FORU

PT Fortune Indonesia Tbk

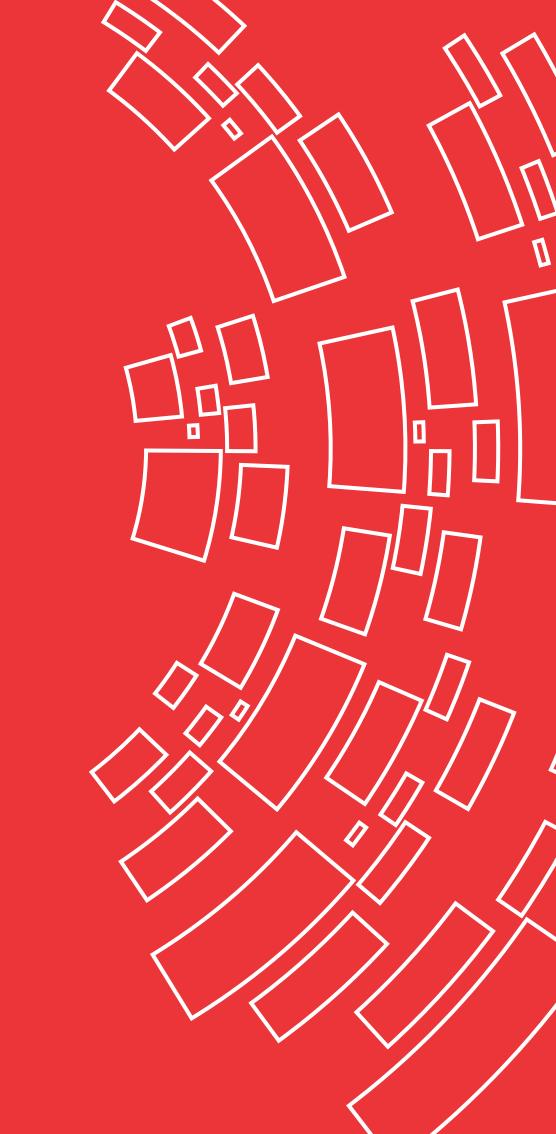


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Annual Report 2013



Annual Report 2013





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O 1 o Introduction

Reflecting on the fantastic achievement of a phenomenal performance with realistic targets, FORU is confident of being able to conquer all existing challenges.





Overview

Reload



2013 saw the start of the third five-year roadmap for FORU. A year in which FORU began a momentum to take a quantum leap to answer the challenges of the times to stay ahead in this industry.

A quantum leap is a big leap forward, which requires energy and great strength. "Reload" is a projection of what was planned and carried out by FORU during 2013 in preparation for the next jump.

FORU strengthened itself with new businesses that had been developed over previous years and retrofitted existing business areas with more energy to realize the leap forward creating value that spurred faster growth and created better success stories.



Reload

FORU is determined to continue to **Grow** consistently with its distinctive and Well managed identity. This commitment is in line with the rich Indonesian Heritage which is ageless and everlasting and has become the pride of the nation.

The design theme of Indonesia's rich heritage in this annual report is FORU's tribute to the inspiring cultural heritage of Indonesia.



• Awards and Significant Events 2013

Awards andSignificant Events 2013

JANUARY

- On January 9, 2013, FORU held its 2013 Kick
 Off at the Galaktika Building and the Rolling
 Stone Cafe, Jakarta with the theme Reload 111.
 This is an annual FORU event presenting the
 company's mission statement with business
 targets for the current year.
- FORU helped Jakarta flood victims by giving assistance to two shelters for victims in the areas of Kebayoran Lama and Jati Padang.

FEBRUARY

- On February 14, 2013, at Jl. Jabir, FORU through Pelita Alembana, held a blood donor event entitled 'Blood for Love' in commemoration of Valentine's Day.
- On February 28, 2013, FORU donated rubber boats to the 2013 Joint Flood Relief based in the Jati Padang area.

MARCH

- FORU through Fortune Pramana Rancang signed a memorandum of understanding with Bakrie University to make Fortune Pramana Rancang a reference case study for public relations courses in the Bakrie University Communication Study Program. The MOU was signed by the Director of Fortune Pramana Rancang, Indira Abidin, and Bakrie University Rector, Prof. Ir. Sofia W. Alisjahbana M.Sc., Ph.D.
- The Nursery located in the Ragunan area which was assisted by FORU's Corporate Social Responsibility (CSR) program, won several competitions at the Gebyar PAUD / Sport and Art Contest event organized by Himpunan Pendidik dan Tenaga Kependidikan Anak Usia Dini Indonesia (Himpaudi) South Jakarta, on March 4, 2013 at Pasar Seni Ancol, North Jakarta. Fortune's Nursery won four trophies including: Second Place Mencocokkan Gambar sesuai Pasangan; First Runner up Memindahkan Bendera sesuai Bilangan; and First Runner up Mengelompokkan Bola sesuai Warna.

APRIL

 On 28 April, 2013, at the Post Graduate Program London School of Public Relations building, Jakarta, the Director of Fortune Pramana Rancang, Indira Abidin, received the Indonesia Accredited Public Relations (IAPR) award from the Public Relations Society of Indonesia (PERHUMAS).







MAY

- On May 21, 2013, at Balai Kartini, Jakarta, FORU held its Annual General Meeting for Shareholders and Public Expose. This event also introduced new FORU logo.
- On May 13, 2013, President Director Indra Abidin was included in the list of Indonesia Best CEO 2013 from one of the country's leading business magazines SWA and received a Special Achievement of Leadership 2013 award. The evening awards event was held at the Shangri-La Hotel, Jakarta.
- On May 13, 2013, Director of Fortune Pramana Rancang Indira Abidin received a Indonesia Future Business Leader (IFBL) 2013 award in the category of medium scale enterprise from one of the country's leading business magazines SWA. The evening awards event was held at the Shangri-La Hotel, Jakarta.
- Fortune Indonesia officially changed its logo, after using the distinctive red sphere logo for ten years.
- Commemorating the World Book Day, FORU held internal actions to raise donations and distribute books to the children at Fortune Nursery Ragunan on May 8, 2013.

JUNE

FORU through Fortune Pramana Rancang was awarded the Certificate of Excellence in the category of Social Education & Philanthropy: Corporate Social Responsibility (CSR) Campaign of the Year for its Tabungan BTN Cermat campaign with Bank BTN, at the prestigious PRWeek Awards Asia 2013.









JULY

- On July 3, 2013, FORU President Director Indra Abidin received the Ganesa Widya Jasa Adiutama award from the Bandung Institute of Technology (ITB) for his role in advancing the Indonesian field of visual communication design and advertising during an Open Session at ITB commemorating 93 Years of Higher Technical Education in Indonesia.
- FORU through Fortune Pramana Rancang was reported as the PR consultancy with the second highest growth in the world in 2012 by The Holmes Report survey, with a growth of 199%.
- On July 16, 2013, FORU inaugurated its third nursery, Fortune Nursery in Lenteng Agung, South Jakarta.

AUGUST

- On August 20, 2013, at the Galaktika Building, FORU held halal bihalal
 with the company's management team and the entire board and teachers
 from Fortune Nursery in Pondok Pinang, Ragunan, and Lenteng Agung.
 Also present Asih Foundation acting as an advisory institution for
 Fortune Nursery.
- On August 2, 2013, to celebrate the arrival of *Eid-ul Fitr*, FORU channeled *Infaq* donations in the form of cash, food supplies and also religious equipment to four foundations, namely: Daarul Rahmah orphanages at Jl. Harsono RM; Daarul Aitam in Jagakarsa; As-Sodiqiyah in Tangerang; and Pondok Pesantren Yatim & Dhuafa Ma'Had Darul Aytam Al Utsmany Madani in Depok.
- From August 15 to 18, 2013, FORU through Digital Identity (DID) team from
 Fortune indonesia executed a social media-based campaign to jointly hoist
 Indonesia's red-and white flag on Facebook via the hashtag #KibarKobar.
 The campaign was intended to foster a spirit of nationalism on Indonesia's
 Independence Day.
- On August 31, 2013, at the Galaktika Building, FORU implemented CSR in the form of its regular program of scholarships for the sons and daughters of its support and outsourcing staff amounting to a total of 20 million Rupiah. The program is intended to assist the quality development of the children's education.







EPTEMBER

- At an awards night held on August 27, 2013 in Shanghai, FORU through Fortune Pramana Rancang scooped five nominations in the SABRE Awards event with its Fortune Healthcare & Consumers (FHC) Team in the category of Public Education, Consumer Products, and Public Sector / Government; with the Mocca Team in the Travel & Leisure category for its rebranding campaign with one of the country's leading airlines; with the Fortune Investor Relations & Finance (FIRF) Team in the category of Financial & Professional Services for the success of its strategy in the initial public offering (IPO).
- On September 24, 2013 at the Anugerah Business Review (ABR) 2013 awards event in Jakarta, FORU through Fortune Indonesia was named the third best in The Best Corporate Communication of the Year category competing with PT Garuda Indonesia (Persero) Tbk and PT Telekomunikasi Indonesia Tbk who won first and second places, and successfully outperformed PT Kresna Graha Tbk Sekurindo which ranked fourth and PT Bank OCBC NISP Tbk in fifth position.

NOVEMBER

On November 17, 2013, at Plaza Senayan, Jakarta, in the Indonesian Radio Awards event 2013, FORU through Fortune Indonesia, represented by Ludwina Vidyaninggar, won 3rd place for the Ken Sudarto Award in the category of Public Service Advertising.

DECEMBER

- FORU through Touchpoint team from Fortune Indonesia was crowned Progressive Agency of 2013 by TVOne.
- Distribution of plant seeds by FORU through early childhood students of Fortune Nursery in the Ragunan area.
- Planting the seeds in Ragunan Zoo with the early childhood students of Fortune Nursery.

OCTOBER

- On October 12, 2013, at the Galaktika Building, FORU participated in the commemoration of Eid al-Adha by distributing meat from six sacrificial animals to foundations in the vicinity of the Galaktika building. This activity was also accompanied by a storytelling about the prophets Abraham and Ishmael together with Dompet Dhuafa and sixty pupils from Fortune Nursery Ragunan and Lenteng Agung.
- At the annual event Pinasthika Creativestival 2013 held at the Jogja National Museum, Yogyakarta on October 19, 2013, FORU through Fortune indonesia took home a silver award in the category Graphic Design Corporate ID for its Bubble Talk logo.









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- Financial Highlights

Financial Highlights

(In millions of Rupiah, unless otherwise stated)

ANALYSIS	2011	2012	2013
Revenues	505,625	480,147	407,407
Direct Cost	423,668	394,323	326,395
Gross Profit	81,957	85,824	81,012
Operating Expenses	64,360	69,312	66,524
Operating Profit	17,597	16,512	14,488
Other Income (Expenses)	292	507	(679)
Income before income tax expense	17,889	17,018	13,810
Income Tax Expense	(4,935)	(4,360)	(3,228)
Total Comprehensive Income	12,954	12,659	10,581
Total Comprehensive Income Attributable to Owner of the Company	12,925	12,585	10,535
Total Comprehensive Income Attributable to Noncontrolling Interest	29	74	47
Earnings per Share Attributable to the Owner of the Company	Rp28,-	Rp 27,-	Rp 23,-

(In millions of Rupiah, unless otherwise stated)

Balance Sheet	2011	2012	2013
Total Assets	265,993	257,253	263,518
Total Liabilities	149,707	131,603	130,543
Total Equity	116,286	125,649	132,974

(In millions of Rupiah, unless otherwise stated)

Financial Ratios	2011	2012	2013
Return on Equity Ratio	11.1%	10.1%	8.0%
Return on Assets Ratio	4.9%	4.9%	4.0%
Net Profit Ratio	34.3%	(2.3%)	(16.4%)
Current Ratio	1.7	1.9	1.9
Debt to Equity Ratio	1.3	1.0	1.0
Debt to Asset Ratio	0.6	0.5	0.5

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Share Highlights •

Share Highlights

2013

Share Price Information (in Rupiah)

Period	Lowest	Highest	Closing	Volume of Shares Traded
Quarter 1	119	153	140	21,821,000
Quarter 2	130	176	132	22,136,000
Quarter 3	110	140	121	565,500
Quarter 4	180	108	121	29,777,500

2012

Share Price Information (in Rupiah)

Period	Lowest	Highest	Closing	Volume of Shares Traded
Quarter 1	135	189	162	327,921,500
Quarter 2	156	197	171	65,655,500
Quarter 3	146	178	153	203,729,500
Quarter 4	125	158	131	9,680,000

Board of Commissioners' Report



"The Board of **Commissioners** considers that the **Board of Directors'** performance in 2013 was satisfactory and showed good consistency."

Dear Shareholders,

With thanks to God Almighty, FORU had a successful 2013 and was able to maintain its position as a marketing communications industry leader. The company's 2013 performance was not directly affected by the national economic slowdown that fell to a level of 5.8% from the initial projection of 6.3%. However, this slowdown inevitably impacted FORU's 2013 revenue targets.

The stability of the national economy was still maintained as the macroeconomic foundations were relatively robust and businesses should still be able to make their projected growth. This macroeconomic environment will be an important factor for FORU in capturing business opportunities in the coming years.

Operationally and businesswise, steps that companies need to take include developing marketing networks, products and strengthening existing service products to encourage improvement going forward.





Board of Commissioners' Report

The Board of Commissioners considers that the Board of Directors' performance in 2013 was satisfactory and showed good consistency. The Board also considers that FORU's Five-Year Road Map strategy prepared by the Board of Directors and implemented in 2013 showed satisfactory results. Development of new services and retrofitting of existing products began to show results and are expected to contribute to FORU in 2014.

The Board of Commissioners offers its appreciation and respect to the Board of Directors for their leadership, commitment and hard work in maintaining FORU's respectable and unique position in the national marketing communications industry. The Board of Commissioners values FORU's management who maintained FORU's overall growth as well as developed FORU's creativity in achieving their business mission.

The role of the Committees below the Board of Commissioners

Through a process of careful scrutiny and review, the Board continues to push for the standard implementation of good corporate governance in all aspects of the company. In carrying out its supervision of the company's operations, the Board was assisted by the Audit Committee who through diligent and superior efforts have greatly contributed to the Company's growth. The overall performance of the Audit Committee in 2013 was considered successful in meeting the goals and expectations of the Board of Commissioners.



2014 Projections

One of the unique positions FORU has is that it provides competitive and comparative advantages when delivering political communications services. This is expected to contribute significantly to the Company's performance in 2014.

Indonesia's macroeconomic conditions, which are projected to improve in 2014 (BI projected economic growth of 6% in 2014), and the 2014 presidential election will provide opportunities for FORU to boost revenue.

In addition, the Board of Commissioners expects that the newly developed products and strengthened services will help it realize the 10% growth target predicted by FORU's management.

Appreciation

We wish to express our appreciation and heartfelt thanks to all shareholders and members of the Board of Commissioners for their contribution and belief over the years. We also extend our appreciation to all members of the Board of Directors for their commitment, leadership and hard work in helping FORU arrive at its current position. Particularly deep appreciation goes to all of FORU's committees and "Fortuners" who have contributed to its growth and development. To all stakeholders who have shown commitment and support to FORU, we also extend out deepest thanks.

We would also like to express our deepest appreciation and gratitude to our clients and business partners who have provided support and belief in FORU. Hopefully these established partnerships will provide mutual benefit for all of us.

Dedi Sjahrir Panigoro

President Commissioner and Independent Commissioner





Dear Shareholders,

2013 was a challenging year for FORU. Indonesia's economic growth in the second quarter fell and the impact on the marketing and product communication expenditure in the corporate sector in turn impacted FORU's revenue. Indonesia's economic growth slowed to 5.8% in 2013. These conditions created risks that had to be faced by all business entities including FORU.

Since 2012, FORU has improved its operational division to encourage faster growth and minimize business risk through resource development and strengthening of business tools as well as the development of new businesses and communications and marketing product to provide the best solution for its clients.

In addition, FORU has expanded its marketing network domestically and internationally through cooperation with overseas marketing communications companies. It is the path we are taking to strengthen FORU's comparative advantage in industries we compete in.

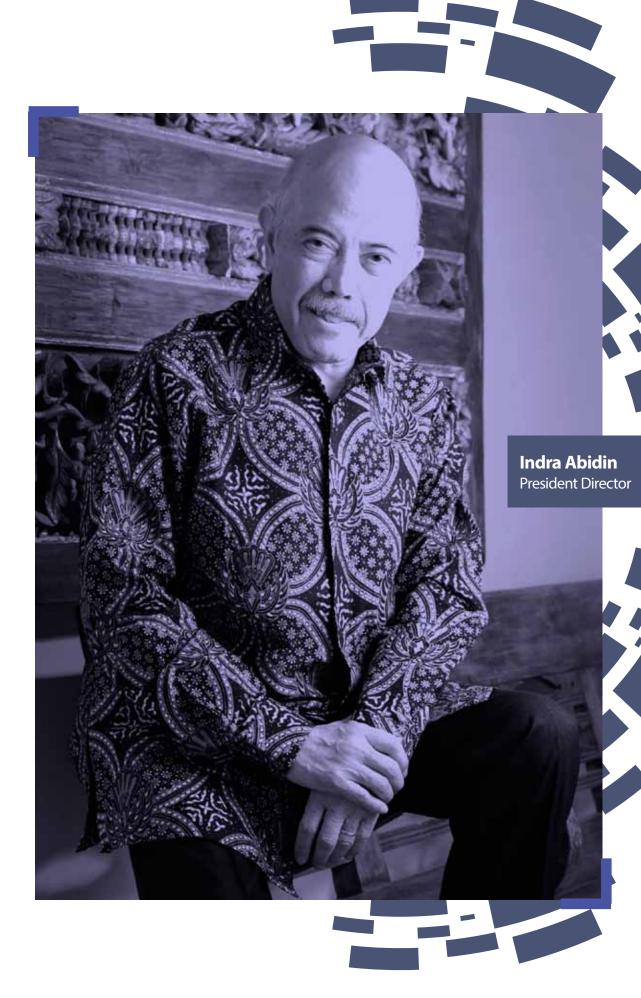
In terms of operations and performance, FORU showed satisfactory improvement. The development of new businesses and strengthening of existing products have shown expected results. Such as in sports marketing division which is projected in 2014 to reach 45% growth with target revenue of Rp 6 billion.

"On the revenue side, FORU recorded more than Rp 407 billion and achieved comprehensive income of more than Rp 10 billion with earnings per share of Rp 23."





Board of Directors' Report -



Board of Directors' Report

"Reload"

"Reload" as the theme for the 2013 annual report, represents FORU preparedness for a quantum leap to encourage faster growth.

During 2013, FORU continued to strengthen its product line, including new businesses launched in 2013, and built strategic partnerships to prepare for the challenges of the times. Improving the quality of human capital through training and *pesemaian* programs were also conducted to improve the business support needed to help the company accomplish its mission.

We remain optimistic FORU will continue to demonstrate a good performance. This optimism is based on the positive projections on economic growth which are expected to encourage consumption levels which in turn will increase demand for communication and marketing products.

In particular, this theme represents our commitment and concrete action to accelerate growth and produce better benefits to all stakeholders in the years to come and provide clear direction to all FORU teams so their collective efforts help achieve corporate goals.

Macroeconomic and Industry Conditions 2013

Bank Indonesia (BI) reported that Indonesia's economic growth, after a growth of 6.0% (yoy) in the first quarter of 2013, slowed to 5.8% (yoy) in the second quarter of 2013. BI also predicted that Indonesia's economic growth in 2013 would range between 5.8% and 6.2%.

The slowdown in macroeconomic growth certainly had an impact on the business world resulting in a decline in demand for communication and marketing products. The banking, automotive and consumer goods industries have been the largest contributors to communication and marketing products with more than 50% of the market. This condition certainly had an impact on FORU's revenue performance.

However, Indonesia's macroeconomic stability in general remained good. Improved fiscal sustainability conditions are expected to be a factor that will drive economic growth in 2014.

Household consumption in the second half of 2013 remained stable, despite being relatively lower when compared to the previous half, due to the impact of the subsidized fuel price policy. However, social protection programs, especially aimed at the poor, are expected to maintain the purchasing power while providing impetus to household consumption. On the other hand, there may be a potential impact on consumption activity resulting from the start of election activities and election preparations in April 2014.

Macroeconomic conditions that had slowed in 2013 are predicted to improve and will certainly provide a more promising climate for the business world including FORU.

FORU's efforts in 2012, in the development of new businesses and strengthening of existing business sectors, have shown the expected growth. This makes FORU increasingly focused on its core competencies.

Overall, FORU's performance during 2013 was quite good despite the decline in revenue when compared to the previous year. The decline was caused by the macroeconomic conditions in Indonesia that had slowed down early in 2013 leading to a decline in demand for communication and marketing products of more than 50% resulting in FORU's operating income underperforming by 15-20%.

On the revenue side, FORU booked more than Rp 407 billion and achieved comprehensive income of more than Rp 10 billion, with earnings per share amounted to Rp 23. This achievement was lower than the previous year. The decline was due to the macroeconomic conditions' decline in mid-2013 which affected demand significantly. In addition an increase in interest rates and a decrease in purchasing power, due to fuel price adjustments, suppressed the company's revenue.

In 2013 FORU continued the tradition of winning awards and appreciation at a number of events both at home and abroad. Fortune PR was listed as the PR agency with the second highest growth in the world in 2012 by The Holmes Report survey, with a growth of 199%.

On September 24, 2013, FORU was placed third in The Best Corporate Communication of the Year category competing with PT Garuda Indonesia (Persero) Tbk and PT Telekomunikasi Indonesia Tbk, who were ranked first and second, and successfully outperformed PT Kresna Graha Sekurindo Tbk which ranked fourth and PT Bank OCBC NISP Tbk in fifth position.

"We remain optimistic **FORU** will continue to demonstrate a good performance. This optimism is based on the positive projections on economic growth, which are expected to encourage consumption levels, which in turn will increase demand for communication and marketing products."



Board of Directors' Report

FORU's Strategic Five-Year Road Map

2013 was the beginning of the third five-year roadmap (2013-2017) since FORU became a public company in 2002. This year, FORU has the momentum to leap forward to encourage faster growth again.

Powered by its new businesses and full range of integrated services and comprehensive marketing communications, 2014 is expected to be a year of significant achievement for FORU.

Improving the quality of its human capital will be conducted early in the third five-year roadmap with a strategy to improve the supply side thus providing adequate operational support.

FORU also strengthened and expanded its marketing network by working in collaboration with strategic partners.

2014 Prospects and Strategies

By 2014 it is estimated that Indonesia's macro economy will show a positive trend. Bank Indonesia forecasts economic growth in 2014 reaching 6%. Along with this increase in the Indonesian economy in 2014, the communications and marketing industry is projected to return to positive growth. This is primarily driven by better macro-economic indicators.

