***

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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	Catatan/ *Notes*	2010	2009	2008	
KEWAJIBAN DAN EKUITAS					***LIABILITIES AND SHAREHOLDERS' EQUITY***
KEWAJIBAN JANGKA PENDEK					***CURRENT LIABILITIES***
Hutang jangka pendek	12,16a, 26e	1.666.397.779.889	1.103.097.498.991	1.134.253.084.570	*Short-term loans*
Hutang					*Accounts payable*
Usaha					*Trade*
Pihak ketiga	13	162.925.913.049	89.747.695.718	198.811.804.606	*Third parties*
Pihak yang mempunyai hubungan istimewa	2y,13, 25b	1.240.090.079.947	750.793.958.655	463.913.503.709	*Related parties*
Lain-lain	2s,2y,26b	206.976.125.000	91.704.542.297	112.662.807.634	*Others*
Hutang pihak yang mempunyai hubungan istimewa	2y,6,16a,25d	62.954.269.037	-	-	*Due to related parties*
Uang muka pelanggan dan penyalur		123.973.415.009	74.723.682.284	103.248.084.086	*Advances from customers and distributors*
Hutang pajak	2v,15b,15c	53.853.706.880	40.507.336.598	62.738.366.648	*Taxes payable*
Biaya masih harus dibayar	14	129.659.974.425	100.080.368.821	101.403.818.494	*Accrued expenses*
Kewajiban kontrak lindung nilai - bersih	2o,16a,26e	238.892.309	1.978.395.910	-	*Foreign exchange contract payable - net*
Hutang jangka panjang yang jatuh tempo dalam waktu satu tahun					*Current maturities of long-term debts*
Hutang bank	12,16a 26e,33	399.707.977.728	448.329.280.224	830.485.712.689	*Bank loans*
Hutang obligasi - bersih	2p,2r,7,17,31r	169.502.735.558	124.542.141.093	-	*Bonds payable - net*
Sewa guna usaha	2t,2y,16d,25g	199.982.320	502.528.146	857.216.794	*Obligations under capital lease*
Pembiayaan konsumen	2y,16c,25f	130.536.357	28.761.460.281	58.574.744.702	*Consumer financing*
Hutang lainnya	2f,2u,16b, 19,26e,33	-	208.077.036.666	357.604.927.642	*Other loans*
Jumlah Kewajiban Jangka Pendek		4.216.611.387.508	3.062.845.925.684	3.424.554.071.574	*Total Current Liabilities*
KEWAJIBAN JANGKA PANJANG					***NON-CURRENT LIABILITIES***
Hutang jangka panjang - setelah dikurangi bagian yang jatuh tempo dalam waktu satu tahun					*Long-term debts - net of current maturities*
Hutang bank	12,16a, 26e,33	647.587.196.490	204.105.533.630	529.396.743.587	*Bank loans*
Hutang obligasi - bersih	2p,2r,7,17,31r	203.403.282.670	373.191.948.007	-	*Bonds payable - net*
Sewa guna usaha	2u,2y,16d,25g	-	199.982.320	762.082.290	*Obligations under capital lease*
Pembiayaan konsumen	2y,16c,25f	-	325.647.748	699.831.924	*Consumer financing*
Hutang lainnya	2s,2t,16b, 19,26e,33	1.240.442.689.438	379.431.892.377	642.842.945.493	*Other loans*
Penyisihan imbalan kerja karyawan	2z,2y,25i,27	63.678.456.365	44.612.150.196	35.807.044.488	*Provision for employee service entitlements benefits*
Pendapatan diterima di muka	2s,26b	5.268.564.000	6.185.336.000	7.101.108.000	*Unearned revenue*
Kewajiban pajak tangguhan - bersih	2v,15d	79.209.091	6.625.146.350	29.493.029	*Deferred tax liabilities - net*
Hutang pihak yang mempunyai hubungan istimewa	2y,6,16a,25d	-	364.790.651.377	457.304.012.657	*Due to related parties*
Jumlah Kewajiban Jangka Panjang		2.160.459.398.054	1.379.468.288.005	1.673.943.261.468	*Total Non-current Liabilities*
JUMLAH KEWAJIBAN		**6.377.070.785.562**	**4.442.314.213.689**	**5.098.497.333.042**	***TOTAL LIABILITIES***
HAK MINORITAS ATAS ASET BERSIH ANAK PERUSAHAAN YANG DIKONSOLIDASI	2b,18	**330.626.372.173**	**213.502.378.569**	**193.204.631.362**	***MINORITY INTEREST IN NET ASSETS OF CONSOLIDATED SUBSIDIARIES***

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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	Catatan/ *Notes*	2010	2009	2008	
EKUITAS					***SHAREHOLDERS' EQUITY***
Modal saham					*Share capital*
Modal dasar - 3.800.000.000 saham dengan nilai nominal Rp500 per saham					*Authorized - 3,800,000,000 shares at par value of Rp500 each*
Modal ditempatkan dan disetor penuh - 1.036.979.405 saham pada tahun 2010 dan 996.502.680 saham pada tahun 2009 dan 2008	1b,16b,19	518.489.702.500	498.251.340.000	498.251.340.000	*Issued and fully paid - 1,036,979,405 shares in 2010 and 996,502,680 shares in 2009 and 2008*
Agio saham	1b,20	476.589.359.450	136.827.729.800	136.827.729.800	*Premium on share capital*
Selisih transaksi perubahan ekuitas anak perusahaan dan perusahaan asosiasi	2b	73.599.637.643	49.354.434.589	63.064.698.063	*Differences arising from changes in equity of subsidiaries and associated companies*
Selisih nilai transaksi restrukturisasi entitas sepengendali	2b,2v,26f	(3.586.900.658)	8.610.310.044	(38.025.683.501)	*Differences arising from restructuring transactions among entities under common control*
Saldo laba (akumulasi rugi)	21	212.230.604.570	(255.712.131.590)	(373.305.583.053)	*Retained earnings (deficit)*
EKUITAS - BERSIH		**1.277.322.403.505**	**437.331.682.843**	**286.812.501.309**	***SHAREHOLDERS' EQUITY - NET***
JUMLAH KEWAJIBAN DAN EKUITAS		**7.985.019.561.240**	**5.093.148.275.101**	**5.578.514.465.713**	***TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY***

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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**PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
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Tahun yang berakhir pada tanggal-tanggal
31 Desember 2010, 2009 dan 2008
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***PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
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(Expressed in Rupiah, unless otherwise stated)***

	Catatan/ *Notes*	2010	2009	2008	
PENGHASILAN BERSIH	2s,2t,2u, 2y,22,25a, 26b,28	10.935.334.616.535	6.939.569.696.730	8.197.135.054.996	***NET REVENUES***
BEBAN POKOK PENGHASILAN	2s,2t,2u, 2y,9,10,23, 25b,26e,28	9.530.324.580.348	6.029.288.081.286	7.115.658.497.969	***COST OF REVENUES***
LABA KOTOR		**1.405.010.036.187**	**910.281.615.444**	**1.081.476.557.027**	***GROSS MARGIN***
BEBAN USAHA:					***OPERATING EXPENSES:***
Penjualan	2s,9,24,26b	493.260.861.675	344.548.229.393	353.916.161.698	*Selling*
Umum dan administrasi	2s,9,10,24, 26b	582.752.649.709	435.415.151.741	471.349.544.571	*General and administrative*
Jumlah beban usaha		1.076.013.511.384	779.963.381.134	825.265.706.269	*Total operating expenses*
LABA USAHA		**328.996.524.803**	**130.318.234.310**	**256.210.850.758**	***OPERATING INCOME***
PENGHASILAN (BEBAN) LAIN-LAIN:					***OTHER INCOME (EXPENSES):***
Bagian atas laba bersih perusahaan asosiasi - bersih	2b,2h,8	270.796.844.667	77.689.568.103	43.391.368.977	*Equity in net earnings of associated companies - net*
Penghasilan bunga		32.795.206.665	55.448.762.634	22.886.431.878	*Interest income*
Laba (rugi) selisih kurs - bersih	2z	6.805.832.271	81.592.758.073	(147.952.475.606)	*Gain (loss) on foreign exchange - net*
Laba penjualan aset tetap - bersih	2i,26f	5.479.041.458	7.062.736.679	50.237.961.937	*Gain on sale of fixed assets - net*
Laba atas penjualan penyertaan saham - bersih	8	309.302.885	4.468.530.105	5.327.406.500	*Gain on sale of investment in shares of stock - net*
Beban bunga dan beban keuangan lainnya		(184.877.377.196)	(194.862.617.863)	(139.991.088.050)	*Interest and other financing charges*
Realisasi selisih nilai transaksi restrukturisasi entitas sepengendali	2b,2w,26f	-	(46.635.993.545)	(319.505)	*Realization difference arising from restructuring transaction among entities under common control*
Lain-lain - bersih	2h,8,15c, 26b,26e	185.592.743.352	115.895.097.945	78.330.700.447	*Miscellaneous - net*
Penghasilan (beban) lain-lain - bersih		316.901.594.102	100.658.842.131	(87.770.013.422)	*Other income (expense) - net*
LABA SEBELUM BEBAN (MANFAAT) PAJAK PENGHASILAN BADAN		645.898.118.905	230.977.076.441	168.440.837.336	***INCOME BEFORE CORPORATE INCOME TAX EXPENSE (BENEFIT)***
BEBAN (MANFAAT) PAJAK PENGHASILAN BADAN	2v,15c				***CORPORATE INCOME TAX EXPENSE (BENEFIT)***
Tahun berjalan		125.768.716.271	80.124.900.719	90.309.323.167	*Current*
Tangguhan		(26.508.747.503)	(3.313.421.136)	9.570.473.776	*Deferred*
Beban pajak penghasilan badan - bersih		99.259.968.768	76.811.479.583	99.879.796.943	*Corporate income tax expense - net*

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
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	Catatan/ *Notes*	2010	2009	2008	
LABA SEBELUM HAK MINORITAS ATAS LABA BERSIH ANAK PERUSAHAAN - Bersih		**546.638.150.137**	**154.165.596.858**	**68.561.040.393**	***INCOME BEFORE MINORITY INTEREST IN NET EARNINGS OF SUBSIDIARIES - Net***
HAK MINORITAS ATAS LABA BERSIH ANAK PERUSAHAAN - Bersih	2b,18	(59.351.025.854)	(36.572.145.395)	(37.093.270.093)	***MINORITY INTEREST IN NET EARNINGS OF SUBSIDIARIES - Net***
LABA SEBELUM LABA PRA AKUISISI - Bersih		**487.287.124.283**	**117.593.451.463**	**31.467.770.300**	***INCOME BEFORE PREACQUISITION INCOME - Net***
LABA PRA AKUISISI - Bersih	1d,2b,2h,26f	(38.615.960.699)	-	(8.420.840.353)	***PREACQUISTION INCOME - Net***
LABA BERSIH		**448.671.163.584**	**117.593.451.463**	**23.046.929.947**	***NET INCOME***
Laba Usaha Per Saham	2aa	330	131	257	*Operating Income Per Share*
Laba Bersih Per Saham	2aa	449	118	23	*Net Income Per Share*

* Laba pra akuisisi - bersih pada tahun 2010 merupakan laba bersih PT Eka Dharma Jaya Sakti (EDJS) sebelum PT Wahana Inti Selaras (WISEL), Anak Perusahaan tidak langsung, menjadi pemegang saham utama pada tanggal 12 November 2010. Pada tanggal ini, WISEL mengakuisisi 60,00% kepemilikan ekuitas EDJS untuk menjadi pemegang saham utama dan pemegang kendali. Oleh karenanya, neraca dan laporan laba rugi EDJS tahun 2010 telah dikonsolidasikan ke dalam WISEL dan selanjutnya ke dalam IMGSL dan Perusahaan sejak tanggal tersebut (Catatan 1*d*, 2*h* dan 26*f*.50). Laba pra akuisisi - bersih pada tahun 2010 juga termasuk rugi bersih PT Wahana Indo Trada (WIT) (dahulu PT Indomobil Jaya Agung) sebelum PT Wahana Wirawan (WW), Anak Perusahaan tidak langsung, menjadi pemegang saham utama pada tanggal 29 November 2010. Pada tanggal ini, WW mengakuisisi 96,36% kepemilikan ekuitas WIT untuk menjadi pemegang saham utama dan pemegang kendali. Oleh karenanya, neraca dan laporan laba rugi WIT tahun 2010 telah dikonsolidasikan ke dalam WW dan selanjutnya ke dalam PT Indomobil Wahana Trada dan Perusahaan sejak tanggal tersebut (Catatan 1*d*, 2*h* dan 26*f*.56).

* Laba pra akuisisi - bersih pada tahun 2008 merupakan laba bersih konsolidasi PT IMG Sejahtera Langgeng dan Anak Perusahaan (IMGSL) sebelum Perusahaan menjadi pemegang saham utama pada tanggal 8 Oktober 2008. Pada tanggal ini, Perusahaan mengakuisisi 75,00% kepemilikan ekuitas IMGSL untuk menjadi pemegang saham utama dan pemegang kendali. Oleh karenanya, neraca dan laporan laba rugi konsolidasi IMGSL tahun 2008 telah dikonsolidasikan ke dalam Perusahaan sejak tanggal tersebut (Catatan 1*d*, 2*h* dan 26*f*.9).

* *Preacquisition income - net represents the net income of PT Eka Dharma Jaya Sakti (EDJS) before PT Wahana Inti Selaras (WISEL), an indirect Subsidiary, became its majority shareholder on November 12, 2010. On this date, WISEL acquired 60.00% equity ownership of EDJS to become its majority and controlling shareholder. Therefore, the 2010 balance sheet and statement of income of EDJS have been consolidated into WISEL and then into IMGSL and the Company since that date (Notes 1d, 2h and 26f.50). Preacquisition income - net also represents the net loss of PT Wahana Indo Trada (WIT) (previously PT Indomobil Jaya Agung) before PT Wahana Wirawan (WW), an indirect Subsidiary, became its majority shareholder on November 29 2010. On this date, WW acquired 96.36% equity ownership of WIT to become its majority and controlling shareholder. Therefore, the 2010 balance sheet and statement of income of WIT have been consolidated into WW and then into PT Indomobil Wahana Trada and the Company since that date (Notes 1d, 2h and 26f.56).*

* *Preacquisition income in 2008 represents the consolidated net income of PT IMG Sejahtera Langgeng and Subsidiaries (IMGSL) before the Company became its majority shareholder on October 8, 2008. On this date, the Company acquired 75.00% equity ownership of IMGSL to become its majority and controlling shareholder. Therefore, the 2008 consolidated balance sheet and statement of income of IMGSL have been consolidated into the Company since that date (Notes 1d, 2h and 26f.9).*

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	Catatan/ *Notes*	Modal Saham/ *Share Capital*	Agio Saham/ *Premium on Share Capital*	Selisih Transaksi Perubahan Ekuitas Anak Perusahaan dan Perusahaan Asosiasi/ *Differences Arising from Changes in Equity of Subsidiaries and Associated Companies*	Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali/ *Differences Arising from Restructuring Transactions among Entities under Common Control*	Saldo Laba (Akumulasi Rugi)/ *Retained Earnings (Deficit)*	Ekuitas - Bersih/ *Shareholders' Equity - Net*	
Saldo 1 January 2008		**498.251.340.000**	**136.827.729.800**	**157.751.354.512**	**(229.834.752.532)**	**(396.352.513.000)**	**166.643.158.780**	***Balance as of January 1, 2008***
Selisih transaksi perubahan ekuitas anak perusahaan dan perusahaan asosiasi	2b	-	-	(94.686.656.449)	-	-	(94.686.656.449)	*Differences arising from changes in equity of subsidiaries and associated companies*
Selisih nilai transaksi restrukturisasi entitas sepengendali - bersih	2b,2v,26f	-	-	-	191.809.069.031	-	191.809.069.031	*Differences arising from restructuring transactions among entities under common control - net*
Laba bersih tahun 2008		-	-	-	-	23.046.929.947	23.046.929.947	*Net income for 2008*
Saldo 31 Desember 2008		**498.251.340.000**	**136.827.729.800**	**63.064.698.063**	**(38.025.683.501)**	**(373.305.583.053)**	**286.812.501.309**	***Balance as of December 31, 2008***
Selisih transaksi perubahan ekuitas anak perusahaan dan perusahaan asosiasi	2b	-	-	(13.710.263.474)	-	-	(13.710.263.474)	*Differences arising from changes in equity of subsidiaries and associated companies*
Selisih nilai transaksi restrukturisasi entitas sepengendali - bersih	2b,2v,26f	-	-	-	46.635.993.545	-	46.635.993.545	*Differences arising from restructuring transactions among entities under common control - net*
Laba bersih tahun 2009		-	-	-	-	117.593.451.463	117.593.451.463	*Net income for 2009*
Saldo 31 Desember 2009		**498.251.340.000**	**136.827.729.800**	**49.354.434.589**	**8.610.310.044**	**(255.712.131.590)**	**437.331.682.843**	***Balance as of December 31, 2009***

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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	Catatan/ *Notes*	Modal Saham/ *Share Capital*	Agio Saham/ *Premium on Share Capital*	Selisih Transaksi Perubahan Ekuitas Anak Perusahaan dan Perusahaan Asosiasi/ *Differences Arising from Changes in Equity of Subsidiaries and Associated Companies*	Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali/ *Differences Arising from Restructuring Transactions among Entities under Common Control*	Saldo Laba (Akumulasi Rugi)/ *Retained Earnings (Deficit)*	Ekuitas - Bersih/ *Shareholders' Equity - Net*	
Modal saham		20.238.362.500	-	-	-	-	20.238.362.500	*Share capital*
Agio saham		-	339.761.629.650	-	-	-	339.761.629.650	*Premium on share capital*
Selisih transaksi perubahan ekuitas anak perusahaan dan perusahaan asosiasi	2b	-	-	24.245.203.054	-	-	24.245.203.054	*Differences arising from changes in equity of subsidiaries and associated companies*
Selisih nilai transaksi restrukturisasi entitas sepengendali - bersih	2b,2v,26f	-	-	-	(12.197.210.702)	-	(12.197.210.702)	*Differences arising from restructuring transactions among entities under common control – net*
Penerapan awal PSAK No. 50 (Revisi 2006)		-	-	-	-	19.271.572.576	19.271.572.576	*Initial adoption of SFAS No. 50 (Revision 2006)*
Laba bersih tahun 2010		-	-	-	-	448.671.163.584	448.671.163.584	*Net income for 2010*
Saldo 31 Desember 2010		**518.489.702.500**	**476.589.359.450**	**73.599.637.643**	**(3.586.900.658)**	**212.230.604.570**	**1.277.322.403.505**	***Balance as of December 31, 2010***

