

PT. MATAHARI PUTRA PRIMA Tbk. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

December 31, 2006 and 2005

(Expressed in millions of Indonesian rupiah, except share data)

| | AUDITED | | AUDITED | |
|---|------------------|------------------|--|------------------|
| | 2006 | 2005 | 2006 | 2005 |
| ASSETS | | | LIABILITIES AND STOCKHOLDERS' EQUITY | |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents | 1,230,858 | 498,346 | Bank loan | - |
| Short term investments | 74,754 | 89,987 | Accounts payable: Trade | 631,083 |
| Account receivable | | | Others | 112,420 |
| - Trade | 110,260 | 39,719 | Tax payable | 62,792 |
| - Others - net | 107,740 | 55,701 | Accrued expenses | 298,463 |
| Merchandise inventory | 790,945 | 676,322 | Reserve for stores restructuring | - |
| Prepaid taxes | 30,539 | 31,773 | Current maturities of long-term debts : | |
| Prepaid expenses | 87,872 | 88,879 | Bonds payable - net | 393,745 |
| Other current assets | 35,476 | 44,040 | Bank loan | 15,600 |
| Total Current Assets | 2,468,444 | 1,524,767 | Obligations to non-financial institutions | 11,887 |
| | | | Obligation under capital lease | 88 |
| NON-CURRENT ASSETS | | | Total Current Liabilities | 1,526,078 |
| Due from related parties - net | 34,188 | 33,431 | | |
| Deferred tax assets - net | 2,172 | 173 | NON-CURRENT LIABILITIES | |
| Investments in associated companies | 45,763 | 39,701 | Due to related parties | 47 |
| Other long term investments | 4,256 | 4,256 | Deferred tax liabilities-net | 13,013 |
| Property and equipment | | | Long term debts - net of current maturities : | |
| Carrying Value | 3,284,093 | 2,873,982 | Notes payable - net | 1,290,053 |
| Accumulated Depreciation | (1,254,068) | (1,030,268) | Bonds payable - net | 441,634 |
| Allowance for possible loss from disposal of property and equipment | (24,897) | (43,381) | Bank loan | 353,900 |
| Net | 2,005,128 | 1,800,333 | Obligations to non-financial institutions | 15,309 |
| Advance for purchase of property and equipment | 514,268 | 537,731 | Obligation under capital lease | 193 |
| Prepaid long term rent - net | 348,372 | 325,356 | Option / swap liabilities | 52,351 |
| Non-operating assets | 72,501 | 67,684 | Other non-current liabilities | 134,812 |
| Rental advances | 351,538 | 89,299 | Total Non-Current Liabilities | 2,301,312 |
| Other non-current assets - net | 208,458 | 154,420 | | |
| Total Non-Current Assets | 3,586,644 | 3,052,384 | MINORITY INTEREST | 62,108 |
| TOTAL ASSETS | 6,055,088 | 4,577,151 | STOCKHOLDERS' EQUITY | |
| | | | Capital stock - RP 500 par value (in full amount) | |
| | | | Authorized -10,800,000,000 shares | |
| | | | Issued and fully paid - 2,705,994,000 shares | 1,352,997 |
| | | | Additional paid-in capital - net | (6,356) |
| | | | Difference in changes in equity transactions of a Subsidiary | 989 |
| | | | Revaluation increment in property and equipment | 120 |
| | | | Retained earnings | |
| | | | Appropriated | 14,000 |
| | | | Unappropriated | 927,076 |
| | | | Treasury stock | (123,236) |
| | | | Stockholders' Equity - Net | 2,165,590 |
| | | | TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY | 6,055,088 |
| | | | | 4,577,151 |

PT. MATAHARI PUTRA PRIMA Tbk. AND SUBSIDIARIES

CONSOLIDATED INCOME STATEMENT
For the Years ended December 31, 2006 AND 2005
(Expressed in millions of Indonesian rupiah, except share data)