In addition, in 2014, political communication activities will also increase significantly associated with a General Election to be held in April 2014. FORU has a strong tradition in the handling of political events in all segments of its business so this will certainly lead to an increase in FORU's revenue in 2014.



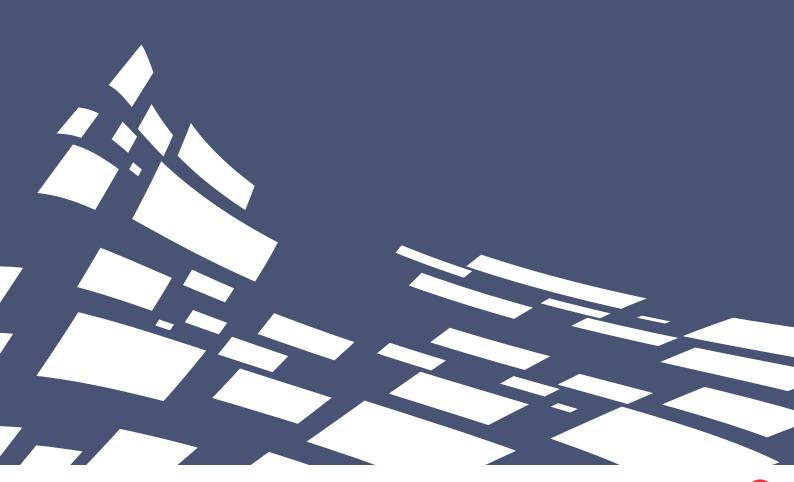


FORU has set quantitative targets to achieve positive growth in 2014. FORU will focus on these 2014 targets to increase the revenue through events associated with the 2014 General and Presidential Elections and by maximizing expected sports marketing and digital services with a combination of conventional and non-conventional marketing and communication services. FORU is optimistic in maintaining its average growth at the 10% level. This optimism is supported by General Election and FIFA World Cup activities, which are opportunities for FORU in 2014.

FORU strategic focus on the third five-year development roadmap is added value to spur faster growth, creating success stories for FORU clients and be number five in the industry.

Indra Abidin

President Director



Company Profile

Unlimited creativity has always been FORU's work ethic in reaching its resounding achievements.

TARI SAMAN

UNESCO officially recognized the traditional Saman Dance as an intangible element of world cultural heritage in 2011. Behind the Uniqueness of its motion, saman dance symbolizes togetherness and cohesiveness, which has always been maintained by FORU to ensure successful results.





General Information

General Information

Company name : PT FORTUNE INDONESIA Tbk (IDX:FORU)

Line of Business : Advertising Services

Public Relations Services

Graphic Design Services

President Director : INDRA ABIDIN

Company Tax ID Address : GEDUNG GALAKTIKA, JI Harsono R. M. No. 2 Ragunan,

Pasar Minggu, Jakarta Selatan 12550

No. Phone & No. Fax : 021 782 7989 / 021 788 47524

E-Mail Address : corsec@foru.co.id

Advertising Industry

Association Member / ID : DKI-AA-73-020

Establishment Deed - No. & Date : 5, May 5, 1970

 Trade License No.
 : 02898/1.824.271

 Company Registration No.
 : 09.03.1.73.24518

Tax ID No. : 01.303.912.8-054.000

Decree for Tax Entrepreneur -(VAT): PEM-00242/WPJ.07/KP.0803/2008



Brief History of The Company



FORU Overview

FORU is a group of integrated communications development companies that was founded on May 5, 1970 under the name of PT Fortune Indonesia Advertising Company. FORU's birth was a milestone when Mochtar Lubis - a novelist and prominent Indonesian journalist - established Fortune Advertising and Management Consultants in affiliation with Fortune International Australia.

FORU's birth pioneered modern advertising agencies' presence in Indonesia, an important role in national development. FORU's presence, for more than 43 years, in the midst of Indonesian society has provided a competitive advantage in FORU's business activities. FORU's service range now ranges from advertising, public relations, brand activation, digital solutions, media planning and investment, exhibitions, sports marketing, brand consulting to marketing insight.

Since FORU's beginning, firm commitments have been implanted into the FORU's heart to provide the best advertising and marketing communications to clients. For more than four decades, FORU has shared its spirit and passion with hundreds of clients and dealt with thousands of inspiring campaigns. Over time FORU has become a leader in the creative industry, a pillar supporting enterprises at their birth, becoming a brother helping sustain the commitment to delivering comprehensive and integrated solutions and answer the challenges of the creative industry.



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Line of Business

Line of Business

Advertising Services

Advertising services, within FORU, is an activity that specifically covers the provision of content, communications, and channeling. The channeling service is a segment that contributes most to FORU's overall revenue. In 2013, FORU managed to record revenue from advertising services of Rp 373.7 billion. This figure has decreased by 15.5% when compared to the previous year's revenue of Rp 442.2 billion.

The most influential factors of the business activities in this segment are the shortcoming of channel services expenditure and clients are holding back their advertising spend. In 2014, FORU expects to record revenue with more aggressive advertising services in line with the Company's Work Plan & Budget and targets, which show an increase of 10% from 2013.



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Line of Business



Public Relations Services, within FORU, includes corporate communications, marketing communications and social communications. Throughout 2013, FORU managed to record revenue from this segment amounting to Rp 21.9 billion. The achievement was a decrease of 21.1% compared to the previous year at Rp 27.7 billion.

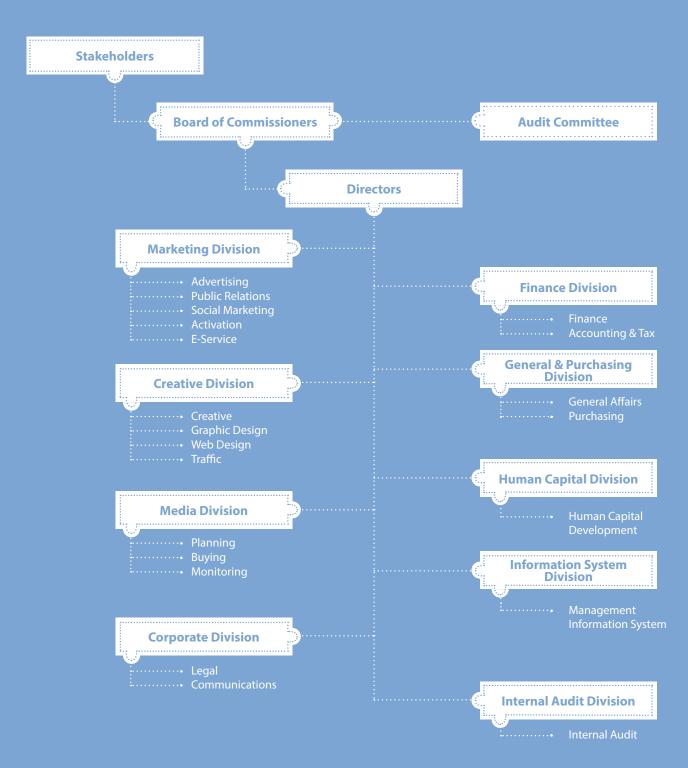
The decrease in this segment was due to the clients' demand for integrated marketing communication services in Public Relations services compared to the previous year. In 2014, FORU expects to record revenue through more aggressive Public Relations services in accordance with the Work Plan and Budget with a growth target of 10% from the 2013 results.

Graphic Design Services

Graphic Design Services, within FORU includes creative concept, activation and event. Throughout 2013, FORU managed to record revenue from this segment amounting to Rp 11.9 billion. This figure represents an increase of 15.8% compared to the previous year revenue of Rp 10.2 billion.

The main factor determining revenue in this segment are the increase of clients' demand for the creative, activation and event services. In 2014, FORU expects to record revenue through more aggressive Graphic Design services in accordance with the Work Plan and Budget with a growth target of 10% from the 2013 results.

OrganizationalStructure



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Vision and Mission

Vision and Mission

VISION

"The spotlighted global communications network"

Communications Network

Network with business focus

Global

The needs and passion to conquer the world

Spotlighted

Always on talk value

MISSION

- Bring value to grow and become an acceleration magnet for stakeholders
- Prove and improve the success story of people, partners and the nation
- Become number 5 in the industry



Vision and Mission



Corporate Values

4P + 1

"The values that define mindset, attitude,

MINDSET - POSITIVE

Optimistic spirit

Keep the mind open and open for possibilities

ATTITUDE - PASSIONATE

Fuel of facts

Taking every steps with heart

PROCESS - PROACTIVE

Ahead of service standard Strong initiative

RESULTS – PROGRESSIVE

Excel beyond expectations Raising the bar

CHARACTER – INTEGRITY

Integrity is the foundation and source of inspiration to work effectively and efficiently in order to increase the benefits for the business and for all stakeholders

KERIS

In 2005 UNESCO recognized the keris as a world cultural heritage. In addition to the high value forms and motifs, the keris is exceptionally **Strong**, as is FORU as it upholds the integrity to make it sturdy, upright and strong.

- Corporate Culture

Corporate Culture

AST FORWARD

■ EAP OF CREATIVITY

- ⊗ Leap of Attitude
- ⊗ Leap of Recognition

IELD OF EXCELLENCE

 Business engineering to gain maximum profits/benefits

Business Paradigm •



Milestones

Milestones

It has been four decades since FORU was established to carry the spirit of creativity. During the journey, FORU has grown and obtained many achievements along the way. The following are some glorious moments which are well-engraved in FORU milestones.

1970

Affiliated with Fortune International Australia, Mochtar Lubis establishes an integrated local advertising company under the name of PT Fortune Indonesia Advertising Company. This event becomes the first milestone of FORU in Indonesia.

1978

One FORU stepping-stone in its historical progression was promoting Instant Milk Powder products from Nestlé and Sampoerna filter cigarettes. These products succeeded in changing domestic consumer tastes and behaviour forever. The success of these marketing campaigns with their brilliant achievement are carved in the track record of FORU.

1987

Developed and implemented an integrated social marketing campaign for BKKBN to promote the program of 'Lingkaran Biru KB'. The campaign has made a major contribution to the history of social development in Indonesia and as of today, it is considered by the public as one of the most prominent success stories in social development of this country.

1990

In the early 1990s, FORU developed an integrated communications campaign for Dancow Instant, Nestlé, by using a jingle and a tagline "Aku dan Kau Suka Dancow". The strategies developed by FORU have successfully enabled Dancow to outperform its competitors and become the market leader.

1985

implementing and executing social marketing campaigns was for the Board (BKKBN), promoting 'Kondom 25' contraception as part of the national family planning program. FORU successfully

1998

FORU was involved in the recovery program to mitigate the impact of the Asian financial crisis at the time. FORU launched social as well as appreciation towards the nation's

1986

Indra Abidin took over ownership of FORU with the intention to make developed into a full-service agency universal professionalism and a strong work ethic.



Milestones

2002

FORU once again made history as the first advertising company in Indonesia to go public, by listing its shares on the Jakarta Stock Exchange (now the Indonesia Stock Exchange). FORU continued to prove itself as the client's first choice as an integrated communication development consultant.

2003

Appointed by the United Nations Development Programme (UNDP) and the General Elections Commission (KPU) to manage a Voter Information Campaign during the pre-election period. In the following year, FORU was once again appointed to be an agency of UNDP and KPU for the 2004 General and Presidential Elections. The success in designing and implementing a Voter Information Campaign for the 2004 General and Presidential Elections was recognized in the UNDP evaluation report published the following year.

2011

Created two new business units, namely Plan B and FSports to enhance FORU's competitive advantage. Plan B was founded as a specialist in brand activation, whereas FSports, as implied in its name, specializes in sports marketing services.

2012

FORU redefined its vision to become a superior global communications network. The initial step taken was to release its majority control in the travel services business that had been operated by one of its subsidiaries, PT Fortune Travindo (Travindo). FORU further positioned itself as a developer of integrated marketing communications services, with business activities covering advertising services, public relations, digital and media specialists, exhibitions, design, sports marketing, and marketing insight.

2008

2010

FORU celebrated its 40th anniversary with the spirit of "Better & Younger" hoping to be a company that continues creatively. FORU has positioned itself as an important contributor to national impact on the people of Indonesia.

2013

After using the distinctive red sphere logo for over ten years, FORU underwent a 'refresher' by launching two new logos. The first logo is the official logo of the name of the company shares in the Indonesian Stock Exchange, namely FORU. The second logo is a representation of Fortune Indonesia with a "talk bubble" icon to indicate meaningful dialogue and



Board of Commissioners' Profile

Board ofCommissioners' Profile



Dedi Sjahrir Panigoro

President Commissioner and Independent Commissioner

An Indonesian citizen, born in Sumedang on March 19, 1947. He is a Bachelor of Telecommunication Engineering from Institut Teknologi Bandung (ITB) in 1987. President Commissioner and Independent Commissioner in FORU since 2007. He was reappointed for the subsequent period up to the year 2016 at the FORU Annual General Meeting of Shareholders held in 2011. He began his career as a shareholder and founder of the Medco Group. Until now, he has served as President Director of Medco Holdings, President Director of PT Meta Archipelago Hotels and Commissioner of PT Graha Niaga Tata Utama. He actively participates in training both domestically and internationally, including with SGV Utomo and LPPM.

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FORU RELOAD Annual Report 2013

Board of Commissioners' Profile -



Kasman Ardan

An Indonesian citizen, born in Banjar on August 15, 1947. He is an S-1 graduate of the Graphic Design Department, Institut Teknologi Bandung (ITB) in 1973. He has served as a FORU Commissioner since 1992 following the FORU Annual General Meeting of Shareholders. He was reappointed for the subsequent period up to the year 2016 and became President commissioner in Fortune Pramana Rancang at the FORU Annual General Meeting of Shareholders held in 2011. He first joined FORU as Creative Manager in 1974 and then moved to PT Kenrose Indonesia and PT Faritex Farmasi as General Manager (1974-1976). Subsequently he served as General Manager at PT Marcon Indonesia (1976-1980) returning to Fortune Indonesia in 1980 and served as a Director. He also serves as Director of PT Setya Persada and President Director of PT Sumber Alam Nusantara since 1997 until now.



Miranty Abidin

An Indonesian citizen, born in Subang on March 29, 1946. She graduated in Biology at the Faculty of Mathematics and Natural Sciences, Institut Teknologi Bandung (ITB) in 1973 and also graduated from Frank Jefkins School of Public Relations, London, England, in 1985. She has served as a FORU Commissioner since 2001 following a FORU Annual General Meeting of Shareholders. She was reappointed for the subsequent period up to the year 2016 at the FORU Annual General Meeting of Shareholders held in 2011. She has served as President Director for Fortune Pramana Rancang since 1989. She began his career as a writer in several prominent journals such as the Cakrawala and the ASEAN Trade Journal as Editor in Chief for Indonesia. In addition, she also served as General Manager of PT Kreasi Dinamika and later served as a Director of PT Adwitiya Alembana. As one of the founders of the Social Marketing Circle, she is actively involved in various social and community activities.

Board of Commissioners' Profile



Lucia Novenna Budiono
Commissioner

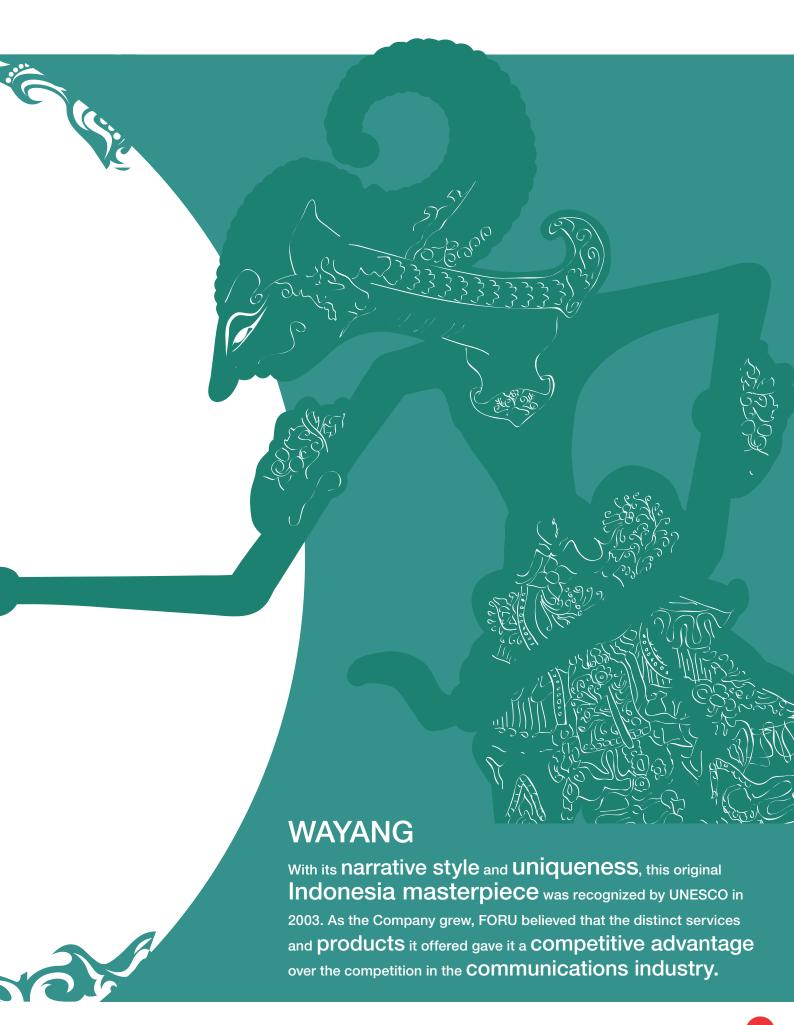
An Indonesian citizen, born on November 26, 1948. She is a graduate of the Institute of Teacher Training and Education (IKIP) Bandung English Literature 3rd years, Jakarta Institute of Finance, Institut Manajemen Prasetya Mulya. She has served as a FORU Commissioner since 2011 following the FORU Annual General Meeting of Shareholders held in 2011. She joined FORU in 1978. She began his career at Astra International in 1974 before joining the Panorama Travel. When joining FORU, she served as Media Director in 1983 and then held the position of Director at Pelita Alembana (1986-2000), Director of Fortune Travindo (1992-present).



Farida Eva Rianti Hutapea Independent Commissioner

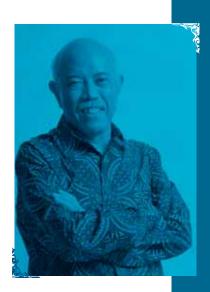
An Indonesian citizen, born in Jakarta on December 26, 1952. She graduated in Economics from the University of Indonesia in 1973 and graduated from the Senior Executive Program at Stanford University, USA, in 1986. She has also been a Registered Public Accountant since 1974 and is active in the National Committee of Good Corporate Governance (1999-2004). She was appointed as an Independent Commissioner in 2011 following the FORU Annual General Meeting of Shareholders held in 2011. She began her career in the public accounting firm Drs Sidhartha in 1973. Prior to joining FORU, she was a Director of PT Indofood Sukses Makmur Tbk (1993-1999).

Board of Commissioners' Profile



Board of Directors' Profiles

Board of Directors' Profiles



Indra Abidin
President Director

An Indonesian citizen, born in Jakarta on July 9, 1947. He earned a Bachelor of Graphic Design degree from the Institut Teknologi Bandung (ITB) in 1973. He has served as FORU President Director since 2002 following an Annual General Meeting of Shareholders. He was reappointed for the subsequent period up to the year 2016 at the FORU Annual General Meeting of Shareholders held in 2011. He built his career in FORU starting in 1973 with the position of Account Executive. He was active in the creative industry as the founder of the Asian Federation of Advertising Associations (AFAA) and served as World President and Chairman of the International Advertising Association (IAA) (2008-2010). Awards which he has received include an Honorary Doctorate from the University of Newcastle, Australia, for his contribution in the development of education in Indonesia (2009), as well as Ernst & Young's Special Award for Corporate Social Responsibility in 2005. In 2013, Indra Abidin was included in the list of Best Indonesian CEO of 2013 from one of the country's leading business magazine SWA and was awarded a Special Achievement of Leadership 2013.



Herman Muljadi Sulaeman Director

An Indonesian citizen, born in Bandung on February 13, 1952. He is a graduate of the Academy of Accounting Jayabaya in 1977 and Senior Executive Program at INSEAD, France. He joined FORU in 1971, starting his career in FORU in the Accounting team later becoming a Media Buyer, Production Manager, Finance Manager and Director of Finance and Administration in 1991. He was reappointed as a Director of the Company following the successful IPO in 2002 by decision of the FORU Annual General Meeting of Shareholders. He was reappointed for the subsequent period up to the year 2016 at the FORU Annual General Meeting of Shareholders held in 2011. Currently, he is also a Commissioner in the subsidiary PT Pelita Alembana.

