

P.T. EKADHARMA TAPE INDUSTRIES Tbk
BALANCE SHEETS
AS OF DECEMBER 31, 2003 AND 2002

(In Rupiah)

ASSETS	NOTES	2003	2002 *
CURRENT ASSETS			
Cash and cash equivalents	2f,4	20,525,907,869	23,328,977,545
Trade receivables-net of allowance for doubtful accounts of Rp 162,625,300 in 2003 and Rp 132,308,214 in 2002	2b		
- Third parties	2f,5	8,505,086,587	7,092,817,562
- Related parties	2c,5,18	11,187,688	184,575,378
Taxes receivable	2h,6,12	858,992,081	359,542,719
Receivables to related parties	2c,18	303,007,347	373,786,921
Other Receivables		177,856,162	144,379,296
Inventories	2d,7	10,324,780,468	9,327,414,924
Advances and prepaid expenses	8	3,022,618,366	577,831,613
Current assets from discontinued operations-net	3	-	1,281,025,128
Total Current Assets		43,729,436,568	42,670,351,086
NON-CURRENT ASSETS			
Investment	9	3,134,250,000	3,134,250,000
Property, plant and equipment-less accumulated depreciation of Rp 14,760,286,184 in 2003 and Rp 13,117,915,185 in 2002	2e,10	12,816,018,342	12,495,570,532
Constructions in progress		728,415,159	-
Deferred tax assets	2h, 12	384,908,534	-
Other assets		31,920,364	-
Total Non-Current Assets		17,095,512,399	15,629,820,532
TOTAL ASSETS	20	60,824,948,967	58,300,171,618

* Certain accounts have been restated-see Note 3

LIABILITIES AND STOCKHOLDERS' EQUITY

	<u>NOTES</u>	<u>2003</u>	<u>2002 *</u>
CURRENT LIABILITIES			
Trade payables			
- Third parties	2f,11	6,337,843,118	5,921,849,795
- Related parties	2c, 2f, 11,18	1,149,624,782	1,119,542,101
Taxes payable	2h,12	1,190,010,582	1,185,683,865
Other payables		452,745,961	304,805,394
Dividend payables		123,600,167	105,968,687
Accrued expenses	13	904,370,034	599,235,908
Advances from customers		238,141,930	90,381,512
Total Current Liabilities		<u>10,396,336,574</u>	<u>9,327,467,262</u>
NON-CURRENT LIABILITIES			
Deferred tax liabilities	2h,12	-	138,948,155
Provision for employee benefits	2i	641,011,725	263,561,600
Total Non-Current Liabilities		<u>641,011,725</u>	<u>402,509,755</u>
STOCKHOLDERS' EQUITY			
Capital stock-Rp 500 par value			
Authorized-160,000,000 common shares			
Issued and fully paid-44,721,600 common shares in 2003 and 2002	14	22,360,800,000	22,360,800,000
Capital paid in excess of par value		3,213,100,000	3,213,100,000
Foreign exchange translation adjustment		-	699,389,717
Retained earnings		24,213,700,668	22,296,904,884
Total Stockholders' Equity		<u>49,787,600,668</u>	<u>48,570,194,601</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		<u>60,824,948,967</u>	<u>58,300,171,618</u>

* Certain accounts have been restated-see Note 3

**PROFIT AND LOSS STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002**

(In Rupiah)

	NOTES	2003	2002 *
NET SALES	2c,2g,15,18,20	81,873,942,035	75,449,182,757
COST OF GOODS SOLD	2c,2g,16,20	63,640,434,795	60,396,999,967
GROSS PROFIT		18,233,507,240	15,052,182,790
OPERATING EXPENSES	2g,17		
Marketing		9,254,473,217	5,517,965,035
General and administrative		4,777,520,474	4,062,691,833
Total Operating Expenses		14,031,993,691	9,580,656,868
OPERATING INCOME	20	4,201,513,549	5,471,525,922
OTHER INCOME (CHARGES)			
Interest income		1,475,337,843	2,731,971,804
Loss on investment		(411,722,682)	-
Gain on sales of property, plant and equipment		41,202,590	215,500,000
Interest expense		-	(57,375,581)
Gain on foreign exchange differences-net		287,734,286	1,039,197,195
Tax penalties		(182,570,714)	(236,165,920)
Miscellaneous-net		(16,165,353)	186,133,361
Total Other Income		1,193,815,970	3,879,260,859
INCOME BEFORE ESTIMATED INCOME TAX	20	5,395,329,519	9,350,786,781
ESTIMATED INCOME TAX	2h,12		
Current tax		1,577,065,400	2,347,370,900
Deferred tax		(523,856,690)	(147,427,386)
Tax Expense		1,053,208,710	2,199,943,514
INCOME FROM CONTINUING OPERATIONS		4,342,120,809	7,150,843,267

