

No. : 315/P.01/11

Independent Auditor's Report

**Board of Directors and Stockholders
PT Unsoco**

We have audited the accompanying balance sheets of PT Unsoco as of March 31, 2011 and 2010 and the related statement of income, changes in equity and cash flow for the year ended March 31, 2011 and for the period from August 4, 2009 to March 31, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements present fairly, in all material respects, the financial position of PT Unsoco as of March 31, 2011 and 2010 and the results of its operations and its cash flows for the year ended March 31, 2011 and for the period from August 4, 2009 to March 31, 2010, in conformity with the generally accepted accounting principles in Indonesia.

As discussed in Note 3 to the financial statements, effective January 1, 2010 the Company adopted Statement of Financial Accounting Standard (SFAS) No. 50 (2006 Revision), "Financial Instruments : Presentation and Disclosures" and SFAS No. 55 (2006 Revision), "Financial Instruments : Recognition and Measurement". These revised SFAS have been applied prospectively.

Ciwi Paino, CPA
License No. 03.1.0860

April 25, 2011

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

PT UNSOCO
BALANCE SHEETS
March 31, 2011 and 2010

A S S E T S	Notes	2 0 1 1	2 0 1 0
CURRENT ASSETS		Rp	Rp
Cash and cash equivalent	2b,2c,4	1,004,835,415	994,377,245
Total current assets		1,004,835,415	994,377,245
NON CURRENT ASSETS			
Investment in associate company	2d,5	1,000,000	1,000,000
Total non current assets		1,000,000	1,000,000
TOTAL ASSETS		1,005,835,415	995,377,245
EQUITY			
Capital stock			
Authorized, 400,000 shares			
Issued and fully paid-up, 100,000 shares			
at Rp 10,000 par value each	8	1,000,000,000	1,000,000,000
Retained earning (accumulated deficit)		5,835,415	(4,622,755)
Total equity		1,005,835,415	995,377,245
TOTAL LIABILITIES AND EQUITY		1,005,835,415	995,377,245

**The accompanying notes form an integral part of
these financial statements**

PT UNSOCO
STATEMENTS OF INCOME
For the year ended March 31, 2011 and
for the period from August 4, 2009 up to March 31, 2010

	Notes	2 0 1 1	2 0 1 0
		Rp	Rp
Operating expenses			
General and administrative expenses	2e	3,394,543	–
Operating loss		(3,394,543)	–
Other income (expenses) – net	2e	13,852,713	18,032,799
Profit before income tax		10,458,170	18,032,799
Income tax expense – nil	2f,6a	–	–
Net profit		10,458,170	18,032,799

**The accompanying notes form an integral part of
these financial statements**

PT UNSOCO
STATEMENTS OF CHANGES IN EQUITY
For the year ended March 31, 2011
and for the period from period from August 4, 2009 up to March 31, 2010

	Capital stock	Advance payment of capital	Accumulated deficit	Total
	Rp		Rp	Rp
Balance as of August 3, 2009	25,000,000	975,000,000	(22,655,554)	977,344,446
Additional paid in capital	975,000,000	-	-	975,000,000
Advance payment of capital	-	(975,000,000)	-	(975,000,000)
Net profit for the period	-	-	18,032,799	18,032,799
Balance as of March 31, 2010	1,000,000,000	-	(4,622,755)	995,377,245
Net profit for the year	-	-	10,458,170	10,458,170
Balance as of March 31, 2011	1,000,000,000	-	5,835,415	1,005,835,415

**The accompanying notes form an integral part of
these financial statements**

PT UNSOCO
STATEMENTS OF CASH FLOWS
For the year ended March 31, 2010
and for the period from August 4, 2009 up to March 31, 2010

	2 0 1 1	2 0 1 0
	Rp	Rp
Cash flows from operating activities		
Profit before income tax	10,458,170	18,032,799
Net cash provided by operating activities	10,458,170	18,032,799
Net increase in cash and cash equivalents	10,458,170	18,032,799
Cash and cash equivalents at beginning of year / period	994,377,245	976,344,446
Cash and cash equivalents at end of year / period	1,004,835,415	994,377,245