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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	Catatan/ *Notes*	2010	2009	2008	
ARUS KAS DARI AKTIVITAS OPERASI					***CASH FLOWS FROM OPERATING ACTIVITIES***
Penerimaan kas dari pelanggan		9.676.160.200.638	7.552.880.552.671	7.903.372.360.950	*Cash receipts from customers*
Pembayaran kas kepada pemasok		(9.729.803.184.997)	(5.914.212.411.135)	(7.178.309.334.067)	*Cash payments to suppliers*
Pembayaran beban usaha		(968.020.412.988)	(758.922.921.155)	(785.170.168.060)	*Payments of operating expenses*
Pembayaran beban bunga dan beban keuangan lainnya		(181.054.279.317)	(179.370.408.499)	(140.922.499.727)	*Payments of interest and other financing charges*
Pembayaran pajak		(138.543.342.483)	(110.859.288.583)	(69.961.126.807)	*Payments of taxes*
Penerimaan lain-lain - bersih		144.850.259.059	182.668.266.959	60.733.072.607	*Other receipts - net*
Kas bersih yang diperoleh dari (digunakan untuk) aktivitas operasi		**(1.196.410.760.088)**	**772.183.790.258**	**(210.257.695.104)**	***Net cash provided by (used in) operating activities***
ARUS KAS DARI AKTIVITAS INVESTASI					***CASH FLOWS FROM INVESTING ACTIVITIES***
Penerimaan dividen dari Perusahaan Asosiasi		50.643.155.633	7.750.238.249	14.524.743.301	*Dividends received from Associated Companies*
Penerimaan dari penjualan aset tetap		28.542.876.319	17.261.133.570	68.532.618.796	*Proceeds from sale of fixed assets*
Penerimaan dari pembagian hasil likuidasi perusahaan asosiasi		4.387.237.882	-	-	*Proceeds from final distribution of an associated company*
Bunga yang diterima dan penerimaan dari pencairan kas di bank dan deposito berjangka yang dibatasi penggunaannya		675.572.406	52.690.979.763	14.164.335.012	*Interest received on and proceeds from terminations of restricted cash in banks and time deposits*
Penambahan penyertaan saham		(297.188.078.883)	(20.357.500.000)	(2.556.615.600)	*shares of stock*
Pembelian aset tetap	28a	(226.036.231.115)	(112.227.324.477)	(151.212.103.906)	*Acquisition of fixed assets*
Pembayaran uang muka pembelian tanah		(38.093.912.625)	(5.141.587.375)	(7.561.823.529)	*Advances payments for land acquisition*
Pembelian aset investasi		(8.839.872.415)	(1.282.521.829)	-	*Acquisition of investment property*
Penerimaan dari investasi jangka pendek		-	368.020.950.815	-	*Proceeds from short-term investments*
Penerimaan dari penjualan penyertaan saham		-	4.983.697.750	9.324.310.900	*Proceeds from sale of investments in shares of stock*
Penerimaan penambahan modal saham dari pemegang saham minoritas		-	2.840.000.000	7.105.000.000	*Proceeds from additional capital stock contribution of minority interest*
Penerimaan dari penjualan saham yang diperoleh kembali		-	1.212.500.000	-	*Proceeds from sale of treasury stocks*
Penempatan dana untuk investasi jangka pendek		-	(250.000.000.000)	(134.689.317.642)	*Placement of funds for short-term investments*
Pembayaran dividen oleh Anak Perusahaan		-	(23.390.350.000)	(9.012.000.000)	*Payments of dividends by Subsidiaries*
Bunga yang diterima dari aktivitas investasi lainnya		-	-	4.754.300.401	*Interest received from other investing activities*
Kas bersih yang diperoleh dari (digunakan untuk) aktivitas investasi		**(485.909.252.798)**	**42.360.216.466**	**(186.626.552.267)**	***Net cash provided by (used in) investing activities***

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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	Catatan/ *Notes*	2010	2009	2008	
ARUS KAS DARI AKTIVITAS PENDANAAN					***CASH FLOWS FROM FINANCING ACTIVITIES***
Penerimaan dari hutang jangka pendek		4.459.287.359.827	851.172.435.075	1.025.493.466.639	*Proceeds from short-term loans availments*
Penerimaan dari sumber pendanaan lainnya		1.576.901.285.889	398.915.033.790	266.622.254.945	*Proceeds from other financing activities*
Penerimaan dari hutang jangka panjang		313.850.483.228	487.586.891.237	1.887.650.946.523	*Proceeds from long-term debts availments*
Pembayaran hutang jangka pendek		(3.681.237.866.664)	(948.338.443.777)	(848.712.827.336)	*Payments of short-term loans*
Pembayaran untuk sumber pendanaan lainnya		(670.859.713.529)	(391.742.446.671)	(254.268.436.765)	*Payments of other financing activities*
Pembayaran hutang jangka panjang		(134.113.495.445)	(1.640.548.277.861)	(1.195.490.344.110)	*Payments of long-term debts*
Pembayaran pokok obligasi	17	(126.000.000.000)	-	-	*Payments of bond principal*
Penerimaan dari penerbitan obligasi	17	-	500.000.000.000	-	*Proceeds from issuance of bonds*
Pembayaran untuk penebusan obligasi		-	-	(350.000.000.000)	*Payments for redemption of bonds*
Pembayaran untuk beban emisi obligasi		-	(3.810.815.382)	-	*Payments for bonds issuance costs*
Kas bersih yang diperoleh dari (digunakan untuk) aktivitas pendanaan		**1.737.828.053.306**	**(746.765.623.589)**	**531.295.059.896**	***Net cash provided by (used in) financing activities***
KENAIKAN BERSIH KAS DAN SETARA KAS		**55.508.040.420**	**67.778.383.135**	**134.410.812.525**	***NET INCREASE IN CASH AND CASH EQUIVALENTS***
KAS DAN SETARA KAS AWAL TAHUN	3	434.291.054.860	366.512.671.725	232.101.859.200	***CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR***
KAS DAN SETARA KAS AKHIR TAHUN	3	**489.799.095.280**	**434.291.054.860**	**366.512.671.725**	***CASH AND CASH EQUIVALENTS AT END OF YEAR***

Catatan atas laporan keuangan konsolidasi terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi secara keseluruhan.

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APPENDIX C – EXTRACTS OF AUDITED FINANCIAL STATEMENTS OF THE IMAS GROUP FOR FY2009, FY2010 AND FY2011 AND UNAUDITED FINANCIAL STATEMENTS OF THE IMAS GROUP FOR FP2012

Extract of the Audited Financial Statements of the IMAS Group for FY2011

The extract of the audited financial statements of the IMAS Group for FY2011 is set out below. A full set of the audited financial statements of the IMAS Group for FY2011, including the notes thereto, may be viewed at the websites of the Company and IMAS at http://www.gallantventure.com and http://www.indomobil.com, respectively. In addition, the full set of the aforementioned financial statements is available in the CD-ROM sent together with this Circular and Shareholders who wish to have a printed copy can request for the same from the Company by completing the request form sent together with this Circular.

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	Catatan/ *Notes*	2011	2010	1 Januari 2010/ 31 Desember 2009/ *January 1, 2010/ December 31, 2009/*	
ASET					***ASSETS***
ASET LANCAR					***CURRENT ASSETS***
Kas dan setara kas	2d,2g,4	1.609.296.007.519	489.799.095.280	434.291.054.860	*Cash and cash equivalents*
Piutang usaha	2g,5				*Accounts receivable*
Pihak-pihak berelasi	2e ,26	100.355.141.260	63.758.365.066	50.561.404.990	*Related parties*
Pihak ketiga - setelah dikurangi penyisihan kerugian penurunan nilai sebesar Rp16.402.307.936 pada tanggal 31 Desember 2011, sebesar Rp16.992.436.487 pada tanggal 31 Desember 2010, dan Rp2.707.245.053 pada tanggal 1 Januari 2010/ 31 Desember 2009	12,16	1.122.264.105.930	831.228.403.558	360.968.409.760	*Third parties - net of allowance for impairment losses of Rp16,402,307,936 as of December 31, 2011, Rp16,992,436,487 as of December 31, 2010, and Rp2,707,245,053 as of January 1, 2010/ December 31, 2009*
Piutang pembiayaan - setelah dikurangi penyisihan kerugian penurunan nilai sebesar Rp19.931.142.430 pada tanggal 31 Desember 2011, sebesar Rp16.716.149.384 pada tanggal 31 Desember 2010, dan Rp18.558.339.220 pada tanggal 1 Januari 2010/ 31 Desember 2009	2e,2g,2r,2s, 7,16,17,26	1.689.940.734.206	1.214.662.323.798	965.152.218.179	*Financing - net of allowance for impairment losses of Rp19,931,142,430 as of December 31, 2011, Rp16,716,149,384 as of December 31, 2010 and Rp18,558,339,220 as of January 1, 2010/ December 31, 2009*
Lain-lain	2g				*Others*
Piutang pihak-pihak berelasi	2e, 26	21.946.549.007	108.318.721.029	-	*Due from related parties*
Pihak ketiga - setelah dikurangi penyisihan kerugian penurunan nilai sebesar Rp1.146.143.815 pada tanggal 31 Desember 2011, Rp1.302.167.797 pada tanggal 31 Desember 2010, dan Rp969.880.981 pada tanggal 1 Januari 2010/ 31 Desember 2009		142.149.028.739	93.567.252.328	138.267.769.934	*Third parties - net of allowance for impairment losses of Rp1,146,143,815 as of December 31, 2011, Rp1,302,167,797 as of December 31, 2010, and Rp969,880,981 as of January 1, 2010/ December 31, 2009*
Persediaan - setelah dikurangi penyisihan atas keusangan persediaan sebesar Rp18.439.892.727 pada tanggal 31 Desember 2011, Rp11.097.775.652 pada tanggal 31 Desember 2010, dan Rp1.152.922.565 pada tanggal 1 Januari 2010/ 31 Desember 2009	2f,6,12, 16,26	2.427.737.241.367	1.542.709.421.457	766.017.302.117	*Inventories - net of allowance for inventory obsolescence of Rp18,439,892,727 as of December 31, 2011, Rp11,097,775,652 as of December 31, 2010 and Rp1,152,922,565 as of January 1, 2010/ December 31, 2009*
Uang muka pembelian		77.838.069.776	37.852.396.911	38.916.274.869	*Advance payments*
Pajak dibayar dimuka	2t,15a	148.002.818.321	86.145.038.658	73.890.798.114	*Prepaid tax*
Biaya dibayar di muka	2h, 27	66.108.905.583	41.154.822.271	32.587.586.130	*Prepaid expenses*
Jumlah Aset Lancar		7.405.638.601.708	4.509.195.840.356	2.860.652.818.953	*Total Current Assets*

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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	Catatan/ *Notes*	2011	2010	1 Januari 2010/ 31 Desember 2009/ *January 1, 2010/ December 31, 2009/*	
ASET TIDAK LANCAR					***NON-CURRENT ASSETS***
Piutang pembiayaan - setelah penyisihan kerugian penurunan nilai sebesar Rp17.619.589.707 pada tanggal 31 Desember 2011, sebesar Rp14.456.927.879 pada tanggal 31 Desember 2010 dan Rp11.839.654.396 pada tanggal 1 Januari 2010/31 Desember 2009	2e,2g,2r,2s, 7,12,16, 26	1.529.632.964.330	1.113.224.678.215	556.932.183.906	*Financing - net of allowance for impairment losses of Rp17,619,589,707 as of December 31, 2011, Rp14,456,927,879 as of December 31, 2010, and Rp11,839,654,396 as of January 1, 2010/ December 31, 2009*
Penyertaan saham - setelah dikurangi penyisihan penurunan nilai penyertaan saham sebesar Rp1.170.022.500 pada tanggal 31 Desember 2011, 31 Desember 2010 dan 1 Januari 2010/ 31 Desember 2009	2b,2g,2i, 8,27	1.574.975.319.691	1.110.371.980.169	669.681.256.965	*Investments in shares of stock - net of allowance for decline in value of investments of Rp1,170,022,500 as of December 31, 2011, December 31, 2010 and January 1, 2010/ December 31, 2009*
Aset tetap - setelah dikurangi akumulasi penyusutan sebesar Rp671.937.158.787 pada tanggal 31 Desember 2011, Rp340.969.741.538 pada tanggal 31 Desember 2010 dan Rp278.255.081.237 pada tanggal 1 Januari 2010/ 31 Desember 2009	2j,2m,9, 12,26,27	1.876.846.372.611	745.521.923.952	598.164.887.528	*Fixed assets - net of accumulated depreciation of Rp671,937,158,787 as of December 31, 2011, Rp340,969,741,538 as of December 31, 2010, and Rp278,255,081,237 as of January 1, 2010/ December 31, 2009*
Properti investasi - setelah dikurangi akumulasi penyusutan sebesar Rp55.859.096.155 pada tanggal 31 Desember 2011, Rp52.994.169.880 pada tanggal 31 Desember 2010 dan Rp46.248.889.384 pada tanggal 1 Januari 2010/31 Desember 2009	2k,10,16, 26	153.639.334.579	136.808.572.124	128.202.399.984	*Investment property - net of accumulated depreciation of Rp55,859,096,155 as of December 31, 2011, Rp52,994,169,880 as of December 31, 2010, and Rp46,248,889,384 as of January 1,2010/ December 31, 2009*
Kas di bank dan deposito berjangka yang dibatasi penggunaannya	2d,2g,11, 12,27	14.819.743.688	47.193.911.015	11.261.288.665	*Restricted cash in banks and time deposits*
Aset yang dikuasakan kembali - setelah dikurangi penyisihan kerugian penurunan nilai sebesar Rp10.688.918.087 pada tanggal 31 Desember 2011, Rp8.190.615.407 pada tanggal 31 Desember 2010 dan Rp5.103.402.754 pada tanggal 1 Januari 2010/31 Desember 2009	2n	32.118.325.826	27.719.190.497	18.246.406.417	*Foreclosed assets - net of allowance for impairment losses of Rp10,688,918,087 as of December 31, 2011, Rp8,190,615,407 as of December 31, 2010, and Rp5,103,402,754 as of January 1, 2010/ December 31, 2009*
Piutang pihak-pihak berelasi	2e,2g 26	13.348.000	-	44.965.686.053	*Due from related parties*
Aset pajak tangguhan - bersih	2t,15d	152.824.855.825	155.779.600.348	129.402.922.253	*Deferred tax assets - net*
Taksiran tagihan pajak penghasilan	2t,15c	63.166.940.037	30.495.912.159	23.072.302.195	*Estimated claims for tax refund*
Aset tidak lancar lainnya	2g,2h,2o 26,27	110.265.839.747	108.707.952.405	52.566.122.182	*Other non-current assets*
Jumlah Aset Tidak Lancar		5.508.303.044.334	3.475.823.720.884	2.232.495.456.148	*Total Non-Current Assets*
JUMLAH ASET		**12.913.941.646.042**	**7.985.019.561.240**	**5.093.148.275.101**	***TOTAL ASSETS***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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	Catatan/ *Notes*	2011	2010	1 Januari 2010/ 31 Desember 2009/ *January 1, 2010/ December 31, 2009/*	
LIABILITAS DAN EKUITAS					***LIABILITIES AND EQUITY***
LIABILITAS JANGKA PENDEK					***CURRENT LIABILITIES***
Utang jangka pendek	2g,2h,12,16,27	1.142.251.099.183	1.666.397.779.889	1.103.097.498.991	*Short-term loans*
Utang	2g				*Accounts payable*
Usaha					*Trade*
Pihak ketiga	13	433.422.707.368	162.925.913.049	89.747.695.718	*Third parties*
Pihak-pihak berelasi	2e,13,26	1.656.976.058.361	1.240.090.079.947	750.793.958.655	*Related parties*
Lain-lain					*Others*
Pihak ketiga		215.180.831.413	206.976.125.000	91.704.542.297	*Third parties*
Pihak-pihak berelasi	2e,26	185.597.701.692	62.954.269.037	-	*Due to related parties*
Uang muka pelanggan dan penyalur		274.376.672.730	123.973.415.009	74.723.682.284	*Advances from customers and distributors*
Utang pajak	2t,15b,15c	110.003.863.721	53.853.706.880	40.507.336.598	*Taxes payable*
Biaya masih harus dibayar	2g,14,17	140.302.696.154	129.659.974.425	100.080.368.821	*Accrued expenses*
Utang derivatif - bersih	2g,16,27	977.653.774	238.892.309	1.978.395.910	*Derivatives payable - net*
Utang jangka panjang yang jatuh tempo dalam waktu satu tahun	2g,2h				*Current maturities of long-term debts*
Utang bank	12,16,27	705.038.582.552	399.707.977.728	448.329.280.224	*Bank loans*
Utang obligasi - bersih	2p,7,17	277.222.784.330	169.502.735.558	124.542.141.093	*Bonds payable - net*
Pembiayaan konsumen	2e,2r,16,26	53.994.236.928	130.536.357	28.761.460.281	*Consumer financing*
Sewa pembiayaan	2e,2s,16,26	-	199.982.320	502.528.146	*Obligations under finance lease*
Utang lainnya	16,19,26	219.006.380.656	-	208.077.036.666	*Other loans*
Jumlah Liabilitas Jangka Pendek		**5.414.351.268.862**	**4.216.611.387.508**	**3.062.845.925.684**	***Total Current Liabilities***
LIABILITAS JANGKA PANJANG					***NON-CURRENT LIABILITIES***
Utang jangka panjang - setelah dikurangi bagian yang jatuh tempo dalam waktu satu tahun	2g,2h				*Long-term debts - net of current maturities*
Utang bank	12,16,27	1.117.251.076.115	647.587.196.490	204.105.533.630	*Bank loans*
Utang obligasi - bersih	2p,7,17	922.785.976.699	203.403.282.670	373.191.948.007	*Bonds payable - net*
Pembiayaan konsumen	2e,2r,16,26	68.830.218.749	-	325.647.748	*Consumer financing*
Sewa pembiayaan	2e,2s,16,26	-	-	199.982.320	*Obligations under finance lease*
Utang lainnya	16,19,26	206.252.705.920	1.240.442.689.438	379.431.892.377	*Other loans*
Penyisihan imbalan kerja karyawan	2e,2v,26,28	79.650.982.451	63.678.456.365	44.612.150.196	*Provision for employee service entitlements benefits*
Pendapatan diterima di muka	2q,27	20.177.037.227	5.268.564.000	6.185.336.000	*Unearned revenue*
Liabilitas pajak tangguhan - bersih	2t,15d	460.904.121	79.209.091	6.625.146.350	*Deferred tax liabilities - net*
Utang pihak-pihak berelasi	2e,2g,6,26	-	-	364.790.651.377	*Due to related parties*
Jumlah Liabilitas Jangka Panjang		**2.415.408.901.282**	**2.160.459.398.054**	**1.379.468.288.005**	***Total Non-current Liabilities***
JUMLAH LIABILITAS		**7.829.760.170.144**	**6.377.070.785.562**	**4.442.314.213.689**	***TOTAL LIABILITIES***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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(Disajikan dalam Rupiah, kecuali dinyatakan lain)**

***PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION (continued)
December 31, 2011 and 2010
and January 1, 2010/Desember 31, 2009
(Expressed in Rupiah, unless otherwise stated)***

	Catatan/ *Notes*	2011	2010	1 Januari 2010/ 31 Desember 2009/ *January 1, 2010/ December 31, 2009/*	
EKUITAS					***EQUITY***
Ekuitas yang Dapat Diatribusikan kepada Entitas Induk					***Equity Attributable to the Equity Holders of the Parent Entity***
Modal saham					*Share capital*
Modal dasar - 3.800.000.000 saham dengan nilai nominal Rp500 per saham					*Authorized - 3,800,000,000 shares par value of Rp500 each*
Modal ditempatkan dan disetor penuh - 1.382.639.206 saham pada tanggal 31 Desember 2011, 1.036.979.405 saham pada tanggal 31 Desember 2010 dan 996.502.680 saham pada tanggal 1 Januari 2010/ 31 Desember 2009	1b,16,19	691.319.603.000	518.489.702.500	498.251.340.000	*Issued and fully paid - 1,382,639,206 shares as of December 31, 2011, 1,036,979,405 shares as of December 31, 2010, and 996,502,680 shares as of January 1, 2010/ December 31, 2009*
Agio saham	1b,20	2.993.689.010.600	476.589.359.450	136.827.729.800	*Premium on share capital*
Selisih transaksi perubahan ekuitas entitas anak dan dampak transaksi dengan kepentingan nonpengendali	2b	(261.763.302.875)	40.423.978.509	35.142.953.221	*Differences arising from changes in equity of subsidiaries and effects of transactions with non-controlling interests*
Selisih nilai transaksi restrukturisasi entitas sepengendali	2b,2u,27	103.132.363.685	(3.586.900.658)	8.610.310.044	*Differences arising from restructuring transactions among entities under common control*
Saldo laba (akumulasi rugi)	21	1.041.141.899.688	228.174.324.527	(239.768.411.633)	*Retained earnings (accumulated losses)*
Komponen lain ekuitas		110.193.484.585	17.231.939.177	(1.732.238.589)	*Other components of equity*
Sub-jumlah		4.677.713.058.683	1.277.322.403.505	437.331.682.843	*Sub-total*
Kepentingan Nonpengendali	2b,18	406.468.417.215	330.626.372.173	213.502.378.569	*Non-controlling Interests*
Jumlah Ekuitas		5.084.181.475.898	1.607.948.775.678	650.834.061.412	*Total Equity*
JUMLAH LIABILITAS DAN EKUITAS		**12.913.941.646.042**	**7.985.019.561.240**	**5.093.148.275.101**	***TOTAL LIABILITIES AND EQUITY***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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