Group Executive Officers

: Indra Abidin Name

Title : CEO

Name : Herman Muljadi Sulaeman

Title : CFO

: Maria Magdalena Lanasastri Setiadi Name

Title : CCO

: Aris Boediharjo Name

Title : COO



Aris Boediharjo coo



Maria Magdalena Lanasastri Setiadi ссо

Composition of Shareholders

PACUAN KUDA SUMBAWA



Composition of Shareholders -

Composition of FORU's Shareholders

CATEGORY	Number of Shares		Composition	
	2012	2013	2012	2013
Domestic Investors				
Individual	239,669,000	250,372,500	51.52%	53.82%
Employee	-	-	-	-
Businesses	210,000,500	210,000,500	45.14%	45.14%
Foreign Investors				
Individual	2,000	2,000	0.0004299%	0.0004299%
Foreign Businesses	15,552,500	4,849,000	3.34%	1.04%
TOTAL	465,224,000	465,224,000	100%	100%



General Information Subsidiaries

General informationSubsidiaries

Fortune Indonesia

Board of Commissioners

Dedi Sjahrir Panigoro President Commissioner and Independent Commissioner

Kasman Ardan Commissioner

Miranty Abidin Commissioner

Lucia Novenna Budiono Commissioner

Farida Eva Rianti Hutapea Independent Commissioner

Board of Directors

Indra Abidin
President Director

Herman Muljadi Sulaeman Director

Gedung Galaktika Jalan Harsono R.M. No. 2, Ragunan Jakarta Selatan 12550 Indonesia

Tel. : +6221 782 7989

Fax. : +6221 7884 7524

Email : corsec@foru.co.id

Website: www.foru.co.id

www.fortuneindo.com

Fortune Pramana Rancang

Board of Commissioners

Kasman Ardan President Commissioner

Teddy Kharsadi Commissioner

Board of Directors

Miranty Abidin President Director

Indira Ratna Dewi Abidin Director

Shareholder Composition

PT Fortune Indonesia Tbk (99%) Miranty Abidin (1%)

Gedung Galaktika Jalan Harsono R.M. No. 2, Ragunan Jakarta Selatan 12550 Indonesia

Tel. : +6221 765 8506-07 Fax. : +6221 7884 5497

Email: manager@fortunepr.com Website: www.fortunepr.com

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General Information Subsidiaries -

Pelita Alembana

Board of Commissioners

Indra Abidin **President Commissioner**

Herman Muljadi Sulaeman Commissioner

Board of Directors

Aris Boediharjo **President Director**

Charlie Pramudya Lesmana Director

Shareholder Composition

PT Fortune Indonesia Tbk (99%) Herman Muljadi Sulaeman (1%)

Gedung Galaktika Jalan Harsono R.M. No. 2, Ragunan Jakarta Selatan 12550 Indonesia

Tel. : +6221 782 7989 Fax. : +6221 788 47524

Email: secretary@pelitaalembana.com

Website: www.ihaveplanb.com

Fortune Adwicipta

Board of Commissioners

Kasman Ardan **President Commissioner**

Miranty Abidin Commissioner

Board of Directors

Aris Boediharjo **President Director**

Yuliana Leonarda Director

Shareholder Composition

PT Fortune Indonesia Tbk (99%) Kasman Ardan (1%)

Gedung Galaktika Jalan Harsono R.M. No. 2, Ragunan Jakarta Selatan 12550 Indonesia

Tel. : +6221 789 0491 Fax. : +6221 789 0512

Email : sekretaris@factinaction.com Website: www.factinaction.com

Board of Commissioners and Board of Directors

Board of Commissioners and Board of Directors



Dedi Sjahrir Panigoro



Kasman Ardan



Teddy Kharsadi



Miranty Abidin

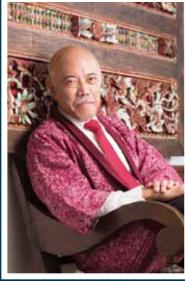


Lucia Novenna Budiono



Farida Eva Rianti Hutapea

Board of Commissioners and Board of Directors



Indra Abidin



Herman Muljadi Sulaeman



Aris Boediharjo



Indira Ratna Dewi Abidin



Charlie Pramudya Lesmana



Yuliana Leonarda

verview Company Profile Management Discussion & Analysis Corporate Governance Corporate Social Responsib

Subsidiaries

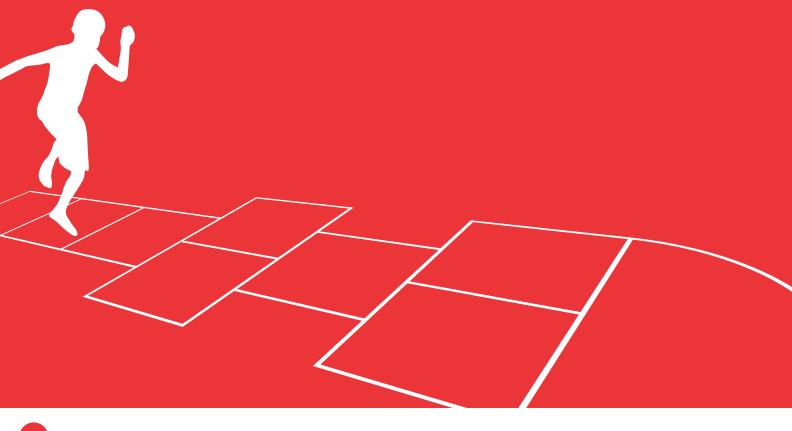
Subsidiaries

Fortune Indonesia

Fortune Indonesia is run by FORU and divides its operations into three main categories namely communications, content, and channelling. In the category of communications, FORU's business segments include brand consulting, advertising campaign, political marketing, and social marketing. While the content category includes brand activation, branded entertainment, trade marketing, and CRM. In the channelling category, FORU's business segments are divided into media planning and media investment such as digital communication. Broadly speaking FORU's business activities include brand management, strategic planning, brand auditing and brand development, the selection of a suitable media, public relations and loyalty program activation and usage of products and client services.

Fortune's performance each year always shows excellent growth. This is a result of the business strategy specifically focusing on accelerating growth through investment efforts for new business development. Through these efforts Fortune Indonesia hopes to be able to achieve significant growth in the coming years. In addition to focusing on investments aimed at developing new business, the other main strategy is to strengthen some areas of business, especially in the digital sector.

By strengthening the field of business and developing new business, Fortune Indonesia is sure to achieve even greater growth in the coming years. Moreover, supported by the Indonesian economy which is predicted to improve, Fortune Indonesia will continue to promote the spirit to continue to innovate and evolve.



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Subsidiaries -















Subsidiaries

















Subsidiaries -



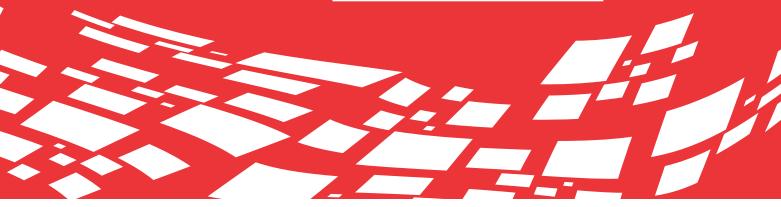












Fortune Pramana Rancang

Fortune Pramana Rancang (Fortune PR) is a subsidiary providing Integrated Communications Solutions based on Public Relations (PR) as its main service. As a pioneer in the public relations industry in Indonesia, Fortune PR has managed to build strong brand equity in the Indonesian market with great achievements every year.

Rapid economic growth in Indonesia, the transition to the digital realm of consumer interest, as well as consumer demands to build trust and credibility in their brands, resulted in PR services increasing rapidly this year. The large market segments in Indonesia have encouraged overseas brand owners to flock to Indonesia, and Fortune PR, as a partner, has always been active in this area of PR services.

Working partners in various countries contact Fortune PR for support for PR services in Indonesia. Fortune PR has sharpened its services by building new business units, namely:

- Meadline, specializing in media relations development and media relations training
- Dibe, specializing in digital communications
- Prodev (Pro Development), specializing in social marketing and development communications
- Mocca, specializing in advertising and below the line activities
- Verbrand, specializing in research, development of brand strategy and brand identity
- Fortune Healthcare and Consumer, specializing in the healthcare industry and consumers

In addition to the specialization development through the above business units, Fortune PR is also building expertise in the field of tourism communications and is investing in monitoring and media analysis services, including traditional media and social media. This service has become crucial for strengthening innovative public relations services with its ability to answer the demands of the digital age which are becoming increasingly widespread in Indonesia and the Asia Pacific region in general.

In terms of creativity, Fortune PR continues to enhance its creative team. In 2013, during the PRWeek Awards Asia event, Fortune PR was awarded the Certificate of Excellence in the category of Social Education & Philanthropy: Corporate Social Responsibility (CSR) Campaign of the Year for its *Tabungan BTN Cermat* campaign with Bank BTN.















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Subsidiaries

Pelita Alembana

Pelita Alembana (Pelita) provides a series of integrated marketing and advertising services to corporate and commercial clients. Pelita's business activities are divided into three business lines including media specialist, creative agency, and sports marketing. Pelita's activities include planning, purchasing and placement of advertising space in the media.

The growth of the business climate saw Pelita performing aggressively and managing to record a substantial revenue contribution. Increased revenue contribution was largely powered by the results in the media specialist sector which always managed to exceed the target. For example FSports, only 2 years old, showed positive growth and has been trusted enough to become ESPN's representative in Indonesia. An achievement such as this boosts eagerness to continue to innovate and deliver the best.

With aggressive performance and supported by a strong team, Pelita is confident in facing the business challenges ahead. The Company's management is optimistic that business prospects in the coming years will be even better. All three activities from Pelita - media specialist, creative agency, and sports marketing - are already optimally active. Pelita's obvious belief is also supported by a commitment to continue to grow and to develop creatively and innovatively.



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Subsidiaries -













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Subsidiaries

Fortune Adwicipta

Fortune Adwicipta (FACT) is dedicated to the implementation of event management that includes the processes to develop, design, build, finish, and manage events. Fortune Adwicipta's business activities in the creative industries also include brand activation services, branded entertainment, trade activation and CRM.

The name FACT is its new trading brand and is an abbreviation of ForAction or the FAC Team. This rebranding effort succeeded in delivering a new spirit in the Company's business climate Along with this, FACT's other main strategy focused on the process of reorganization with the aim to establish optimal performance.

Each year, FACT's overall performance always shows positive trends. With the strength of a solid team, FACT is always ready for all existing challenges, including strengthening its infrastructure and human capital. The completed reorganization inspired the FACT people who managed the successful regeneration to produce optimal performance for the company. This challenge was overcome by focusing on the main task of finding a leader who was able to bring the new team to success. FACT feels that the business prospects in the coming years will be much more promising. To that end, FACT's strong commitment to developing its services makes it upbeat to be the largest profit contributor for FORU.



Subsidiaries -













Capital Market Institutions and Supporting Professionals

Stock Listing

PT Bursa Efek Indonesia Gedung Bursa Efek Indonesia, Tower 1 Jl. Jendral Sudirman Kav. 52-53, Jakarta 12190 Tel: +62 21 515 0515 Fax: +62 21 515 0220

Share Registrar Office

PT Sinartama Gunita Plaza BII, Menara I, Lt. 9 Jl. M.H. Thamrin No. 51, Jakarta 10350 Tel: +62 21 392 2332 Fax: +62 21 392 3003

Securities Rating

PT Pemeringkat Efek Indonesia Panin Tower Senayan City, Lt. 17 Jl. Asia Afrika Lot. 19, Jakarta 10270 Tel: +62 21 727 82380 Fax: +62 21 727 8237

Securities Collective Custody

PT Kustodian Sentral Efek Indonesia Gedung Bursa Efek Indonesia, Tower 1, Lt. 5 Jl. Jendral Sudirman Kav. 52-53, Jakarta 12190 Tel: +62 21 529 91099 Fax: +62 21 529 91199

Public Accountant Firm

Kosasih, Nurdiyaman, Tjahjo & Rekan Gedung Jaya, #L04 Jl. M.H. Thamrin No. 12, Jakarta 10340 Tel: +62 21 319 28000 Fax: +62 21 319 28151

Notary

Leolin Jayayanti SH.
Jl. Pulo Raya VI No. 1, Kebayoran Baru
Jakarta Selatan 12170
Tel: +62 21 727 87232
Fax: +62 21 723 4607



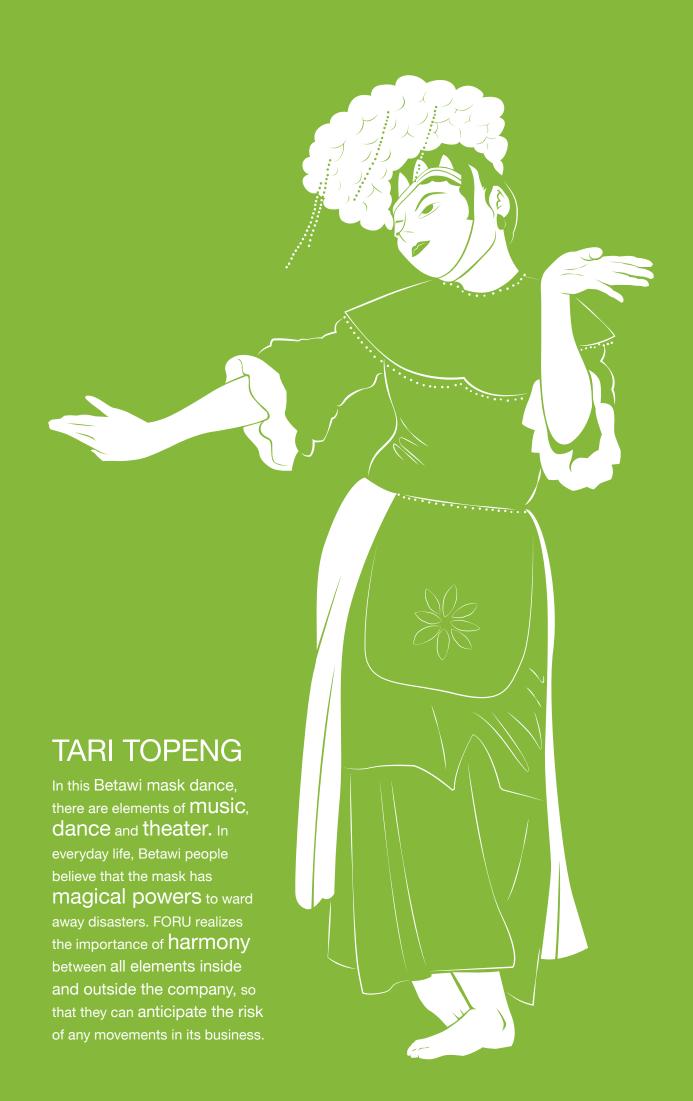
Capital Market Institutions and Supporting Professionals -



OS. Management Discussion & Analysis

Expanding aggressively and being a segment trendsetter are the basic FORU platforms to maintain its business existence.





Overview

The Republic of Indonesia's Ministry of Finance's First Half Report at the start of 2013, showed macroeconomic indicators such as economic growth, inflation, the price of Indonesian crude oil (ICP), and the value of the rupiah against the U.S. dollar had moved in a different direction from the assumptions that have been set by the Government's State Budget for 2013. These changes encouraged the Government to pass a 2013 Budget Amendment to Parliament in May 2013, ahead of the scheduled submission of the First Half Budget Implementation Report in July.

It was not unexpected that Indonesia's economic growth in 2013 would be affected by the impact of the global economic downturn, which was still under pressure and slowdown due to the fact that there was no economic recovery happening yet in Europe and other developed countries, and this caused a decrease in purchasing power and global demand thus reducing the volume of trade and exports.

Bank Indonesia stated that the economic growth in Indonesia, after growth of 6.0% (yoy) in the first quarter - 2013, had slowed to 5.8% (yoy) in the second quarter - 2013. BI also predicted that Indonesia's economic growth in 2013 would range between 5.8% - 6.2%.

However, Indonesia's macroeconomic stability was well managed, the fiscal sustainability condition was improving and was expected to be a factor that would boost economic growth in the second half of 2013. Household consumption in the second half of 2013 was expected to remain stable despite being relatively lower when compared to the previous half due to the impact of the fuel price adjustment policy. However, social protection programs, especially aimed at the poor, were expected to maintain the purchasing power while providing impetus to household consumption. On the other hand, there would be potential consumption activity originating from the elections and election preparation that starts in April 2014. This condition for the creative and advertising industry will provide promising business opportunities for profit.



Overview -



Financial Review

Revenues

FORU's 2013 revenues reached Rp 407,406,719,849 a drop of 15.1% from the 2012 revenues of Rp 480,147,066,931. The decrease was mainly caused by Indonesian macro-economic conditions that impacted the advertising and marketing budgets in the corporation sector which is FORU's main market.

Expenses

FORU's operating expenses in 2013 decreased by 4% from Rp 69,311,996,531 to Rp 66,523,632,643. This fall was due to remuneration provisions, a decline in receivables, professional fees, and others.

Income

FORU's 2013 operating profit amounted to Rp 14,488,255,529 down 12.3% compared to the previous year's figure of Rp 16,511,657,670. The 2013 comprehensive income of Rp 10,581,287,564 saw a decrease of 16.4% from 2012's comprehensive income of Rp 12,658,611,833. FORU's EBITDA in 2013 amounted to Rp 18,486,105,048 a decrease of 5.5% from Rp 19,563,778,894 in 2012.

Assets

In 2013, FORU's assets grew Rp 6,264,969,504 an increase of 2.4% on the previous year's Rp 257,252,585,937.

Liabilities

FORU's current liabilities decreased from Rp 121,397,194,023 in 2012 to Rp 118,697,287,847 in 2013. The decrease was due to a reduction in short-term bank debt, other third party payables, fixed assets purchases and tax liabilities. While long-term liabilities increased from Rp 10,205,943,228 in 2012 to Rp 11,846,099,344 in 2013. This increase was due to higher employee benefit liabilities and the acquisition of fixed assets. FORU's total liabilities in 2013 dropped to Rp 130,543,387,191 from the previous Rp 131,603,137,251.

Equity

FORU's total equity rose from Rp 125,649,448,686 to Rp 132,974,168,250, an increase of 5.8%. This increase was due to additional paid-in capital amounting to Rp 7,148,969,337 which increased the Company's retained earnings to Rp 78,956,037,707.

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Cash Flow

Cash and cash equivalents increased from Rp 24,788,912,492 in 2012 to Rp 33,959,407,363 in 2013. Net cash flow from operating activities in 2013 reached Rp 28,732,285,415 compared to Rp 22,020,338,941 in 2012. The increase in the cash flow from operating activities was due to a decrease in payments to suppliers and employees from Rp 499,734,281,425 in 2012 to Rp 383,513,175,165 in 2013. In 2013, net cashflow from investing activities amounted to Rp 100,561,711 compared to the previous year's figure of Rp 10,495,503,782. Net cashflow from financing activities amounted to Rp 19,461,228,833.

Solvency

Solvency (ratio of total liabilities to total equity) of the Company in 2013 was recorded at 0.98 times down from its 2012 level of 1.05 times.



CELENGAN AYAM

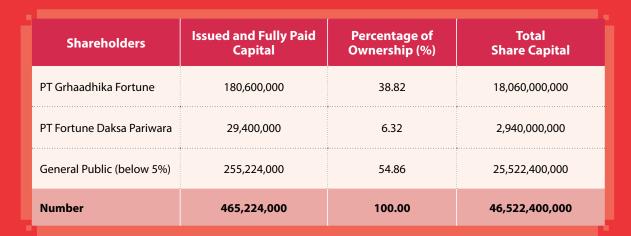
Is a popular chicken-shaped traditional clay money bank. A virtue that teaches the importance of being patient and reaping the rewards later. The same virtue exists in FORU, through FORU's and all its members' commitment to make every process as a step towards success.

Account Receivable Collectability

Up to the end of 2013, FORU's collection period was relatively stable. This was due to the commitment made by FORU and FORU's third parties.

Capital Structure

Details of FORU's shareholders as at December 31, 2013 and 2012 are maintained by PT Sinartama Gunita, Share Registrar Office, as follows:



Significant Events After the Balance Sheet Date

There were no significant events after the balance sheet date to be reported.

Material Information and Facts After the Reporting Period

There were no material Information or facts after the financial reports were published.





Dividend Policy

Since FORU was listed on the Exchange, it has fulfilled the promise contained in its Prospectus. Below are details of FORU's dividend policy over the past years:

No	Fiscal Year	AGM Year	Net Profit	Number of Shares	Dividend per Share	Total Dividend	Dividend to Profit Percentage (%)
1	2007	2008	7,282,334,767	465,224,000	3	1,395,672,000	19.17
2	2008	2009	9,102,037,790	465,224,000	4	1,860,896,000	20.44
3	2009	2010	6,579,909,457	465,224,000	4	1,860,895,998	28.28
4	2010	2011	9,648,825,265	465,224,000	4	1,860,895,998	19.29
5	2011	2012	12,953,959,994	465,224,000	7	3,256,568,000	25.14
6	2012	2013	12,658,611,833	465,224,000	7	3,256,568,000	25.73

Material Information

Made in accordance with the Bapepam Decision -LK. Kep-431/BL/2012 dated August 1, 2012, regarding disclosure of material information, including Company investments, expansion, divestiture, merger / consolidation, acquisition, restructuring debt / equity, affiliated transactions, and conflict of interest transactions. For this last point, the FORU

> Board of Commissioners and Board of Directors has given assurances to the Company that, subject to all rules and regulations, there have been no conflict of interest transactions involving FORU. In the event of

any conflict of interest involving members of the Board of Directors, the Company shall be represented by Board of Commissioners or one of the Board members. If there is no available member from the Board of Commissioners, the AGM may appoint one or more persons to represent the Company.

- Financial Review



Impact of Accounting Policies Changes

The Company has adopted the Standard Financial Accounting Principles (PSAK) and the Standard Financial Accounting Interpretations (ISAK) including the new revisions effective from January 1, 2012. Changes to the Company and its subsidiaries' accounting policies have been made as required, in accordance with the transitional provisions in the respective standards. The Indonesian Institute of Accountants has issued revised PSAK, ISAK. and Revocation of Statement of Financial Accounting Standards (PPSAK). Financial accounting standards will be effective for accounting periods beginning on or after January 1, 2013.

- 1. ISAK 27, "Transfer of Assets from Customers".
- 2. ISAK 28, "Termination of Financial Liabilities with Financial Instruments".
- 3. ISAK 29, "Stripping Costs in the Production Phase of Open Mines".
- 4. PPSAK 12, "Revocation of PSAK 33".

The management is currently evaluating and has not yet determined the impact of these standards on the consolidated financial statements.

Impact Of Regulation Changes

There were no regulation changes that directly impacted the company's business activities.



- Human Capital



One important aspect that has contributed greatly to FORU's development in reaching its present position is its human capital. The creativity of its human capital is a key element in the development of creative solutions in the marketing communications field for clients as well as client services for FORU users.

By looking at the key role of human capital in a business organization, FORU has always given great attention to the effective development and utilization of its human capital in accordance with the Company's business mission. Because without qualified

human capital, it would be difficult for FORU to continue to improve on the Company a competitive advantage.

The number of "Fortuners" as at December 31, 2013 was 257 people. Here is a comparison of the number and composition of FORU's human capital based on age, level of education, as well as position status.

LEVEL OF EDUCATION	FORTUNE INDONESIA	FORTUNE PRAMANA RANCANG	FORTUNE ADWICIPTA	PELITA ALEMBANA	TOTAL FORU
Below High School	4	3	0	0	7
High School / Diploma	58	9	4	13	84
S 1	90	60	7	4	161
S2	1	3	1	0	5
Total "Fortuners"	153	75	12	17	257

Human Capital -

LEVEL	FORTUNE INDONESIA	FORTUNE PRAMANA RANCANG	FORTUNE ADWICIPTA	PELITA ALEMBANA	TOTAL FORU
Director	6	3	0	0	9
Senior Manager	21	16	1	2	40
Manager	16	4	4	3	27
Staff	98	50	7	12	167
Non Staff	12	2	0	0	14
Total "Fortuners"	153	75	12	17	257

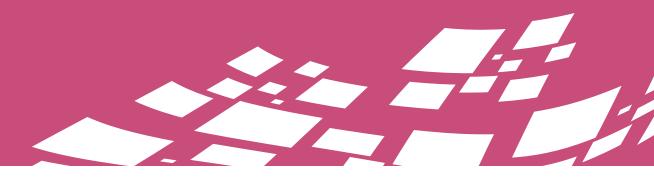
AGE GROUP	FORTUNE INDONESIA	FORTUNE PRAMANA RANCANG	FORTUNE ADWICIPTA	PELITA ALEMBANA	TOTAL FORU
21-30	65	43	4	9	121
31-40	37	25	8	6	76
41-50	33	4	0	2	39
Above 51	18	3	0	0	21
Total "Fortuners"	153	75	12	17	257

In order to measure the level of job satisfaction at all levels of the organization, FORU conducted Employee Engagement Index (EEI) surveys thoroughly and regularly. In 2013, the index showed the level of satisfaction was quite satisfactory with figures at a level of 3.01 on a scale of 1.00 to 5.00. This index is expected to drive performance and better creativity of all members.