**The accompanying notes form an integral part of
these financial statements**

PT UNSOCO
NOTES TO FINANCIAL STATEMENTS
March 31, 2011 and 2010

1. GENERAL

a. Articles of Association

PT Unsoco (the Company) was established based on notarial deed No. 10 dated March 19, 2008 of Tatyana Indrati Hasjim, S.H, notary in Jakarta, which has been approved by the Minister of Law and Human Rights (“MOLHR”) of the Republic of Indonesia No. AHU-28173.AH.01.01 Tahun 2008, dated May 28, 2008. The Company’s articles of incorporation have been amended by notarial deed No. 74 dated July 30, 2009, of Mala Mukti, S.H., LL.M., notary in Jakarta, which has been approved by the MOLHR of the Republic of Indonesia No. AHU-37219.AH.01.02 Tahun 2009 dated March 31, 2010.

In accordance with Article 3 of the articles of incorporation, the Company is engaged in management consultant services and as of March 31, 2011 the Company has not commenced its commercial operations. The Company is domiciled in Jakarta. The Company had no employees as of March 31, 2011 and 2010, respectively.

Based on the articles of incorporation, the book year of the Company is from January 1 up to December 31. However pursuant to notarial deed No. 74, dated July 30, 2009, of Mala Mukti, S.H., LL.M., Notary in Jakarta, approved by Decree of the Minister of Law and Human Rights of the Republic of Indonesia No. AHU-37219.AH.01.02 Tahun 2009 dated March 31, 2010, Mrs. Untung Wina Sukowati, the Company stockholder has transferred his ownership of 2,475 shares with total nominal value of Rp 24,750,000 to GMR Energy (Netherlands) B.V. whereas Mrs. Bonita Rintyowati, the Company stockholder has transferred his ownership of 25 shares with total nominal value of Rp 250,000 to GMR Energy (Mauritius) Limited. The Company is required to prepare financial statements for the period from August 4, 2009 up to March 31, 2010 for the consolidation purpose.

b. Board of Directors and Commissioner

As of March 31, 2011 and 2010, the composition of the Company’s Board of Directors and Commissioners are as follow :

Commissioners : Mr. Raaj Kumar

Directors : Mr. Ashis Basu

PT UNSOCO
NOTES TO FINANCIAL STATEMENTS (Continued)
March 31, 2011 and 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies adopted by the Company, which affects the determination of its financial position and results of its operations, is presented below.

a. Basis of Preparation of the Financial Statements

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in Indonesia. The financial statements have been prepared under historical cost concept and on the accrual basis, unless otherwise stated.

The statement of cash flows is prepared based on the indirect method by classifying cash flows on the basis of operating, investigating and financing activities. For the purpose of the cash flow statement, cash and cash equivalent include cash in hand, cash in banks, and time deposits with a maturity period of 3 months or less, as long as these time deposits are not pledged as collateral for borrowings nor restricted.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect :

- the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements.
- the reported amounts of revenues and expenses during the reporting period.

Although these estimates are based on management's best knowledge of current events and activities, actual results may differ from those estimates.

Figures in the financial statements are expressed in Indonesian Rupiah, unless otherwise stated.

b. Financial assets and liabilities

In 2006, the DSAK issued SFAS 50 (Revised 2006) "Financial Instruments: Presentation and Disclosures" and SFAS 55 (Revised 2006) "Financial Instruments: Recognition and Measurement". These standards amend both SFAS 50 "Accounting for Investments in Certain Securities" and SFAS 55 "Accounting for Derivative Instruments and Hedging Activities". Both standards are applicable for financial statements covering periods beginning on or after January 1, 2010.

c. Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposit held on call with banks and other short term highly liquid investments with original maturities of three months or less.