| | AUDITED | | 2005* |
|--|------------------|------------------|------------------|
| | 2006 | 2005 | |
| Net Sales | 8,487,654 | 6,916,052 | 6,916,052 |
| Cost of Sales | 6,177,367 | 4,905,061 | 4,905,061 |
| Gross Profit | 2,310,287 | 2,010,991 | 2,010,991 |
| Operating Expenses | | | |
| Selling | 578,029 | 607,176 | 607,176 |
| General and administrative | 1,330,891 | 1,095,068 | 1,095,068 |
| Total Operating Expenses | 1,908,920 | 1,702,244 | 1,702,244 |
| Operating Income | 401,367 | 308,747 | 308,747 |
| Other Income (Charges) | | | |
| Excess of insurance claims from book value - net | 6,467 | 16,179 | 16,179 |
| Gain on sale of investments - net | 5,855 | 76,670 | 5,336 |
| Interest expenses & other fundings - net | (176,669) | (112,491) | (112,491) |
| Gain (loss) on forex inclusive of loss on change in fair value of currency swap / option - net | (50,944) | 3,957 | 3,957 |
| Others - net | 3,592 | (44,129) | (44,129) |
| Total Other Income / (Charges) - net | (211,699) | (59,814) | (131,148) |
| Equity in Net Income of Investees - net | 6,062 | 5,841 | 5,841 |
| Income Before Income Tax | 195,730 | 254,774 | 183,440 |
| Income Tax Benefit (Expense) | | | |
| Current | (35,495) | (30,154) | (30,154) |
| Deferred | (2,724) | 775 | 775 |
| Income Before Minority Interest | 157,511 | 225,395 | 154,061 |
| Minority Interest In Net Income of Subsidiaries | 2,985 | (2,732) | (2,732) |
| Net Income | 160,496 | 222,663 | 151,329 |
| Net Income Per Share (in full amount) | 64 | 89 | 60 |

** For comparison purpose only. Excluding the one-time extraordinary income of Rp 71 Bio from share divestment

| OPERATING EXPENSES <i>(Rp millions)</i> | JAN - MAR | | JAN - JUN | | JAN - SEPT | | JAN - DEC | |
|--|----------------|----------------|----------------|----------------|------------------|------------------|------------------|------------------|
| | 2006 | 2005 | 2006 | 2005 | 2006 | 2005 | 2006 | 2005 |
| Selling Expenses | | | | | | | | |
| Rental - net | 80,362 | 103,130 | 193,639 | 191,863 | 304,061 | 275,526 | 442,183 | 395,930 |
| Marketing | 7,756 | 33,553 | 8,301 | 57,350 | 31,034 | 88,445 | 27,306 | 121,778 |
| Supplies | 12,536 | 10,717 | 28,528 | 23,189 | 47,558 | 36,912 | 74,227 | 63,440 |
| Credit Cards | 7,378 | 5,230 | 14,751 | 10,843 | 23,079 | 17,462 | 34,313 | 26,028 |
| General & Administrative Exp | | | | | | | | |
| Wages & salaries | 130,888 | 107,174 | 261,129 | 218,765 | 407,703 | 344,980 | 599,060 | 494,696 |
| Depreciation | 64,693 | 42,037 | 133,185 | 87,507 | 208,013 | 139,577 | 287,024 | 243,545 |
| Electricity & energy | 49,097 | 32,924 | 97,529 | 67,676 | 150,274 | 105,650 | 207,513 | 148,303 |
| Insurance | 6,681 | 8,926 | 13,047 | 17,966 | 22,294 | 29,377 | 32,895 | 38,794 |
| Others | 41,802 | 36,443 | - | - | 136,019 | 105,272 | 204,399 | 169,730 |
| TOTAL | 401,193 | 380,134 | 750,109 | 675,159 | 1,330,035 | 1,143,201 | 1,908,920 | 1,702,244 |



PT.MATAHARI PUTRA PRIMA Tbk.

Net Sales by Product

(in Bio IDR)