Education and Training

FORU has a tradition and a long and strong culture of knowledge sharing. A tradition that was built up from the willingness and awareness to continue to maintain and develop human capital. This doesn't just make FORU a place to work but makes it a place to gain knowledge and competence in the field of marketing communications.

One of the learning activities in FORU is to update information about creative world developments identified by "Fortuners". A special task force was formed by FORU to disseminate this information to all "Fortuners" by email every morning.



- Human Capital

The use of information technology in the educational process for "Fortuners" includes an online portal called Galaktika which is designed to be a social media for "Fortuners". Galaktika allows "Fortuners" to exchange and obtain both general information (information on trends in the world of marketing communications, references, creative visuals, etc.) as well as internal company regulations, digital books related to children and the creative business world, and much more. FORU also encourages its "Fortuners" to participate in the implementation of development programs that include courses / training and seminars.

For 2013, FORU allocated Rp 583,618,519, for human capital education and training. FORU's human capital education and training was carried out internally or by using third parties. The following is a list of the training that was conducted and followed in 2013.

Event Name	Organizer	Event Dates	"Fortuners" Involved	Team
MT Training	Dalle Yilmaz	5-Jan	Management Trainees	Fortune PR
Strategic Planning For Effective Brand Communication	lmago	1-Feb	Kartika Putri	Activator
Lesson Form Digital Asia Festival	Digital Asia Festival 2013	1-Feb	DID team	DID
P3I Congress	P3I	25-Feb	Aris Boediharjo	CEO FI
Mayapada Training Nielsen	Nielsen	27-Feb	Maryani, Radit	Touch Point
Advertising Festival	Adfest 2013	1-Mar	Lembu, Erry, Ikhsan, Pratomo, Bistok	Any-W
Citra Pariwara Advertising Seminar	Citra Pariwara 2013	23-Mar	Nugroho	HCD
Digital Strategy Workshop	Majalah Marketing/ Frontier	1-Apr	Firzi Syailendra Abidin	DID
Google Adwords Training	Google Adwords	1-Apr	Ria Hannyati	DID
Appreciative Inquiry	PMSM	17-May	All Managers & Associate Directors	Fortune PR
Self Leadership Training Part 1	Layurveda	27-Sep	All Managers & Associate Directors	Fortune PR
Program Akreditasi & Program Pengembangan Profesi Angkatan II	Perhumas	17 - 18 Oct	Thomas Franky, Gabriella	Fortune PR

Human Capital -

Event Name	Organizer	Event Dates	"Fortuners" Involved	Team
Citra Pariwara Advertising Seminar	Citra Pariwara 2013	23-Oct	Salim, Haryadi, Ludwin, Nugroho	Creative
Citra Pariwara Advertising Seminar	Citra Pariwara 2013	23-Oct	Ceffie, Luddy	Creative
Self Leadership Training Part 2	Layurveda	01-Nov	All Managers & Associate Directors	Fortune PR
ADASIA 2013	AdAsia 2013	01-Nov	Charlie Aziz	Plan B
TIM BDP Selaku Konsultan EEI-CSI 2013	EEI-CSI 2013	01-Nov	Nurochim	HCD
PR 2.0 & Media Relation 360 Degree	lmago	18 - 19 Nov	Sarma Dahita, Ivan Christianto, Eka Sophiani, Rezki Jatianing Warni, Eveline Isnaeni	Fortune PR
Strategic Planning in PR and Media Relations	lmago	21 - 22 Nov	Putri Rizky, Ibrahim, Santi, Ivan, Ramlan, Saepujaman, Dita, Suryani, Sebastinus	Fortune PR
Corporate Communications	lmago	25 - 26 Nov	Wendra, Trio, Imbang	Fortune PR
Internal Communications PR	lmago	28 - 29 Nov	Oscar, Quinta, Okke Wulandari, Diah	Fortune PR
Crisis Media Management Training & Complain Handling	lmago	5 - 6 Dec	Joyce Rodwina	Fortune PR
Public Affairs in PR	lmago	18-Dec	Gita Galantari	Fortune PR



- Human Capital



Non Discrimination

FORU provides equal treatment and equal opportunities to its "Fortuners" to grow and develop within the company. This applies to career paths and the opportunity to follow training and educational programs run by FORU.

The principle of equality is carried out to provide opportunities for "Fortuners" to improve FORU in its efforts to produce the best solutions to its services' clients.







"Fortuners" Activities

FORU's other commitment in the context of human capital development is to provide support to "Fortuners" activities in sports, both recreational and spiritual.

In the religious field, "Fortuners" regularly holds activities such as religious teaching and prayer meetings.

"Fortuners" are also heavily involved in activities such as internal sports clubs for indoor soccer (Komunitas Futsal Fortune/Kosaltun), basketball (Komunitas Basket Fortune/Kobatun), badminton (Persatuan Bulu Tangkis Fortune/ PB Fortune), table tennis, as well as an aerobic sports club known as Aerotun (Komunitas Aerobik Fortune).

The clubs are places for "Fortuners" to relax after engaging in their daily routines and deadlines. However, these activities also constitute a strategic medium for enhancing collaboration between "Fortuners" associated with their routine work in the office. In addition to regular exercise, these clubs also conduct matches with outside parties such as advertising agencies and local citizens.



Information Technology

Information Technology is one of the supporting operations that is vital to FORU's business. Therefore FORU always gives great attention to the implementation of Information Technology in every aspect of its operations.

FORU's Information Technology Systems are run by trained competent professionals. Information Technology Systems have been implemented throughout FORU's operations to handle financial, human capital management (HCM), and marketing. This support will ultimately have an impact on improving FORU's quality of service.

Duties and Responsibilities

Information Technology Division is tasked with providing reliable information technology systems to support and sustain FORU's business operations effectively. Therefore, the Information Technology Division is responsible for performance tools, equipment, and FORU's computer networks.

In addition the Information Technology Division is also responsible for the security of FORU's data and networks. In addition to operational tasks, the Information Technology Division also manages FORU's internal portals and websites in accordance with FORU's business needs.

In HCM, FORU's performance management and Internal Communications systems are fully automated, ensuring accountability. "Fortuners" can communicate and exchange information through the Galaktika portal, which is an internal portal that serves not only to communicate but also to socialize company policies through the distribution of the latest and important information relating to staffing issues, Standard Operating Procedures, marketing, current project progress reports and holds a calendar of events.

For network security, FORU also has a Disaster Recovery System managed by an experienced third party. In addition, data is backed up on the server daily to protect the company's important data.



Role of Information Technology in service quality

In addition to operational support, information technology plays a role in determining the quality of services FORU provides to stakeholders. Implementation of good information technology, including network and data security, ultimately determines the final quality of FORU products.

The work program on Information **Technology 2013**

FORU's Information Technology Division completed its work program very well in 2013. Including the following:

- Building new web-based applications
- Developing existing applications according to changes in business processes and company policies
- Developing the infrastructure based on the Company's needs
- Creating a complete Application Guide to support users to complete their work

Information Technology Achievements in 2013

During 2013, the Information Technology Division managed to achieve the targets set by FORU such as:

- Created applications to enhance the HCD talent pool database that can be accessed independently by everyone in the Fortune Group
- Completed application for Fortune PR Performance Appraisal with very detailed and diverse criteria
- Created web-based Media Planning & Buying Applications, based on user needs, that are used in a variety of Computer Operating Systems
- Built a Fortune Cloud Storage application, based on Open Source technology, to ease storage and access to the Company's digital data
- Implemented, through prudent investment, hardware and an infrastructure based on the needs of the Fortune Group

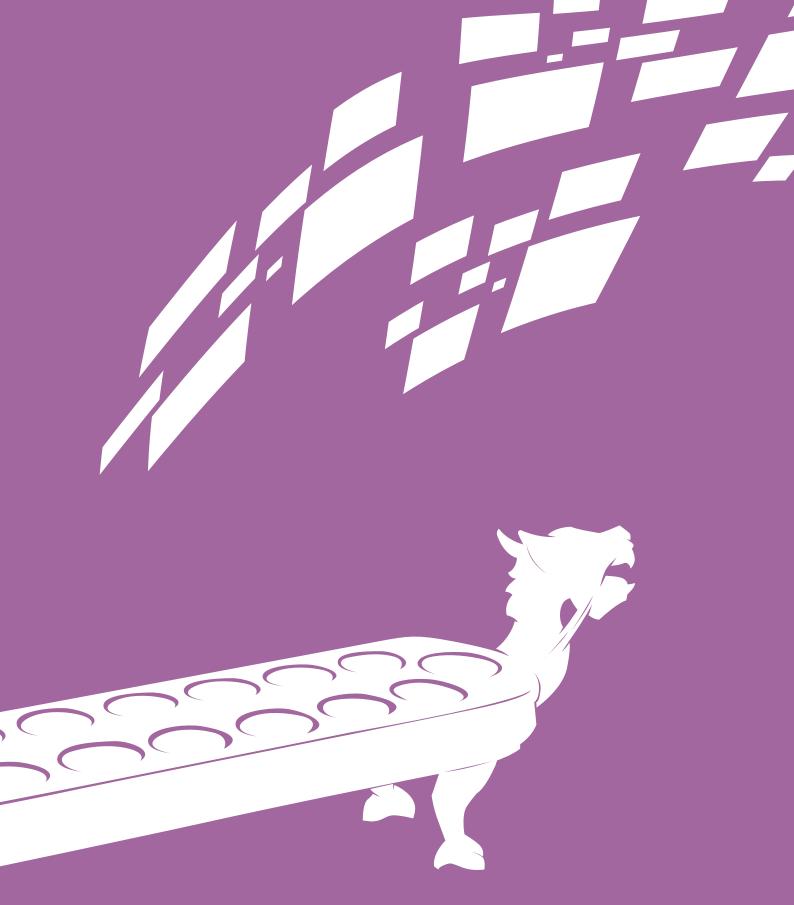




Corporate Governance

GCG implementation is one of the main cornerstones within FORU to create a business climate that is credible, accountable, and well-planned.





CONGKLAK

In this game seeds are moved from small holes into larger holes, like rice being harvested and collected in the granary, and then the results are enjoyed by everyone. As is the case with FORU, a "granary", for the welfare of all FORU members and surrounding communities.

Introduction -

Introduction







FORU believes that one of the most important factors in the development of a better company is Good Corporate Governance (GCG). This is becoming an integral part of business practices in bringing about business continuity.

This is fully supported by the Board of Commissioners, assisted by the Audit Committee to oversee the implementation of GCG activities. GCG itself is conducted thorough at all levels of the organization and the operational aspects have the full support of all FORU members.

FORU has implemented good corporate governance principles, known as TARIF, namely: Transparency, Accountability, Responsibility, Independence, and Fairness in all units and line activities throughout its business to always grow in the face of change, the following explains:







1. Transparency

Always provide information on financial statements, annual reports and other relevant information accurately, clearly, timely and transparently to shareholders and stakeholders

2. Accountability

Ensure that all decisions are strategic actions that can be clearly accountable and contained in the performance measurement report, accountability reports and internal control reports as a form of real accountability.

3. Responsibility

Carry out its responsibilities by adhering to the basis of compliance with laws and regulations in force in order to give more attention to the people and the environment.

4. Independence

Carry out its activities independently, without any coercion or pressure from any party.

5. Fairness

Provide a fair and equal portion in terms of meeting all the stakeholders' rights.

The objective of the implementation of good corporate governance within the Company is to::

- Control and direct relationships between the shareholders, the Board of Directors, FORU people, clients, partners, and society and the environment.
- Encourage and support the development of the Company.
- Manage resources better.
- Manage risk better.
- Improve accountability to stakeholders.
- Prevent the occurrence of irregularities in the management of the Company.
- Improve the company's image for the better.



Corporate Governance Structure

General Meeting of Shareholders

The General Meeting of Shareholders, consisting of the Annual General Meeting of Shareholders (AGM) and Extraordinary General Meeting os Shareholder (EGM), is the highest authority controlling performance within the limits prescribed by law or the articles of association. Decisions taken at the AGM and the EGM were made transparently with regard to the interests of business enterprises.

The proposed use of the AGM, among other things, is to approve the Annual Report after the close of the fiscal year, and for the directors to deliver their report:

- 1. Annual Report
 - Financial Statement showing the balances at the fiscal year end of the Company's financial performance in the current year with comparisons to the previous financial year.
 - Report on the Company's activities and accomplishments.
 - Names of the Directors and Commissioners (including any changes).
 - Corporate governance report.
 - Report on the implementation of Social and Environmental Responsibility.
- 2. The proposed use of net profit.
- 3. Other things that need the approval of the AGM for the benefit of the company.

Meanwhile, EMG as special general meetings of shareholders may be held at any time based on the needs of the Company.

AGM Results

The company held the 2013 AGM on Tuesday, May 21, 2013 in Jakarta. The 2013 AGM results are as follows:

- 1. Receive and approve the Annual Report of the Board of Directors for the financial year ended December 31, 2012 and the Work Plan for 2013.
- 2. Approve the Audited Financial Statement for the financial year ended December 31, 2012 consisting of Balance Sheet as of December 31, 2012 and the Profit and Loss for the fiscal year 2012, showing agreement and release (acquit et d'echarge) by the members of the Board of Directors and Board of Commissioners and supervision carried out by them during the fiscal year 2012 as to their actions and supervision as reflected in the Company Balance Sheet and Profit and Loss Statement.
- 3. Establishing the use of Company net profits for fiscal year 2012 as follows:
 - a. Rp 3,256,568,000 (three billion two hundred fifty-six million five hundred and sixty-eight thousand rupiah) as cash dividends to shareholders or equivalent of Rp 7 (seven rupiah) per share.
 - b. 15% (fifteen percent) of the profits will be used as a reserve fund for any future payments.
 - c. The rest of the profits earned by the Company after deducting dividend and reserve fund of 15% (fifteen percent) will be recorded as retained earnings for working capital and the Company's business development with respect to the dividend distribution.

4. Give authority to the Board of Directors to select and appoint a Publicly Registered Accountant authorised by the Financial Services Authority, who will audit the Company 's 2013 financial year ending on December

31, including setting their honorarium.

5. a. Not to change the structure of the Board of Directors and Board of Commissioners until their term of office ends in 2016, so the members of the Board of Directors and the Board of Commissioners of the Company until then is as follows:

Board of Directors:

President Director : Indra Abidin Director : Herman Muljadi

Sulaeman

Board of Commissioners:

President Commissioner and

Independent Commissioner : Dedi Sjahrir Panigoro Commissioner : Kasman Ardan Commissioner : Miranty Abidin Commissioner : Lucia Novenna Budiono

Independent Commissioner : Farida Eva Rianti

Hutapea

- b. Authorize the Board of Commissioners for and on behalf of the General Meeting of Shareholders, to determine the remuneration and duties and authorities of the Board of Directors for the remainder of their term of office.
- c. Not to raise the remuneration for all members of the Board of Commissioners for the fiscal year 2013.

EGM Results

During 2013, the Company did not hold an EGM as conditions did not necessitate convening an EGM.



Board of Commissioners

Functions, Duties and Powers of Commissioners

The Board of Commissioners consists of 5 (five) members including a Chairman. The activities of the Board of Commissioners are to hold regular monthly internal meetings attended by all the Members of the Board of Commissioners, the Secretary for the Commissioner and the Audit Committee (if needed). Profiles of the Commissioners are contained in a separate chapter in this Annual Report (read it 44).

Functions of the Board of Commissioners:

- Supervise and provide guidance in implementing the company policies and management to the Board of Directors, which includes work and budget implementation, business plan development, compliance with the provisions of the articles of association, resolutions of the AGM, as well as the prevailing laws and regulations.
- Monitor the development activities undertaken by the company's Board of Directors.
- Discuss and authorize the Company's Business Plans, Management Reports and Long Term Corporate Plans.
- Provide advice and opinions to the Shareholders at the AGM regarding the annual report and work plan for the years ahead.
- Follow the development of the Company, especially if the company is showing symptoms of deterioration and immediately report to the Shareholders, accompanied by suggestions for improvements that must be undertaken.
- Give opinions and suggestions to the Shareholders regarding the Company's development plans, periodic reports and other reports of the Board of Directors.
- Give opinions and suggestions to the Shareholders regarding any other issues deemed important to the Company.

Criteria

All members of the Board of Commissioners should:

- Have integrity, competence and adequate financial stability.
- Not been declared bankrupt and or found guilty of causing a company to go bankrupt.
- Have never committed reprehensible acts and have never been convicted of a criminal act.
- The BOC 's a Code of Work Ethics is binding for all members.

Independence

The BOC's duties and responsibilities are undertaken independently without any intervention from shareholders or other parties. The BOC when investigating and solving problems puts aside personal interests and avoids conflicts of interest.

Terms for Commissioner position

- The composition of the BOC should be effective to enable decision-making to be carried out effectively, precisely, quickly and independently.
- **BOC** Members are not allowed concurrent Commissioner positions in other private or state businesses that may cause a conflict of interest, either directly or indirectly with the Company's interests and do not conflict with any laws and regulations.
- Term of Office
 - a. Board members are appointed at the AGM for a term of 5 years and may be reappointed. If Commissioner are replaced before their term ends, the new Commissioner stands for the remainder of the term of office of the Commissioner that they replace.
 - b. Commissioner terms ends when their term expires, they resign, no longer meet legislation requirements, die or are dismissed by the AGM.



Corporate Governance Structure



- Remuneration System
 - a. Board members' remuneration is set by the AGM and includes fees and allowances in accordance with applicable regulations.
 - b. In the event of a Commissioner vacancy, the filling of the position will be held in accordance with the Articles of Association of the Company.
 - c. Members of the Commissioner may be removed temporarily by the AGM if they are found to be doing acts contrary to the Articles of Association or neglect their duties, or there is good reason.

The number, composition and term of office of the Board of Commissioners

Based on the Company budget, the Board of Commissioners are appointed and dismissed by a Special General Meeting of Shareholders, the Board of Commissioners consisting of:

NAME	POSITION	START	END
Dedi Sjahrir Panigoro	President Commissioner and Independent Commissioner	June 2011	June 2016
Kasman Ardan	Commissioner	June 2011	June 2016
Miranty Abidin	Commissioner	June 2011	June 2016
Lucia Novenna Budiono	Commissioner	June 2011	June 2016
Farida Eva Rianti Hutapea	Independent Commissioner	June 2011	June 2016







Distribution of Duties and **Responsibilities Commissioner**

- 1. Dedi Sjahrir Panigoro (President Commissioner and Independent Commissioner)
 - Carries out the duties and powers of Commissioner in particular in the field of operations and new business development.
- 2. Kasman Ardan (Commissioner)

Carries out the duties and powers of Commissioner in particular in the field of finance and operations.

- 3. Miranty Abidin (Commissioner)
 - Carries out the duties and powers of Commissioner in particular in the field of new business development.
- 4. Lucia Novenna Budiono (Commissioner)

Carries out the duties and powers of Commissioner in particular in the field of new business development.

- 5. Farida Eva Rianti Hutapea (Independent Commissioner)
 - Carries out the duties and powers of Commissioner in particular in the field of operations and finance.

Commissioners' Performance Assessment

Commissioners carry out a self-assessment of their performance, including meeting attendance, business knowledge, business risk identification, monitoring and implementation of GCG.

- Commissioners must establish indicators that will be used in assessing performance.
- Commissioners establish job descriptions for each Commissioner.

BOC's Remuneration Determination Procedure

Based on the AGM decision in 2013 held on 21 May 2013, it was decided that the Commissioners' remuneration would remain unchanged from the remuneration paid in 2012.

Board of Commissioners' Meetings

BOC Meetings should be held at least once a month, in 2013 the BOC met 12 times.

The Board of Commissioners Meeting results are recorded in the Minutes of Meetings and are well documented, including if there are any differences in opinion in the meeting.



Corporate Governance Structure



The Board of Commissioners Meeting Agenda and Attendance List for 2013

			BOARE	OF COMM	ISSIONERS	
	AGENDA		Kasman Ardan	Miranty Abidin	Lucia Novenna Budiono	Farida Eva Rianti Hutapea
9 Jan	Strategic & Business Plan 2013	Present	Present	Present	Present	Present
27 Feb	Financial Report 2012	Present	Present	Present	Present	Present
27 Mar	2 Months Company Performance	Present	Present	Present	Absent	Present
24 Apr	Financial Report Q1 2013	Present	Present	Present	Present	Present
20 May	AGM Preparation	Present	Present	Present	Present	Present
26 Jun	4 Months Company Performance	Present	Present	Present	Present	Absent
24 Jul	Financial Report Q2 2013	Present	Present	Present	Present	Present
28 Aug	Mid-Year Evaluation 2013	Present	Present	Present	Present	Present
25 Sep	8 Months Company Performance	Absent	Present	Present	Present	Present
30 Oct	Financial Report Q3 2013	Present	Present	Present	Present	Present
27 Nov	10 Months Company Performance	Present	Absent	Present	Absent	Present
18 Dec	Performance Evaluation and 2014 Work Plan	Present	Present	absent	Present	Absent



BOC Meeting Attendance Recapitulation in 2013

BOARD OF COMMISSIONERS	PRESENT	NUMBER OF MEETINGS	PERCENTAGE
Dedi Sjahrir Panigoro	11	12	91.6%
Kasman Ardan	11	12	91.6%
Miranty Abidin	10	12	83.3%
Lucia Novenna Budiono	10	12	83.3%
Farida Eva Rianti Hutapea	10	12	83.3%

Joint Meeting of the Board of Commissioners with the Board of Directors

During 2013 joint Board of Commissioners' and Board of Directors' meetings were held 4 times with an average attendance rate of 100%. Topics discussed at the meetings included, among others, the Company's performance results, Business Development and various other problems. Details of attendance were as follows:

NAME	NUMBER OF MEETINGS	PRESENT	PERCENTAGE
Dedi Sjahrir Panigoro		4	100%
Kasman Ardan		4	100%
Miranty Abidin		4	100%
Lucia Novenna Budiono	HELD 4 TIMES	4	100%
Farida Eva Rianti Hutapea		4	100%
Indra Abidin		4	100%
Herman Muljadi Sulaeman		4	100%







Working Relationship Between the Board of Commissioners and the Board of Directors

The Board of Commissioners respects the functions and role of the Board of Directors in taking care of the Company as laid out in the applicable legislation or regulations of the Association of the Company.

- Directors respect the function and role of the Board of Commissioners for monitoring and advising on the Company's policy management.
- The Board of Commissioners reserves the right to gain timely and complete access to company information.
- The Board of Directors is responsible for ensuring that the information concerning the Company is given to the Board in a timely and complete manner.
- The Board of Directors is responsible for delivering the reports required by the Board of Commissioners on a regular basis in accordance with applicable regulations.