PT UNSOCO
NOTES TO FINANCIAL STATEMENTS (Continued)
March 31, 2011 and 2010

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

d. **Investment**

Investment in stocks where the Company has an ownership stake of less than 20% are recorded at cost. Investments in shares which the Company has ownership of at least 20% but not more than 50% are accounted for using the equity method, where the acquisition costs of inclusion increased or decreased by the Company's accumulated net earnings or losses of income reduced by dividends received from associated companies since the date of acquisition.

Under the equity method, if an investor's share of losses in an associate equals or exceeds the carrying amount of the investment, the investment shall be reported at zero value. Subsequent losses will be accrued by the investor if a liability has arisen or if the investor pays the associate's liabilities guaranteed by the investor. If the associate subsequently reports profits, the investor will recognize income only after its share of the profits equals the share of net losses not recognized.

When there is a permanent decline in the value of an investment in an associate, the carrying amount is reduced to recognize the decline. As many investments in associates are of individual importance to the investor, the carrying amount is determined for each associate individually.

e. **Expense Recognition**

Expenses are recognized when these are incurred (accrual basis).

f. **Income Tax**

Current tax expense is provided based on the estimated taxable income for the year. Deferred tax assets and liabilities are recognized for temporary differences between commercial and tax bases of assets and liabilities at each reporting date. Future tax benefit, such as the carry forward of unused tax losses, if any, is also recognized to the extent that realization of such tax benefit is probable.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the assets are realized or the liabilities are settled, based on the applicable tax rates (and tax law) that have been enacted or substantively enacted at the balance sheet date. Changes in the carrying amount of the deferred tax assets and liabilities due to change in tax rates is charged to current year operations, except to the extent that it relates to items previously charged or credited to equity.

Amendments to tax obligations are recorded when an assessment is received or, if appealed against by the Company, when the result of the appeal is determined.

PT UNSOCO
NOTES TO FINANCIAL STATEMENTS (Continued)
March 31, 2011 and 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g. Impairment of Non-Financial Asset

Non financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

3. ADOPTION OF NEW ACCOUNTING STANDARDS

The Company has adopted SFAS No. 50 (Revised 2006), "Financial Instruments: Presentation and Disclosures" and SFAS No. 55 (Revised 2006), "Financial Instruments : Recognition and Measurements" prospectively on January 1, 2010 in accordance with the transitional provisions in accordance with the Technical Bulletin No. 4 concerning the transitional provisions for the first adoption of SFAS No. 50 (2006 Revision) and SFAS No. 55 (2006 Revision) as issued by Indonesian Institute of Accountants and has applied the transitional provisions of those standards, as follow:

Effective interest rate

The effective interest rate for financial instruments measured at amortised cost, for example borrowings, that were acquired prior to and still have a balance remaining as at January 1, 2010 is calculated by referring to the future cash flows that will be generated from the time SFAS 55 (Revised 2006) is first implemented up to the maturity of the financial instruments. The impact of changing the interest rate methods on the Company is considered immaterial.

Impairment of financial instruments

As at January 1, 2010, the Company determined any possible impairment of financial instruments based on conditions existing at that date. Any difference between this impairment and the impairment calculated based on previous applicable accounting principles is adjusted to the retained earnings as at January 1, 2010. The difference between the two balances based on the old and new approach for impairment of financial instruments is considered immaterial.

PT UNSOCO
NOTES TO FINANCIAL STATEMENTS (Continued)
March 31, 2011 and 2010

4. CASH AND CASH EQUIVALENTS

	2011 Rp	2010 Rp
Cash in banks :		
Rupiah		
PT Bank SBI Indonesia	<u>1,004,835,415</u>	<u>994,377,245</u>

5. INVESTMENTS IN ASSOCIATED COMPANY

Details of investments in associated company with cost method are as follows:

Company	Ownership percentage %	Investment at beginning of the year / period Rp	Addition Rp	Investment at end of the year / period Rp
PT Barasentosa Lestari	<u>1.00</u>	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>

6. TAXATION

a. Income tax expense

Income tax expense for the period ended March 31, 2011 and 2010 are nil.

