



PT ENERGI MEGA PERSADA Tbk AND SUBSIDIARIES

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CONSOLIDATED BALANCE SHEETS JUNE 30, 2006 AND 2005 (Expressed in million Rupiah, unless total shares and par value per share)

	2006	2005		2006	2005
	Audited	(Restated) Audited		Audited	(Restated) Audited
ASSETS			LIABILITIES AND EQUITY		
CURRENT ASSETS			CURRENT LIABILITIES		
Cash and cash equivalents	713,463	269,958	Short-term loans	-	154,993
Trade receivables	258,934	183,528	Trade payables	203,529	157,412
Other receivables	393,622	142,933	Other payables	55,465	106,688
Inventories	475,507	139,498	Accrued expenses	292,655	137,901
Prepaid expenses and advances	148,746	31,797	Taxes payables	142,183	152,660
Prepaid tax	7,990	3,095	Current maturities of long-term loans	245,288	377,038
Total Current Assets	1,998,262	770,807	Total Non-current Liabilities	939,120	1,086,692
			NON-CURRENT LIABILITIES		
NON-CURRENT ASSETS			Long-term loans - net of current maturities	3,920,967	1,423,733
Due from related parties	386,979	227,224	Due to related parties	416,424	730,497
Restricted time deposits	201,537	120,800	Deferred tax liabilities	343,742	308,015
Fixed assets - net of accumulated depreciation Rp 4,849 in 2006 and Rp 2,032 in 2005	8,452	5,074	Employee benefits obligation	30,812	23,647
Oil and gas properties - net of accumulated depreciation, depletion and amortization Rp 1,173,182 in 2006 and Rp 694,529 in 2005	4,613,624	3,033,840	Site restoration obligation	91,664	67,317
Site restoration fund	74,895	56,585	Subsidiary's dividend tax liability	205,016	214,120
Deferred tax assets	247,892	33,024	Total Non-current Liabilities	5,008,625	2,767,329
Reimbursement of Subsidiary's dividend tax paid	205,016	214,120			
Other assets	30,342	41,800	MINORITY INTEREST IN NET ASSETS OF SUBSIDIARIES	12	
Total Non-current Assets	5,768,738	3,732,467	EQUITY		
			Capital stock - Rp 100 par value per share		
TOTAL ASSETS	7,767,000	4,503,274	Authorized - 55,000,000,000 shares in 2006 and 15,000,000,000 shares in 2005		
			Issued and paid-up - 14,400,813,372 shares in 2006 and 9,491,445,177 shares in 2005	1,440,082	949,144
			Additional paid-in capital	3,354,749	158,421
			Equity proforma from restructuring transaction of entities under common control		54,887
			Difference in value from restructuring transaction of entities under common control	(3,376,756)	(793,336)
			Translation adjustments	(19,012)	73,300
			Retained earnings	420,180	206,837
			Total Equity	1,819,243	649,253
			TOTAL LIABILITIES AND EQUITY	7,767,000	4,503,274

CONSOLIDATED STATEMENTS OF INCOME FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2006 AND 2005 (Expressed in million Rupiah, unless basic earning per share)

	2006	2005
	Audited	(Restated) Audited
NET SALES	832,327	803,440
COST OF GOODS SOLD	499,145	423,855
GROSS PROFIT	333,182	379,585
OPERATING EXPENSES		
General and administrative	133,997	64,822
INCOME FROM OPERATIONS	199,185	314,763
OTHER INCOME (CHARGES)		
Income from insurance claim	57,313	-
Overhead cost recovery	17,240	13,850
Interest income	17,659	1,061
Gain (loss) on foreign exchange - net	(3,393)	9,994
Financing charges	(74,630)	(78,006)
Other - net	(22,809)	(17,457)
Other Charges - Net	(8,620)	(70,558)
INCOME BEFORE TAX BENEFIT (EXPENSE)	190,565	244,205
TAX BENEFIT (EXPENSE)		
Current tax	(19,793)	(32,751)
Deferred tax	1,209	(51,314)
Total	(18,584)	(84,065)
INCOME BEFORE MINORITY INTEREST IN NET INCOME OF SUBSIDIARIES	171,981	160,140
MINORITY INTEREST IN NET INCOME OF SUBSIDIARIES	(1)	(501)
NET INCOME	171,980	159,639
BASIC EARNING PER SHARE (in full amount)	12.51	16.82

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2006 AND 2005 (Expressed in million Rupiah)

	Capital stock	Additional Paid in-Capital	Equity Proforma from Restructuring Transaction of Entities under Common Control	Difference in value from Restructuring Transactions of Entities under Common Control	Translation Adjustments	Retained Earning	Total Equity
Balance as of January 1, 2005 - restated	949,144	158,421	54,887	(793,336)	58,666	47,198	474,980
Translation adjustments	-	-	-	-	14,634	-	14,634
Net income for the period	-	-	-	-	-	159,639	159,639
Balance as of June 30, 2005	949,144	158,421	54,887	(793,336)	73,300	206,837	649,253
Balance as of January 1, 2006 - restated	949,144	158,421	54,887	(793,336)	75,489	248,200	692,805
Right Issue I	490,938	3,196,328	-	-	-	-	3,687,266
Equity proforma from restructuring transactions of entities under common control	-	-	(54,887)	-	-	-	(54,887)
Difference in value from restructuring transaction of entities under common control	-	-	-	(2,583,420)	-	-	(2,583,420)
Translation adjustments	-	-	-	-	(94,501)	-	(94,501)
Net income for the period	-	-	-	-	-	171,980	171,980
Balance as of June 30, 2006	1,440,082	3,354,749	-	(3,376,756)	(19,012)	420,180	1,819,243

Notes:

- PT Energi Mega Persada Tbk's and Subsidiaries' consolidated financial statements for the six-month periods ended June 30, 2006 and 2005 have been audited by Jimmy Budhi & Rekan, Registered Public Accountants, (member firm of Moores Rowland International) in their report dated September 19, 2006 expressed an unqualified opinion with an explanation paragraph regarding restatement of the consolidated 2005 financial statement in connection with acquisition of certain subsidiaries under common control, transferring of all shares of Kalila Energy Ltd and Pan Asia Enterprise Ltd, Subsidiaries, and an explanation regarding Banjar Panji-1 incident owned by a subsidiary company.
- Year end exchange rate as of June 30, 2006 and 2005 were Rp 9,300 and Rp 9,713, respectively, for US\$ 1.

Jakarta, September 29, 2006
PT ENERGI MEGA PERSADA TBK
 S.E. & O
 BOARD OF DIRECTORS