Corporate Governance Structure



BOARD OF DIRECTORS

Functions, Duties and Powers of the Board of Directors

The Board of Directors are in charge of running all actions relating to the Company's management for the benefit of the Company in accordance with its purpose and objectives, as well as represent the company both inside and outside the court about any incidents and restrictions as set forth in the regulations, Articles of Association and / or Special General Meeting of Shareholders decisions.

The Board of Directors of FORU comprise two (2) members, one of which is the President Director. The Board of Directors hold internal meetings whenever necessary, and are attended by all members of the Board and the Corporate Secretary who is in charge of preparing the Minutes of Meeting of the Board of Directors.

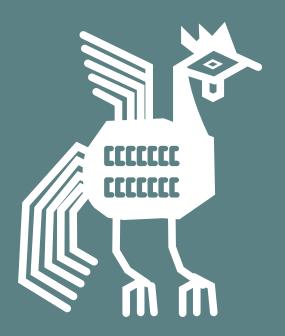
Criteria

- The Board of Directors members have experience of more than 5 (five) years in the field of operations as Executive Officers of the Company.
- All members of the Board of Directors reside in Indonesia.
- All members of the Board of Directors should:
 - a. Not have been declared bankrupt or been found guilty of causing a company to go
 - b. Never have performed despicable acts and have never been convicted of a criminal act.

- c. Not have another position as Director or Executive Officer at similar companies, and other institutions.
- d. Not have financial ties with members of the Board of Commissioners, the Board of Directors and/or shareholders of the Company.

Independency

- Directors perform their duties and responsibilities independently and do not receive any intervention from shareholders or other parties.
- Directors looking at and solving problems always put aside personal interests and avoid conflicts of interest.





The number, composition, and Term of Office of the **Board of Directors**

In accordance with the Company's Articles, Board of Directors Members are appointed by the AGM for a period of 5 years and may be reappointed for one (1) term of office, without prejudice to the right of the AGM to dismiss them at any time by stating the reason.

Throughout 2013, the composition of the FORU Board of Directors was unchanged. As of December 31, 2013, the FORU Board of Directors comprised:

NAME	TITLE	START	FINISH
Indra Abidin	President Director	June 2011	June 2016
Herman Muljadi Sulaeman	Director	June 2011	June 2016

Duties and Responsibilities of the Board of Directors

The main task of the Board of Directors is to lead and manage the company in accordance with the articles of association of the company, AGM, and laws applicable to the responsibilities and functions as follows:

- Direct the Company's operational strategy in running its business.
- Lead, manage and control the Company in accordance with the Company's goals and always strive to improve efficiency and effectiveness.
- Control, maintain, and manage the assets of the Company.
- Develop an annual work plan, which includes the Company's annual budget, and submit to the Board of Commissioners for approval, before the upcoming fiscal year begins.

Board of Directors Performance Appraisal

The Board of Directors Performance Assessment is conducted by the Shareholders annually. The targets set for 2013 along with the performance assessment serves as guidelines for the Directors.



Procedure for Determining Board of Directors'

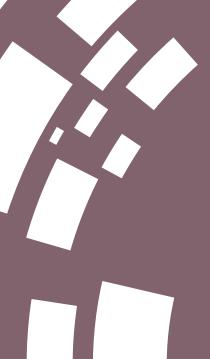
The Board of Directors' remuneration is set by the AGM and such decisions are submitted to the Board of Commissioners. For 2013, it was decided that there would be no change from the 2012 remuneration.

- 1. Directors' income, consists of:
 - a. Monthly salary / Honorarium
 - b. Allowances:

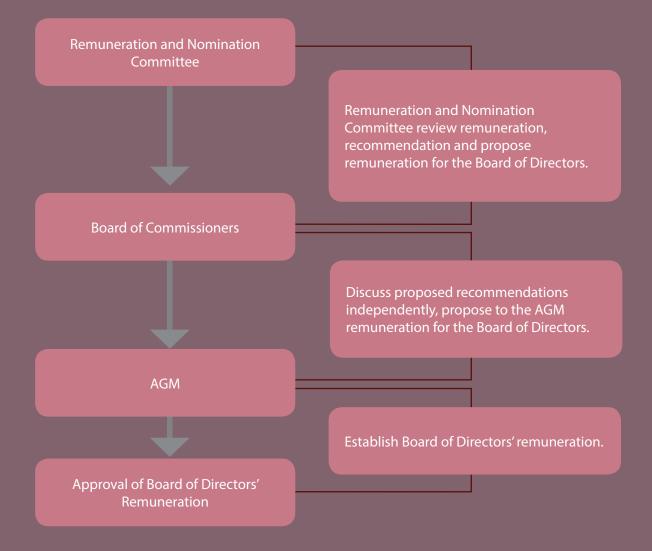
Remuneration

- i. Religious holiday allowance, the maximum of 1 (one) times salary / honorarium within the Company's ability to pay
- ii. Communication Allowances for Directors' usage (at cost)
- c. Facilities:
 - i. Given in accordance with the Company's financial condition and ability
 - ii. One (1) Vehicle for each Director for their use and the maintenance and
 - iii. Health Facilities in accordance with the applicable Company provisions
 - iv. Legal aid facilities in the event of actions / deeds that arise whilst acting in their positions on company activities
- d. Bonus / Performance Incentives, the amount is determined based on KPI achievement and soundness of the Company.
- 2. Outside matters set forth above, the Board of Directors are not allowed to charge the Company for personal gain.
- 3. The assessments regarding salary / honorarium for the Directors began on January 2013.





Determination of the Board of Directors' Remuneration



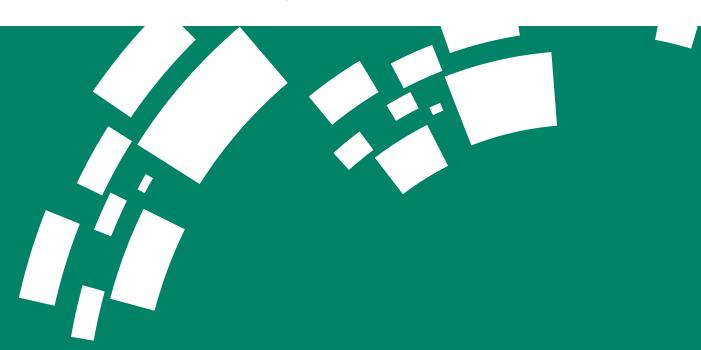
Procedure Chart

Board of Directors' Meetings

- All strategic decisions and policies established at the Board of Directors' Meetings are made by consensus agreement.
- The results of the Board of Directors' meetings are recorded in the minutes of meetings and are properly administered, including any differences of opinion that may occur.
- Any decisions taken by the Board of Directors are not contrary to applicable regulations and work rules.

2013 Board of Directors' Meeting Attendance and Agenda

		MEMBER		
DATE	AGENDA	Indra Abidin	Herman Muljadi Sulaeman	
9 Jan	Strategic & business plan 2013	Present	Present	
27 Feb	Performance January	Present	Present	
27 Mar	Performance February	Present	Present	
24 Apr	Performance March	Present	Present	
20 May	Performance April	Present	Present	
26 Jun	Performance May	Present	Present	
24 Jul	Performance June	Present	Present	
28 Aug	Performance July	Present	Present	
25 Sep	Performance August	Present	Present	
30 Oct	Performance September	Present	Present	
27 Nov	Performance October	Present	Present	
18 Dec	Performance November and December	Present	Present	



2013 Recapitulation of Board of Directors' Meeting Attendance

Director	PRESENT	NUMBER OF MEETINGS	PERCENTAGE
Indra Abidin	12	12	100%
Herman Muljadi Sulaeman	12	12	100%

During 2013 the Board of Directors attended various training programs, conferences,

seminars or workshops, so it can not be presented in this report.

CORPORATE SECRETARY

In accordance with regulation No.IX.I.4 in Annex Decision of Chairman of Bapepam Number: Kep-63/ PM/1996 dated January 17, 1996; FORU's Corporate Secretary serves to facilitate communications between the Company and maintains public disclosure. The Corporate Secretary also plays an important role to ensure the Board of Directors and the Board of Commissioners or other stakeholders have complied with the principles of good corporate governance. To this end, FORU has appointed Indira Ratna Dewi Abidin as Corporate Secretary since 2002, as laid out in Directors' Decree No.01/DIR/KEP/2001

In performing its duties, the Corporate Secretary is supported by the Legal Division and the Communications Division and is responsible for:

- Ensuring implementation of financial disclosures in published financial statements and other information as needed by the capital market.
- Ensuring transparency that the results of the AGM have been conducted in accordance with applicable regulations and has been received by all stakeholders.
- Ensuring compliance with good corporate governance has been implemented by the Company.
- Ensuring that the Company has complied with all capital market regulations and other laws and regulations related to the Company.
- Receiving and following up on complaints from external companies and complaints or feedback from internal parties acting as whistleblowers.
- Following the development of the capital market, especially the regulations in force in the capital market.
- Providing the public with any information needed by investors relating to the condition of the Company.
- Providing input to the Board of Directors to comply with the provisions of Act No. 8, 1995 on the capital market and its implantation of regulations.

2013 Work Program

In the company organizational structure, the Secretarial Division, the Legal and Communication Departments functions of the Corporate Secretary report directly to the President Director. The activities undertaken include:

Financial Statements

Submission of the audited 2013 Annual Financial Statements, Q1, half year and Q3 Reports Third Quarter in a timely manner. Advertising the audited Annual Financial Statement and half year Report in newspapers in accordance with applicable provisions.

Implementation of the 2013 AGM in accordance with plans and regulations including all requirements relating to materials, advertisements (notification, invitation and results of AGM) and reporting to the appropriate authorities

Public Exposure

Obligation to conduct at least once a year after the AGM regarding all terms and notices and reporting the results of public exposure.

Follow the development of the capital market by attending seminars and discussions specifically related to the provision of a publicly listed company. **Corporate** Governance Structure

Corporate Secretary Profile

Indira Ratna Abidin was appointed as Corporate Secretary in 2002. Born in Bandung, October 29, 1969 she earned a Master's degree from Boston University (2001), and a degree in Economics from the University of Indonesia (1995). She served as a Managing Director for Fortune PR since 2007. Other positions held in FORU include, among others, PR Consultant (2002-2004) and assistant CEO for New Business Development (1996-1998). Previously, she also served as a Research Assistant at Boston Medical Center (1999-2001) and was a coordinator in HarborCov Women Empowerment Center (1999). She has been actively involved in the Association of Indonesian Company Secretary since 2002 and joined AIESEC Indonesia (1989-1993). In addition she has been actively participating in various trainings and seminars and she is also active as a lecturer and speaker.





Commissioners' Support

CommissionersSupport

AUDIT COMMITTEE

The Audit committee is one of the committees under the Board of Commissioners. In 2013, FORU's Audit Committee comprised:

,		
NAME	TITLE	FUNCTION
Dedi Sjahrir Panigoro	Chairman	Doubles as Independent Commissioner and is responsible for the financial sector
Alexander Ronald Sindhika	Member	Responsible for the financial sector
Dharmawan Sutanto	Member	Responsible for the financial sector

Audit Committee's Duties and Responsibilities

As per the Audit Committee charter, the duties and responsibilities of the Audit Committee are as follows:

- Supervise the Company performance.
- Set up procedures and other administration including reporting to effectively assist the Audit Committee's activities.
- Oversee all financial information, in addition, the Audit Committee also serves to resolve any disputes between management, external auditors and / or internal auditors on financial
- Evaluate the planning and execution of the Company's internal controls, oversee the implementation of risk management.

- Participate in appointments and / or dismissals, as well as supervising the work, the Internal Audit Division Head and the Internal Audit unit, becomes the primary interface and provides an appropriate forum to deal with all matters relating to the audit or regulatory examinations, if any.
- Participate in the appointment and / or dismissal and supervision of the public accounting firm conducting an audit or other audit tasks outside the financial audit in accordance with existing agreements, attest to the Financial Statements and other audits conducted by the public accounting firm which require the Audit Committee approval.
- Ensure Company abides by the laws in force in order to achieve good corporate governance.

Commissioners' Support



Receive directly, or through management reports, complaints / grievances from internal and external parties; establish and maintain a grievance mechanism / complaints such as the embezzlement, other fraud and other inappropriate activities.

In addition to the above duties, the Audit Committee may also receive special assignments from the Board of Commissioners, these tasks to be completed in accordance with the Board of Commissioners' objectives.

Audit Committee Charter

The Board of Commissioners has also established an Audit Committee Charter containing guidelines to help the Audit Committee perform its duties and responsibilities in a transparent, competent, objective and independent manner so that it can be accounted for and be accepted by all concerned parties. The Audit Committee's Charter has been published in a guidebook and posted on the FORU

Audit Committee Independence

Bapepam-LK regulations regarding Audit Committees require that the Audit Committee consists of at least three members, one of whom is a Commissioner-in this case Dedi Sjahrir Panigoro – who is unaffiliated and acts as a chairman. Meanwhile, two other members must be independent, at least one of whom must have expertise in the field of accounting and / or finance. To fulfill the independence requirement, in accordance with applicable regulations in Indonesia, members of the Committee can not be appointed from executive officers of any public accounting firm that has undertaken audits and / or non-audit services for the Company within the past six months. Based on the above, FORU has appointed three Audit Committee members to satisfy the independence requirements / with no conflict of interest with the Company, especially having no family ties, financial, management and ownership of the Company.

Profile of the Audit Committee

Dedi Sjahrir Panigoro (Chairman)

Appointed as Independent Commissioner and Chairman of the Audit Committee since 2007. (Full Profile-see page 44).

Alexander Ronald Sindhika (Member) Served as a member of the Audit Committee

since 2011.

Dharmawan Sutanto (Member)

Served as a member of the Audit Committee since 2011.



Term of Office of the Audit Committee

FORU's Audit Committee has been appointed by the Board of Commissioners for a period of 5 (five) year until 2016 The term of office of each member of the Audit Committee, is shown below:

NAME	TITLE	START	FINISH
Dedi Sjahrir Panigoro	Chairman	June 2011	June 2016
Alexander Ronald Sindhika	Member	June 2011	June 2016
Dharmawan Sutanto	Member	June 2011	June 2016

Audit Committee Frequency of Meetings and Attendance

COMMITTEE MEMBER	MAR	JUN	SEP	DEC
Dedi Sjahrir Panigoro	Present	Present	Present	Present
Alexander Ronald Sindhika	Present	Present	Present	Present
Dharmawan Sutanto	Present	Present	Present	Present

NO.	MONTH	AGENDA
1.	March	Evaluation of First Quarter Financial Report
2.	June	Evaluation of Second Quarter Financial Report
3.	September	Evaluation of Third Quarter Financial Report
4.	December	Evaluation of Annual Financial Report
		·



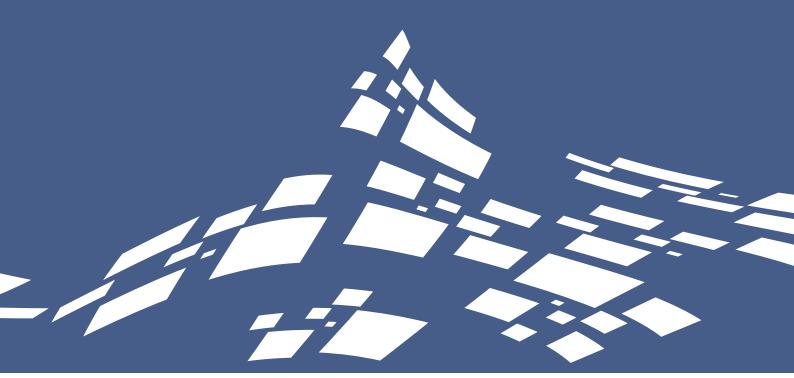
Brief Report of Audit Committee Activities

Throughout 2013, the Audit Committee has conducted various activities to assist the BOC in oversight over the activities and operations of the Company. A brief report of the Audit Committee activities for 2013 are as follows:

- a. Evaluated the preparation of the 2012 Interim Annual Financial Company Statements to be audited by independent auditors, with good results and in accordance with applicable provisions
- b. Evaluated the preparation of the 2013 Q1 Interim Financial Statements, with good results and in accordance with applicable provisions
- c. Evaluated the preparation of the 2013 Q3 Interim Financial Statements, with good results and in accordance with applicable provisio<u>ns</u>
- d. Evaluated the preparation of the 2013 half year Interim Financial Statements, with good results and in accordance with applicable provisions
- e. Evaluated the preparation of the Company's 2014 Work Plan, with good results.

Remuneration and Nomination Committee

In 2013, the FORU had not established a Remuneration and Nomination Committee (KNR) and is in the process of forming a committee in 2014. The KNR will be a committee established by the Board of Commissioners to support effective implementation of the duties and responsibilities of the Board of Commissioners in particular related to nomination and remuneration policies.



Corporate Governance Transparency

Transparency, both Financial and Non-Financial, has not been revealed in other reports

The Company has prepared and presented transparent financial and non-financial information to stakeholders and other agencies as required, in a timely, complete, accurate, current, complete and adequate in accordance with procedures, as set out in the Company Financial Transparency provisions.

That information included, among others:

- **Annual Report**
- 3-month Financial Report to be published in the mass media
- Monthly Financial Report to be published on the Company's Indonesian website
- Other reports and information

All reports are published on the company website.

In accordance with the Regulations and amendments set out in No.8/4/PBI/2006 2006 as amended in the Indonesia Company Regulation No. Company, 8/14/PBI/2006, the Company, in addition to the Financial Services Authority and the Indonesia Stock Exchange, has submitted a copy of the Annual Report to the following institutions:

- 1. Association of Indonesian Listed Companies
- 2. Indonesian Chamber of Commerce and Industry
- 3. Indonesian Credit Rating Agency
- 4. Indonesian Association of Advertising Companies
- 5. Indonesia Central Securities Depository
- 6. Mass media.

Shareholdings of the Board of Commissioners and Board of Directors

	5% SHARE OWNERSHIP OR MORE					
COMMISSIONERS' NAME	FORU		BUMN		SUBSIDIARIES	
	TOTAL	PERCENTAGE	TOTAL	PERCENTAGE	TOTAL	PERCENTAGE
Dedi Sjahrir Panigoro	None	None	N/A	N/A	None	None
Kasman Ardan	None	None	N/A	N/A	None	None
Miranty Abidin	None	None	N/A	N/A	None	None
Lucia Novenna Budiono	None	None	N/A	N/A	None	None
Farida Eva Rianti Hutapea	None	None	N/A	N/A	None	None

Corporate Governance Transparency

5% SHARE OWNERSHIP OR MORE						
DIRECTORS' NAME	FORU		BUMN		SUBSIDIARIES	
	TOTAL	PERCENTAGE	TOTAL	PERCENTAGE	TOTAL	PERCENTAGE
Indra Abidin	None	None	N/A	N/A	None	None
Herman Muljadi Sulaeman	None	None	N/A	N/A	None	None

Financial and Family Relationships between Members of the Board of Commissioners and Board of Directors or Controlling Shareholders of the Company

All Commissioners have no independent financial, management, ownership of shares and / or family relationships with other Board members, Board of Directors and / or the controlling shareholders and other relationships that may affect their ability to act independently.

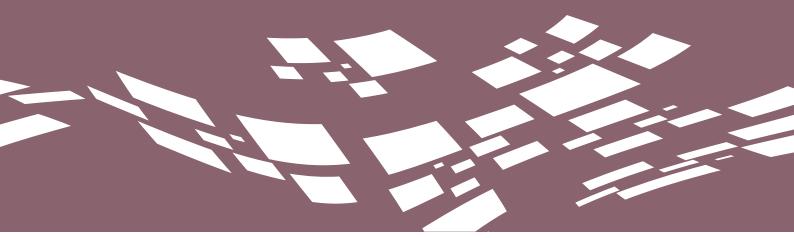
Package / Remuneration Policy and Other Facilities For the Board of Commissioners and Board of Directors

The company delivers the remuneration and benefits package for the Board of Commissioners and Board of Directors as follows:

- For 2013, the remuneration of the Directors did not change from the 2012 amount of Rp 8,942,660,000.
- For 2013, the remuneration of the Commissioners did not change from the 2012 amount of Rp 1,800,750,000.

The ratio of salaries between Highest and Lowest

A salary is the right of employee and is received and expressed in terms of money as a reward from the company, fixed and paid in accordance with a working agreement / including employee and family benefits for the job and / or services that should be performed. In accordance with the provisions of the Minimum Wage requirements, the Company follows the minimum requirements.



Compliance Report

Compliance Function

The company's Board of Directors and "Fortuners" have to understand the roles and responsibilities of each other when implementing the compliance function, forming a series of preventative actions or steps to ensure that policies, regulations, systems, and procedures, as well as business activities are conducted by the Company in accordance with the prevailing Indonesian Company provisions and legislation.

Company Work Guidelines

To improve the implementation of GCG, FORU has formulated guidelines and code of ethics called "Fortuners" Guidelines as the basis for all "Fortuners" to interact with stakeholders and fellow "Fortuners".

FORU is confident that the gradual and consistent implementation of GCG will improve and influence the mindset, attitudes, and behavior of everyone in Fortune. "Fortuners" guidelines came into effect in 2002. In order to realize a good and sustainable GCG implementation these guidelines should be adhered to by every member of Fortune which covers the entire Board of Directors, as well as Fortuners.

"Fortuners" guidelines consists of 9 items that include:

- 1. Initiative Do not wait for orders Take the initiative of your own work
- 2. Plan Implement, start the work, finish
- 3. Ideast Store ideas
- 4. Cooperators Build cooperation with others
- 5. Open Listeners are ready to find a better way
- 6. Principled Be willing to contest to find a better way
- 7. Lead Take pole position
- 8. Take a difficult task Love the challenge
- 9. Integrity Hold on to true words

Internal Fraud

No internal fraud was committed by Fortuners to significantly affect its financial condition during 2013.

Violation Reporting System

The whistleblowing policy is a system which manages complaints / disclosures about illegal behavior with a high commitment to apply the principles of good corporate governance.

As a public company, FORU protects all parties, both internal and external, who wish to submit a complaint to the Audit Committee with information deemed inappropriate or inaccurate. Especially, when the information relates to important areas such as annual or financial reports, press releases, etc.

This policy has been developed so that any violations found externally or internally can be followed up without disrupting ongoing business stability, affect the image and reputation of the company, as well as to create a climate of openness on all corporate resources while still ensuring that the whistleblower with the complaint will not experience any harm in line with FORU's commitment to uphold, moral and legal ethics.