INVESTOR UPDATE

For Further Information
please visit
www.matahari.co.id

| | Jan - Mar | | Jan - Jun | | Jan - Sept | | Jan - Dec | |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2006 | 2005 | 2006 | 2005 | 2006 | 2005 | 2006 | 2005 |
| Department Store Group | | | | | | | | |
| Ladies World | 33.2 | 33.9 | 69.7 | 67.8 | 111.0 | 106.7 | 174.3 | 167.7 |
| Mens World | 31.3 | 33.8 | 62.7 | 65.3 | 106.4 | 104.2 | 165.2 | 168.0 |
| Youth World | 52.8 | 59.2 | 110.3 | 114.9 | 185.8 | 189.7 | 297.4 | 294.5 |
| Children World | 67.2 | 67.2 | 142.6 | 140.8 | 245.9 | 232.2 | 400.7 | 390.8 |
| Shoes World | 51.1 | 48.0 | 113.4 | 105.5 | 186.5 | 177.4 | 281.5 | 268.3 |
| Home World | 33.7 | 39.3 | 68.5 | 79.8 | 111.9 | 127.4 | 159.4 | 182.3 |
| Intimate & Bags | 18.5 | 20.4 | 37.4 | 40.5 | 56.8 | 61.0 | 81.0 | 84.5 |
| Total Direct Purchase | 287.8 | 301.8 | 604.6 | 614.8 | 1,004.2 | 998.6 | 1,559.5 | 1,556.1 |
| Consignment Sales | 551.9 | 486.1 | 1,134.5 | 1,015.8 | 1,830.0 | 1,640.9 | 2,845.0 | 2,519.4 |
| Others | 3.0 | 4.0 | 6.3 | 8.5 | 10.6 | 14.2 | 17.0 | 22.3 |
| Total Department Stores | 842.6 | 791.9 | 1,745.3 | 1,639.1 | 2,844.8 | 2,653.8 | 4,421.6 | 4,097.8 |
| Supermarket Group | | | | | | | | |
| Non Food | 161.1 | 67.3 | 333.8 | 153.9 | 553.8 | 288.0 | 807.7 | 482.6 |
| Grocery | 445.1 | 286.3 | 923.2 | 609.0 | 1,497.7 | 984.7 | 2,197.9 | 1,502.4 |
| Fresh | 144.7 | 87.1 | 297.8 | 188.8 | 483.7 | 310.5 | 681.3 | 451.7 |
| Consignments | 0.4 | 8.1 | 0.8 | 16.5 | 1.1 | 25.7 | 2.0 | 32.9 |
| Total Supermarket | 751.3 | 448.8 | 1,555.5 | 968.2 | 2,536.3 | 1,609.0 | 3,688.8 | 2,469.6 |
| Subsidiaries & Others | 90.0 | 86.1 | 181.4 | 170.7 | 277.6 | 255.0 | 377.3 | 348.6 |
| TOTAL | 1,683.9 | 1,326.8 | 3,482.2 | 2,778.0 | 5,658.8 | 4,517.8 | 8,487.7 | 6,916.1 |



PT.MATAHARI PUTRA PRIMA Tbk
Net Sales by Region
(in Million Rp)

INVESTOR UPDATE

*For Further Information
please visit
www.matahari.co.id*

| | Jan - Mar | | Jan - Jun | | Jan - Sept | | Jan - Dec | |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2006 | 2005 | 2006 | 2005 | 2006 | 2005 | 2006 | 2005 |
| Department Store Group | | | | | | | | |
| Jabotabek (Greater Jakarta) | 313,414 | 294,388 | 633,014 | 604,413 | 1,008,107 | 961,676 | 1,549,384 | 1,472,011 |
| West Java | 43,354 | 49,074 | 96,765 | 101,374 | 169,949 | 163,615 | 276,471 | 261,243 |
| Central Java | 102,686 | 98,533 | 207,975 | 207,335 | 343,284 | 335,321 | 535,894 | 521,082 |
| East Java | 105,364 | 92,426 | 225,977 | 198,962 | 370,099 | 326,908 | 574,827 | 513,298 |
| Outside Java | 277,783 | 257,514 | 581,571 | 526,996 | 953,404 | 866,298 | 1,484,982 | 1,330,215 |
| Total Department Store Group | 842,602 | 791,935 | 1,745,301 | 1,639,081 | 2,844,843 | 2,653,818 | 4,421,558 | 4,097,848 |
| Supermarket Group | | | | | | | | |
| Jabotabek (Greater Jakarta) | 350,325 | 255,756 | 672,976 | 535,396 | 1,053,735 | 843,127 | 1,491,722 | 1,215,116 |
| West Java | 31,927 | 33,203 | 103,085 | 61,963 | 171,991 | 98,150 | 257,670 | 157,261 |
| Central Java | 57,231 | 56,984 | 114,503 | 111,339 | 184,076 | 167,338 | 259,258 | 230,400 |
| East Java | 72,190 | 22,883 | 150,970 | 52,281 | 236,701 | 112,631 | 386,502 | 198,025 |
| Outside Java | 239,646 | 79,419 | 513,966 | 207,188 | 889,821 | 387,774 | 1,260,207 | 628,931 |
| * Closed stores & others | | | | | | | 33,491 | 39,867 |
| Total Supermarket Group | 751,319 | 448,245 | 1,555,500 | 968,167 | 2,536,325 | 1,609,020 | 3,688,849 | 2,469,600 |
| Subsidiaries & Others | 89,965 | 86,101 | 181,405 | 170,779 | 277,583 | 254,992 | 377,247 | 348,604 |
| Total | 1,683,886 | 1,326,281 | 3,482,206 | 2,778,027 | 5,658,751 | 4,517,831 | 8,487,654 | 6,916,052 |