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PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
DAN ENTITAS ANAK
LAPORAN LABA RUGI KOMPREHENSIF KONSOLIDASIAN
Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2011 dan 2010
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
Years Ended December 31, 2011 and 2010
(Expressed in Rupiah, unless otherwise stated)

	2011	Catatan/ *Notes*	2010	
PENGHASILAN BERSIH	15.776.580.286.659	2e,2q,2r, 2s,22,26, 27,29	10.935.334.616.535	***NET REVENUES***
BEBAN POKOK PENGHASILAN	13.787.256.396.060	2e,2q,2r,9 10,23,27,29	9.530.324.580.348	***COST OF REVENUES***
LABA KOTOR	**1.989.323.890.599**		**1.405.010.036.187**	***GROSS PROFIT***
Beban penjualan	(777.336.127.208)	2q,9,10,24, 26	(548.299.996.547)	*Selling expenses*
Beban umum dan administrasi	(606.774.473.692)	2q,9,10,24, 26	(527.713.514.837)	*General and administrative expenses*
Pendapatan operasi lain	420.442.880.803	27	159.576.180.397	*Other operating income*
LABA USAHA	**1.025.656.170.502**		**488.572.705.200**	***INCOME FROM OPERATIONS***
Bagian atas laba bersih entitas asosiasi - bersih	314.886.694.444	2b,2i,8	270.791.623.537	*Equity in net earnings of associated companies - net*
Pendapatan keuangan	58.151.070.841		32.795.206.665	*Finance income*
Beban keuangan	(210.332.227.696)		(184.877.377.196)	*Finance charges*
LABA SEBELUM BEBAN PAJAK PENGHASILAN	**1.188.361.708.091**		**607.282.158.206**	***INCOME BEFORE INCOME TAX EXPENSE***
Beban pajak penghasilan - bersih	(217.470.376.348)	2t,15c	(99.259.968.768)	*Income tax expense - net*
LABA TAHUN BERJALAN	**970.891.331.743**		**508.022.189.438**	***INCOME FOR THE YEAR***
Laba komprehensif lain				*Other comprehensive income*
Perubahan bersih nilai wajar investasi tersedia untuk dijual	96.055.327.500	2g	17.387.719.578	*Net change in fair value of available-for-sale investment*
Perubahan bersih nilai wajar instrumen derivatif, bersih setelah pajak	(686.597.031)	2g,27	1.576.458.188	*Net change in fair value of derivative instruments, net of tax*
JUMLAH LABA KOMPREHENSIF TAHUN BERJALAN	**1.066.260.062.212**		**526.986.367.204**	***TOTAL COMPREHENSIVE INCOME FOR THE YEAR***
LABA TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:				***INCOME FOR THE YEAR ATTRIBUTABLE TO:***
Pemilik entitas induk	812.967.575.161		448.671.163.584	*Equity holders of parent entity*
Kepentingan nonpengendali	157.923.756.582	2b,18	59.351.025.854	*Non-controlling interest*
JUMLAH	**970.891.331.743**		**508.022.189.438**	***TOTAL***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
DAN ENTITAS ANAK
LAPORAN LABA RUGI KOMPREHENSIF KONSOLIDASIAN (lanjutan)
Tahun yang Berakhir pada Tanggal-tanggal 31 Desember 2011 dan 2010
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (continued)
Years Ended December 31, 2011 and 2010
(Expressed in Rupiah, unless otherwise stated)

	2011	Catatan/ *Notes*	2010	
LABA KOMPREHENSIF TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:				***TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO :***
Pemilik entitas induk	905.929.120.569		467.635.341.350	*Equity holders of parent entity*
Kepentingan nonpengendali	160.330.941.643		59.351.025.854	*Non-controlling interest*
JUMLAH	**1.066.260.062.212**		**526.986.367.204**	***TOTAL***
LABA PER SAHAM DASAR YANG DAPAT DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK	**695**	2x,25	**449**	***BASIC EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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PT INDOMOBIL SUKSES INTERNASIONAL Tbk. DAN ENTITAS ANAK
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN
Tahun yang Berakhir pada Tanggal-tanggal
31 Desember 2011 dan 2010
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT INDOMOBIL SUKSES INTERNASIONAL Tbk. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
Years Ended December 31, 2011 and 2010
(Expressed in Rupiah, unless otherwise stated)

		Ekuitas yang dapat diatribusikan kepada pemilik entitas induk/ *Equity attributable to owners of the parent*									
	Catatan/ *Notes*	Modal Ditempatkan dan Disetor Penuh/ *Issued and Fully Paid Capital*	Agio Saham/ *Premium on Share Capital*	Selisih Transaksi Perubahan Ekuitas Entitas Anak dan Dampak Transaksi Dengan Kepentingan Nonpengendali/ *Differences Arising From Changes in Equity of Subsidiaries and Effects of Transactions with Non-controlling Interest*	Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali/ *Differences Arising from Restructuring Transactions among Entities under Common Control*	Saldo Laba (Akumulasi Rugi)/ *Retained Earnings (Accumulated Losses)*	Komponen Lain Ekuitas/ *Other Component Equity*	Jumlah/ *Total*	Kepentingan Nonpengendali/ *Non-controlling Interests*	Jumlah Ekuitas/ *Total Equity*	
Saldo 1 Januari 2010/31 Desember 2009 (disajikan kembali)		498.251.340.000	136.827.729.800	51.086.673.178	8.610.310.044	(255.712.131.590)	(1.732.238.589)	437.331.682.843	213.502.378.569	650.834.061.412	*Balance as of January 1, 2010/ December 31, 2009 (restated)*
Penyesuaian bersih yang timbul dari Penerapan Pernyataan Standar Akuntansi Keuangan ("PSAK") No.15 (Revisi 2009), "Investasi pada Entitas Asosiasi"		-	-	(15.943.719.957)	-	15.943.719.957	-	-	-	-	*Net adjustment arising from adoption of Statement of Financial Accounting Standard ("PSAK") No.15 (Revised 2009), "Investment on Associated Company"*
Saldo setelah penyesuaian		498.251.340.000	136.827.729.800	35.142.953.221	8.610.310.044	(239.768.411.633)	(1.732.238.589)	437.331.682.843	213.502.378.569	650.834.061.412	*Balance after adjustment*
Modal saham		20.238.362.500	-	-	-	-		20.238.362.500	-	20.238.362.500	*Share capital*
Agio saham		-	339.761.629.650	-	-	-	-	339.761.629.650	-	339.761.629.650	*Premium on share capital*
Selisih nilai transaksi restrukturisasi entitas sepengendali - bersih	2b,2u	-	-	-	(12.197.210.702)	-	-	(12.197.210.702)	-	(12.197.210.702)	*Differences arising from restructuring transactions among entities under common control - net*
Selisih transaksi perubahan ekuitas entitas anak dan dampak transaksi dengan kepentingan nonpengendali				5.281.025.288				5.281.025.288	-	5.281.025.288	*Differences arising from changes in equity of subsidiaries and effects of transactions with non-controlling interest*
Laba komprehensif lainnya		-	-	-	-	-	18.964.177.766	18.964.177.766	-	18.964.177.766	*Other comprehensive income*
Penyesuaian bersih yang timbul dari Penerapan Pernyataan Standar Akuntansi Keuangan ("PSAK") No.55 (Revisi 2006), "Instrumen Keuangan: Pengakuan dan Pengukuran"		-	-	-	-	19.271.572.576	-	19.271.572.576	-	19.271.572.576	*Net adjustment arising from adoption of Statement of Financial Accounting Standard ("PSAK") No.55 (Revised 2006). "Financial Instrument: Recognition and Measurement"*
Laba tahun berjalan		-	-	-	-	448.671.163.584	-	448.671.163.584	59.351.025.854	508.022.189.438	*Income for the year*
Lain-lain		-	-	-	-	-	-	-	57.772.967.750	57.772.967.750	*Others*
Saldo 31 Desember 2010		518.489.702.500	476.589.359.450	40.423.978.509	(3.586.900.658)	228.174.324.527	17.231.939.177	1.277.322.403.505	330.626.372.173	1.607.948.775.678	*Balance as of December 31, 2010*

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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

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PT INDOMOBIL SUKSES INTERNASIONAL Tbk. DAN ENTITAS ANAK
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN (lanjutan)
Tahun yang Berakhir pada Tanggal-tanggal
31 Desember 2011 dan 2010
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT INDOMOBIL SUKSES INTERNASIONAL Tbk. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)
Years Ended December 31, 2011 and 2010
(Expressed in Rupiah, unless otherwise stated)

		Ekuitas yang dapat diatribusikan kepada pemilik entitas induk/ *Equity attributable to owners of the parent*									
	Catatan/ *Notes*	Modal Ditempatkan dan Disetor Penuh/ *Issued and Fully Paid Capital*	Agio Saham/ *Premium on Share Capital*	Selisih Transaksi Perubahan Ekuitas Entitas Anak dan Dampak Transaksi Dengan Kepentingan Nonpengendali/ *Differences Arising From Changes in Equity of Subsidiaries and Effects of Transactions with Non-controlling Interest*	Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali/ *Differences Arising from Restructuring Transactions among Entities under Common Control*	Saldo Laba (Akumulasi Rugi)/ *Retained Earnings (Accumulated Losses)*	Komponen Lain Ekuitas/ *Other Component Equity*	Jumlah/ *Total*	Kepentingan Nonpengendali/ *Non-controlling Interests*	Jumlah Ekuitas/ *Total Equity*	
Saldo 31 Desember 2010 (disajikan kembali)		518.489.702.500	476.589.359.450	40.423.978.509	(3.586.900.658)	228.174.324.527	17.231.939.177	1.277.322.403.505	330.626.372.173	1.607.948.775.678	*Balance as of December 31, 2010 (restated)*
Hasil PUT II – bersih		172.829.900.500	2.517.099.651.150	-	-	-	-	2.689.929.551.650	-	2.689.929.551.650	*Proceeds from LPO II - net*
Dampak transaksi dengan kepentingan nonpengendali		-	-	(302.187.281.384)	-	-	-	(302.187.281.384)	-	(302.187.281.384)	*Effect arising from transaction with non-controlling interest*
Selisih nilai transaksi restrukturisasi entitas sepengendali bersih	2b,2u	-	-	-	106.719.264.343	-	-	106.719.264.343	-	106.719.264.343	*Differences arising from restructuring transactions among entities under common control - net*
Laba komprehensif lainnya		-	-	-	-	-	92.961.545.408	92.961.545.408	2.407.185.061	95.368.730.469	*Other comprehensive income*
Pengurangan kepentingan nonpengendali		-	-	-	-	-	-	-	(56.930.379.253)	(56.930.379.253)	*Deduction of non-controlling interests*
Penambahan kepentingan nonpengendali		-	-	-	-	-	-	-	8.000.000.000	8.000.000.000	*Addition to non-controlling interests*
Pembagian dividen kepada pemegang saham kepentingan nonpengendali		-	-	-	-	-	-	-	(35.558.517.348)	(35.558.517.348)	*Dividend paid to non-controlling interests' shareholder*
Laba tahun berjalan		-	-	-	-	812.967.575.161	-	812.967.575.161	157.923.756.582	970.891.331.743	*Income for the year*
Saldo 31 Desember 2011		**691.319.603.000**	**2.993.689.010.600**	**(261.763.302.875)**	**103.132.363.685**	**1.041.141.899.688**	**110.193.484.585**	**4.677.713.058.683**	**406.468.417.215**	**5.084.181.475.898**	***Balance as of December 31, 2011***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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**PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
DAN ENTITAS ANAK
LAPORAN ARUS KAS KONSOLIDASIAN
Tahun yang Berakhir pada Tanggal-tanggal
31 Desember 2011 dan 2010
(Disajikan dalam Rupiah, kecuali dinyatakan lain)**

***PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended
December 31, 2011 and 2010
(Expressed in Rupiah, unless otherwise stated)***

	2011	Catatan/ *Notes*	2010	
ARUS KAS DARI AKTIVITAS OPERASI				***CASH FLOWS FROM OPERATING ACTIVITIES***
Penerimaan kas dari pelanggan	17.512.418.736.312		9.676.160.200.638	*Cash receipts from customers*
Penerimaan lain-lain - bersih	399.815.843.983		144.850.259.059	*Other receipts - net*
Pembayaran kas kepada pemasok	(16.782.212.690.108)		(9.729.803.184.997)	*Cash payments to suppliers*
Pembayaran beban usaha	(1.201.728.202.430)		(963.789.132.801)	*Payments of operating expenses*
Pembayaran beban bunga dan beban keuangan lainnya	(562.642.403.869)		(181.428.439.633)	*Payments of interest and other financing charges*
Pembayaran pajak	(580.858.564.350)		(138.543.342.483)	*Payments of taxes*
Kas bersih digunakan untuk aktivitas operasi	**(1.215.207.280.462)**		**(1.192.553.640.217)**	***Net cash used in operating activities***
ARUS KAS DARI AKTIVITAS INVESTASI				***CASH FLOWS FROM INVESTING ACTIVITIES***
Penerimaan dividen dari entitas asosiasi	97.421.907.946	2i,8	50.643.155.633	*Dividends received from associated companies*
Penerimaan dari penjualan aset tetap	15.047.765.121		28.542.876.319	*Proceeds from sale of fixed assets*
Bunga yang diterima dan penerimaan dari pencairan kas di bank dan deposito berjangka yang dibatasi penggunaannya	5.796.336.085		675.572.406	*Interest received on and proceeds from terminations of restricted cash in banks and time deposits*
Penerimaan dari penjualan penyertaan saham	4.860.811.600		4.387.237.882	*Proceeds from sale of investment in shares of stock*
Pembelian aset tetap	(441.879.286.402)	9	(272.970.016.155)	*Acquisition of fixed assets*
Penambahan penyertaan saham	(422.394.509.000)	2i	(297.188.078.883)	*Addition in investment in shares of stock*
Pembayaran dividen	(32.150.000.000)		-	*Payments of dividends*
Kas bersih digunakan untuk aktivitas investasi	**(773.296.974.650)**		**(485.909.252.798)**	***Net cash used in investing activities***
ARUS KAS DARI AKTIVITAS PENDANAAN				***CASH FLOWS FROM FINANCING ACTIVITIES***
Penerimaan dari utang jangka pendek	4.439.619.205.986		4.244.538.147.562	*Proceeds from short-term loans*
Penerimaan dari utang jangka panjang	4.315.858.162.330		528.973.855.809	*Proceeds from long-term loans*
Penerimaan dari Penawaran Umum Terbatas II	2.765.278.408.000		-	*Proceeds from Limited Public Offering II*
Penerimaan dari sumber pendanaan lainnya	886.545.268.179		1.576.901.285.889	*Proceeds from other financing activities*
Pembayaran utang jangka pendek	(6.427.172.812.098)		(3.681.237.866.664)	*Payments of short-term loans*
Pembayaran utang jangka panjang	(2.049.936.204.478)		(260.113.495.445)	*Payments of long-term debts*
Pembayaran biaya emisi	(75.348.856.350)		-	*Payments of issuance costs*
Pembayaran untuk sumber pendanaan lainnya	(746.782.422.636)		(670.859.713.529)	*Payments of other financing activities*
Kas bersih diperoleh dari aktivitas pendanaan	**3.108.060.748.933**		**1.738.202.213.622**	***Net cash provided by financing activities***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
DAN ENTITAS ANAK
LAPORAN ARUS KAS KONSOLIDASIAN (lanjutan)
Tahun yang Berakhir pada Tanggal-tanggal
31 Desember 2011 dan 2010
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)
Years Ended December 31, 2011 and 2010
(Expressed in Rupiah, unless otherwise stated)

	2011	Catatan/ *Notes*	2010	
KENAIKAN BERSIH KAS DAN SETARA KAS	**1.119.556.493.821**		**59.739.320.607**	***NET INCREASE IN CASH AND CASH EQUIVALENTS***
KAS DAN SETARA KAS AWAL TAHUN	**489.799.095.280**	4	**434.291.054.860**	***CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR***
DAMPAK BERSIH PERUBAHAN NILAI TUKAR ATAS KAS DAN SETARA KAS	**(59.581.582)**		**(4.231.280.187)**	***NET EFFECTS OF CHANGES IN EXCHANGE RATE ON CASH AND CASH EQUIVALENTS***
KAS DAN SETARA KAS AKHIR TAHUN	**1.609.296.007.519**	4	**489.799.095.280**	***CASH AND CASH EQUIVALENTS AT END OF YEAR***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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

APPENDIX C – EXTRACTS OF AUDITED FINANCIAL STATEMENTS OF THE IMAS GROUP FOR FY2009, FY2010 AND FY2011 AND UNAUDITED FINANCIAL STATEMENTS OF THE IMAS GROUP FOR FP2012

Extract of the Unaudited Financial Statements of the IMAS Group for FP2012

The extract of the unaudited financial statements of the IMAS Group for FP2012 is set out below. A full set of the unaudited financial statements of the IMAS Group for FP2012, including the notes thereto, may be viewed at the websites of the Company and IMAS at http://www.gallantventure.com and http://www.indomobil.com, respectively. In addition, the full set of the aforementioned financial statements is available in the CD-ROM sent together with this Circular and Shareholders who wish to have a printed copy can request for the same from the Company by completing the request form sent together with this Circular.

The original consolidated financial statements included herein are in Indonesian language.

PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN
KONSOLIDASIAN INTERIM
Pada tanggal 30 September 2012 (Tidak Diaudit),
31 Desember 2011 dan 2010 (Diaudit)
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION
As of September 30, 2012 (Unaudited),
December 31, 2011 and 2010 (Audited)
(Expressed in Rupiah, unless otherwise stated)

	Catatan/ *Notes*	30 September 2012/ *September 30, 2012*	31 Desember 2011/ *December 31, 2011*	31 Desember 2010/ *December 31, 2010* (Disajikan kembali/ *Restated)*	
ASET					***ASSETS***
ASET LANCAR					***CURRENT ASSETS***
Kas dan setara kas	2d,2g,4	1,528,719,325,011	1,609,296,007,519	489,799,095,280	*Cash and cash equivalents*
Piutang usaha	2g,5				*Accounts receivable*
Pihak-pihak berelasi	2e,26	178,903,077,677	100,355,141,260	63,758,365,066	*Related parties*
Pihak ketiga - setelah dikurangi penyisihan kerugian penurunan nilai sebesar Rp16,659,211,237 pada 30 September 2012, sebesar Rp16,402,307,936 pada 31 Desember 2011 dan sebesar Rp16,992,436,487 pada 31 Desember 2010	12,16	1,812,817,802,464	1,122,264,105,930	831,228,403,558	*Third parties - net of allowance for impairment losses of Rp16,659,211,237 as of September 30, 2012, Rp16,402,307,936 as of December 31, 2011, and Rp16,992,436,487 as of December 31, 2010*
Piutang pembiayaan - setelah dikurangi penyisihan kerugian penurunan nilai sebesar Rp7,717,746,821 pada 30 September 2012, sebesar Rp19,931,142,430 pada 31 Desember 2011 dan Rp16,716,149,384 pada 31 Desember 2010	2e,2g,2r,2s, 7,16,17,26	663,165,192,435	1,689,940,734,206	1,214,662,323,798	*Financing - net of allowance for impairment losses of Rp7,717,746,821 as of September 30, 2012, Rp19,931,142,430 as of December 31, 2011, and Rp16,716,149,384 as of December 31, 2010*
Piutang lain-lain	2g				*Others receivable*
Pihak-pihak berelasi	2e,26	45,407,207,903	24,095,807,007	108,318,721,029	*Due from related parties*
Pihak ketiga - setelah dikurangi penyisihan atas penurunan nilai piutang lain-lain sebesar Rp1,164,575,499 pada 30 September 2012, sebesar Rp1,146,143,815 pada 31 Desember 2011, dan sebesar Rp1,302,167,797 pada 31 Desember 2010		210,021,677,946	139,999,770,739	93,567,252,328	*Third parties - net of allowance for impairment losses of receivables of Rp1,164,575,499 as of September 30, 2012, Rp1,146,143,815 as of December 31, 2011, and Rp1,302,167,797 as of December 31, 2010*
Persediaan - setelah dikurangi penyisihan atas keusangan persediaan sebesar Rp8,294,922,020 pada 30 September 2012, sebesar Rp18,439,892,727 pada 31 Desember 2011, dan Rp11,097,775,652 pada 31 Desember 2010	2f,6,12, 16,26	3,806,947,085,278	2,427,737,241,367	1,542,709,421,457	*Inventories - net of allowance for inventory obsolescence Rp8,294,922,020 as of September 30, 2012, Rp18,439,892,727 as of December 31, 2011 and Rp11,097,775,652 as of December 31, 2010*
Uang muka pembelian		130,230,555,176	77,838,069,776	37,852,396,911	*Advance payments*
Pajak dibayar dimuka	2t,15a	255,871,328,673	148,002,818,321	86,145,038,658	*Prepaid tax*
Biaya dibayar dimuka	2h,27	109,254,629,690	66,108,905,583	41,154,822,271	*Prepaid expenses*
Jumlah Aset Lancar		8,741,337,882,253	7,405,638,601,708	4,509,195,840,356	*Total Current Assets*

Catatan atas laporan keuangan konsolidasian interim terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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

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**PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN
KONSOLIDASIAN INTERIM (lanjutan)
Pada tanggal 30 September 2012 (Tidak Diaudit),
31 Desember 2011 dan 2010 (Diaudit)
(Disajikan dalam Rupiah, kecuali dinyatakan lain)**

***PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION (continued)
As of September 30, 2012 (Unaudited),
December 31, 2011 and 2010 (Audited)
(Expressed in Rupiah, unless otherwise stated)***

	Catatan/ *Notes*	30 September 2012/ *September 30, 2012*	31 Desember 2011/ *December 31, 2011*	31 Desember 2010/ *December 31, 2010* (Disajikan kembali/ *Restated)*	
ASET TIDAK LANCAR					***NON-CURRENT ASSETS***
Piutang pembiayaan - setelah penyisihan kerugian penurunan nilai sebesar Rp34,431,131,092 pada 30 September 2012, sebesar Rp17,619,589,707 pada 31 Desember 2011, sebesar Rp14,456,927,879 pada 31 Desember 2010	2e,2g,2r,2s, 7,12,16, 26	3,007,913,642,321	1,529,632,964,330	1,113,224,678,215	*Financing - net of allowance for impairment losses of Rp34,431,131,092 as of September 30, 2012, Rp17,619,589,707 as of December 31, 2011 and Rp14,456,927,879 as of December 31, 2010*
Penyertaan saham - setelah dikurangi penyisihan penurunan nilai penyertaan saham sebesar Rp1,170,022,500 pada tanggal 30 September 2012, 31 Desember 2011, dan 31 Desember 2010	2b,2g,2i, 8,27	2,155,618,170,831	1,574,975,319,691	1,110,371,980,169	*Investments in shares of stock - net of allowance for decline in value of investments of Rp1,170,022,500 as of September 30, 2012, December 31, 2011, and December 31, 2010*
Aset tetap - setelah dikurangi akumulasi penyusutan sebesar Rp760,533,598,737 pada tanggal 30 September 2012, Rp671,937,158,787 pada tanggal 31 Desember 2011 dan Rp340,969,741,538 pada tanggal 31 Desember 2010	2j,2m,9, 12,26,27	2,578,299,978,968	1,876,846,372,611	745,521,923,952	*Fixed assets - net of accumulated depreciation of Rp760,533,598,737 as of September 30, 2012, Rp671,937,158,787 as of December 31, 2011, Rp340,969,741,538 as of December 31, 2010*
Aset pajak tangguhan - bersih	2t,15d	134,436,680,300	152,824,855,825	155,779,600,348	*Deferred tax assets - net*
Properti investasi - setelah dikurangi akumulasi penyusutan sebesar Rp60,717,475,193 pada tanggal 30 September 2012, Rp55,859,096,155 pada tanggal 31 Desember 2011, Rp52,994,169,880 pada tanggal 31 Desember 2010	2k,10,16, 26	166,265,442,439	153,639,334,579	136,808,572,124	*Investment property - net of accumulated depreciation of Rp60,717,475,193 as of September 30, 2012, Rp55,859,096,155 as of December 31, 2011, Rp52,994,169,880 as of December 31, 2010*
Taksiran tagihan pajak penghasilan	2t,15c	100,851,101,729	63,166,940,037	30,495,912,159	*Estimated claims for tax refund*
Aset yang dikuasakan kembali - setelah dikurangi penyisihan kerugian penurunan nilai Rp10,688,918,087 pada tanggal 30 September 2012, dan 31 Desember 2011, Rp8,190,615,407 pada tanggal 31 Desember 2010	2n	30,887,765,929	32,118,325,826	27,719,190,497	*Foreclosed assets - net of allowance for impairment losses of Rp10,688,918,087 as of September 30, 2012, and December 31, 2011, and Rp8,190,615,407 as of December 31, 2010*
Kas di bank dan deposito berjangka yang dibatasi penggunaannya	2d,2g,11, 12,27	9,030,962,936	14,819,743,688	47,193,911,015	*Restricted cash in banks and time deposits*
Piutang pihak-pihak berelasi	2e,2g,26	1,187,662,300	13,348,000	-	*Due from related parties*
Piutang derivatif - bersih	2g,16,27	1,318,951,794	-	-	*Derivatives payable - net*
Aset tidak lancar lainnya	2g,2h,2o, 26,27	193,123,015,867	110,265,839,747	108,707,952,405	*Other non-current assets*
Jumlah Aset Tidak Lancar		8,378,933,375,415	5,508,303,044,334	3,475,823,720,884	*Total Non-Current Assets*
JUMLAH ASET		**17,120,271,257,668**	**12,913,941,646,042**	**7,985,019,561,240**	***TOTAL ASSETS***

Catatan atas laporan keuangan konsolidasian interim terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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

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**PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
DAN ENTITAS ANAK
LAPOR AN POSISI KEUANGAN
KONSOLIDASIAN INTERIM (lanjutan)
Pada tanggal 30 September 2012 (Tidak Diaudit),
31 Desember 2011 dan 2010 (Diaudit)
(Disajikan dalam Rupiah, kecuali dinyatakan lain)**

***PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION (continued)
As of September 30, 2012 (Unaudited),
December 31, 2011 and 2010 (Audited)
(Expressed in Rupiah, unless otherwise stated)***

	Catatan/ *Notes*	30 September 2012/ *September 30, 2012*	31 Desember 2011/ *December 31, 2011*	31 Desember 2010/ *December 31, 2010* (Disajikan kembali/ *Restated*)	
LIABILITAS DAN EKUITAS					***SHAREHOLDERS' EQUITY***
LIABILITAS JANGKA PENDEK					***CURRENT LIABILITIES***
Utang jangka pendek	2g,2h,12,16,27	2,605,769,354,933	1,142,251,099,183	1,666,397,779,889	*Short-term loans*
Utang	2g				*Accounts payable*
Usaha					*Trade*
Pihak ketiga	13	635,159,601,098	432,303,099,868	162,925,913,049	*Third parties*
Pihak-pihak berelasi	2e,13,26	1,970,523,923,032	1,658,095,665,861	1,240,090,079,947	*Related parties*
Lain-lain					*Others*
Pihak ketiga		323,406,254,996	215,180,831,413	206,976,125,000	*Third parties*
Pihak-pihak berelasi	2e,26	70,570,198,699	185,597,701,692	62,954,269,037	*Related parties*
Uang muka pelanggan dan penyalur		313,066,978,229	274,376,672,730	123,973,415,009	*Advances from customers and distributors*
Utang pajak	2t,15b,15c	119,465,956,887	110,003,863,721	53,853,706,880	*Taxes payable*
Biaya masih harus dibayar	2g,14,17	237,638,299,082	140,302,696,154	129,659,974,425	*Accrued expenses*
Utang derivatif - bersih	2g,16,27	-	977,653,774	238,892,309	*Derivatives payable - net*
Utang jangka panjang yang jatuh tempo dalam waktu satu tahun	2g,2h				*Current maturities of long-term debts*
Utang bank	12,16,27	496,942,330,165	705,038,582,552	399,707,977,728	*Bank loans*
Utang obligasi - bersih	2p,7,17	584,751,913,698	277,222,784,330	169,502,735,558	*Bonds payable - net*
Pembiayaan konsumen	2e,2r,16,26	65,134,326,741	53,994,236,928	130,536,357	*Consumer financing*
Sewa pembiayaan	2e,2s,16,26	-	-	199,982,320	*Obligations under capital lease*
Utang lainnya	16,19,26	46,171,589,272	219,006,380,656	-	*Other loans*
Jumlah Liabilitas Jangka Pendek		**7,468,600,726,831**	**5,414,351,268,863**	**4,216,611,387,508**	***Total Current Liabilities***
LIABILITAS JANGKA PANJANG					***NON-CURRENT LIABILITIES***
Utang jangka panjang - setelah dikurangi bagian yang jatuh tempo dalam waktu satu tahun	2g,2h				*Long-term debts - net of current maturities*
Utang bank	12,16,27	1,656,005,934,424	1,117,251,076,115	647,587,196,490	*Bank loans*
Utang obligasi - bersih	2p,7,17	2,228,256,100,266	922,785,976,699	203,403,282,670	*Bonds payable - net*
Pembiayaan konsumen	2e,2r,16,26	34,988,676,691	68,830,218,749	-	*Consumer financing*
Utang lainnya	16,19,26	157,938,417,618	206,252,705,920	1,240,442,689,438	*Other loans*
Penyisihan imbalan kerja karyawan	2e,2v,26,28	87,943,540,187	79,650,982,451	63,678,456,365	*Provision for employee service entitlements benefits*
Pendapatan diterima di muka	2q,27	16,028,648,430	20,177,037,227	5,268,564,000	*Unearned revenue*
Liabilitas pajak tangguhan - bersih	2t,15d	9,017,950,191	460,904,121	79,209,091	*Deferred tax liabilities - net*
Jumlah Liabilitas Jangka Panjang		**4,190,179,267,808**	**2,415,408,901,282**	**2,160,459,398,054**	***Total Non-current Liabilities***
JUMLAH LIABILITAS		**11,658,779,994,639**	**7,829,760,170,144**	**6,377,070,785,562**	***TOTAL LIABILITIES***
EKUITAS					***SHAREHOLDERS' EQUITY***
Ekuitas yang Dapat Diatribusikan kepada Pemilik Entitas Induk					***Equity Attributable to the Equity Holders of the Parent Company***
Modal saham					*Share capital*
Modal dasar - 7.600.000.000 saham dengan nilai nominal Rp250/saham pada tanggal 30 September 2012					*Authorized - 7,600,000,000 shares par value of Rp250/share as of September 30, 2012*
Modal dasar - 3.800.000.000 saham dengan nilai nominal Rp500/saham pada tanggal 31 Desember 2011 dan 2010					*Authorized - 3,800,000,000 shares par value of Rp500/share as of December 31, 2011 and 2010*
Modal ditempatkan dan disetor penuh - 2.765.278.412 saham pada tanggal 30 September 2012, 1,382,639,206 saham pada 31 Desember 2011, dan 1,036,979,405 saham pada 31 Desember 2010	1b,16,19	691,319,603,000	691,319,603,000	518,489,702,500	*Issued and fully paid - 2,765,278,412 shares as of September 30, 2012, 1,382,639,206 shares as of December 31, 2011, and 1,036,979,405 shares as of December 31, 2010*
Agio saham	1b,20	2,993,689,010,600	2,993,689,010,600	476,589,359,450	*Premium on share capital*
Selisih transaksi perubahan ekuitas Entitas Anak dan dampak transaksi dengan kepentingan non pengendali	2b	(348,067,697,522)	(261,763,302,875)	40,423,978,509	*Differences arising from changes in equity of subsidiaries and effects of transactions with non controlling interests*
Selisih nilai transaksi restrukturisasi entitas sepengendali	2b,2u,27	191,801,675,270	103,132,363,685	(3,586,900,658)	*Differences arising from restructuring transactions among entities under common control*
Saldo laba	21				*Retained earnings*
Ditentukan penggunaannya		5,000,000,000	-	-	*Appropriated*
Belum ditentukan penggunaannya		1,500,706,180,250	1,041,141,899,688	228,174,324,527	*Unappropriated*
Komponen lain ekuitas		(71,875,754,319)	110,193,484,585	17,231,939,177	*Other components of equity*
Sub-jumlah		**4,962,573,017,279**	**4,677,713,058,683**	**1,277,322,403,505**	***Sub-total***
Kepentingan Nonpengendali	2b,18	**498,918,245,751**	**406,468,417,215**	**330,626,372,173**	***Non-controlling Interests***
Jumlah Ekuitas		**5,461,491,263,029**	**5,084,181,475,898**	**1,607,948,775,678**	***Total Equity***
JUMLAH LIABILITAS DAN EKUITAS		**17,120,271,257,668**	**12,913,941,646,042**	**7,985,019,561,240**	***TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY***

Catatan atas laporan keuangan konsolidasian interim terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
DAN ENTITAS ANAK
LAPORAN LABA RUGI KOMPREHENSIF KONSOLIDASIAN INTERIM
Untuk Sembilan Bulan yang berakhir pada tanggal 30 September 2012 dan 2011 (Tidak Diaudit)
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For Nine Months Ended September 30, 2012 and 2011 (Unaudited)
(Expressed in Rupiah, unless otherwise stated)

	2012 (Sembilan Bulan/ *Nine Months)*	Catatan/ *Notes*	2011 (Sembilan Bulan/ *Nine Months)*	
PENGHASILAN BERSIH	14,597,467,337,000	2e,2q,2r, 2s,22,26, 27,29	10,824,838,654,820	***NET REVENUES***
BEBAN POKOK PENGHASILAN	12,843,956,259,788	2e,2q,2r,9, 10,23,27,29	9,504,503,846,838	***COST OF REVENUES***
LABA KOTOR	**1,753,511,077,213**		**1,320,334,807,982**	***GROSS MARGIN***
Beban penjualan	(744,177,101,174)	2q,9,10,24, 26	(567,112,169,505)	*Selling expenses*
Beban umum dan administrasi	(559,294,144,031)	2q,9,10,24, 26	(383,048,554,063)	*General and administrative expenses*
Pendapatan operasi lain - bersih	345,314,843,404	27	350,466,484,143	*Other operating income - net*
LABA USAHA	**795,354,675,412**		**720,640,568,558**	***INCOME FROM OPERATIONS***
Bagian atas laba bersih entitas asosiasi - bersih	230,502,338,137	2b,2i,8	215,588,168,297	*Equity in net earnings of associated companies - net*
Pendapatan keuangan	55,801,869,147		39,498,776,954	*Finance income*
Beban keuangan	(216,859,547,758)		(172,347,927,829)	*Finance costs*
LABA SEBELUM BEBAN PAJAK PENGHASILAN	**864,799,334,939**		**803,379,585,979**	***INCOME BEFORE INCOME TAX EXPENSE***
Beban pajak penghasilan - bersih	(146,784,939,869)	2t,15c	(150,546,904,867)	*Income tax expense - net*
LABA BERSIH PERIODE BERJALAN	**718,014,395,070**		**652,832,681,112**	***NET INCOME FOR THE PERIOD***
Laba bersih yang dapat diatribusikan kepada				*Net Income atributable to*
Pemilik Entitas Induk	627,715,706,834		535,299,611,482	*Equity hoders of the parent Company*
Kepentingan nonpengendali	90,298,688,236		117,533,069,630	*Non-controlling interests*
Jumlah	**718,014,395,070**		**652,832,681,112**	***Total***
Laba komprehensif lain				*Other comprehensive income*
Perubahan bersih nilai wajar Investasi tersedia untuk dijual	(184,635,908,000)	2g	108,046,256,426	*Net change in fair value of investment available-for-sale*
Perubahan bersih nilai wajar instrumen derivatif, bersih setelah pajak	1,451,330,467	2g,27	(290,751,550)	*Net change in fair value of derivative instruments, net of tax*
JUMLAH LABA KOMPREHENSIF PERIODE BERJALAN	**534,829,817,537**		**760,588,185,988**	***TOTAL COMPREHENSIVE INCOME FOR THE PERIOD***
Laba komprehensif yang dapat diatribusikan kepada				*Total comprehensive income atributable to*
Pemilik entitas induk	445,646,467,892		646,858,105,317	*Equity holders of the parent company*
Kepentingan nonpengendali	89,183,349,645	2b,18	113,730,080,671	*Non-controlling interests*
Jumlah	**534,829,817,537**		**760,588,185,988**	***Total***
LABA BERSIH PER SAHAM DASAR YANG DAPAT DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK	**319**	2x,25	**516**	***BASIC EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY***

Catatan atas laporan keuangan konsolidasian interim terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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PT INDOMOBIL SUKSES INTERNASIONAL Tbk. DAN ENTITAS ANAK
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN INTERIM
Untuk sembilan bulan yang berakhir pada tanggal 30 September 2012 (Tidak Diaudit), dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010 (Diaudit)
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT INDOMOBIL SUKSES INTERNASIONAL Tbk. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For nine months ended September 30, 2012 (Unaudited), and for years ended December 31, 2011 and 2010 (Audited)
(Expressed in Rupiah, unless otherwise stated)

	Ekuitas yang dapat diatribusikan kepada pemilik entitas induk/ *Equity attributable to owners of the parent*									
	Modal Ditempatkan dan Disetor Penuh/ *Issued and Fully Paid Capital*	Agio Saham/ *Premium on Share Capital*	Selisih Transaksi Perubahan Ekuitas Entitas Anak dan Dampak Transaksi Dengan Kepentingan Nonpengendali/ *Differences Arising From Changes in Equity of Subsidiaries and Effects of Transactions with Non-controlling Interest*	Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali/ *Differences Arising from Restructuring Transactions among Entities under Common Control*	Saldo Laba (Akumulasi Rugi)/ *Retained Earnings (Deficit)*	Komponen Lain Ekuitas/ *Other Component Equity*	Jumlah/ *Total*	Kepentingan NonSepengendali/ *Company Non-controlling Interests*	Jumlah Ekuitas/ *Total Equity*	
Saldo 31 Desember 2010 (disajikan kembali)	518,489,702,500	476,589,359,450	40,423,978,509	(3,586,900,658)	228,174,324,527	17,231,939,177	1,277,322,403,505	330,626,372,173	1,607,948,775,678	*Balance as of December 31, 2010 (restated)*
Hasil PUT II - bersih	172,829,900,500	2,517,099,651,150	-	-	-	-	2,689,929,551,650	-	2,689,929,551,650	*Proceeds from LPO II - net*
Dampak transaksi dengan kepentingan nonpengendali	-	-	(302,187,281,384)	-	-	-	(302,187,281,384)	-	(302,187,281,384)	*Effect arising from transaction with non-controlling interest*
Selisih nilai transaksi restrukturisasi entitas sepengendali bersih	-	-	-	106,719,264,343	-	-	106,719,264,343	-	106,719,264,343	*Differences arising from restructuring transactions among entities under common control - net*
Laba komprehensif lainnya	-	-	-	-	-	92,961,545,408	92,961,545,408	2,407,185,061	95,368,730,469	*Other comprehensive income*
Pengurangan kepentingan nonpengendali	-	-	-	-	-	-	-	(56,930,379,253)	(56,930,379,253)	*Deduction of non-controlling interest*
Penambahan kepentingan nonpengendali	-	-	-	-	-	-	-	8,000,000,000	8,000,000,000	*Addition to non-controlling interests*
Pembagian dividen kepada pemegang saham kepentingan nonpengendali	-	-	-	-	-	-	-	(35,558,517,348)	(35,558,517,348)	*Dividend paid to non-controlling interests*
Laba tahun berjalan	-	-	-	-	812,967,575,161	-	812,967,575,161	157,923,756,582	970,891,331,743	*ended December 31, 2011*
Saldo 31 Desember 2011	691,319,603,000	2,993,689,010,600	(261,763,302,875)	103,132,363,685	1,041,141,899,688	110,193,484,585	4,677,713,058,683	406,468,417,215	5,084,181,475,898	*Balance as of December 31, 2011*

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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

The original consolidated financial statements included herein are in Indonesian language.