Submission Procedure

- 1. By letter containing a description of the complaint addressed to: Audit Committee, Galaktika Building 2nd floor, Jalan Harsono RM 2, Ragunan, South Jakarta 12550
- 2. Via email containing a description of the complaint addressed to: komiteaudit@foru.co.id



Compliance Report

Receipt of Report

- The entire complaint submitted to the Audit Committee shall be in the form of a letter opened by at least two members of the Audit Committee, while the complaint via email will be forwarded to all members of the Audit Committee. Letters that have been opened must be reported to the other members of the Audit Committee.
- 2. After receiving the letter, the appointed member of the Audit Committee completes a list of complaints containing:
 - Description of complaint
 - The action taken with regard to the complaint as a result of the investigation
 - · Results of the review
 - The decision taken by the Committee based on, but not limited to, the recommendation of the Commissioner, and others
- 3. Access to List of Complaints and related files is limited to members of the Audit Committee and other parties designated or approved by the Audit Committee.
- 4. The internal or external parties that intend to submit a complaint should follow the procedures by:
 - Mention their name without any special requests
 - Mention their name accompanied with a special request to keep their identity confidentially
 - Anonymously

The entire incoming complaint,, either with or without a name, will be processed by considering the contents of the complaint and the evidence. However, it is advisable to include the identity of the complainant for ease of facilitating the investigation process. Please note that the complainant is not required to prove their allegations but nevertheless needs to be submit convincing reasons.

Handling and Response to Complaint

- Once a complaint is received, the Audit Committee, in a joint meeting of the Audit Committee, will establish ways to handle it. The Audit Committee may delegate the handling of the complaint to a designated special team.
- 2. The complainant will receive follow-up information regarding their complaints, except where the complainant wishes to remain anonymous, or does not wish to receive follow-up information. Follow-up information will be in the form of:
 - Notification of the complaint acceptance
 - Indications of steps taken to deal with the complaint
 - Notification about the process of the initial investigation
 - Notification about whether or not further investigation will be conducted and the reason
- 3. The complainant will be informed the results of the investigation after considering all legal aspects.
- 4. Any special team, appointed by the Audit Committee to conduct an inquiry, should report the status of the investigation and all steps that have been taken at regular meetings of the Audit Committee.
- 5. All files relating to the investigation will be treated as confidential and kept by the Audit Committee or other party designated by the Committee for five years.



















Retaliation Prohibition

The company and its employees are not allowed to take adverse action against any party who has, in good faith and in accordance with procedures, made the complaint, with actions such as harassment, threats, suspension, lay off, or other discriminatory measures.

Baseless Allegations

Any complaints or allegations that have no basis, especially those that could damage the reputation of the company or a particular employee, shall be regarded as a serious offense and may be subject to sanctions up to and including termination of employment. Protection for whistleblowers as described in "Retaliation Prohibition" does not apply to any complainant who knew that the complaint and the evidence were not valid or the truth was doubtful.

Legal Issues

During 2013, as of December 31, 2013, legal cases involving the company or its subsidiaries still running in court or which have already had a legally enforceable decision are as follows:

LEGAL MATTERS	AMOUNT		
	CIVIL	CRIMINAL	
Settled (legally settled)	0	0	
In settlement	1	0	
Total	1	0	





Compliance Report

There is a legal case against the company's subsidiary namely PT Fortune Adwicipta (FAC), who became a defendant in case No.140/Pdt.G/2012/ PN.Jkt.Sel brought by PT Pahala Kencana (plaintiff) on March 8, 2012 to the South Jakarta District Court, on the issue of the cost of shipping Fastron mold / promo product brochures and banners of PT Pertamina (Persero) throughout Indonesia to 4,151 points / point of delivery at with PT Pertamina (Persero) gas stations. On March 4, 2013, the court case No. 140/Pdt.G/2012/PN.Jkt.Sel against FAC, the South Jakarta District Court has given its verdict as follows:

- To partially grant the plaintiff's lawsuit.
- 2. Declare defendants are in default (breach of agreement).
- 3. Canceling a cooperation agreement between the plaintiff and the defendant on package delivery dated May 16, 2011.
- 4. Ordering the defendant to pay the shipping costs of the Pertamina packages to the plaintiff amounting to Rp 311 million.
- 5. Ordering the defendant to pay compensation to the plaintiff amounting to Rp 100,000,000.
- 6. Rejecting the rest of the plaintiff's lawsuit.

On October 7, 2013, through Magdir Ismail & Partners as the attorney FAC, FAC filed an appeal against the decision of South Jakarta District Court dated March 4, 2013. Appeal stated that the FAC objected and rejected all decisions and consideration of the South Jakarta Court Judge. Until the completion date of the consolidated financial statements, FAC had not received a decision from the high court appeal related to its appeal and demand for material and immaterial losses.

Internal Control

Internal control is a monitoring mechanism established by the Company's management on an ongoing basis to safeguard and secure the assets of the Company, ensuring availability of more accurate reporting, improving compliance with applicable regulations, reducing the financial impact / losses and irregularities including fraud and implementation of precautionary measures.

The Development of the Company's Internal Control Policy takes into account total assets, products and services offered, operational complexity, office networks, the risk profile of each business activity, data processing methods and risk measurement within the prevailing relevant provisions.

The Internal Control Policy is periodically reviewed and evaluated to suit the development of the Company's business.

Extraordinary Events affecting Financial Information

During 2013, there were no extraordinary events significantly affecting the Company's finances, as the right mitigation strategy has been put in place.

Company Report on Environment Pollution

In its activities the Company has never had a negative impact on the environment, especially in terms of environmental pollution.





Important Cases Faced

During 2013 no significant matters were faced by the Company, the Board of Commissioners or Directors that are not disclosed in the Financial Statements, either affecting or not affecting the Company's business objective.

During lawsuits faced by the Company during 2013, when the company won the court's decision, there was no negative impact on its financial condition and the continuation of the Company's business, because it had been reserved for in the claims reserve in the Company liabilities.

Fulfillment of Tax Obligations

The company always fulfills its taxation obligation for the payment of income tax and other tax liabilities.

Non-compliance with PSAK

A report by the Public Accountant (KAP) Kosasih, Nurdiyaman, Tjahjo & Rekan dated March 21, 2014, states that the Company has complied with all aspects and provisions of several articles in the Law, Government Regulations (PP), Ministerial Decrees and other government regulations.

Share Option

No share option policy is held by the Board of Commissioners, Directors and Executive Officers of the Company to purchase shares of the Company.

Conflict of Interest

Conflict of interest is a situation where there is a conflict between the economic interests of the Company and the personal economic interests of shareholders, members of the Board of Commissioners and Board of Directors, as well as Fortuners. Thus, all elements of FORU must maintain the integrity of the business and support the principles of fair competition in accordance with the legislation in force.

If there is a potential conflict of interest by officials, then the initiating unit working with an independent unit should discuss the issue together so that the potentially harmful transactions can be avoided.

Provision of Funds for Political Purposes

The company has never given any funds for political purposes.

Bribes

Members of the Board of Commissioners and Board of Directors and Fortuners are prohibited from abusing their position for personal interest or gain, including family and other parties receiving benefits in a way that is material.

Gifts

Company officials are forbidden from accepting gifts from subordinates, colleagues and / or partners / entrepreneurs in any form, either in the form of bouquets, food parcels and other valuables.

Company officials are also prohibited from making gifts or promises to anyone in order to expect a return or to get special treatment.

Compliance Report

Corporate Commitment to consumer service

To enhance the good relationship that has been forged and get feedback and input from stakeholders through the media in addition to the website, the Company has also provided a medium for monitoring customer satisfaction, customer complaints both written and verbal.

The company already has provisions regarding the receiving, handling and completion of customer complaints in accordance with the laws of the Republic of Indonesia Number 14 of 2008 on Public Information, this Freedom of Information can be accessed on the website www.foru.co.id or through the Stock Exchange Indonesia website www.idx.co.id.

Information Dissemination through the Media

One of the principles of good corporate governance is transparency. Among other forms of disclosure by delivering accurate company information, recorded, processed and summarized in a report within a specified period in accordance with the applicable disclosure provisions.

FORU has explained important information that can be used by the stakeholders to analyze the Company's performance such as position, condition, performance, and financial prospects which are available in the Annual Report, Periodic and Interim Financial Statements as well as press releases and other disclosures of information to the public. The information is also kept updated regularly so that the public always receive updated information on FORU.

In addition, the company also conveys information to all Fortuners in the form of press releases through company magazines, internal memos and internal emails. This is undertaken to ensure equality in the distribution of information to all stakeholders. In addition to announcing the information, the company also uses the media or other means such as employee gatherings, halfyearly and annual work meetings and monthly coordination meetings.

Information Management

FORU determines the nature of data, information, and organizational knowledge as follows:

- Ensures the accuracy of data and information, FORU uses application software and has appointed a person in charge of the unit that maintains the accuracy of data and information for each unit.
- Ensures the integrity and reliability is based on the results of verifications performed by each business unit in the Company.
- Ensures timely data and information, carried out by the finance department, to review the accuracy of data and information which is also conducted through internal assessments and IT audits each year.
- Ensures the security and confidentiality of data and information, then creates user names, passwords and network anti-virus in order to access FORU's LAN network.

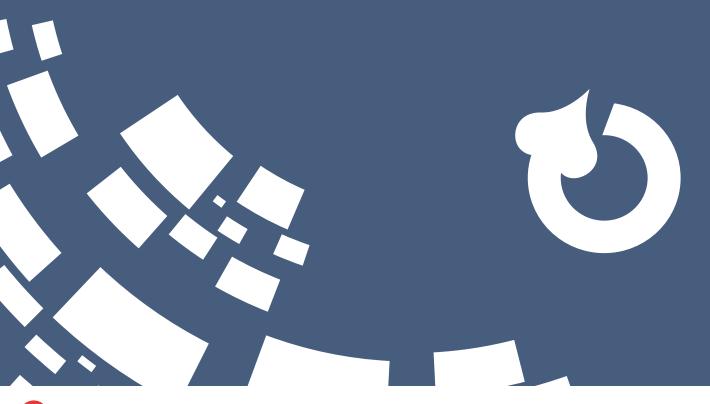


Availability of Data and Information

FORU makes available the data and information, held in the data centers, for access by any Fortuner. FORU also provides data and information via its website, webmail can be accessed by interested parties e.g. customers, partners, general public.

Media and the mechanisms used to access data and information are as follows:

USER	MEDIA	CONTENT AVAILABLE
Fortuners	Website, Intranet, Email, Letter, Telephone, Social Media	Network, Data Center, Vision, Mission, Values, Organizational Structure, Company Profile, Line of Business, Warta FORU e-magazine
Partners	Website, Meeting, Email, Letter, Fax, Telephone, Social Media	Contact Us/Customer Service, Organization Structure, Company Profile, Products and Services, Line of Business
Customers	Website, Meeting, Email, Letter, Fax, Telephone, Social Media	Contact Us/Customer Service, Organization Structure, Company Profile, Products and Services, Line of Business
Suppliers	Website, Meeting, Email, Letter, Fax, Telephone, Social Media	Contact Us/Customer Service, Organization Structure, Company Profile, Products and Services, Line of Business



Internal Audit

The Internal Audit Division was formed in 2010 to ensure that the implementation of GCG had been executed well in line with company goals. In the organizational structure, internal audit is independent and is responsible for reporting its activities to the Board of Directors. The Internal Audit Division is responsible for ensuring that the implementation of the company's operations is conducted in accordance with the company's generally accepted operating principles, operational audits and compliance audits to ensure that standard operations are adhered to by the entire operation, as well as investigative audits if necessary.

Internal Audit Composition

In line with Bapepam -LK Decision No.IX.I.7 on the Formation and Guidelines for Preparation of Internal Audit Charters (Decree of the Chairman of Bapepam-LK. No. Kep-496/BL/2008 dated November 28, 2008), the Directors appointed MM Lanasastri Setiadi as chairman of the Internal Audit Unit with the approval of the Board of Commissioners on July 26, 2011.

Internal Audit Charter

The Internal Audit performs its function by ensuring there is an audit of the company's operating systems based on the Internal Audit Charter which was created in 2011. The Internal Audit Charter was created in accordance with the provisions of Bapepam-LK Regulation No.IX.I.7 on the Formation and Guidelines for Preparation of Internal Audit Charter (Decree of the Chairman of Bapepam and LK No.Kep-496/BL/2008 dated November 28, 2008). The Internal Audit Charter was established by the Board of Directors and approved by the Board of Commissioners on July 26, 2011. The Internal Audit Charter which governs the working guidelines of the Internal Audit Unit has been outlined in a company manual and posted on the FORU website.

Duties and Responsibilities of Internal Audit

- Coordinate all supervision and inspection activities for all units.
- Coordinate the preparation and implementation of a Work Program.
- Inspect annually (PKPT) all units in the company.
- Coordinate that the activities of the audit and assess the application of regulations, procedures, policies, standards and other terms (including management systems and management standards) were carried out by all units.
- Coordinate the external audit and oversight function, as well as provide company data and information for their needs.
- Provide opinions, recommendations and suggestions for improvement to the Board and the Managers of the audited Unit, whether requested or not requested, in terms of securing company property and any unlawful acts.
- Carry out follow-up monitoring of internal audit results.
- Develop a system of monitoring and inspection, in accordance with Government provisions, of the Company's business development.

Performance Report of the Internal Audit Activities

The activities of the Internal Audit Division in 2013 focused on evaluating FORU's performance in handling systems and procedure. The developed audit plan was intended to manage and control any risks that may occur so that the negative impact could be reduced to a minimum. Each internal audit finding was discussed in the meeting of the Board of Directors and was followed up carefully to ensure there were no repeated negative findings.

Throughout 2013, the Internal Audit Division did not find it-anything that could pose a risk of material harm to the company operations.

The 2013 Internal Audit Report was as follows:

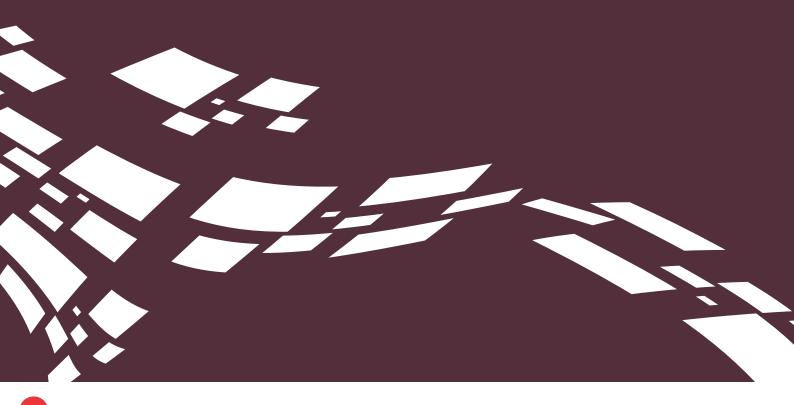
- Operational Audit: audit of the financial statements in the Q1, half year and Q3 and an annual 2013 report
- Compliance Audits: audits of the Standard Operating Procedure (SOP) by division, namely Finance, Accounting, Human Capital

All the results of the Internal Audit activities were reported in writing to the Directors and forwarded to the Audit Committee.

External Auditor

The external auditor is appointed to complete a financial audit as well as to provide an independent and objective opinion about the fairness, and appropriateness of the company's financial statements following the Financial Indonesia Accounting Standards and legislation in force.

In order to audit the 2013 financial year, the Directors with the approval of the Board of Commissioners and assisted by the Audit Committee, has directly appointed Kantor Akuntan Public Kosasih, Nurdiyaman, Tjahjo & Partners to be the external auditors on reporting the 2013 financial performance. 2013 is the second year for the external auditor appointed to audit the annual financial statements of the Company. The results of 2013 audit stated that the company's financial statements were fairly stated based on generally accepted Indonesian accounting principles.



Risk Management

Application of risk management has become an absolute necessity to reduce and prevent losses that disrupt the continuity of the business, due to the many uncertainties and rapidly changing business environment, both internal and external.

As the communication and marketing industry is fraught with challenges, FORU prioritized risk management principles that justify risk avoidance, risk transfer, risk reduction of negative effects and reserved a portion or all of a particular risk.

Risk management procedures are carried out through systematic, integrated, optimal and sustainable management. Risk management procedures should be implemented starting from risk identification through to identifying risk factors that may arise and hinder the company's operational and managerial processes. The next step is risk management which is reflected through risk management implementation.

FORU has taken the necessary measures to minimize the possibility of risk as well as improvement efforts to overcome the negative implications of such risks.

Risk control measures will be carried out on an ongoing basis to prevent a significant decline in the value of the company while maintaining competitiveness in the communications and marketing industry.

Identifying Business Risk

In order to properly manage business risk, a Risk Management Policy should be implemented in each unit with the following activities:

- 1. Detect / identify risks as early as possible for each activity.
- 2. Define measurement levels / amount of each risk, taking into account the magnitude of the impact and likelihood of risk opportunities.
- 3. Evaluate the risk sources and causes of risk, as the basis for mapping and controlling significant risks.
- 4. Plan control strategies against high priority risk / significant risks.
- 5. Implement risk control activities that could endanger the survival of the company.
- 6. Perform continuous risk monitoring in particular where there could be a significant impact on the condition of the company.

Each unit head is responsible for the implementation of risk management policies in each unit, in order to ensure the risk management system is accurate and comprehensive and supports the overall achievement of corporate objectives.

Risk profiles are used as a basis for the preparation of the Annual Audit Plan by Internal Audit through the implementation of the Risk Based Audit (RBA) which is intended to ensure that the risk control plan has been properly and effective implemented. The results of the implementation of the RBA are expected to become a benchmark for the effectiveness of risk management and will be reported to management and the Audit Committee in order to implement good corporate governance (GCG).

Business Risk Management

In a Board of Directors meeting with the Board of Commissioners and the Internal Audit Division and the Audit Committee there is always a discussion of business risks and risk mitigation to be implemented. These risks are business risks that are material and have an impact on company performance.

Some of the risks identified in 2013 were as follows:

A. Credit Risk

Credit risk is the risk if the debtor does not fulfill their liability in consumer contracts, which leads to financial losses. FORU manages the credit risk of customers by careful and approved credit analysis, and also monitors receivable balances on an ongoing basis to minimize doubtful accounts.

FORU trades only with credible and recognizable third parties. The Company has a policy with all customers who wish to trade on credit terms by conducting a credit verification process. In addition the amount of receivables is monitored continuously to reduce the risk of impairment of receivables.

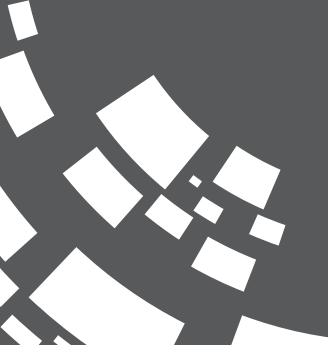
B. Market Risk

Market risk occurs when the fair value of future cash flows from financial instruments fluctuates because of changes in market prices. The Company is affected by market risk, primarily by interest rate risk.

1. Foreign Currency Exchange Risk
Foreign currency exchange rate risk occurs
when the fair value of future cash flows
from financial instruments fluctuates due to
foreign currency exchange changes.
FORU's exposure to foreign currency
exchange rate risk mainly arises from net
monetary assets / liabilities that are different
from FORU accounting currency.
FORU closely monitors fluctuations in
foreign currency exchange rates in order to
take correct timely steps.

2. Interest Rate Risk

Interest rate risk occurs when the fair value of future cash flows from financial instruments fluctuates due to changes in market interest rates. The influence of the risk of market interest rate changes is associated with the loan from FORU which bears a floating interest rate. FORU closely monitors fluctuations in market interest rates and market expectations so as to take the most profitable steps in a timely manner. Management is not considering the need for interest rate swaps at this time.



- Risk Management



Liquidity risk is the risk in terms of FORU inability to meet liabilities when due. Management evaluates and supervises of cash inflows and cash outflows to ensure the availability of funds to meet the payment of obligations when due. In general, the need to fund the repayment of short-term liabilities and long-term maturities is derived from sales to customers.

D. Capital Risk Management

FORU is faced with capital risk to ensure that it will be able to continue its survival, in addition to maximizing the profit for the shareholders, through the optimization of the debt to equity balance. FORU's capital structure consists of debt, which includes loans and equity owners of the parent, comprising issued capital, retained earnings and other equity components.

FORU's Directors periodically review FORU's capital structure. As part of this review, the Directors consider the cost of capital and the associated risks. FORU as the parent entity manages this risk by monitoring the debt to equity ratio. FORU manages the capital structure and make adjustments based on changes in economic conditions to maintain and adjust the capital structure. FORU may adjust the dividend payment to shareholders, in exchange for capital to shareholders or issue new shares. There are no changes to the objectives, policies and processes in the year ended December 31, 2013 and 2012.



Application of GCG Self Assessment

Application of GCG Self Assessment

FORU undertook A Self Assessment of the Implementation of Good Corporate Governance (GCG) in 2013, with the results of the Self Assessment qualification "GOOD" Scoring 1.9.

The self-assessment conclusion are as follows:

Summary GCG Self Assessment Calculation

NO	ASPECT EVALUATED	WEIGHT (A)	LEVEL (B)	SCORE (A) X (B)
1	Implementation Duties and Responsibilities The Board of Commissioners	15%	2	0.3
2	Implementation Duties and Responsibilities The Board of Directors	30%	1.75	0.5
3	Completeness and implementation of Committee duties	10%	2.5	0.25
4	Handling Conflicts of Interest	5%	2	0.1
5	Implementation of the Internal Audit Function	5%	2	0.1
6	Implementation of the External Audit Function	5%	1.75	0.08
7	Implementation of Risk Management and Internal Control	10%	1.75	0.17
8	Transparency of Financial and Non-Financial, GCG Implementation and Internal Reports	20%	2	0.4
	Composite Total	100%		1.9

Explanation Value Composite Results

COMPOSITE TOTAL	COMPOSITE EXPLANATION
Composite Total < 1.5	Very Good
1.5 = Composite Total < 2.5	Good
2.5 = Composite Total < 3.5	Good enough
3.5 = Composite Total < 4.5	Not good
4.5 = Composite Total < 5	Poor

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- Application of GCG Self Assessment







FORU's vision is to become the spotlighted global communications network that excels and is integrated through the use of appropriate technologies to meet the needs of the market. These high goals must be supported by harmonizing important elements within the company, namely people in the operational areas of the company.

FORU realizes that sustainability cannot be separated from external factors such as social and environmental. To this end, FORU is committed to fulfilling its social responsibility towards the community and the surrounding environment.

Some of the underlying elements of this commitment are:

- CSR constitutes the implementation of good corporate governance
- The global demand for the application of good and fair CSR
- Increased public attention to business ethics and accountability
- The expectation that the company and the surrounding environment can grow together side by side

Legal Basis

FORU has implemented strategic policies for the implementation of CSR in order to foster a business climate that is conducive and sustainable. The implementation of CSR is an obligation stipulated in Law no. 25 of 2007 on Investment, Article 15, paragraph b states "Every investor is obliged to carry out corporate social responsibility".