| STORE SPACE | March 2006 | | June 2006 | | September 2006 | | December 2006 | |
|-------------------------------------|------------|----------------|------------|----------------|----------------|----------------|---------------|----------------|
| | # stores | Gross (m2) | # stores | Gross (m2) | # stores | Gross (m2) | # stores | Gross (m2) |
| Department Store Group | | | | | | | | |
| Jabotabek (Greater Jakarta) | | | | | | | | |
| * Matahari Department Store | 25 | 166,558 | 25 | 166,056 | 25 | 165,750 | 25 | 166,467 |
| * Kids 2 Kids | 3 | 326 | 4 | 483 | 5 | 575 | 5 | 574 |
| * MO Shop | 1 | 40 | 1 | 40 | 1 | 40 | 1 | 40 |
| West Java | | | | | | | | |
| * Matahari Department Store | 9 | 47,982 | 9 | 52,768 | 9 | 54,562 | 9 | 55,380 |
| * Kids 2 Kids | 1 | 156 | 1 | 156 | 1 | 156 | 1 | 155 |
| * MO Shop | - | - | - | - | - | - | - | - |
| Central Java | | | | | | | | |
| * Matahari Department Store | 12 | 61,137 | 12 | 63,817 | 13 | 70,285 | 13 | 70,689 |
| * Kids 2 Kids | - | - | 1 | 171 | 1 | 171 | 1 | 171 |
| * MO Shop | - | - | - | - | - | - | - | - |
| East Java | | | | | | | | |
| * Matahari Department Store | 8 | 55,322 | 8 | 58,248 | 8 | 58,181 | 9 | 64,259 |
| * Kids 2 Kids | 1 | 132 | 1 | 133 | 2 | 265 | 2 | 267 |
| * MO Shop | - | - | - | - | - | - | - | - |
| Outside Java | | | | | | | | |
| * Matahari Department Store | 26 | 189,059 | 26 | 177,614 | 27 | 183,891 | 28 | 188,465 |
| * Kids 2 Kids | - | - | - | - | - | - | - | - |
| * MO Shop | 3 | 120 | 3 | 120 | 3 | 120 | - | - |
| Total Department Store Group | 89 | 520,832 | 91 | 519,606 | 95 | 533,997 | 94 | 546,469 |
| Supermarket Group | | | | | | | | |
| Jabotabek (Greater Jakarta) | | | | | | | | |
| * Hypermart | 7 | 52,774 | 7 | 53,365 | 9 | 68,056 | 10 | 74,182 |
| * Supermarket | 12 | 25,386 | 11 | 24,650 | 10 | 18,054 | 10 | 18,054 |
| * Cut Price | 1 | 952 | 1 | 1,031 | 1 | 1,031 | 1 | 1,031 |
| * Boston | 11 | 555 | 11 | 603 | 13 | 728 | 13 | 728 |
| West Java | | | | | | | | |
| * Hypermart | 1 | 5,196 | 1 | 5,645 | 2 | 12,944 | 2 | 12,944 |
| * Supermarket | 4 | 7,468 | 5 | 9,189 | 5 | 9,189 | 5 | 9,189 |
| * Cut Price | 1 | 1,358 | 1 | 1,140 | 1 | 1,140 | 1 | 1,140 |
| * Boston | - | - | 1 | 32 | 2 | 130 | 2 | 130 |
| Central Java | | | | | | | | |
| * Hypermart | 1 | 5,849 | 1 | 5,270 | 1 | 5,270 | 1 | 5,270 |
| * Supermarket | 8 | 14,170 | 7 | 10,471 | 7 | 10,471 | 7 | 10,471 |
| * Cut Price | 1 | 697 | 1 | 798 | 1 | 798 | 1 | 798 |
| * Boston | 2 | 80 | 2 | 61 | 2 | 61 | 2 | 61 |
| East Java | | | | | | | | |
| * Hypermart | 2 | 14,605 | 2 | 14,787 | 2 | 14,787 | 3 | 22,853 |
| * Supermarket | 2 | 5,009 | 2 | 4,467 | 2 | 4,467 | 2 | 4,467 |
| * Cut Price | 2 | 1,645 | 2 | 1,638 | 2 | 1,638 | 2 | 1,638 |
| * Boston | 3 | 117 | 3 | 118 | 3 | 118 | 4 | 183 |
| Outside Java | | | | | | | | |
| * Hypermart | 7 | 49,383 | 9 | 66,530 | 11 | 80,461 | 11 | 80,461 |
| * Supermarket | 10 | 19,870 | 10 | 19,587 | 10 | 19,587 | 9 | 17,748 |
| * Cut Price | - | - | - | - | - | - | - | - |
| * Boston | 14 | 676 | 14 | 644 | 16 | 800 | 15 | 769 |
| Total Supermarket Group | 89 | 205,789 | 91 | 220,026 | 100 | 249,728 | 101 | 262,116 |
| TOTAL | 178 | 726,621 | 182 | 739,632 | 195 | 783,725 | 195 | 808,586 |