Reconciliation between profit before provision for income tax as per Company's statements of income and estimated taxable losses are as follow :

	2011 Rp	2010 Rp
Profit before tax of the Company	10,458,170	18,032,799
Interest income subject to final tax	(13,852,713)	(18,289,799)
Estimated taxable loss for the period before compensation of prior period losses	<u>(3,394,543)</u>	<u>(257,000)</u>
Fiscal loss compensation	(23,339,000)	(23,082,000)
Estimated taxable loss for the period	<u>(26,733,543)</u>	<u>(23,339,000)</u>

PT UNSOCO
NOTES TO FINANCIAL STATEMENTS (Continued)
March 31, 2011 and 2010

6. **TAXATION (Continued)**

a. **Income tax expense (Continued)**

The Company has accumulated corporate income tax losses which are available to be carried forward and offset against future taxable income for five years following fiscal years :

	2 0 1 1 Rp	2 0 1 0 Rp
August 4, 2009	(23,082,000)	(23,082,000)
March 31, 2010	(257,000)	(257,000)
March 31, 2011	(3,394,543)	-
Total	<u>(26,733,543)</u>	<u>(23,339,000)</u>

b. **Deferred tax assets**

	2 0 1 1 Rp	2 0 1 0 Rp
Tax losses carried forward	6,683,386	5,834,750
Unrecognized deferred tax assets	(6,683,386)	(5,834,750)
Net deferred tax assets	<u>-</u>	<u>-</u>

As of March 31, 2011 and 2010, the Company has an unrecognized deferred tax asset in respect of the March 31, 2011 and 2010 tax losses of Rp 6,683,386 and Rp 5,834,750, respectively. Tax assets have not been recognized on the basis that there is significant uncertainty as to whether the tax losses will be offset by sufficient taxable profits in the future.

c. **Administration**

On September 2, 2008, the Government enacted an amendment to the income tax law with effect from January 1, 2009, stipulating that the income tax for corporation's will be set to a flat rate of 28% starting in 2009, and further reduced to 25% starting 2010. In addition to the impact in the current income tax for 2009, the revision will also impact the deferred income tax previously set up to reflect the reduction in effective tax rate.

PT UNSOCO
NOTES TO FINANCIAL STATEMENTS (Continued)
March 31, 2011 and 2010

7. PROVISION FOR SEVERANCE PAYMENTS

Referring to Labor Law No. 13/2003 regarding severance payments, requires companies to pay their employees, termination, appreciation and compensation benefits in case of employment dismissal based on the employees' number of years of services provided the conditions set forth in the decree are met.

The Company has not made any provision for severance payment as at March 31, 2011 and 2010 the Company has no employee.

8. CAPITAL STOCK

Based on notarial deed No. 10 dated March 19, 2008 of Tatyana Indrati Hasjim, S.H, notary in Jakarta, which has been approved by the Minister of Law and Human Rights of the Republic of Indonesia No. AHU-28173.AH.01.01 Tahun 2008, dated May 28, 2008, the Company's authorized capital amounted to Rp 100,000,000 consisting of 10,000 shares with par value Rp 10,000 each. Paid up capital as of August 3, 2009 are 25,000 shares.

On July 1, 2009, GMR Energy (Netherlands) B.V. and GMR Energy (Mauritius) Limited have made an advance payment of capital of Rp 962,250,000 for 96,525 shares and Rp 9,750,000 for 975 shares, respectively. This advance payment of capital become effective and converted into paid up capital as the deed No. 74, dated July 30, 2009, drawn up before Mala Mukti, S.H., LL.M., Notary in Jakarta is approved by Decree of the Minister of Law and Human Rights of the Republic of Indonesia No. AHU-37219.AH. 01.02 Tahun 2009 dated March 31, 2010, in which Mrs. Untung Wina Sukowati, the Company stockholder has transferred his ownership of 2,475 shares with total nominal value of Rp 24,750,000 to GMR Energy (Netherlands) B.V. whereas Mrs. Bonita Rintyowati, the Company stockholder has transferred his ownership of 25 shares with total nominal value of Rp 250,000 to GMR Energy (Mauritius) Limited.