PT INDOMOBIL SUKSES INTERNASIONAL Tbk. DAN ENTITAS ANAK
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN INTERIM (lanjutan)
Untuk sembilan bulan yang berakhir pada tanggal 30 September 2012 (Tidak Diaudit), dan tahun yang berakhir pada tanggal-tanggal 31 Desember 2011 dan 2010 (Diaudit)
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT INDOMOBIL SUKSES INTERNASIONAL Tbk. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)
For the nine months ended September 30, 2012 (Unaudited), and for years ended December 31, 2011 and 2010 (Audited)
(Expressed in Rupiah, unless otherwise stated)

	Ekuitas yang dapat diatribusikan kepada pemilik entitas induk/ *Equity attributable to owners of the parent*									
	Modal Ditempatkan dan Disetor Penuh/ *Issued and Fully Paid Capital*	Agio Saham/ *Premium on Share Capital*	Selisih Transaksi Perubahan Ekuitas Entitas Anak dan Dampak Transaksi Dengan Kepentingan Nonpengendali/ *Differences Arising From Changes in Equity of Subsidiaries and Effects of Transactions with Non-controlling Interest*	Selisih Nilai Transaksi Restrukturisasi Entitas Sepengendali/ *Differences Arising from Restructuring Transactions among Entities under Common Control*	Saldo Laba (Akumulasi Rugi)/ *Retained Earnings (Deficit)*	Komponen Lain Ekuitas/ *Other Component Equity*	Jumlah/ *Total*	Kepentingan NonSepengendali/ *Company Non-controlling Interests*	Jumlah Ekuitas/ *Total Equity*	
Saldo 31 Desember 2011	691,319,603,000	2,993,689,010,600	(261,763,302,875)	103,132,363,685	1,041,141,899,688	110,193,484,585	4,677,713,058,683	406,468,417,215	5,084,181,475,898	*Balance as of December 31, 2011*
Selisih transaksi perubahan ekuitas			(86,304,394,647)	-	-	-	(86,304,394,647)	(413,521,072)	(86,717,915,718)	*Differences arising from changes in equity*
Selisih nilai transaksi restrukturisasi entitas sepengendali bersih	-	-	-	88,669,311,585	-	-	88,669,311,585	-	88,669,311,585	*Transactions of Entities under Common Control*
Laba komprehensif lainnya	-	-	-	-	-	(182,069,238,904)	(182,069,238,904)	(1,115,338,629)	(183,184,577,533)	*Other comprehensive income*
Laba bersih yang dapat diatribusikan kepada kepentingan nonpengendali	-	-	-	-	-	-	-	90,298,688,236	90,298,688,236	*Net income/total comprehensive income attributable to company non-controlling interests*
Penambahan kepentingan nonpengendali	-	-	-	-	-	-	-	19,917,200,000	19,917,200,000	*Addition to company non-controlling interests*
Pengurangan kepentingan nonpengendali	-	-	-	-	-	-	-	(6,407,200,000)	(6,407,200,000)	*Deduction to company non-controlling interests*
Pembagian dividen kepada kepentingan nonpengendali	-	-	-	-	(163,151,426,272)	-	(163,151,426,272)	(9,830,000,000)	(172,981,426,272)	*Dividend paid to non-controlling interests*
Laba bersih Sembilan Bulan yang berakhir pada tanggal 30 September 2012	-	-	-	-	627,715,706,834	-	627,715,706,834	-	627,715,706,834	*Net income for Nine Months ended September 30, 2012*
Saldo 30 September 2012	**691,319,603,000**	**2,993,689,010,600**	**(348,067,697,522)**	**191,801,675,270**	**1,505,706,180,250**	**(71,875,754,319)**	**4,962,573,017,279**	**498,918,245,750**	**5,461,491,263,029**	***Balance as of September 30, 2012***

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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

The original consolidated financial statements included herein are in Indonesian language.

PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
DAN ENTITAS ANAK
LAPORAN ARUS KAS KONSOLIDASIAN INTERIM
Untuk Sembilan Bulan yang Berakhir pada 30 September 2012 dan 2011
(Tidak Diaudit)
(Disajikan dalam Rupiah, kecuali dinyatakan lain)

PT INDOMOBIL SUKSES INTERNASIONAL Tbk.
AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
For Nine Months Ended September 30, 2012 and 2011 (Unaudited)
(Expressed in Rupiah, unless otherwise stated)

	2012 (Sembilan Bulan/ *Nine Months*)	2011 (Sembilan Bulan/ *Nine Months*)	
ARUS KAS DARI AKTIVITAS OPERASI			***CASH FLOWS FROM OPERATING ACTIVITIES***
Penerimaan kas dari pelanggan	18,362,059,210,499	8,351,519,826,181	*Cash receipts from customers*
Pembayaran kas kepada pemasok	(18,443,249,242,946)	(7,661,985,854,226)	*Cash payments to suppliers*
Pembayaran beban usaha	(1,145,692,536,977)	(1,047,896,699,557)	*Payments of operating expenses*
Pembayaran beban bunga dan beban keuangan lainnya	(420,100,902,987)	(377,617,574,568)	*Payments of interest and other financing charges*
Pembayaran pajak	(531,499,505,769)	(251,072,726,838)	*Payments of taxes*
Penerimaan lain-lain - bersih	(66,829,189,587)	(256,233,961,538)	*Other receipts - net*
Kas bersih yang digunakan untuk aktivitas operasi	**(2,245,312,167,767)**	**(1,243,286,990,546)**	***Net cash used in operating activities***
ARUS KAS DARI AKTIVITAS INVESTASI			***CASH FLOWS FROM INVESTING ACTIVITIES***
Bunga yang diterima dan penerimaan dari pencairan / (penempatan) kas di bank dan deposito berjangka yang dibatasi penggunaannya	14,379,509,656	(87,035,682,512)	*Interest received on and proceeds from terminations of / (placement for) restricted cash in banks and time deposits*
Penerimaan penambahan modal saham dari kepentingan nonpengendali	19,900,000,000	8,000,000,000	*Proceeds from additional capital stock contribution of non-controlling interests*
Penerimaan dari penjualan aset tetap	8,055,451,623	10,696,576,562	*Proceeds from sale of fixed assets*
Penerimaan dari divestasi penyertaan saham	5,161,669,862	300,414,800	*Proceeds from divestment of investments in shares of stock*
Pembelian aset tetap	(885,397,045,364)	(125,126,496,213)	*Acquisition of fixed assets*
Pembayaran dividen	(155,788,665,626)	(32,150,000,000)	*Payments of dividends*
Penambahan penyertaan saham	(569,942,833,000)	(298,646,250,000)	*Addition in investment in shares of stock*
Penerimaan dividen dari entitas asosiasi	114,152,316,836	114,310,630,069	*Dividends received from associated companies*
Kas bersih yang digunakan untuk aktivitas investasi	**(1,449,479,596,013)**	**(409,650,807,294)**	***Net cash used in investing activities***
ARUS KAS DARI AKTIVITAS PENDANAAN			***CASH FLOWS FROM FINANCING ACTIVITIES***
Penerimaan dari utang jangka panjang	3,812,785,182,017	3,568,162,773,471	*Proceeds from long-term debts availments*
Penerimaan dari utang jangka pendek	8,154,676,736,955	2,534,927,732,565	*Proceeds from short-term loans availments*
Penerimaan dari Penawaran Umum Terbatas II (PUT II)	-	2,765,278,408,000	*Proceeds from Limited Public Offering II (LPO II)*
Pembayaran utang jangka pendek	(6,293,258,078,239)	(3,996,140,136,643)	*Payments of short-term loans*
Pembayaran utang jangka panjang	(2,111,729,018,683)	(2,337,292,834,368)	*Payments of long-term debts*
Pembayaran untuk sumber pendanaan lainnya	(274,627,829,452)	(1,928,076,587,615)	*Payments of other financing activities*
Penerimaan dari sumber pendanaan lainnya	326,368,088,675	2,168,308,695,630	*Proceeds from other financing activities*
Pembayaran biaya emisi	-	(75,198,856,350)	*Payments of issuance costs*
Kas bersih yang diperoleh dari aktivitas pendanaan	**3,614,215,081,272**	**2,699,969,194,690**	***Net cash provided by financing activities***
PENINGKATAN (PENURUNAN) BERSIH KAS DAN SETARA KAS	**(80,576,682,508)**	**1,047,031,396,850**	***NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS***
KAS DAN SETARA KAS AWAL PERIODE	**1,609,296,007,519**	**489,799,095,280**	***CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD***
KAS DAN SETARA KAS AKHIR PERIODE	**1,528,719,325,011**	**1,536,830,492,130**	***CASH AND CASH EQUIVALENTS AT END OF PERIOD***

Catatan atas laporan keuangan konsolidasian interim terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan.

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

Extract of the Audited Financial Statements of the Gallant Group for FY2009

The extract of the audited financial statements of the Gallant Group for FY2009 is set out below. A full set of the audited financial statements of the Gallant Group for FY2009 including the notes thereto, may be viewed at the website of the Company at http://www.gallantventure.com.

Statements of Financial Position

For the year ended 31 December 2009

		The Company		The Group	
		2009	2008	**2009**	2008
	Note	**$'000**	$'000	**$'000**	$'000
Assets					
Non-Current					
Intangible assets	4	**7**	7	**1,397**	1,483
Property, plant and equipment	5	**359**	343	**361,240**	368,879
Investment properties	6	**–**	–	**276,591**	295,209
Subsidiaries	7	**1,207,642**	1,207,642	**–**	–
Associate companies	8	**–**	–	**14,998**	802
Other investments	9	**–**	–	**–**	–
Deferred tax assets	10	**–**	–	**5,409**	6,507
Loan receivable	11	**–**	–	**60,000**	62,046
Other non-current assets	12	**–**	–	**2,547**	2,944
		1,208,008	1,207,992	**722,182**	737,870
Current					
Land inventories	13	**–**	–	**552,808**	549,918
Other inventories	14	**–**	–	**11,226**	15,588
Trade and other receivables	15	**128,873**	102,285	**43,242**	70,593
Cash and bank balances	16	**357**	1,124	**118,717**	89,867
		129,230	103,409	**725,993**	725,966
Total assets		**1,337,238**	1,311,401	**1,448,175**	1,463,836
Equity and liabilities					
Share capital	17	**1,207,642**	1,207,642	**1,207,642**	1,207,642
Translation reserves		**–**	–	**(974)**	(980)
(Accumulated losses)/retained profits		**(4,670)**	(1,980)	**29,359**	39,859
Equity attributable to equity holders of the Company		**1,202,972**	1,205,662	**1,236,027**	1,246,521
Non-controlling interests		**–**	–	**28,807**	30,990
Total equity		**1,202,972**	1,205,662	**1,264,834**	1,277,511
Liabilities					
Non-Current					
Deposits from tenants/golf membership	18	**–**	–	**35,194**	36,100
Employee benefits liabilities	19	**–**	–	**7,319**	5,527
Deferred tax liabilities	20	**–**	–	**1,168**	583
Loans and borrowings	21	**33,093**	34,420	**34,593**	34,420
		33,093	34,420	**78,274**	76,630
Current					
Trade and other payables	22	**819**	3,573	**47,451**	50,617
Current tax payable		**–**	–	**1,172**	7,637
Loans and borrowings	21	**100,354**	67,746	**56,444**	51,441
		101,173	71,319	**105,067**	109,695
Total liabilities		**134,266**	105,739	**183,341**	186,325
Total equity and liabilities		**1,337,238**	1,311,401	**1,448,175**	1,463,836

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2009

	Note	Year ended 31 December 2009 $'000	Year ended 31 December 2008 $'000
Revenue	3	187,573	225,173
Cost of sales		(154,847)	(167,984)
Gross profit		32,726	57,189
Other income	23	3,877	6,100
General and administrative expenses		(10,249)	(9,847)
Other operating expenses	24	(27,131)	(33,065)
Share of associate companies' profits		124	330
Finance costs	25	(2,780)	(2,778)
(Loss)/profit before taxation	26	(3,433)	17,929
Taxation	28	(9,233)	(18,866)
Loss after taxation		(12,666)	(937)
Other comprehensive income after taxation:	29		
- Currency translation differences		51	(306)
Total comprehensive income for the year		(12,615)	(1,243)
(Loss)/profit attributable to:			
- Equity holders of the Company		(10,500)	557
- Non-controlling interests		(2,166)	(1,494)
		(12,666)	(937)
Total comprehensive income attributable to:			
- Equity holders of the Company		(10,494)	307
- Non-controlling interests		(2,121)	(1,550)
		(12,615)	(1,243)
Basic and diluted (loss)/earnings per share (in cents)	30	(0.44)	0.02

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2009

	Share capital $'000	Translation reserves $'000	Retained profits $'000	Attributable to equity holders of the Company $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 January 2008	1,207,642	(730)	39,302	1,246,214	32,606	1,278,820
Total comprehensive income for the year	–	(250)	557	307	(1,550)	(1,243)
Dividends paid to non-controlling interests	–	–	–	–	(66)	(66)
Balance at 31 December 2008	1,207,642	(980)	39,859	1,246,521	30,990	1,277,511
Total comprehensive income for the year	–	6	(10,500)	(10,494)	(2,121)	(12,615)
Dividends paid to non-controlling interests	–	–	–	–	(62)	(62)
Balance at 31 December 2009	1,207,642	(974)	29,359	1,236,027	28,807	1,264,834

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2009

	Year ended 31 December 2009 $'000	Year ended 31 December 2008 $'000
Cash Flows from Operating Activities		
(Loss)/profit before taxation	(3,433)	17,929
Adjustments for:		
Amortisation of intangible assets	199	150
Depreciation of property, plant and equipment and investment properties	56,649	55,622
Currency translation difference	(331)	(914)
Gain on sale of investment property	(160)	(1,584)
Loss on disposal of property, plant and equipment	11	45
Share of associate companies' profits	(124)	(330)
Impairment of trade and other receivables	4,435	894
(Reversal)/allowance for inventories obsolescence	(371)	623
Provision for employees' benefits	1,856	1,048
Interest expense	2,780	2,778
Interest income	(2,070)	(4,117)
Operating profit before working capital changes	59,441	72,144
Increase in land inventories	(2,890)	(3,437)
Decrease/(increase) in other inventories	4,733	(5,708)
Decrease/(increase) in operating receivables	13,712	(9,419)
Increase in operating payables	2,951	3,532
Cash generated from operating activities	77,947	57,112
Income tax paid	(17,657)	(17,527)
Employee benefits paid	(65)	(914)
Interest paid	(5,254)	(5,349)
Interest received	13,320	3,461
Deposits (refunded to)/received from tenants/golf members	(906)	711
Net cash generated from operating activities	67,385	37,494
Cash Flows from Investing Activities		
Acquisition of intangible assets	(113)	(185)
Acquisition of property, plant and equipment (Note A)	(31,693)	(22,145)
Acquisition of investment properties	(898)	(1,819)
Investment in associate company	(14,166)	–
Dividend from associate company	150	330
Proceeds from disposal of property, plant and equipment	2,482	34
Proceeds from sale of investment property	210	4,500
Deposits refunded	397	422
Net cash used in investing activities	(43,631)	(18,863)
Cash Flows from Financing Activities		
Proceeds from bank borrowings	46,515	19,464
Repayment of bank borrowings	(41,357)	(33,077)
Decrease/(increase) in fixed deposits pledged with a bank	11,413	(8,137)
Dividends paid to non-controlling interests	(62)	(66)
Net cash generated from/(used in) financing activities	16,509	(21,816)
Increase/(decrease) in cash and cash equivalents	40,263	(3,185)
Cash and cash equivalents at beginning of year	78,454	81,639
Cash and cash equivalents at end of year (Note 16)	118,717	78,454

Note A: Property, plant and equipment

During the financial year, the Group acquired property, plant and equipment with an aggregate cost of $31,711,000 (2008 - $22,251,000) of which $18,000 (2008 - $106,000) was acquired by means of finance leases. Cash payment of $31,693,000 (2008 - $22,145,000) were made to purchase property, plant and equipment.

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Extract of the Audited Financial Statements of the Gallant Group for FY2010

The extract of the audited financial statements of the Gallant Group for FY2010 is set out below. A full set of the audited financial statements of the Gallant Group for FY2010, including the notes thereto, may be viewed at the website of the Company at http://www.gallantventure.com.