The implementation of CSR activities for public companies has also been set by Bapepam-LK through Bapepam No.X.K.6 on Submission of Annual Report of Publicly Listed Companies. This regulation has become the foundation for FORU as well as a guideline for conducting social responsibility in a good and fair way. In accordance with Annex Decision of Chairman of Bapepam LK Number: Kep-431/BL/2012 dated August 1, 2012,

implementation of corporate social responsibility for public companies should include the following

- Social and civic development
- Manpower, health, and safety practices
- Products responsibilities

Implementation of CSR in FORU is more focused on sustainable development and the impact on society and environmental consequences for today and for the long term. In addition to the legislation, FORU also has a basic foundation of CSR activities set out in:

- Board of Directors Decree No. 01/DIR/ KEP/I/2013 Guidelines Program Corporate Social Responsibility.
- AGM of Shareholders to approve profit allocation to develop CSR activities.

Event & Disbursement Realization

CSR is a responsibility inherent in every investment company to create relationships that remain harmonious, balanced, and in accordance with the environment, values, norms, and culture of the local community. FORU's commitment to carry out CSR programs were demonstrated with a variety of activities in 2013.









SECTOR	NAME / TYPE OF ACTIVITY	TIME	FUNDS DISTRIBUTED
	Sports activities donations to Universitas Parahyangan "Parahyangan Sport Combat 2013"	March	10,000,000
	Training of Ragunan Fortune Nursery teachers through comparative studies at Pondok Pinang Fortune Nursery	April	600,000
	Teacher Scholarships for Ibu Iik and Ibu Teti at Sekolah Tinggi Keguruan dan Ilmu Pendidikan Panca Sakti, Jakarta	March to December	8,800,000
	Donated 51 books to Ragunan Fortune Nursery on World Book Day	May	510,000
Social and Community	"Fortuners" involvement in early childhood teaching at Fortune Nurseries	 Coloring Class (January 30) Storytelling Class (February 28) Sports Class (March 28) Singing Class (June 20) Origami and Drawing Classes (August 29) Math Class (26 September) Understanding Professions Class (October 23) Understanding Fruit Class (21 November) Understanding Animals Class (December 10) 	850,000
Development	FORU scholarships for "Fortuners" outstanding sons and daughters	September	20,000,000
	"Fortuners" involvement in student training	Throughout 2013: Universitas Atma Jaya Yogyakarta Universitas Muhammadiyah Malang Lembaga Pendidikan dan Pengembangan Profesi Indonesia (LP3I) Universitas Diponegoro (Undip) Universitas Padjadjaran (Unpad) Universitas AI – Azhar Perhumas Muda, Malang UIN Universitas Bakrie Universitas Bina Nusantara Universitas Padjadjaran D3 Kehumasan IISIP Jakarta Universitas Brawijaya Universitas Negeri Sebelas Maret, Surakarta Universitas Petra	4,860,000
	Fortune Nursery (Inauguration, operational, mentoring)	Throughout 2013	66,966,000
Environment	Channeling aid donations from "Fortuners" for flood victims in Jakarta through the Kebayoran Lama and Joint Flood Relief Stations 2013	January	10,384,200
Environment	Corporate donations in the form of the rubber boats for flood victims in Jakarta and surrounding areas through the Joint Flood Relief station 2013	January	18,250,000
	Parenting Class (Location : Ragunan Fortune Nursery) Blood for Love: Donating Blood (location : Jl. Jabir)	February February	335,000 6,000,000
Labor, Health, and Safety	Help with the cost of Cataract Surgery for Patients in The Bogor Cataract Surgery Project	March	10,000,000
	Nutrition parenting class (location : Ragunan Fortune Nursery)	December	400,000
	TOTAL FUNDS DISTRIBUTED	<u> </u>	158,555,200













Throughout 2013, the amount of funds distributed and / or used by FORU for CSR activities amounted to Rp 158,555,200. FORU's CSR activities were not merely donations or social activities only. But the main objective was the harmonious linkages between business activities that benefit the company members, the environment, and economic growth in our communities.



To implement CSR properly, it should be undertaken by every stakeholder in the Company. So it should not only be carried out by one division or part of it. CSR should be performed within each of the company's business processes.



Fortune Nursery

FORU has a desire and obligation to set aside some revenue to develop the environment around its office. Education of children (free) and community development are our main foci.

Through Fortune Nursery, education and community development are expected to improve the quality of life and to create a better society. More specifically, FORU focuses on early childhood education, as the ages of 2-4 years are the golden age for a child where the lessons they learn will help develop them to be ready for the future.

This activity has three main objectives, namely helping the problem of education in the region, knowing the proper way to educate children and help them gain the knowledge to develop themselves and help improve the quality of life in the region.

Fortune Nursery is one ongoing FORU CSR activity. To create an independent prosperous society, so all businesses should support the activities associated with it. Fortune Nursery 1 was founded in 2008 in Pondok Pinang, South Jakarta. Fortune Nursery 2 was officially established in 2012 and located in Ragunan, South Jakarta. In 2013, Fortune Nursery 3 was officially established in Lenteng Agung, South Jakarta.

FORU's commitment to continuing to run this program confirms FORU's seriousness in terms of community empowerment. If it continues, the harmonization of the corporate world to the surrounding environment will be built up to the maximum. Concept 3 P is the planet, people and profit and has always been a cornerstone to FORU to continue to create sustainable programs in line with the positive business continuity.

Testimonials



also very useful. We are very grateful that FORU can provide pinching if the child does wrong."

Sarwadi, **Head of Ragunan Fortune Nursery**



Sum Purwaningsih, **Head of Lenteng Agung Fortune Nursery** **Statement of the Board of Commissioners and Board of Directors**

Statement of the Board of Commissioners and Board of Directors

Statement of the Board of Commissioners and Board of Directors regarding Responsibility for

The following Annual Report, including the related financial information, are the sole the Board of Commissioners and Board of Directors who have signed below

Jakarta, April 30, 2014

Board of Commissioners

Dedi Sjahrir Panigoro

President commissioner and Independent Commissioner

Kasman Ardan

Miranty Abidin

Novenna Budiono

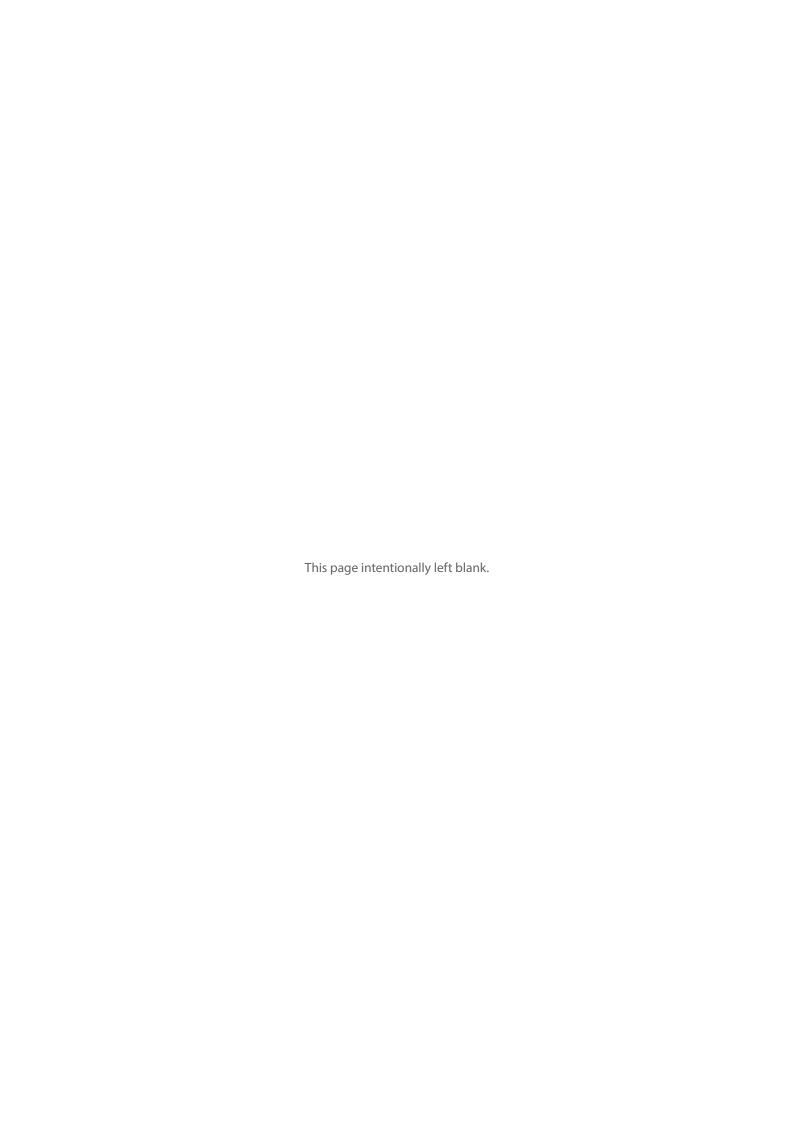
Farida Eva Rianti Hutapea **Independent Commissioner**

Directors

Indra Abidin

President Director

Herman Muljadi Sulaeman



PT FORTUNE INDONESIA Tbk AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2013 AND 2012

AND INDEPENDENT AUDITORS' REPORT

(INDONESIAN CURRENCY)

PT FORTUNE INDONESIA Tbk AND SUBSIDIARIES CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2013 AND 2012 AND INDEPENDENT AUDITORS' REPORT

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BOARD OF DIRECTORS' STATEMENT REGARDING THE RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS OF PT FORTUNE INDONESIA Thk AND SUBSIDIARIES FOR YEARS ENDED ON **DECEMBER 31, 2013 AND 2012**

We, the undersigned:

1. Name : Indra Abidin

Title

: President Director

Office Address : Gedung Galaktika,

Jl. Harsono R.M. No.2

Home Address : Jl. Manggis No. 9,

RT/RW 001/004, Jagakarsa,

South Jakarta

NIK No.

: 3174090907470001

2. Name : Herman Muljadi Sulaeman

Title

: Director

Office Address : Gedung Galaktika,

Jl. Harsono R.M. No.2

Jakarta

Home Address : Jl. Pulo Kenanga Raya 17

RT/RW 008/016, Kebayoran Lama, South Jakarta

NIK No.

: 3174051302520002

declare that:

- 1. We are responsible for the preparation and presentation of PT Fortune Indonesia Tbk and Subsidiaries'consolidated financial statements:
- 2. PT Fortune Indonesia Tbk and Subsidiaries' consolidated financial statements have been prepared and presented in accordance with financial accounting standards in Indonesia;
- a.All information in PT Fortune Indonesia Tbk and Subsidiaries' consolidated financial statements 3. has been disclosed in a complete and truthful manner;
 - PT Fortune Indonesia Tbk and Subsidiaries' consolidated financial statements do not contain b. any incorrect information or material facts, nor do they omit information or material facts;
- 4. We are responsible for PT Fortune Indonesia Tbk and Subsidiaries' internal control system.

This statement is made in all truth.

Jakarta, March 21st, 2014

Tok

34050NE INDONESIA

Indra Abidin **President Director**

Herman Muljadi Sulaeman Director

This report is originally issued in Indonesian language.



KOSASIH, NURDIYAMAN, TJAHJO & REKAN

Registered Public Accountants No. 1342/KM.1/2011 (Branch) Member Crowe Horwath International

Godung Jaya 4th Floor, Suite L04-81 Jt. M.H. Thamrin No. 12 Jakarta 10340 +62 (21) 319 28000 +62 (21) 319 28151 Fax www.cowehorwath.co.ld

Independent Auditors' Report

Report No.KNT&R-C2/0027/14

Shareholders, Board of Commissioners, and Directors PT FORTUNE INDONESIA Tbk

We have audited the accompanying consolidated financial statements of PT Fortune Indonesia Tbk and Subsidiaries (collectively referred to as the Group) which comprise the consolidated statement of financial position as of December 31, 2013, consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of such consolidated financial statements in accordance with financial accounting standards in Indonesia and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on such consolidated financial statements based on our audit. We conducted our audit in accordance with standards on auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

KOSASIH, NURDIYAMAN, TJAHJO & REKAN Replainmed Public Accountants No. 1342/NJA. 1/2011 (Brench) Nember Crowe Howeth International

Opinion

In our opinion, the accompaying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2013, and their financial performances and consolidated cash flows for the year then ended in accordance with financial accounting standards in Indonesia.

KOSASIH, NURDIYAMAN, TJAHJO & REKAN

Drs. Emanuel Handojo Pranadjaja, Ak.,CPA Public Accountant License Number AP.0929

March 21, 2014

PT FORTUNE INDONESIA Tbk AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2013 AND 2012

(Expressed in Rupiah, unless otherwise stated)

	Notes	2013	2012
ASSETS			
Current Assets			
Cash and cash equivalents Trade receivables - third parties - net of provision for impairment of receivable of Rp 6,481,908,612 in 2013 and	2c, 2d, 4, 32 2c, 5, 13, 26, 32	33,959,407,363	24,788,912,492
Rp 5,526,088,713 in 2012		112,300,906,283	132,164,956,278
Other receivables - third parties	2c, 32	5,351,969,997	4,359,317,818
Service in progress	2e, 6	51,797,737,769	47,458,958,751
Advance and other current assets	2f, 7	23,207,659,027	15,923,351,752
Total Current Assets		226,617,680,439	224,695,497,091
Noncurrent Assets			
Restricted time deposits	2c, 2d, 8, 13, 32	12,000,530,000	12,000,530,000
Employees receivables	2c, 2g, 9a, 32	1,705,819,098	1,661,387,270
Due from related parties	2c, 2g, 9b, 32	5,652,494,980	1,168,007,910
Investment in Associate Company	2h, 10	4,117,552,758	4,053,807,590
Other long - term investment	2c, 2i, 11, 32	500,000,000	500,000,000
Fixed assets - net of accumulated depreciation of Rp 13,179,715,305 in 2013 and Rp 11,685,353,412 in 2012	2j, 2k, 2l, 12, 13, 15, 16, 26	7,920,702,341	8,799,589,739
Refundable deposits	2c, 32	18,000,000	-
Deferred tax assets	2q, 17d	4,890,867,890	4,279,858,402
Claim for tax refund	2q, 17c	93,907,935	93,907,935
Total Noncurrent Assets		36,899,875,002	32,557,088,846
TOTAL ASSETS		263,517,555,441	257,252,585,937

PT FORTUNE INDONESIA Tbk AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (continued) DECEMBER 31, 2013 AND 2012

(Expressed in Rupiah, unless otherwise stated)

	Notes	2013	2012
LIABILITIES AND EQUITY			
LIABILITIES			
Current Liabilities			
Short-term bank loans	2c,13, 32	30,000,200,000	41,018,957,787
Trade payables	2c, 14, 32		
Third parties		76,544,339,056	66,690,306,955
Related party	2g, 9c	349,823,903	163,326,343
Other payables - third parties	2c, 32	1,689,829,457	1,193,770,542
Taxes payable	2q, 17a	9,627,868,206	11,804,287,086
Accrued expenses	2c, 32	187.745.897	183.505.892
Current maturities of long-term liabilities			
Financing payable	2c, 15, 32	266,000,000	311,558,090
Lease payable	2c, 2l, 16, 32	31,481,328	31,481,328
Total Current Liabilities		118,697,287,847	121,397,194,023
Noncurrent Liabilities			
Due to related party	2c, 2g, 9d, 32	200,000,000	200,000,000
Employees' benefits liability	2m, 18, 26	11,481,618,000	9,945,604,000
Long-term liabilities - net of current maturities			
Financing payable	2c, 15, 32	133,000,000	-
Lease payable	2c, 2l, 16, 32	31,481,344	60,339,228
Total Noncurrent Liabilities		11,846,099,344	10,205,943,228
TOTAL LIABILITIES		130,543,387,191	131,603,137,251

PT FORTUNE INDONESIA Tbk AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (continued) DECEMBER 31, 2013 AND 2012

(Expressed in Rupiah, unless otherwise stated)

	Notes	2013	2012
EQUITY			
Equity Attributable to Owner of the			
Company Capital stock - Rp 100 par value per share			
Authorized - 1,000,000,000 shares			
Issued and fully paid - 465,224,000 shares	19	46,522,400,000	46,522,400,000
Additional paid-in capital - net	2n, 20	7,148,969,337	3,595,872,896
Difference in value of restructuring transaction			
entities under common control	2n	-	3,553,096,441
Retained earnings			
Appropriated	21	10,910,071,061	9,022,320,754
Unappropriated		68,045,966,646	62,655,557,991
Total Equity Attributable to Owner of the			- , , ,
Company		132,627,407,044	125,349,248,082
Noncontrolling Interest	2b, 22	346,761,206	300,200,604
TOTAL EQUITY		132,974,168,250	125,649,448,686
TOTAL LIABILITIES AND EQUITY		263,517,555,441	257,252,585,937

PT FORTUNE INDONESIA Tbk AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME YEARS ENDED DECEMBER 31, 2013 AND 2012

(Expressed in Rupiah, unless otherwise stated)

	Notes	2013	2012
REVENUES	20, 24, 33	407,406,719,849	480,147,066,931
DIRECT COST	20, 25	326,394,831,677	394,323,412,730
GROSS PROFIT		81,011,888,172	85,823,654,201
OPERATING EXPENSES	20, 5, 12, 18, 26	66,523,632,643	69,311,996,531
OPERATING PROFIT		14,488,255,529	16,511,657,670
OTHER INCOME (EXPENSES)	20, 33		
Gain on foreign exchange - net	2p	1,256,732,459	81,537,326
Interest income	27	1,012,024,011	1,175,388,132
Gain on sale of fixed assets Income from investment in Associate	2j, 12 2h, 10	69,375,000	93,632,250
Company	2, 10	63,745,168	219,412,561
Financing cost	28	(3,391,167,536)	(1,165,799,369)
Others	12, 29	310,634,681	102,385,980
Total Other Income (Expenses) - Net		(678,656,217)	506,556,880
INCOME BEFORE INCOME TAX EXPENSE		13,809,599,312	17,018,214,550
INCOME TAX EXPENSE	2q, 17b, 33	(3,228,311,748)	(4,359,602,717)
INCOME FOR THE YEAR		10,581,287,564	12,658,611,833
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u> </u>
TOTAL COMPREHENSIVE INCOME		10,581,287,564	12,658,611,833
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO: Owner of the Company		10,534,726,962	12,585,002,049
Noncontrolling Interest	2b, 22	46,560,602	73,609,784
TOTAL		10,581,287,564	12,658,611,833
EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNER OF THE COMPANY	2r, 23	23	27

The accompanying Notes to The Consolidated Financial Statements form an integral part of these Consolidated Financial Statements.

PT FORTUNE INDONESIA Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2013 AND 2012
(Expressed in Rupiah, unless otherwise stated)

132,974,168,250	346,761,206	132,627,407,044	68,045,966,646	10,910,071,061		7,148,969,337	46,522,400,000		Balance December 31, 2013
10,581,287,564	46,560,602	10,534,726,962	10,534,726,962		1				Comprehensive income for 2013
(3,256,568,000)		(3,256,568,000)	(3,256,568,000)	1	ı	1	1	21	Dividend
	1	ı	(1,887,750,307)	1,887,750,307	ı	ı	ı	21	General reserve
	ı	1			(3,553,096,441)	3,553,096,441		2n	Reclassification effect on adoption of PSAK 38 (revised 2012) "Business Combination of Entities Under Common Control"
125,649,448,686	300,200,604	125,349,248,082	62,655,557,991	9,022,320,754	3,553,096,441	3,595,872,896	46,522,400,000		Balance December 31, 2012
12,658,611,833	73,609,784	12,585,002,049	12,585,002,049	1	ı	1	1		Comprehensive income for 2012
(3,256,568,000)	1	(3,256,568,000)	(3,256,568,000)	ı	ı	ı	ı	21	Dividend
		1	(1,938,756,919)	1,938,756,919	1	1	1	21	General reserve
(38,703,990	(38,703,990)	1	1	ı	1	ı	1	1 c	Dilutive effect
116,286,108,843	265,294,810	116,020,814,033	55,265,880,861	7,083,563,835	3,553,096,441	3,595,872,896	46,522,400,000		Balance January 1, 2012
Total Equity	Noncontrolling Interest	Total Equity Attributable to Owner of the Company	Retained Earnings	Retained Appropriated	Difference in Value of Restructuring Transaction Entities Under Common Control	Additional Paid-in Capital - Net	Capital Stock	Notes	

The accompanying Notes to The Consolidated Financial Statements form an integral part of these Consolidated Financial Statements.

PT FORTUNE INDONESIA Tbk AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2013 AND 2012 (Expressed in Rupiah, unless otherwise stated)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	427,270,769,843	495,652,453,834
Cash paid to suppliers and employees Received from (payment for):	(383,513,175,165)	(499,734,281,425)
Interest income	1,012,024,011	1,175,388,132
Income taxes	(5,404,730,630)	(6,406,562,884)
Financing cost	(3,391,167,536)	(1,165,799,369)
Other operating activities	(7,241,435,108)	(11,541,537,229)
Net cash provided by (used for) operating activities	28,732,285,415	(22,020,338,941)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of fixed assets	630,000,000	740,425,000
Received from insurance claim	49,482,784	133,300,000
Acquisition of fixed assets	(780,044,495)	(2,234,228,782)
Placement of restricted deposits		(9,135,000,000)
Net cash used for investing activities	(100,561,711)	(10,495,503,782)
CASH FLOW FROM FINANCING ACTIVITIES		
Received from (payment of) bank loans	(11,018,757,787)	34,553,995,402
Received from due from related parties	(4,484,487,070)	(63,760,600)
Payment of cash dividends	(3,256,568,000)	
Payment of financing payable	(672,558,092)	(380,643,473)
Payment of lease payable	(28,857,884)	
Payment of due to related party		(133,544,794)
Net cash provided by (used for) financing activities	(19,461,228,833)	30,676,379,091
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	9,170,494,871	(1,839,463,632)
·	3,170,434,071	(1,039,403,032)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	24,788,912,492	29,258,977,257
CASH AND CASH EQUIVALENTS OF PT FORTUNE	, , , ,	, , , ,
TRAVINDO AT BEGINNING OF THE YEAR	<u>-</u>	(2,630,601,133)
CASH AND CASH EQUIVALENTS AT THE END OF		
YEAR	33,959,407,363	24,788,912,492

PT FORTUNE INDONESIA The AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2013 AND 2012

(Expressed in Rupiah, unless otherwise stated)

1. GENERAL INFORMATION

a. The Company's Establishment

PT Fortune Indonesia Tbk (the "Company"), was established in Indonesia based on Notarial Deed dated May 5, 1970 of Dian Paramita Tamzil, S.H., as subtitute notary of Djojo Muljadi S.H., No. 5 with the name of PT Fortune Indonesia Advertising Company. The Deed of Establishment was approved by the Ministry of Justice of the Republic of Indonesia in its Decision Letter No. JA 5/67/21 dated September 12, 1970 and published in the State Gazette No. 83, Supplement No. 389 dated October 17, 1972. The Company's name changed from PT Fortune Indonesia Advertising Company to PT Fortune Indonesia based on the amendment of its Article of Association No. 51 of Notarial Mrs. Toety Juniarto, S.H., dated September 21, 2001 and was approved by the Ministry of Justice and Human Rights of the Republic of Indonesia through its Decision Letter No. C-08991.HT.01.04. TH.2001 and published in the State Gazette No. 98, Supplement No. 8029 dated December 7, 2001.