Moreover, the Company's authorized capital become Rp 4,000,000,000 consisting of 400,000 shares with par value Rp 10,000 each. As a result of increase in authorized capital, the Company stockholder has agreed to issued an additional of 97,500 shares with detail as follows :

- 96,525 shares is purchased by GMR Energy (Netherlands) B.V.
 - 975 shares is purchased by GMR Energy (Mauritius) Limited;
- therefore the composition of the Company's stockholder as of March 31, 2011 and 2010 are as follows :

Stockholders	Number of shares	Par value Rp	Percentage of ownership %
GMR Energy (Netherlands) B.V.	99,000	990,000,000	99.00
GMR Energy (Mauritius) Limited	1,000	10,000,000	1.00
	<u>100,000</u>	<u>1,000,000,000</u>	<u>100.00</u>

PT UNSOCO
NOTES TO FINANCIAL STATEMENTS (Continued)
March 31, 2011 and 2010

9. **GENERAL RESERVE**

The Limited Liability Company Law of the Republic of Indonesia No. 1/1995 introduced in March 1995 requires the establishment of a general reserve from net profits amounting to at least 20% of a company's issued and paid up capital. This regulation has been amended by Indonesian Limited Company Law No. 40 year 2007 which also requires companies to set up a general reserve amounting to at least 20 % of the issued and paid-up share capital.

As of March 31, 2011 and 2010, the Company has not yet established a general reserve.

10. **NEW ACCOUNTING STANDARD**

Indonesian Institute of Accountants has issued the following revised accounting standards :

1. SFAS 1 (Revised 2009) – Presentation of Financial Statements (applicable for financial statements covering periods beginning on or after January 1, 2011). This standard will replace SFAS 1 (Revised 1998) – Presentation of Financial Statements.
2. SFAS 2 (Revised 2009) – Cash Flow Statements applicable for financial statements covering periods beginning on or after January 1, 2011). This standard will replace SFAS 2 (Revised 1994) –Cash Flows Statements
3. SFAS 48 (Revised 2009) – Impairment of Assets (applicable for financial statements covering periods beginning on or after January 1, 2011). This standard will replace SFAS 48 (Revised 1998) – Impairment of Assets.
4. SFAS 7 (Revised 2010) – Disclosure of Related Parties (applicable for financial statements covering periods beginning on or after January 1, 2011). This standard will replace SFAS 7 (Revised 1994) – Disclosure of Related Parties.
5. SFAS 10 (Revised 2010) – The Impact of Foreign Exchange Gain (Loss) (applicable for financial statements covering periods beginning on or after January 1, 2011). This standard will replace SFAS 10 (Revised 1994) – Transaction in Foreign Currency.
6. SFAS 23 (Revised 2010) – Income (applicable for financial statements covering periods beginning on or after January 1, 2011). This standard will replace SFAS 23 (Revised 1994) – Income.

The Company is still evaluating the possible impact of these standards on the financial statement.

PT UNSOCO
NOTES TO FINANCIAL STATEMENTS (Continued)
March 31, 2011 and 2010

11. FINANCIAL RISK MANAGEMENT

Financial Risk Management Objectives and Policies

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has exposure to the following risks from its use of financial instruments:

Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

Capital Management

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholders' value.

The Company manages its capital structure and makes alignment to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may align the dividend payment to shareholders, return capital to shareholders or issue new shares.

There were no changes in the Company's approach to capital management during the year.

The Company, being a limited liability company, is subject to externally-imposed capital requirement. Per the Laws of the Republic of Indonesia No. 40 of 2007 concerning Limited Liability Company, the minimum capital requirement to qualify as a limited liability company is Rp 50 million. As at March 31, 2011 and 2010, the Company has complied with the minimum requirement having a paid in capital of Rp 1 billion.

12. APPROVAL AND AUTHORIZATION OF FINANCIAL STATEMENTS

The financial statements on pages 1 to 13 were approved and authorized by the Company's Directors on April 25, 2011.