LOSS FROM DISCONTINUED OPERATIONS	3	<u>-</u>	<u>(904,161,900)</u>
NET INCOME		<u>4,342,120,809</u>	<u>6,246,681,367</u>
EARNINGS (LOSS) PER SHARE			
NET INCOME (BEFORE STOCK SPLIT)		<u>97</u>	<u>140</u>
NET INCOME (AFTER STOCK SPLIT)	14	<u>19</u>	<u>28</u>
INCOME FROM CONTINUING OPERATIONS		<u>-</u>	<u>160</u>
LOSS FROM DISCONTINUED OPERATIONS		<u>-</u>	<u>(20)</u>

* Certain accounts have been restated-see Note 3

P.T. EKADHARMA TAPE INDUSTRIES Tbk
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

						(In Rupiah)
	Notes	Share Capital	Capital in Excess of Par Value	Foreign Exchange Translation	Unappropriated Retained Earnings	Total Equity
Balance at December 31, 2001		22,360,800,000	3,213,100,000	874,101,741	20,075,167,517	46,523,169,258
Foreign exchange translation difference		-	-	(174,712,024)	-	(174,712,024)
Net income 2002		-	-	-	-	-
Cash dividend	14	-	-	-	(4,024,944,000)	(4,024,944,000)
Balance at December 31, 2002		<u>22,360,800,000</u>	<u>3,213,100,000</u>	<u>699,389,717</u>	<u>16,050,223,517</u>	<u>42,323,513,234</u>
Reversal in relation to liquidation of Subsidiary		-	-	(699,389,717)	928,794,975	229,405,258
Net income 2003		-	-	-	-	-
Cash dividend	14	-	-	-	(3,354,120,000)	(3,354,120,000)
Balance at December 31, 2003		<u>22,360,800,000</u>	<u>3,213,100,000</u>	<u>-</u>	<u>13,624,898,492</u>	<u>39,198,798,492</u>

P.T. EKADHARMA TAPE INDUSTRIES Tbk
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

(In Rupiah)

	<u>2003</u>	<u>2002 *</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from:		
Customers	80,782,821,118	74,018,625,672
Interest income-net	1,479,167,414	2,674,596,223
Cash received from (payment for):		
Suppliers	(63,277,743,594)	(60,947,428,232)
Operating expenses	(12,602,171,843)	(8,355,243,755)
Taxes	(2,072,188,044)	(496,666,340)
Employees	70,779,574	126,301,953
Others-net	85,168,650	989,164,626
Net cash flows used in operating activities of discontinued operations	<u>-</u>	<u>(1,040,514,111)</u>
Net Cash Flows Provided by Operating Activities	<u>4,465,833,275</u>	<u>6,968,836,036</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from liquidation of Subsidiary	1,098,707,704	-
Proceeds from sales of property, plant and equipment	226,102,654	309,866,674
Additions in property, plant and equipment	(2,386,789,264)	(2,725,412,210)
Purchase advances	(2,110,100,000)	-
Additions in construction in progress	(760,335,524)	-
Net Cash Flows Used in Investing Activities	<u>(3,932,414,430)</u>	<u>(2,415,545,536)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend	(3,336,488,521)	(4,025,209,583)
Bank loan	<u>-</u>	<u>(3,338,400,000)</u>
Net Cash Flows Provided by (Used in) Financing Activities	<u>(3,336,488,521)</u>	<u>(7,363,609,583)</u>

Net Decrease in Cash and Cash Equivalents	(2,803,069,676)	(2,810,319,083)
Net Decrease in Cash and Cash Equivalents of Discontinued Operations	<u>-</u>	<u>1,040,514,111</u>
Net Decrease in Cash and Cash Equivalents of Continuing Operations	(2,803,069,676)	(1,769,804,972)
Cash and Cash Equivalents at Beginning of Year	<u>23,328,977,545</u>	<u>25,098,782,517</u>
Cash and Cash Equivalents at End of Year	<u><u>20,525,907,869</u></u>	<u><u>23,328,977,545</u></u>

* As restated