Statements of Financial Position

as at 31 December 2010

		The Company		The Group	
		2010	2009	**2010**	2009
	Note	**$'000**	$'000	**$'000**	$'000
Assets					
Non-Current					
Intangible assets	4	**3**	7	**1,403**	1,397
Property, plant and equipment	5	**287**	359	**334,588**	361,240
Investment properties	6	**–**	–	**253,733**	276,591
Subsidiaries	7	**1,207,642**	1,207,642	**–**	–
Associate companies	8	**–**	–	**14,951**	14,998
Other investments	9	**–**	–	**–**	–
Deferred tax assets	10	**–**	–	**4,286**	5,409
Loan receivable	11	**–**	–	**47,500**	60,000
Notes receivable	12	**278,613**	–	**278,613**	–
Interest receivable from notes	12	**12,383**	–	**12,383**	–
Other non-current assets	13	**–**	–	**2,896**	2,547
		1,498,928	1,208,008	**950,353**	722,182
Current					
Land inventories	14	**–**	–	**558,509**	552,808
Other inventories	15	**–**	–	**11,115**	11,226
Trade and other receivables	16	**124,844**	128,873	**44,526**	43,242
Cash and bank balances	17	**86,278**	357	**160,365**	118,717
		211,122	129,230	**774,515**	725,993
Total assets		**1,710,050**	1,337,238	**1,724,868**	1,448,175
Equity and liabilities					
Share capital	18	**1,207,642**	1,207,642	**1,207,642**	1,207,642
Translation reserves		**–**	–	**(908)**	(974)
(Accumulated losses)/retained profits		**(9,264)**	(4,670)	**38,676**	29,359
Equity attributable to equity holders of the Company		**1,198,378**	1,202,972	**1,245,410**	1,236,027
Non-controlling interests		**–**	–	**26,759**	28,807
Total equity		**1,198,378**	1,202,972	**1,272,169**	1,264,834
Liabilities					
Non-Current					
Deposits from tenants/golf membership	19	**–**	–	**35,298**	35,194
Employee benefits liabilities	20	**–**	–	**7,625**	7,319
Deferred tax liabilities	21	**223**	–	**1,743**	1,168
Loans and borrowings	22	**256,572**	33,093	**256,616**	34,593
Other liabilities		**839**	–	**839**	–
		257,634	33,093	**302,121**	78,274
Current					
Trade and other payables	23	**26,799**	819	**67,986**	47,451
Current tax payable		**25**	–	**2,819**	1,172
Loans and borrowings	22	**227,214**	100,354	**79,773**	56,444
		254,038	101,173	**150,578**	105,067
Total liabilities		**511,672**	134,266	**452,699**	183,341
Total equity and liabilities		**1,710,050**	1,337,238	**1,724,868**	1,448,175

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Comprehensive Income

for the financial year ended 31 December 2010

	Note	**Year ended 31 December 2010 $'000**	Year ended 31 December 2009 $'000
Revenue	3	**220,103**	184,843
Cost of sales		**(168,020)**	(151,207)
Gross profit		**52,083**	33,636
Other income	24	**21,315**	2,967
General and administrative expenses		**(13,258)**	(10,249)
Other operating expenses	25	**(24,837)**	(27,131)
Share of associate companies' profits		**93**	124
Finance costs	26	**(14,198)**	(2,780)
Profit/(loss) before taxation	27	**21,198**	(3,433)
Taxation	29	**(13,844)**	(9,233)
Profit/(loss) after taxation		**7,354**	(12,666)
Other comprehensive income after taxation:	30		
- Currency translation differences		**48**	51
Total comprehensive income/(loss) for the year		**7,402**	(12,615)
Profit/(loss) attributable to:			
- Equity holders of the Company		**9,317**	(10,500)
- Non-controlling interests		**(1,963)**	(2,166)
		7,354	(12,666)
Total comprehensive income/(loss) attributable to:			
- Equity holders of the Company		**9,383**	(10,494)
- Non-controlling interests		**(1,981)**	(2,121)
		7,402	(12,615)
Basic and diluted earnings/(loss) per share (in cents)	31	**0.39**	(0.44)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Changes in Equity

for the financial year ended 31 December 2010

	Share capital $'000	Translation reserves $'000	Retained profits $'000	Attributable to equity holders of the Company $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 January 2009	1,207,642	(980)	39,859	1,246,521	30,990	1,277,511
Total comprehensive income/(loss) for the year	–	6	(10,500)	(10,494)	(2,121)	(12,615)
Dividends paid to non-controlling interests	–	–	–	–	(62)	(62)
Balance at 31 December 2009	**1,207,642**	**(974)**	**29,359**	**1,236,027**	**28,807**	**1,264,834**
Total comprehensive income/(loss) for the year	**–**	**66**	**9,317**	**9,383**	**(1,981)**	**7,402**
Dividends paid to non-controlling interests	**–**	**–**	**–**	**–**	**(67)**	**(67)**
Balance at 31 December 2010	**1,207,642**	**(908)**	**38,676**	**1,245,410**	**26,759**	**1,272,169**

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Cash Flows

for the financial year ended 31 December 2010

	Year ended 31 December 2010 $'000	Year ended 31 December 2009 $'000
Cash Flows from Operating Activities		
Profit/(loss) before taxation	**21,198**	(3,433)
Adjustments for:		
Amortisation of intangible assets	**143**	199
Depreciation of property, plant and equipment and investment properties	**55,230**	56,649
Currency translation difference	**153**	(331)
Gain on sale of investment property	**(277)**	(160)
(Gain)/loss on disposal of property, plant and equipment	**(175)**	11
Share of associate companies' profits	**(93)**	(124)
Impairment of trade and other receivables	**655**	4,435
Allowance/(reversal) for inventories obsolescence	**774**	(371)
Provision for employees' benefits	**799**	1,856
Interest expense	**14,198**	2,780
Interest income	**(14,655)**	(2,070)
Operating profit before working capital changes	**77,950**	59,441
Increase in land inventories	**(5,701)**	(2,890)
(Increase)/decrease in other inventories	**(663)**	4,733
Decrease in operating receivables	**10,562**	13,712
Increase in operating payables	**24,514**	2,951
Cash generated from operating activities	**106,662**	77,947
Income tax paid	**(12,035)**	(17,657)
Employee benefits paid	**(492)**	(65)
Interest paid	**(15,802)**	(5,254)
Interest received	**2,271**	13,320
Deposits received from/(refunded to) tenants/golf members	**104**	(906)
Net cash generated from operating activities	**80,708**	67,385
Cash Flows from Investing Activities		
Acquisition of intangible assets	**(149)**	(113)
Acquisition of property, plant and equipment (Note A)	**(7,472)**	(31,693)
Acquisition of investment properties	**(149)**	(898)
Investment in notes	**(278,613)**	–
Investment in associate company	**–**	(14,166)
Dividend from associate company	**120**	150
Proceeds from disposal of property, plant and equipment	**177**	2,482
Proceeds from sale of investment property	**2,090**	210
Deposits (paid)/refunded	**(349)**	397
Net cash used in investing activities	**(284,345)**	(43,631)
Cash Flows from Financing Activities		
Proceeds from bank borrowings	**365,234**	46,515
Repayment of bank borrowings	**(119,882)**	(41,357)
Decrease in fixed deposits pledged with a bank	**–**	11,413
Dividends paid to non-controlling interests	**(67)**	(62)
Net cash generated from financing activities	**245,285**	16,509
Increase in cash and cash equivalents	**41,648**	40,263
Cash and cash equivalents at beginning of year	**118,717**	78,454
Cash and cash equivalents at end of year (Note 17)	**160,365**	118,717

Note A: Property, plant and equipment

During the financial year, the Group acquired property, plant and equipment with an aggregate cost of $7,472,000 (2009 - $31,711,000) of which $Nil (2009 - $18,000) was acquired by means of finance leases. Cash payment of $7,472,000 (2009 - $31,693,000) were made to purchase property, plant and equipment.

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Extract of the Audited Financial Statements of the Gallant Group for FY2011

The extract of the audited financial statements of the Gallant Group for FY2011 is set out below. A full set of the audited financial statements of the Gallant Group for FY2011, including the notes thereto, may be viewed at the website of the Company at http://www.gallantventure.com.

Statement of Financial Position

As at 31 December 2011

		The Company		The Group	
		2011	2010	**2011**	2010
	Note	**$'000**	$'000	**$'000**	$'000
Assets					
Non-Current					
Intangible assets	4	**30**	3	**1,344**	1,403
Property, plant and equipment	5	**169**	287	**307,665**	334,588
Investment properties	6	**–**	–	**232,437**	253,733
Subsidiaries	7	**1,207,642**	1,207,642	**–**	–
Associates	8	**–**	–	**15,454**	14,951
Other investments	9	**–**	–	**–**	–
Deferred tax assets	10	**–**	–	**4,198**	4,286
Loan receivable	11	**–**	–	**47,500**	47,500
Notes receivable	12	**279,556**	278,613	**279,556**	278,613
Other non-current assets	13	**34,827**	12,383	**37,322**	15,279
		1,522,224	1,498,928	**925,476**	950,353
Current					
Land inventories	14	**–**	–	**569,681**	558,509
Other inventories	15	**–**	–	**10,860**	11,115
Trade and other receivables	16	**125,134**	124,844	**44,993**	44,526
Cash and bank balances	17	**52,558**	86,278	**95,084**	160,365
		177,692	211,122	**720,618**	774,515
Total assets		**1,699,916**	1,710,050	**1,646,094**	1,724,868
Equity and liabilities					
Share capital	18	**1,207,642**	1,207,642	**1,207,642**	1,207,642
Translation reserves		**–**	–	**(1,461)**	(908)
(Accumulated losses)/retained profits		**(9,034)**	(9,264)	**46,960**	38,676
Equity attributable to equity holders of the Company		**1,198,608**	1,198,378	**1,253,141**	1,245,410
Non-controlling interests		**–**	–	**24,975**	26,759
Total equity		**1,198,608**	1,198,378	**1,278,116**	1,272,169
Liabilities					
Non-Current					
Deposits from tenants/golf membership	19	**–**	–	**31,856**	35,298
Employee benefits liabilities	20	**–**	–	**8,514**	7,625
Deferred tax liabilities	21	**411**	223	**2,082**	1,743
Loans and borrowings	22	**177,491**	256,572	**177,509**	256,616
Other liabilities		**–**	839	**–**	839
		177,902	257,634	**219,961**	302,121
Current					
Trade and other payables	23	**35,766**	26,799	**64,847**	67,986
Current tax payable		**32**	25	**2,974**	2,819
Loans and borrowings	22	**287,608**	227,214	**80,196**	79,773
		323,406	254,038	**148,017**	150,578
Total liabilities		**501,308**	511,672	**367,978**	452,699
Total equity and liabilities		**1,699,916**	1,710,050	**1,646,094**	1,724,868

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2011

	Note	**Year ended 31 December 2011 $'000**	Year ended 31 December 2010 $'000
Revenue	3	**203,367**	220,103
Cost of sales		**(161,194)**	(168,020)
Gross profit		**42,173**	52,083
Other income	24	**29,611**	21,315
General and administrative expenses		**(13,405)**	(13,258)
Other operating expenses	25	**(25,848)**	(24,837)
Share of associate companies' profits		**744**	93
Finance costs	26	**(15,744)**	(14,198)
Profit before taxation	27	**17,531**	21,198
Taxation	29	**(10,927)**	(13,844)
Profit after taxation		**6,604**	7,354
Other comprehensive income after taxation:	30		
- Currency translation differences		**(607)**	48
Total comprehensive income for the year		**5,997**	7,402
Profit attributable to:			
- Equity holders of the Company		**8,284**	9,317
- Non-controlling interests		**(1,680)**	(1,963)
		6,604	7,354
Total comprehensive income attributable to:			
- Equity holders of the Company		**7,731**	9,383
- Non-controlling interests		**(1,734)**	(1,981)
		5,997	7,402
Basic and diluted earnings per share (in cents)	31	**0.34**	0.39

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2011

	Share capital $'000	Translation reserves $'000	Retained profits $'000	Attributable to equity holders of the Company $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 January 2010	1,207,642	(974)	29,359	1,236,027	28,807	1,264,834
Total comprehensive income for the year	–	66	9,317	9,383	(1,981)	7,402
Dividends paid to non-controlling interests	–	–	–	–	(67)	(67)
Balance at 31 December 2010	**1,207,642**	**(908)**	**38,676**	**1,245,410**	**26,759**	**1,272,169**
Total comprehensive income for the year	**–**	**(553)**	**8,284**	**7,731**	**(1,734)**	**5,997**
Dividends paid to non-controlling interests	**–**	**–**	**–**	**–**	**(50)**	**(50)**
Balance at 31 December 2011	**1,207,642**	**(1,461)**	**46,960**	**1,253,141**	**24,975**	**1,278,116**

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2011

	Year ended 31 December 2011 $'000	Year ended 31 December 2010 $'000
Cash Flows from Operating Activities		
Profit before taxation	**17,531**	21,198
Adjustments for:		
Amortisation of intangible assets	**160**	143
Depreciation of property, plant and equipment and investment properties	**54,654**	55,230
Currency translation difference	**(1,392)**	154
Gain on disposal of investment property	**(80)**	(277)
Gain on disposal of property, plant and equipment	**(267)**	(175)
Gain on disposal of a subsidiary	**(21)**	–
Impairment of trade and other receivables	**1,260**	655
Allowance for inventories obsolescence	**5**	774
Provision for employees' benefits	**1,280**	798
Interest expense	**15,744**	14,198
Interest income	**(19,450)**	(14,655)
Share of associates' profits	**(744)**	(93)
Operating profit before working capital changes	**68,680**	77,950
Increase in land inventories	**(11,173)**	(5,701)
Decrease/(increase) in other inventories	**249**	(663)
(Increase)/decrease in operating receivables	**(7,181)**	10,562
(Decrease)/increase in operating payables	**(3,681)**	24,514
Cash generated from operating activities	**46,894**	106,662
Income tax paid	**(10,569)**	(12,035)
Employee benefits paid	**(391)**	(492)
Interest paid	**(14,885)**	(15,802)
Interest received	**1,524**	2,271
Deposits (refunded to)/received from tenants/golf members	**(3,442)**	104
Net cash generated from operating activities	**19,131**	80,708
Cash Flows from Investing Activities		
Acquisition of intangible assets	**(101)**	(149)
Acquisition of property, plant and equipment	**(6,795)**	(7,472)
Acquisition of investment properties	**(720)**	(149)
Investment in notes	**–**	(278,613)
Dividend from associate	**240**	120
Proceeds from disposal of property, plant and equipment	**1,245**	177
Proceeds from sale of investment property	**125**	2,090
Cash outflow on disposal of a subsidiary (Note A)	**(7)**	–
Deposits refunded/(paid)	**402**	(349)
Net cash used in investing activities	**(5,611)**	(284,345)
Cash Flows from Financing Activities		
Proceeds from bank borrowings	**312**	365,234
Repayment of bank borrowings	**(79,063)**	(119,882)
Dividends paid to non-controlling interests	**(50)**	(67)
Net cash (used in)/generated from financing activities	**(78,801)**	245,285
(Decrease)/increase in cash and cash equivalents	**(65,281)**	41,648
Cash and cash equivalents at beginning of year	**160,365**	118,717
Cash and cash equivalents at end of year (Note 17)	**95,084**	160,365

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Cash Flows (cont'd)

For the financial year ended 31 December 2011

Note A: Disposal of a subsidiary

The Group disposed of a subsidiary during the year. The carrying value of assets disposed and discharged were as follow:

	2011 $'000	2010 $'000
Net assets disposed of		
Property, plant and equipment	**17**	–
Bank balance	**247**	–
Trade and other receivables	**75**	–
Trade and other payables	**(120)**	–
Gain on disposal of a subsidiary	**21**	–
Cash consideration	**240**	–
Cash balance in subsidiary disposed of	**(247)**	–
Cash outflow on disposal	**(7)**	–

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Extract of the Unaudited Financial Statements of the Gallant Group for FP2012

The extract of the unaudited financial statements of the Gallant Group for FP2012 is set out below. A full set of the unaudited financial statements of the Gallant Group for FP2012, including the notes thereto, may be viewed at the website of the Company at http://www.gallantventure.com.

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Third Quarter 2012 Financial Statements and Dividend Announcement

UNAUDITED RESULTS FOR THIRD QUARTER ENDED 30 SEPTEMBER 2012

The Board of Directors of Gallant Venture Ltd announces the following unaudited results of the Group for the period ended 30 September 2012.

1(a)(i). ***An income statement and statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.***

	GROUP					
	Quarter ended 30 September			YTD 30 September		
	3rd Qtr 2012 S$'000	3rd Qtr 2011 S$'000	Incr/ (Decr) %	9 months 2012 S$'000	9 months 2011 S$'000	Incr/ (Decr) %
Revenue	**44,339**	47,469	(6.6)	**139,350**	140,494	(0.8)
Cost of sales	**(37,792)**	(39,292)	(3.8)	**(120,954)**	(118,825)	1.8
Gross profit	**6,547**	8,177	(19.9)	**18,396**	21,669	(15.1)
General and administrative expenses	**(3,140)**	(3,150)	(0.3)	**(9,543)**	(8,960)	6.5
Other operating expenses	**(6,079)**	(6,690)	(9.1)	**(18,251)**	(18,715)	(2.5)
Other income net of other expenses	**3,538**	566	N.M	**4,600**	6,211	(25.9)
Interest income	**5,528**	4,877	13.3	**17,221**	14,720	17.0
Finance costs	**(4,738)**	(3,786)	25.1	**(14,015)**	(12,167)	15.2
Exchange loss	**2,769**	1,673	65.5	**1,736**	862	101.4
Share of associated company's profit	**(1,594)**	12	N.M	**1,715**	52	N.M
(Loss)/profit before tax	**2,831**	1,679	68.6	**1,859**	3,672	(49.4)
Taxation	**(3,891)**	(2,633)	47.8	**(8,978)**	(8,100)	10.8
Loss after tax for the period	**(1,060)**	(954)	11.1	**(7,119)**	(4,428)	60.8
Other comprehensive income:						
Exchange differences on translating foreign operations	**(349)**	(306)	14.0	**(681)**	(542)	25.6
Other comprehensive loss for the period	**(349)**	(306)	14.0	**(681)**	(542)	25.6
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(1,409)**	(1,260)	11.8	**(7,800)**	(4,970)	56.9
(Loss)/profit attributable to:						
Equity holders of the Company	**(710)**	(554)	28.1	**(6,026)**	(3,381)	78.2
Non-controlling interest	**(350)**	(400)	(12.5)	**(1,093)**	(1,047)	4.4
	(1,060)	(954)	11.1	**(7,119)**	(4,428)	60.8
Total comprehensive (loss)/income attributable to:						
Equity holders of the Company	**(1,004)**	(807)	24.4	**(6,682)**	(3,874)	72.5
Non-controlling Interests	**(405)**	(453)	(10.6)	**(1,118)**	(1,096)	2.0
	(1,409)	(1,260)	11.8	**(7,800)**	(4,970)	56.9

N.M. denotes "Not Meaningful"

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1(a)(ii). Profit before taxation is arrived at after charging/(crediting) the following significant items.

	Group			
	Quarter ended 30 September		YTD 30 September	
	3rd Qtr 2012 S$'000	3rd Qtr 2011 S$'000	9 months 2012 S$'000	9 months 2011 S$'000
Amortisation of intangible assets	**30**	34	**154**	115
Depreciation of property, plant and equipment	**7,669**	8,051	**23,427**	23,939
Depreciation of investment properties	**5,561**	5,552	**16,813**	16,618
Gain on sale of property, plant and equipment	**(3)**	(134)	**(296)**	(945)
Gain from sale of investment properties	**-**	-	**-**	(80)
Gain on sale of a subsidiary	**-**	-	**-**	(21)

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

	Group		Company	
	30.09.12	31.12.11	**30.09.12**	31.12.11
	S$'000	S$'000	**S$'000**	S$'000
Non-current assets				
Intangible assets	**3,293**	1,344	**7**	30
Property, plant and equipment	**291,391**	307,665	**120**	169
Investment properties	**211,591**	232,437	**-**	-
Subsidiaries	**-**	-	**1,207,642**	1,207,642
Associated companies	**17,109**	15,454	**-**	-
Deferred tax assets	**3,283**	4,198	**-**	-
Loan receivables	**47,500**	47,500	**-**	-
Notes receivables	**260,478**	279,556	**6,137**	279,556
Other non-current assets	**76,164**	37,322	**1,818**	34,827
	910,809	925,476	**1,215,724**	1,522,224
Current assets				
Land inventories	**581,015**	569,681	**-**	-
Other inventories	**12,806**	10,860	**-**	-
Trade and other receivables	**43,947**	44,993	**127,672**	125,134
Cash and bank balances	**59,166**	95,084	**4,192**	52,558
	697,934	720,618	**131,864**	177,692
Total assets	**1,608,743**	1,646,094	**1,347,588**	1,699,916
Non-current liabilities				
Deposits from tenants/golf membership	**31,258**	31,856	**-**	-
Employee benefits liabilities	**8,298**	8,514	**-**	-
Deferred tax liabilities	**1,996**	2,082	**411**	411
Loans and borrowings	**227,174**	177,509	**-**	177,491
	268,726	219,961	**411**	177,902
Current liabilities				
Trade and other payables	**45,474**	64,847	**6,220**	35,766
Current tax payable	**5,213**	2,974	**21**	32
Current portion of loans and borrowings	**19,014**	80,196	**148,797**	287,608
	69,701	148,017	**155,038**	323,406
Total liabilities	**338,427**	367,978	**155,449**	501,308
Equity				
Share capital	**1,207,642**	1,207,642	**1,207,642**	1,207,642
Translation reserves	**(2,117)**	(1,461)	**-**	-
Retained profits/(accumulated losses)	**40,934**	46,960	**(15,503)**	(9,034)
Equity attributable to equity holders of the Company	**1,246,459**	1,253,141	**1,192,139**	1,198,608
Non-controlling interest	**23,857**	24,975	**-**	-
Total equity	**1,270,316**	1,278,116	**1,192,139**	1,198,608
Total liabilities and equity	**1,608,743**	1,646,094	**1,347,588**	1,699,916

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1(b)(ii). Aggregate amount of the Group's borrowings and debt securities.

	Group	
	30.09.12	**31.12.11**
	S$'000	**S$'000**
(i) Amount payable in one year or less, or on demand		
Secured	**18,796**	79,871
Unsecured	**218**	325
	19,014	80,196
(ii) Amount repayable after one year		
Secured	**227,156**	177,491
Unsecured	**18**	18
	227,174	177,509
TOTAL	**246,188**	257,705

(iii) Details of any collaterals

During the period under review, the Group has obtained a long term facilities from CIMB Niaga to repay existing bank borrowings and for the general purposes of the Group.

Arising from the refinancing, the following securities were discharged:

1. Security Documents:
   (i) Assignment of Notes;
   (ii) Deed of Sponsor's Undertaking;
   (iii) Indonesian Guarantor Undertaking from certain subsidiaries in the Group; and
   (iv) Share pledges / mortgages from companies relating to the Shanghai acquisition.

2. Pledge of shares of PT Batamindo Investment Cakrawala ("PT BIC"), PT Bintan Inti Industrial Estate ("PT BIIE"), PT Batam Bintan Telekomunikasi, PT Buana Megawisatama ("PT BMW"), Verizon Resorts Limited and World Elite Investment Limited; and

3. Assignment of insurance proceeds, receivables and tangible assets of PT BIC, PT BIIE and PT BMW.

The following assets of the Group were in-turn mortgaged to CIMB Niaga:

1. Pledge of land title over Batamindo Industrial Park;

2. Pledge of shares and accounts of PT Batamindo Investment Cakrawala ("PT BIC");

3. Assignment of insurance proceeds, receivables and equipment of PT BIC

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

	Group	
	30.09.12	**30.09.11**
	S$'000	**S$'000**
Cash flows from operating activities		
Profit before taxation	**1,859**	3,672
Adjustments for:		
Amortisation of intangible assets	**154**	114
Depreciation of property, plant and equipment	**23,427**	23,939
Depreciation of investment properties	**16,813**	16,618
Currency translation difference	**(1,317)**	(1,167)
Provision for employee benefits	**972**	805
Gain on sale of investment properties	**-**	(80)
Gain on sale of property, plant & equipment	**(296)**	(945)
Gain on sale of a subsidiary	**-**	(21)
Share of associated companies' profits	**(1,715)**	(52)
Interest expense	**14,015**	12,167
Interest income	**(17,221)**	(14,720)
Cash from operations before changes in working capital	**36,691**	40,330
Changes in working capital		
Increase in land inventories	**(12,334)**	(11,885)
Increase in other inventories	**(1,946)**	(1,765)
Increase in operating receivables	**(1,279)**	(10,302)
Decrease in operating payables	**(22,352)**	(99)
Cash (used in)/generated from operating activities	**(1,220)**	16,279
Income tax paid	**(2,931)**	(2,439)
Employee benefits paid	**(237)**	(203)
Interest paid	**(15,065)**	(11,371)
Interest received	**696**	652
Deposits refunded to tenants/golf members	**(599)**	(1,184)
Net cash (used in)/generated operating activities	**(19,356)**	1,734
Cash flows from investing activities		
Acquisition of intangible assets	**(2,103)**	(60)
Acquisition of property, plant and equipment	**(9,541)**	(6,720)
Acquisition of investment properties	**(33)**	-
Acquisition of subsidiaries, net of cash acquired (Note A)	**55**	-
Proceeds from sale of property, plant and equipment	**2,284**	1,927
Proceeds from sale of investment properties	**4,187**	125
Net proceeds from disposal of a subsidiary	**-**	(7)
Deposits received/(paid)	**83**	95
Dividends from associate companies	**60**	120
Net cash generated from/(used in) investing activities	**(5,008)**	(4,520)
Cash flows from financing activities		
Loan from financial institutions	**247,494**	312
Repayment of bank loan	**(259,011)**	(39,241)
Dividends paid to non-controlling interest	**(37)**	(51)
Net cash used in financing activities	**(11,554)**	(38,980)
Net decrease in cash and cash equivalents	**(35,918)**	(41,766)
Cash and cash equivalents at beginning of period	**95,084**	160,365
Cash and cash equivalents at end of period	**59,166**	118,599

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Note A: Acquisition of subsidiaries

The Group acquired subsidiaries during the period. The carrying value of assets and liabilities acquired were as follows:

	30.09.12 S$'000
Net assets acquired	
Current assets	1,917
Current liabilities	(3,704)
	(1,787)
Cash consideration	(230)
Goodwill on acquisition	2,017
Effect of the acquisition on cashflow:	
Cash consideration	230
Cash balance in subsidiaries acquired	285
Cash inflow on acquisition	55

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

Consolidated statement of changes in equity for the period ended 30 September 2012:

	Share capital	Translation reserves	Retained profits	Attributable to equity holders of the Company	Non-controlling Interest	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Balance as at 1 January 2011	1,207,642	(908)	38,676	1,245,410	26,759	1,272,169
Total comprehensive loss for the period	-	(239)	(2,827)	(3,066)	(645)	(3,711)
Balance as at 30 June 2011	1,207,642	(1,147)	35,849	1,242,344	26,114	1,268,458
Total comprehensive loss for the period	-	(255)	(554)	(809)	(451)	(1,260)
Balance as 30 September 2011	1,207,642	(1,402)	35,295	1,241,535	25,663	1,267,198
Balance as at 1 January 2012	**1,207,642**	**(1,461)**	**46,960**	**1,253,141**	**24,975**	**1,278,116**
Total comprehensive loss for the period	**-**	**(362)**	**(5,316)**	**(5,678)**	**(713)**	**(6,391)**
Balance as at 30 June 2012	**1,207,642**	**(1,823)**	**41,644**	**1,247,463**	**24,262**	**1,271,725**
Total comprehensive loss for the period	**-**	**(294)**	**(710)**	**(1,004)**	**(405)**	**(1,409)**
Balance as 30 September 2012	**1,207,642**	**(2,117)**	**40,934**	**1,246,459**	**23,857**	**1,270,316**

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Statement of changes in equity of the Company for the period ended 30 September 2012:

	Share Capital S$'000	(Accumulated losses)/retained profits S$'000	Total S$'000
Balance as at 1 January 2011	1,207,642	(9,264)	1,198,378
Total comprehensive loss for the period	-	146	146
Balance as at 30 June 2011	1,207,642	(9,118)	1,198,524
Total comprehensive loss for the period	-	669	669
Balance as at 30 September 2011	1,207,642	(8,449)	1,199,193
Balance as at 1 January 2012	**1,207,642**	**(9,034)**	**1,198,608**
Total comprehensive loss for the period	**-**	**(4,774)**	**(4,774)**
Balance as at 30 June 2012	**1,207,642**	**(13,808)**	**1,193,834**
Total comprehensive loss for the period	**-**	**(1,695)**	**(1,695)**
Balance as at 30 September 2012	**1,207,642**	**(15,503)**	**1,192,139**

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

None.

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

The total number of issued shares excluding treasury shares as at 30 September 2012 and 30 September 2011 were 2,412,482,556.

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

None.

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

The financial statements have not been audited or reviewed by the auditor.

Extract of the Unaudited Financial Statements of the Gallant Group for FY2012

The extract of the unaudited financial statements of the Gallant Group for FY2012 is set out below. A full set of the unaudited financial statements of the Gallant Group for FY2012, including the notes thereto, may be viewed at the website of the Company at http://www.gallantventure.com.

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Full Year 2012 Financial Statements and Dividend Announcement

UNAUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2012

The Board of Directors of Gallant Venture Ltd announces the following unaudited results of the Group for the period ended 31 December 2012.

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

	GROUP					
	Quarter ended 31 December			YTD 31 December		
	4th Qtr 2012 S$'000	4th Qtr 2011 S$'000	Incr/ (Decr) %	Full year 2012 S$'000	Full year 2011 S$'000	Incr/ (Decr) %
Revenue	**64,879**	62,873	3.2	**204,229**	203,367	0.4
Cost of sales	**(39,870)**	(42,369)	(5.9)	**(160,824)**	(161,194)	(0.2)
Gross profit	**25,009**	20,504	22.0	**43,405**	42,173	2.9
General and administrative expenses	**(4,933)**	(4,445)	11.0	**(14,476)**	(13,405)	8.0
Other operating expenses	**(5,753)**	(7,133)	(19.3)	**(24,004)**	(25,848)	(7.1)
Other income	**589**	2,388	(75.3)	**5,189**	8,599	(39.7)
Interest income	**5,491**	4,730	16.1	**22,712**	19,450	16.8
Finance costs	**(4,516)**	(3,577)	26.3	**(18,531)**	(15,744)	17.7
Exchange gain	**4,131**	700	490.1	**5,867**	1,562	275.6
Share of associated companies' profit	**189**	692	(72.7)	**1,904**	744	155.9
Profit before tax	**20,207**	13,859	45.8	**22,066**	17,531	25.9
Taxation	**(3,440)**	(2,827)	21.7	**(12,418)**	(10,927)	13.6
PROFIT AFTER TAX FOR THE PERIOD	**16,767**	11,032	52.0	**9,648**	6,604	46.1
Other comprehensive income/(loss):						
Exchange differences on translating foreign operations	**(90)**	(64)	40.6	**(771)**	(606)	27.2
Other comprehensive income/(loss) for the period	**(90)**	(64)	40.6	**(771)**	(606)	27.2
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR	**16,677**	10,968	52.1	**8,877**	5,998	48.0
Profit/(loss) attributable to:						
Equity holders of the Company	**17,108**	11,664	46.7	**11,082**	8,284	33.8
Non-controlling interests	**(341)**	(632)	(46.0)	**(1,434)**	(1,680)	(14.6)
	16,767	11,032	52.0	**9,648**	6,604	46.1
Total comprehensive income/(loss) attributable to:						
Equity holders of the Company	**16,983**	11,605	46.3	**10,301**	7,731	33.2
Non-controlling interests	**(306)**	(637)	(52.1)	**(1,424)**	(1,733)	(17.8)
	16,677	10,968	52.1	**8,877**	5,998	48.0

N.M. denotes "Not Meaningful"

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1(a)(ii). *Profit before taxation is arrived at after charging/(crediting) the following significant items.*

	Group			
	Quarter ended 31 December		YTD 31 December	
	4th Qtr 2012	4th Qtr 2011	Full year 2012	Full year 2011
	S$'000	S$'000	S$'000	S$'000
Amortisation of intangible assets	**22**	45	**176**	160
Depreciation of property, plant and equipment	**7,624**	8,565	**31,051**	32,504
Depreciation of investment properties	**5,645**	5,532	**22,458**	22,150
Loss /(gain) on disposal of property, plant and equipment	**754**	(4)	**458**	(949)
Gain from sale of investment properties	**-**	-	**-**	(80)
Gain on sale of a subsidiary	**-**	-	**-**	(21)
Allowance for impairment loss on trade receivables	**564**	1,260	**564**	1,260

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

	Group		Company	
	31.12.12 S$'000	**31.12.11 S$'000**	**31.12.12 S$'000**	**31.12.11 S$'000**
Non-current assets				
Intangible assets	**3,275**	1,344	**-**	30
Property, plant and equipment	**283,794**	307,665	**95**	169
Investment properties	**207,280**	232,437	**-**	-
Subsidiaries	**-**	-	**1,207,642**	1,207,642
Associated companies	**17,196**	15,454	**-**	-
Deferred tax assets	**3,309**	4,198	**-**	-
Loan receivables	**47,500**	47,500	**-**	-
Notes receivables	**260,459**	279,556	**6,119**	279,556
Other non-current assets	**80,986**	37,322	**1,943**	34,827
	903,799	925,476	**1,215,799**	1,522,224
Current assets				
Land inventories	**585,796**	569,681	**-**	-
Other inventories	**11,320**	10,860	**-**	-
Trade and other receivables	**58,332**	44,993	**124,485**	125,134
Cash and bank balances	**66,769**	95,084	**4,494**	52,558
	722,217	720,618	**128,979**	177,692
Total assets	**1,626,016**	1,646,094	**1,344,778**	1,699,916
Non-current liabilities				
Deposits from tenants/golf membership	**30,013**	31,856	**-**	-
Employee benefits liabilities	**8,359**	8,514	**-**	-
Deferred tax liabilities	**1,953**	2,082	**127**	411
Loans and borrowings	**211,933**	177,509	**-**	177,491
	252,258	219,961	**127**	177,902
Current liabilities				
Trade and other payables	**56,312**	64,847	**7,270**	35,766
Current tax payable	**3,399**	2,974	**24**	32
Current portion of loans and borrowings	**27,093**	80,196	**144,148**	287,608
	86,804	148,017	**151,442**	323,406
Total liabilities	**339,062**	367,978	**151,569**	501,308
Equity				
Share capital	**1,207,642**	1,207,642	**1,207,642**	1,207,642
Translation reserves	**(2,242)**	(1,461)	**-**	-
Retained profits/(accumulated losses)	**58,042**	46,960	**(14,433)**	(9,034)
Equity attributable to equity holders of the Company	**1,263,442**	1,253,141	**1,193,209**	1,198,608
Non-controlling interests	**23,512**	24,975	**-**	-
Total equity	**1,286,954**	1,278,116	**1,193,209**	1,198,608
Total liabilities and equity	**1,626,016**	1,646,094	**1,344,778**	1,699,916

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1(b)(ii). Aggregate amount of the Group's borrowings and debt securities.

		Group	
		31.12.12	**31.12.11**
		S$'000	**S$'000**
(i)	Amount payable in one year or less, or on demand		
	Secured	**25,061**	79,871
	Unsecured	**2,032**	325
		27,093	80,196
(ii)	Amount repayable after one year		
	Secured	**203,756**	177,491
	Unsecured	**8,177**	18
		211,933	177,509
	TOTAL	**239,026**	257,705

(iii) Details of any collaterals

During the period under review, the Group has obtained a long term facilities from CIMB Niaga to repay existing bank borrowings and for the general purposes of the Group.

Arising from the refinancing, the following securities were discharged:

1. Security Documents:
   (i) Assignment of Notes;
   (ii) Deed of Sponsor's Undertaking;
   (iii) Indonesian Guarantor Undertaking from certain subsidiaries in the Group; and
   (iv) Share pledges / mortgages from companies relating to the Shanghai acquisition.

2. Pledge of shares of PT Batamindo Investment Cakrawala ("PT BIC"), PT Bintan Inti Industrial Estate ("PT BIIE"), PT Batam Bintan Telekomunikasi, PT Buana Megawisatama ("PT BMW"), Verizon Resorts Limited and World Elite Investment Limited; and

3. Assignment of insurance proceeds, receivables and tangible assets of PT BIC, PT BIIE and PT BMW.

The following assets of the Group were in-turn mortgaged to CIMB Niaga:

1. Pledge of land title over Batamindo Industrial Park;

2. Pledge of shares and accounts of PT Batamindo Investment Cakrawala ("PT BIC");

3. Assignment of insurance proceeds, receivables and equipment of PT BIC.

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

	Group	
	31.12.12	31.12.11
	S$'000	S$'000
Profit before taxation	**22,066**	17,531
Adjustments for:		
Amortisation of intangible assets	**176**	160
Depreciation of property, plant and equipment	**31,051**	32,504
Depreciation of investment properties	**22,458**	22,150
Currency translation difference	**(1,418)**	(1,523)
Provision for employee benefits	**1,138**	1,411
Provision for impairment loss on trade receivables	**564**	1,260
Gain on sale of investment properties	**-**	(80)
Loss/(gain) on sale of property, plant & equipment	**458**	(949)
Gain on sale of a subsidiary	**-**	(21)
Share of associated companies' profits	**(1,904)**	(744)
Interest expense	**18,531**	15,744
Interest income	**(22,712)**	(19,450)
Cash from operations before changes in working capital	**70,408**	67,993
Changes in working capital		
Increase in land inventories	**(16,114)**	(11,173)
(Increase)/Decrease in other inventories	**(459)**	254
Increase in operating receivables	**(15,710)**	(7,181)
Decrease in operating payables	**(15,798)**	(3,681)
Cash generated from operating activities	**22,327**	46,212
Income tax paid	**(3,970)**	(10,569)
Employee benefits paid	**(316)**	(391)
Interest paid	**(19,580)**	(14,885)
Interest received	**902**	1,524
Deposits (refunded to)/ received from tenants/golf members	**(1,844)**	(3,442)
Net cash (used in)/generated from operating activities	**(2,481)**	18,449
Cash flows from investing activities		
Acquisition of intangible assets	**(2,108)**	(100)
Acquisition of property, plant and equipment	**(13,321)**	(7,515)
Acquisition of investment properties	**(32)**	-
Proceeds from disposal of property, plant and equipment	**3,951**	1,927
Proceeds from sale of investment properties	**4,175**	125
Acquisition of subsidiaries, net cash inflow on acquisition (Note A)	**55**	-
Net proceeds from disposal of a subsidiary	**-**	(7)
Dividends from associated companies	**120**	240
Deposits received	**44**	401
Net cash used in investing activities	**(7,116)**	(4,929)
Cash flows from financing activities		
Loan from financial institutions	**243,353**	312
Repayment of bank loan	**(262,032)**	(79,063)
Dividends paid	**(39)**	(50)
Net cash used in financing activities	**(18,718)**	(78,801)
Net decrease in cash and cash equivalents	**(28,315)**	(65,281)
Cash and cash equivalents at beginning of period	**95,084**	160,365
Cash and cash equivalents at end of period	**66,769**	95,084

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Note A: Acquisition of subsidiaries

The Group acquired subsidiaries during the year. The carrying value of assets and liabilities acquired were as follows:

	31.12.12 S$'000
Net assets acquired	
Current assets	1,917
Current liabilities	(3,707)
	(1,790)
Cash consideration	(230)
Goodwill on acquisition	2,020
Effect of the acquisition on cashflow:	
Cash consideration	230
Cash balance in subsidiaries acquired	285
Cash inflow on acquisition	55

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

Consolidated statement of changes in equity for the period ended 31 December 2012:

	Share capital	Translation reserves	Retained profits	Attributable to equity holders of the Company	Non-controlling Interest	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Balance as at 1 January 2011	1,207,642	(908)	38,676	1,245,410	26,759	1,272,169
Total comprehensive loss for the period	-	(489)	(3,380)	(3,869)	(1,097)	(4,966)
Balance as at 30 September 2011	1,207,642	(1,397)	35,296	1,241,541	25,662	1,267,203
Total comprehensive income for the period	-	(64)	11,664	11,600	(637)	10,963
Dividends paid to non-controlling interest	-	-	-	-	(50)	(50)
Balance as 31 December 2011	1,207,642	(1,461)	46,960	1,253,141	24,975	1,278,116
Balance as at 1 January 2012	**1,207,642**	**(1,461)**	**46,960**	**1,253,141**	**24,975**	**1,278,116**
Total comprehensive loss for the period	**-**	**(656)**	**(6,026)**	**(6,682)**	**(1,118)**	**(7,800)**
Balance as at 30 September 2012	**1,207,642**	**(2,117)**	**40,934**	**1,246,459**	**23,857**	**1,270,316**
Total comprehensive income for the period	**-**	**(125)**	**17,108**	**16,983**	**(306)**	**16,677**
Dividends paid to non-controlling interest	**-**	**-**	**-**	**-**	**(39)**	**(39)**
Balance as 31 December 2012	**1,207,642**	**(2,242)**	**58,042**	**1,263,442**	**23,512**	**1,286,954**

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Statement of changes in equity of the Company for the period ended 31 December 2012:

	Share Capital S$'000	(Accumulated losses)/retained profits S$'000	Total S$'000
Balance as at 1 January 2011	1,207,642	(9,264)	1,198,378
Total comprehensive income for the period	-	815	815
Balance as at 30 September 2011	1,207,642	(8,449)	1,199,193
Total comprehensive loss for the period	-	(585)	(585)
Balance as at 31 December 2011	1,207,642	(9,034)	1,198,608
Balance as at 1 January 2012	**1,207,642**	**(9,034)**	**1,198,608**
Total comprehensive loss for the period	**-**	**(6,469)**	**(6,469)**
Balance as at 30 September 2012	**1,207,642**	**(15,503)**	**1,192,139**
Total comprehensive income for the period	**-**	**1,070**	**1,070**
Balance as at 31 December 2012	**1,207,642**	**(14,433)**	**1,193,209**

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

None

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

The total number of issued shares excluding treasury shares as at 31 December 2012 and 31 December 2011 were 2,412,482,556.

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

None.

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

The financial statements have not been audited or reviewed by the auditor.

The following contains a general summary of the terms and conditions of the Bonds to be issued by the Company to the Vendor in connection with the Proposed Acquisition, and does not purport to be complete and may not contain all the information that is important to you. This following summary is derived from, and should be read in conjunction with, the terms and conditions of the Bonds, which are set out in their entirety in the Convertible Bond Deed and the Non-Convertible Bond Deed which shall prevail to the extent of any inconsistency with the terms set out herein.

The principal terms and conditions of the Convertible Bonds are summarised as follows:

Issuer	:	Gallant Venture Ltd.
Tenor	:	Five (5) years.
Principal Amount	:	S$80,000,000.
Issue Price	:	100 per cent. of the Principal Amount of the Convertible Bonds.
Coupon	:	The Convertible Bonds are non-interest bearing.
Form	:	The Convertible Bonds will be issued in registered form.
Bondholder's Conversion Right	:	The Bondholder may, at its option, convert the Convertible Bonds in whole (and not in part) during the Conversion Period subject to the terms and conditions of the Convertible Bonds.
Conversion Period	:	The Convertible Bonds are convertible into Conversion Shares by the Convertible Bond holder at any time on and after the date falling one (1) year after the date of issue of the Convertible Bonds up to the close of business falling seven (7) Business Days (as defined in the Convertible Bond Deed) prior to the maturity date.
Conversion at the Option of the Company at Maturity	:	The Company may by written notice given in accordance with the Convertible Bond Deed convert all of the outstanding Convertible Bonds into Conversion Shares on their maturity date.
Conversion Price & Adjustment	:	The Conversion Price is S$0.320 for each Conversion Share, which may be subject to adjustment from time to time as provided in the terms and conditions of the Convertible Bonds.

In the event that there is any alteration to the number of issued Shares as a result of consolidation, subdivision or reclassification, there shall be such adjustment or adjustments to the Conversion Price to take into account such alteration to the number of issued Shares. The Conversion Price may be adjusted by multiplying the Conversion Price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

where:

A	is the number of Shares issued immediately before such alteration; and
B	is the number of issued Shares immediately after such alteration

		Such adjustment, if any, shall become effective on the date the alteration takes effect or such other date as the Company may decide. In addition, the Conversion Price is subject to adjustment in the event of rights, bonus or other capitalisation issues, subject to the terms and conditions of the Convertible Bonds. For the avoidance of doubt, the Company shall not be obliged under any circumstances whatsoever to make any adjustment to the principal amount of Convertible Bonds.
Transfer of Convertible Bonds	:	The Convertible Bonds may only be transferred by the holder of the Convertible Bonds in whole and not in part. The holder of the Convertible Bonds may (after and only after the first anniversary of the date of issue) transfer all (and not part only) of the Convertible Bonds by delivery of the Convertible Bond certificate and a duly executed transfer form to the specified address of the Company. Subject to compliance by the Convertible Bonds holder of the Convertible Bond Deed, the Company shall register the transfer on receipt of the duly completed transfer form duly executed by the transferor and the transferee.
Status of the Convertible Bonds	:	The Convertible Bonds and the Non-Convertible Bonds will constitute direct and unsecured obligations of the Company and shall at all times rank *pari passu* and without any preference or priority among themselves, and the payment obligations of the Company under the Convertible Bonds rank at least *pari passu* with all other unsecured obligations (other than subordinated obligations and priorities created by law) of the Company.
Status of the Conversion Shares	:	The Conversion Shares will rank for any dividends, rights, allotments or other distributions, the record date for which is on or after the Share Registration Date as defined in the Convertible Bond Deed and (subject as aforesaid) will rank *pari passu* in all respects with the Shares of the Company then existing. For this purpose, "**record date**" means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which shareholders of the Company must be registered in order to participate in such dividends, rights, allotments or other distributions.
Redemption at Maturity by Company	:	Unless previously redeemed or converted, the Company shall redeem the Convertible Bonds at the Principal Amount or the relevant outstanding part thereof on their maturity date.
Redemption at the Option of the Company	:	The Company may at its option at any time prior to the maturity date redeem the Convertible Bonds in whole or in part in accordance with the terms and conditions of the Convertible Bonds.

Events of Default	:	Upon the occurrence of any event of default specified in the terms and conditions of the Convertible Bonds (including where a resolution is passed or an order is made for the winding-up or dissolution of the Company) and if such event of default is continuing, the Bondholder may give notice to the Company in accordance with the terms and conditions of the Convertible Bonds that the Convertible Bonds are, and they shall accordingly thereby become, immediately due and repayable at the Redemption Amount as defined in the Convertible Bond Deed.
Listing of Conversion Shares	:	The Convertible Bonds will be unlisted. The Company has on 4 March 2013 received the approval in-principle of the SGX-ST for the listing and quotation of the Conversion Shares on the Official List of the SGX-ST.
Governing Law	:	Singapore law.

The principal terms and conditions of the Non-Convertible Bonds are summarised as follows:

Issuer	:	Gallant Venture Ltd.
Tenor	:	Five (5) years.
Principal Amount	:	S$104,703,220.
Issue Price	:	100 per cent. of the Principal Amount of the Non-Convertible Bonds.
Coupon	:	The Non-Convertible Bonds shall bear interest from (and including) the date of issue of the Non-Convertible Bonds at the rate of 1.0 per cent. per annum, payable in arrear on (but excluding) the maturity date.
Form	:	The Non-Convertible Bonds will be issued in registered form.
Status of the Non-Convertible Bonds	:	The Non-Convertible Bonds and the Convertible Bonds will constitute direct and unsecured obligations of the Company and shall at all times rank *pari passu* and without any preference or priority among themselves, and the payment obligations of the Company under the Non-Convertible Bonds rank at least *pari passu* with all other unsecured obligations (other than subordinated obligations and priorities created by law) of the Company.
Redemption at Maturity by Company	:	Unless previously redeemed, the Company shall redeem the Non-Convertible Bonds at the Principal Amount or the relevant outstanding part thereof on their maturity date.
Redemption at the Option of the Company	:	The Company may at its option at any time prior to the maturity date redeem the Non-Convertible Bonds in whole or in part in accordance with the terms and conditions of the Non-Convertible Bonds.

Events of Default	:	Upon the occurrence of any event of default specified in the terms and conditions of the Non-Convertible Bonds (including where a resolution is passed or an order is made for the winding-up or dissolution of the Company) and if such event of default is continuing, the Bondholder may give notice to the Company in accordance with the terms and conditions of the Non-Convertible Bonds that the Non-Convertible Bonds are, and they shall accordingly thereby become, immediately due and repayable at the Redemption Amount as defined in the Non-Convertible Bond Deed.
Listing	:	The Non-Convertible Bonds will be unlisted.
Governing Law	:	Singapore law.

GALLANT VENTURE LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200303179Z)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("**EGM**") of Gallant Venture Ltd. (the "**Company**") will be held at Amara Singapore Hotel, Ballroom 1, Level 3, 165 Tanjong Pagar Road, Singapore 088539 on 28 March 2013 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions (with or without modifications) as Ordinary Resolutions:

ORDINARY RESOLUTIONS

Ordinary Resolution 1: Approval of the Acquisition of Shares in the Capital of IMAS

THAT contingent upon the passing of Ordinary Resolution 2, approval and authority be and is hereby given to the Directors to undertake the proposed acquisition of shares in the capital of PT Indomobil Sukses Internasional Tbk. ("**IMAS Shares**") involving:

(a) the acquisition of IMAS Shares representing approximately 52.35% of the issued share capital of PT Indomobil Sukses Internasional Tbk. for an aggregate consideration of US$809,259,000 from PT Cipta Sarana Duta Perkasa on such terms and conditions as the Directors may in their absolute discretion determine including:

(i) to enter into deed poll(s) to constitute, create and issue an aggregate of S$184,703,220 in principal amount of bonds in connection with such acquisition including S$80,000,000 in principal amount of convertible bond(s) (the "**Convertible Bonds**"), such Convertible Bonds being convertible into new ordinary shares in the capital of the Company (the "**Conversion Shares**") on such terms and conditions including conversion price (the "**Conversion Price**") and tenor as the Directors may determine;

(ii) to allot and issue (notwithstanding that the issue thereof may take place after the next or any ensuing annual or other general meeting of the Company) such number of Conversion Shares as may be required or permitted to be allotted or issued subject to and in accordance with the terms and conditions of the Convertible Bonds, such Conversion Shares to be credited as fully paid upon issue and to rank *pari passu* in all respects with the then existing ordinary shares in the capital of the Company save as may be otherwise provided under the terms and conditions of the Convertible Bonds; and

(iii) on the same basis as paragraph (a)(ii) above, to allot and issue (notwithstanding that the issue thereof may take place after the next or any ensuing annual or other general meeting of the Company) such further Conversion Shares as may be required to be allotted and issued on conversion of the Convertible Bonds in the event that the Conversion Price is adjusted in accordance with the terms and conditions of the Convertible Bonds; and

(b) the acquisition of IMAS Shares pursuant to a tender offer on such terms and conditions as the Directors may determine;

and to take such steps, do such acts and things and exercise such discretions as the Directors may in their absolute discretion consider necessary or desirable in connection with or pursuant to any of the abovementioned matters (including but not limited to finalising, approving and executing all such documents as may be required in connection with the proposed acquisition of IMAS Shares and making amendments to the terms and conditions of the proposed transactions above).

Ordinary Resolution 2: Approval of the Proposed Rights Issue

THAT contingent upon the passing of Ordinary Resolution 1, the rights issue (the "**Proposed Rights Issue**") of 2,412,482,556 new ordinary shares in the capital of the Company (the "**Rights Shares**") be and is hereby approved and authority be and is hereby given to the Directors:

(a) to offer, allot (whether by way of provisional allotment or otherwise) and issue, notwithstanding that the issue thereof may take place after the next or any ensuing annual or other general meeting of the Company, 2,412,482,556 Rights Shares by way of a renounceable rights issue at a price of S$0.280 per Rights Share on the basis of one (1) Rights Share for every one (1) existing ordinary share in the capital of the Company (the "**Shares**") held as at 5.00 p.m. on 4 April 2013 (or such other time and date as the Directors may determine), being the date and time at and on which the Register of Members and the Share Transfer Books of the Company will be closed to determine the provisional entitlements of shareholders of the Company (the "**Shareholders**") under the Proposed Rights Issue (the "**Books Closure Date**"), fractional entitlements, if any, to be disregarded, or otherwise on such terms and conditions as the Directors may determine including, if the Directors in their absolute discretion think fit, the following terms:

(i) that the provisional allotments of the Rights Shares shall be made on a non-underwritten renounceable basis to Shareholders with registered addresses in Singapore (as set out in the Company's Register of Members and/or Transfer Books or the records of The Central Depository (Pte) Limited ("**CDP**"), as the case may be) as at the Books Closure Date or who have, at least three (3) Market Days (as defined in the Company's Circular to Shareholders dated 13 March 2013 (the "**Circular**")) prior to the Books Closure Date, provided to the Company or CDP, as the case may be, addresses in Singapore for the service of notices and documents;

(ii) that no provisional allotment of Rights Shares shall be made in favour of, and no provisional allotment letters, application forms or other documents in respect thereof shall be issued or sent to, Shareholders who, as at the Books Closure Date, do not have registered addresses in Singapore (as set out in the Company's Register of Members and/or Transfer Books or the records of CDP, as the case may be) and who have not, at least three (3) Market Days prior to the Books Closure Date, provided to the Company or CDP, as the case may be, addresses in Singapore for the service of notices and documents ("**Foreign Shareholders**");

(iii) that the entitlements to the Rights Shares which would otherwise accrue to Foreign Shareholders shall be disposed of or dealt with by the Company in such manner and on such terms and conditions as the Directors may, in their absolute discretion, determine and in connection therewith, the Directors be and are hereby authorised to provisionally allot such entitlements to such person(s) as the Directors may, in their absolute discretion, deem fit as nominee(s) for the purpose of renouncing the provisional allotment letters or application forms relating thereto or disposing of such entitlements to purchasers thereof and to pool and thereafter distribute the proceeds, if any, thereof (after deducting all dealing and other expenses in connection therewith) to and amongst such Foreign Shareholders in proportion to their respective shareholdings as at the Books Closure Date provided that if the amount to be distributed to any single Foreign Shareholder is less than S$10.00, such amount shall be retained for the sole benefit of the Company or otherwise dealt with as the Directors, in their absolute discretion, deem fit; and

(iv) that the Rights Shares shall, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the record date for which falls after the date of issue of the Rights Shares;

(b) to aggregate and allot the entitlements to the Rights Shares not taken up or allotted for any reason or which represent fractional entitlements disregarded in accordance with the terms of the Rights Issue to satisfy excess applications for the Rights Shares or otherwise dispose of or deal with the same in such manner and on such terms and conditions as the Directors may, in their absolute discretion, deem fit; and

(c) to take such steps, do such acts and things and exercise such discretions as the Directors may in their absolute discretion consider necessary or desirable in connection with or pursuant to the abovementioned matters (including but not limited to finalising, approving and executing all such documents as may be required in connection with the Proposed Rights Issue and making amendments to the terms and conditions of the Proposed Rights Issue including the issue price).

BY ORDER OF THE BOARD
GALLANT VENTURE LTD.

Eugene Cho Park
Executive Director and Chief Executive Officer
Singapore

13 March 2013

Notes:

1. A member of the Company entitled to attend and vote at the Extraordinary General Meeting may appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.

2. If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.

3. The instrument or form appointing a proxy, duly executed, must be deposited at the registered office of the Company at 991A Alexandra Road #02-06/07 Singapore 119969 not less than 48 hours before the time appointed for holding the Extraordinary General Meeting in order for the proxy to be entitled to attend and vote at the Extraordinary General Meeting.

PROXY FORM

GALLANT VENTURE LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200303179Z)

Important

1. For shareholders who have used their CPF monies to buy Gallant Venture Ltd. shares, the Circular is forwarded to them at the request of their CPF Approved Nominees and is sent FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We ____________________

of ____________________

being a *member/members of Gallant Venture Ltd. (the "**Company**"), hereby appoint:

Name	Address	NRIC/ Passport No.	Proportion of shareholdings (%)

*and/or**

Name	Address	NRIC/ Passport No.	Proportion of shareholdings (%)

** and/or (delete as appropriate)*

as *my/our *proxy/proxies to vote for *me/us on *my/our behalf, and if necessary, to demand a poll, at the Extraordinary General Meeting of the Company to be held at Amara Singapore Hotel, Ballroom 1, Level 3, 165 Tanjong Pagar Road, Singapore 088539 on 28 March 2013 at 10.00 a.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the Ordinary Resolutions to be proposed at the Extraordinary General Meeting as indicated with an "X" in the spaces provided hereunder. If no specific directions as to voting are given, the *proxy/proxies will vote or abstain from voting at *his/their discretion.

Ordinary Resolutions	For	Against
Ordinary Resolution 1: Approval of the acquisition of shares in the capital of IMAS		
Ordinary Resolution 2: Approval of the Proposed Rights Issue		

All capitalised terms used in this Proxy Form which are not defined herein shall have the same meanings ascribed to them in the Circular dated 13 March 2013 to Shareholders.

Dated this ________ day of ________________ 2013

Total Number of Shares Held

____
Signature(s) of Member(s)/Common Seal

** Delete accordingly*

IMPORTANT Please read notes overleaf

PROXY FORM

Notes:

1. A member of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. Such proxy need not be a member of the Company.

2. Where a member of the Company appoints two proxies, he shall specify the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each such proxy. If no such proportion or number is specified, the first-named proxy may be treated as representing 100% of the shareholdings and any second-named proxy as an alternate to the firstnamed proxy.

3. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Extraordinary General Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Extraordinary General Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the Extraordinary General Meeting.

4. This instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer.

5. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Extraordinary General Meeting, in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore.

6. This instrument appointing a proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or a duly certified copy thereof, must be deposited at the registered office of the Company at 991A Alexandra Road #02-06/07, Singapore 119969 not less than 48 hours before the time appointed for holding the Extraordinary General Meeting.

7. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.

8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 48 hours before the time appointed for holding the Extraordinary General Meeting as certified by The Central Depository (Pte) Limited to the Company.

9. A Depositor shall not be regarded as a member of the Company entitled to attend the Extraordinary General Meeting and to speak and vote thereat unless his name appears on the Depository Register 48 hours before the time appointed for holding the Extraordinary General Meeting.

REQUEST FORM

GALLANT VENTURE LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200303179Z)

13 March 2013

To: The Shareholders of Gallant Venture Ltd. (the "Company")

Dear Sir / Madam

A. The proposed acquisition of IMAS Shares by way of the Proposed Acquisition of the Sale Shares (and in connection therewith the issue of the Bonds by the Company to the Vendor) and the Proposed IMAS Tender Offer; and

B. The Proposed Rights Issue.

As stated in the Circular to Shareholders dated 13 March 2013 (the "**Circular**"), the full set of the audited financial statements for FY2009, FY2010 and FY2011 and the unaudited financial statements for FP2012 of the IMAS Group, including the notes thereto (the "**IMAS Financial Statements**"), are available in the CD-ROM sent together with the Circular and may be viewed at http://www.gallantventure.com.

If you wish to receive a printed copy of the full set of the aforementioned IMAS Financial Statements, please complete the Request Form below and return it to the Company so as to reach the Company at the address set out below by no later than 10.00 a.m. on 22 March 2013.

Unless otherwise defined, capitalised terms used in this Request Form shall bear the same meaning ascribed to them in the Circular.

Yours faithfully,
For and on behalf of the Board

Eugene Cho Park
Executive Director and Chief Executive Officer
GALLANT VENTURE LTD.

REQUEST FORM

To: Gallant Venture Ltd.
991A Alexandra Road
#02-06/07
Singapore 119969

Please send to me/us a printed copy of the IMAS Financial Statements.

Name of Shareholder: ______________________________

Address: ______________________________

NRIC/Passport Number/Company Registration Number: ______________________________

Signature of authorised signatory: ____________________ Date: ____________________