The Company's articles of association has been amended several times, most recently by Notarial Deed No. 10, dated October 31, 2008, of Leolin Jayayanti, S.H., to conform with Corporate Law No. 40 year 2007. The latest amendment was approved by the Ministry of Justice and Human Rights of the Republic of Indonesia through its Decision Letter No. AHU-98038.HT.01.02. Tahun 2008 dated December 18, 2008 and was published in the State Gazette No. 28, Supplement No. 9716 dated April 7, 2009.

According to Article 3 of the Company's articles of association, the scope of activities of the Company is marketing communication services which consists of advertising services, public relation services, travel marketing, and multimedia. The Company is domiciled at Galaktika Building, Jl. Harsono R.M. No. 2 Ragunan, South Jakarta.

The Company started its comercial operations since 1970.

b. Initial Public Offering

On December 27, 2001, the Company obtained effective notification approval from the Chairman of the Capital Market Supervisory Agency (BAPEPAM) in its letter No. S-4067/PM/2001 for conducting an initial public offering of 205,000,000 shares with par value of Rp 100 at offering price of Rp 130 per share, with the issuance of 102,500,000 Warrant Seri I. On January 17, 2002, the Company has already listed all its shares and warrant in the Indonesia Stock Exchange.

c. The Consolidated Subsidiaries

As of December 31, 2013 and 2012, the Company has direct investment in shares of stocks in Subsidiaries as follows:

		Commercial	Pecentage Of	Total Asse	ts (Rp 000)	Scope of
Subsidiaries	Domicile	Operation	Ownership	2013	2012	Activities
PT Pelita Alembana (PA)	Jakarta	1981	99%	48,458,776	37,287,884	Advertising
PT Fortune Pramana Rancang (FPR)	Jakarta	1980	99%	22,710,950	48,256,427	Public Relation
PT Fortune Adwicipta (FAC)	Jakarta	1985	99%	15,075,515	10,621,074	Graphics Design

PT FORTUNE INDONESIA The AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2013 AND 2012

(Expressed in Rupiah, unless otherwise stated)

1. **GENERAL INFORMATION (continued)**

c. The Consolidated Subsidiaries (continued)

Dilution of shares of stock of PT Fortune Travindo (FT)

On October 17, 2012, based on the result of Extraordinary Shareholders' General Meeting (Rapat Umum Pemegang Saham Luar Biasa/RUPSLB) of FT which was notarized by Notarial Deed of Leolin Jayayanti, S.H., No. 30 on the same date, regarding the shareholders approval for changes in authorized capital, issued and paid-up capital, approval for investment plans, and approval of getting new loan. The result of RUPSLB was confirmed in deed of Statement of Shareholders' Resolution of FT notarized by Leolin Jayayanti, S.H., No. 16 dated November 14, 2012, which stated that all shareholders of FT agreed to:

- Increase the authorized capital of FT from Rp 9,000,000,000 became Rp 40,000,000,000.
- Increase the issued and paid-up capital of FT from Rp 2,272,700,000 became Rp 11,250,000,000.
- Conduct issuance of shares in portfolio amounting to Rp 8,977,300,000 or 8,977,300 shares, with nominal Rp 1,000.

The deed amendments was approved by the Ministry of Justice and Human Rights of the Republic of Indonesia through its Decision Letter No. AHU-64967.AH.01.02.Th.2012 dated December 20, 2012.

In the Extraordinary Shareholders' General Meeting notarized by Leolin Jayayanti, S.H., No. 5 dated June 13, 2012, the Company's shareholders approved not to use its preemptive rights related with the issuance of FT shares in portfolio. As a result, the Company investment portion in the FT was diluted from 99% to 20% and lead to the deconsolidation of FT financial statements from the Group's consolidated financial statements as of December 31, 2012.

d. Boards of Commissioners, Directors, Audit Committee, and Total Employees

As of December 31, 2013 and 2012, the members of the Company's boards of commissioners and directors based on Notarial Deed No. 16 dated July 21, 2011, of Leolin Jayayanti, S.H., are as follows:

Board of Commissioners

President and Independent Commissioner : Dedi Sjahrir Panigoro Independent Commissioner : Farida Eva Rianti Hutapea

Commissioner : Kasman Ardan Commissioner : Miranty Abidin

Commissioner : Lucia Novenna Budiono

<u>Directors</u>

President Director : Indra Abidin

Director : Herman Muljadi Sulaeman

PT FORTUNE INDONESIA The AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2013 AND 2012

(Expressed in Rupiah, unless otherwise stated)

1. **GENERAL INFORMATION (continued)**

d. Boards of Commissioners, Directors, Audit Committee, and Total Employees (continued)

The composition of the Company's audit committee, as of December 31, 2013 and 2012, are as follows:

Audit Committee

Chairman : Dedi Sjahrir Panigoro

Member : Alexander Ronald Sindhika

Member : Dharmawandi Sutanto

On December 31, 2013 and 2012, the Company appointed Indira Ratna Dewi Abidin as the Corporate Secretary of the Company.

As of December 31, 2013 and 2012, the Group have 353 and 318 permanent employees (unaudited), respectively.

e. Completion of The Consolidated Financial Statements

The management of the Company are responsible for the preparation of these consolidated financial statements that were completed and authorized for issued on March 21, 2014.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation of the Consolidated Financial Statements

The consolidated financial statements have been presented in accordance with Standar Akuntansi Keuangan (SAK/financial accounting standards) which is comprised with Pernyataan Standar Akuntansi Keuangan (PSAK/statement financial accounting standards) and interpretasi standar akuntansi keuangan (ISAK/ interpretations of financial accounting standards) issued by the Board of Financial Accounting Standards of the Indonesian Institute of Accountants and the regulations of the Financial Service Authority (OJK) for the guidance on consolidated financial statements presentation and disclosures.

Accounting policies implemented in preparation of financial statements is consistent with accounting policies that implemented in preparation of financial statements for the year ended December 31, 2012, except for the implementation of SAK that been revised effective on January 1, 2013 as disclosed in this Note.

The consolidated financial statements are prepared under accrual basis using historical cost concept, except for certain account which are measured by the measurement as described in related accounting policies.

The consolidated statements of cash flows have been prepared using the direct method, presenting cash receipts and payments classified into operating, investing, and financing activities.

The reporting currency used in the preparation of the consolidated financial statements is Indonesian Rupiah, which is the Group's functional currency.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Principles of Consolidation

The consolidated financial statements includes PA, FPR, FAC, Subsidiaries, as mentioned in Note 1c, in which the Company owns more than 50% share ownership.

All material intercompany accounts and transactions, including unrealized gains or losses, if any, are eliminated to reflect the financial position and the results of operations of the Group as one business entity.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtained control, and continue to be consolidated until the date such control ceases. Control is presumed to exist if the Company owns, directly or indirectly through Subsidiaries, more than half of the voting power of an entity.

The financial statements of the Subsidiaries is prepared for the same reporting period as the Company. The accounting policies adopted in preparing the consolidated financial statements have been consistently applied by the Group, unless otherwise stated.

Noncontrolling interests represents the portion of the profit or loss and net assets of the Subsidiaries not attributable directly or indirectly to the Company, which are presented in the consolidated statements of comprehensive income and under the equity section of the consolidated statements of financial position, respectively, separately from the corresponding portion attributable to the owner of the Company.

c. Financial Assets and Financial Liabilities

The Group has adopted PSAK 50 (revised 2010), "Financial Instruments: Presentation", PSAK 55 (revised 2011), "Financial Instruments: Recognition and Measurement" and PSAK 60, "Financial Instruments: Disclosures".

PSAK 50 (revised 2010) "Financial Instruments: Presentation", establishes the principles for presenting financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities.

PSAK 55 (revised 2011), "Financial Instruments: Recognition and Measurement", establishes principles for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell nonfinancial items.

PSAK 60 introduces new disclosures to improve the information about financial instruments. It requires extensive disclosures about the significance of financial instruments for an entity's financial position and performance, and quantitative and qualitative disclosures on the nature and extent of risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, as well as sensitivity analysis to market risk. It also requires disclosures relating to fair value measurements using a three-level fair value hierarchy that reflects the significance of the inputs used in measuring fair values and provides more direction in the form of quantitative disclosures about fair value measurements and requires information to be disclosed in a tabular format unless another format is more appropriate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Financial Assets and Financial Liabilities (continued)

Classification

i. Financial assets

Financial assets are classified as financial assets at fair value through consolidated statements of comprehensive income, loans and receivables, held to maturity investments, or available for sale financial assets, as appropriate. The Group determines the classification of its financial assets at initial recognition.

The Group's financial assets consist of cash and cash equivalents, trade receivable third parties, other receivables - third parties, resricted deposits, employees receivables, due from related parties, other long-term investment, and refundable deposits.

ii. Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through consolidated statements of comprehensive income and financial liabilities measured at amortized cost. The Group determines the classification of its financial liabilities at initial recognition.

The Group financial liabilities consist of short-term bank loans, trade payables third parties and related parties, other payables - third parties, accrued expenses, due to related party, financing payables and lease payables.

Recognition and Measurement

i. Financial assets

Financial assets are recognized initially at fair value, plus, in the case of financial assets not at fair value through consolidated statements of comprehensive income, directly attributable transaction costs. The subsequent measurement of financial assets depends on their classification.

All regular way purchases and sales of financial assets are recognized on the trade date - the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place concerned.

· Loans and receivables

Loans and receivables are nonderivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, such financial assets are carried at amortized cost using the effective interest rate method less impairment, except for those assets in which the interest calculation is not material. Gains or losses are recognized in consolidated statements of comprehensive income when the financial assets are derecognized or impaired, as well as through the amortization process.

ii. Financial liabilities

Financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, inclusive of directly attributable transaction costs.

· Financial liabilities measured at amortized cost

Financial liabilities measured at amortized cost are measured, subsequent to initial recognition at amortized cost using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Financial Assets and Financial Liabilities (continued)

Recognition and Measurement (continued)

- ii. Financial liabilities (continued)
 - Financial liabilities measured at amortized cost (continued)

The related interest expense is recognized within "Finance Costs" in consolidated statements of comprehensive income. Gains and losses are recognized in consolidated statements of comprehensive income when the financial liabilities are derecognized as well as through the amortization process.

Offsetting of Financial Instuments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Fair Value of Financial Instruments

The fair values of financial instruments that are actively traded in organized financial markets, if any, are determined by reference to quoted market bid or ask prices at the close of business at the end of the reporting period.

For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis; or other valuation models.

Amortized Cost of Financial Instruments

Amortized cost is computed using the effective interest rate method less any allowance for impairment and principal repayment or reduction. The calculation takes into account any premium or discount on acquisition and includes transaction costs and fees that are an integral part of the effective interest rate

Impairment of Financial Assets

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred loss event) and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Financial Assets and Financial Liabilities (continued)

Derecognition

i. Financial Assets

The Group derecognizes a financial asset if, and only if, the contractual rights to receive cash flows from the asset have expired; or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass through arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset.

In that case the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

ii. Financial Liabilities

A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in consolidated statements of comprehensive income.

d. Cash and Cash Equivalents and Restricted Deposits

Cash and cash equivalents include cash on hand, cash in banks and time deposits with maturities of three months or less from the time of placement and not pledged as collateral and not restricted.

Time deposits with maturities of more than 3 (three) months from the date of placement, used as collateral and restricted used is recorded as "Restricted Deposits" in the consolidated statements of financial position.

e. Service in Progress

All the expenses disbursed in relation to the advertising services, graphics design, and certain programming services are accumulated and charged to direct cost at the time revenue are recognized, which is, at the completion of the services and has already been approved by the customers.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Service in Progress (continued)

While all the expenses disbursed in relation to the public relation and exhibition sevices are accumulated and charged to direct cost at the time revenue are recognized, which is, determined by the percentage of job completion.

f. Prepaid expenses

Prepaid expenses are amortized over their beneficial periods in the consolidated statements of comprehensive income by straight-line method.

g. Transactions with Related Parties

The Group enter into transactions with related parties as defined in PSAK 7 (revised 2010), "Related Party Disclosures".

A party is considered to be related to the 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 Group; (ii) has an interest in the Group that gives its significant influence over the Group; or, (iii) has joint control over the Group.
- b. The party is an associate of the Group;
- c. The party is a joint venture in which the Group is a venturer;
- d. The party is a member of the key management personnel of the Group;
- e. The party is a close member of the family of any individual referred to in (a) or (d);
- 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 for the benefit of employees of the Group, or of any entity that is a related party of the Group.

All significant transactions and balances that material with related parties are disclosed in the relevant notes to consolidated financial statements herein.

h. Investment in Associate Company

The Group's investment in its associate is accounted for using the equity method. An associate is an entity in which the Group has significant influence. Under the equity method, the cost of investment is increased or decreased by the Group's share in net earnings or losses, and dividends received from the investee since the date of acquisition. Goodwill relating to the Associate Company is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment.

The consolidated statements of comprehensive income reflects the share of the results of operations of the associate. Where there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any changes and discloses this, when applicable, in the statements of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate, if any, are eliminated to the extent of the interest in the associate.

The share of profit of an associate is shown on the face of the consolidated statements of comprehensive income. This is the profit attributable to equity holders of the associate and therefore is profit after tax of noncontrolling interest in the subsidiaries of the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h. Investment in Associate Company (continued)

The Group determines whether it is necessary to recognize an additional impairment loss on the Group's investment in its associate. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investment in associate and its carrying value and recognizes the amount in the consolidated statements of comprehensive income.

Upon loss of significant influence over the associate company, the Group measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal is recognized in consolidated statements of comprehensive income.

i. Other Long-Term Investments

Investments in shares of stock with ownership interest of less than 20% that do not have a quoted market price in an active market and whose fair value cannot be reliably, measured are stated at cost. The carrying amount of the investments is written down to recognise a permanent decline in value of the individual investments. Any such write-down is charged directly to the consolidated statements of comprehensive income.

j. Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and any impairment loss, if any. Such cost includes the cost of replacing part of the fixed assets when the cost is incurred, if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the assets as a replacement if the recognition criteria are met. All other repairs and maintenance costs that do not meet the recognition criteria are recognized in consolidated statements of comprehensive income as incurred.

Depreciation is computed, using the straight-line method over the estimated useful lives of the assets as follows:

	Years
Building and improvements	20
Machinery and installations	10
Studio equipments	5 - 10
Office equipment	5 - 10
Motor vehicles	4

The carrying value of fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the assets is recognized in the consolidated statements of comprehensive income in the year the asset is derecognized.

The residual values, estimated useful lives and depreciation method are reviewed and adjusted, at year end, if necessary.

k. Impairment of Nonfinancial Assets

The Group adopted PSAK 48 (revised 2009) prescribes the procedures to be employed by an entity to ensure that its assets are carried at no more than their recoverable amounts. An asset is carried at more than its recoverable amount if its carrying amount exceeds the amount to be recovered through use or sale of the asset. If this is the case, the asset is described as impaired and this revised PSAK require the entity to recognize an impairment loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k. Impairment of Nonfinancial Assets (continued)

The Group assesses at each reporting period, whether there is an indication that an asset may be impaired. If any such indication exists or when annual impairment testing for an asset is required, the Group make an estimate of the asset's recoverable amount.

I. Leases

The Group adopted PSAK 30 (revised 2011), "Leases". The revised PSAK prescribes, for lessees and lessors, the appropriate accounting policies and disclosure to apply in relation to leases which applies to agreements that transfer the right to use assets even though substantial services by the lessor may be called for in connection with the operation or maintenance of such assets. The adoption of this revised PSAK has no significant impact on the consolidated financial statements.

The Group applied PSAK 30 (revised 2011) "Leases", the classification of leases is based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee, and the substance of the transaction rather than the form.

A lease is classified as a finance lease if it transfer substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

At the commencement of the lease term, lessees shall recognize finance leases as assets and liabilities in their statements of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Minimum lease payments shall be apportioned between the finance charge and the reduction of the outstanding liability. The finance charge shall be allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Depreciation expense for depreciable assets as well as finance expense for each accounting period shall be consistent with that for depreciable assets that are owned. If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

m. Employee's Benefits Liability

The Group adopted PSAK 24 (revised 2010), "Employee Benefits". PSAK 24 (revised 2010) provides guidance for the calculation and additional disclosures for employee benefits with some transitional provisions. It provides an option for recognition of actuarial gains or losses in addition to using the corridor approach, that is, the immediate recognition of actuarial gains or losses in the period in which such gains or losses occur as part of other comprehensive income.

Post-employment benefits such as retirement, severance, and service payments are calculated based on Labor Law No. 13/2003 ("Law 13/2003").

The Group is required to provide a minimum amount of pension benefits in accordance with Law 13/2003. The Group's pension plan based on the calculation of the benefit obligation performed by the actuaries provides that the expected benefits under the Group's pension plan will exceed the minimum requirements of the Law 13/2003.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

m. Employee's Benefits Liability (continued)

The cost of providing post-employment benefits is determined using the Projected Unit Credit method. The accumulated unrecognized actuarial gains or losses that exceed 10% of the present value of the defined benefit obligations at the beginning of the reporting period is recognized on a straight-line basis over the expected average remaining working lives of the participating employees.

Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions in excess of the greater of 10% of the fair value of plan assets or 10% of the present value of the defined benefit obligations at the beginning of the period are amortized and recognized as expense or gain over the expected average remaining service periods of qualified employees.

Past-service costs are recognized as an expense on a straight line basis over the average period until the benefits become vested. If the benefits have already vested, immediately following the introduction of, or changes to, a pension plan, past service costs are recognized immediately.

The Group recognized gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprise change in the present value of the defined obligation and any related actuarial gains and losses and past service cost that had not previously been recognized.

n. Restructuring Transactions Among Entities Under Common Control

Acquisition or disposal of a Subsidiary from or to entities under common control which is a reorganization of companies under common control (pooling of interest) is accounted for in accordance with PSAK 38 (revised 2004), "Accounting for Restructuring Transactions among Entities Under Common Control". Transfer of assets, liabilities, shares, and other instruments of ownership among entities under common control do not result in a gain or loss to the Company or to the individual company within the same group. Since a restructuring transaction among entities under common control does not result in a change of the economic substance of the ownership of assets, liabilities, shares, and other instruments of ownership which are exchanged, assets or liabilities transferred are recorded at book values.

Any difference between the transfer price and book value of each restructuring transaction between entities under common control are recorded in the account "Difference in Value Arising from Restructuring Transaction Among Entities Under Common Control" presented in the equity section of the statement of financial position until December 31, 2012.

On January 1, 2013, the Company adopted revised PSAK 38 (revised 2011), "Business Combination of Entities Under Common Control". Changes to the Company's accounting policies have been made as required, in accordance with the provisions of this standard. This standard clarifies that any difference between amount of benefit transfer and the carrying value of each business combination of entities under common control is recognized in equity and presented as "Additional Paid-in Capital" account.

The Company has adjusted the recording of restructuring transaction under common control entities that occured in accordance with PSAK 38 (revised 2011), "Business Combination of Entities Under Common Control", accordingly.

o. Recognition of Revenue and Expenses

The Group adopted PSAK 23 (revised 2010), "Revenue". The revised PSAK identifies the circumstances in which the criteria on revenue recognition will be met and, therefore, revenue may be recognized, and prescribes the accounting treatment of revenue arising from certain types of transactions and events, and also provides practical guidance on the application of the criteria on revenue recognition.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o. Recognition of Revenue and Expenses (continued)

Revenue arise from services of:

- Advertising production and graphics design, are recognized at the completion of the services and has already been approved by the customers.
- Media, are recognized when the advertisement has been performed and has already been approved by the customers.
- Public relations and exhibition, are recognized based on the percentage of completion or in accordance with the requirements stated in the contract.

Expenses are recognized when incurred or in accordance with their beneficial periods (accrual method).

p. Foreign Currency Transactions and Balances

The accounting record of the Group are maintained in Rupiah. Transactions during the period involving foreign currencies are recorded at the rates of exchange prevailing at the time the transactions are made. At the consolidated statements of financial position date, monetary assets and liabilities denominated in foreign currencies are adjusted using the Bank Indonesia's middle rates of exchange prevailing at that date. The resulting gains or losses are credited or charged to current consolidated statements of comprehensive income for current year, except exchange gains and losses arising on foreign currency transactions and on the translation of foreign currency monetary assets and liabilities into Rupiah are recognized in the other comprehensive income.

As of December 31, 2013 and 2012, the exchange rate used are as follows:

	2013	2012
1 United States Dollar (USD)	12.189	9.670
1 Singapore Dollar (SGD)	9.628	7.907
1 Hongkong Dollar (HKD)	1.572	1.247

q. Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in consolidated statements of comprehensive income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

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 the financial and the tax bases of assets and liabilities at each reporting date. Future tax benefits, such as the carry-forward of unused tax losses, are also recognized to the extent that realization of such benefits is probable.

Deferred tax assets and liabilities are recognized for all deductible temporary differences and carry forward of unused tax losses, to the extent that it is probable that taxable profits will be available against which deductible temporary differences, and the carry forward of unused tax losses can be utilized, except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

q. Taxation (continued)

The carrying amount of a deferred tax asset is reviewed at each reporting date, and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the benefit of that deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax laws that have been enacted or substantively enacted at the end of consolidated reporting period. The related tax effects of the provisions for and/or reversals of all temporary differences during the year, including the effect of change in tax rates, are included in the consolidated statement of comprehensive income of the current year.

Deferred tax assets and liabilities are offset when a legally enforceable right exists to offset current tax assets against current tax liabilities, or the deferred tax assets and the deferred tax liabilities relate to the same taxable entity, or the Group intends to settle its current assets and liabilities on a net basis.

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

r. Earnings per Share

The Group adopted PSAK 56 (revised 2011), "Earnings Per Share". The revised PSAK prescribes principles for the determination and presentation of earnings per share, so as to improve performance comparisons between different entities in the same period and between different reporting periods for the same entity.

Earnings per share is computed by dividing total comprehensive income by the weighted average number of shares outstanding in the year. Weighted average shares outstanding for the years ended December 31, 2013 and 2012 is amounting to 465,224,000 shares.

s. Segment Information

The Group applied PSAK 5 (revised 2009), "Operating Segments". The revised PSAK requires disclosures that will enable users of financial statements to evaluate the nature and financial effects of the business activities in which the entity engages and the economic environments in which it operates.

Segment is a special part of the Group which is involved either in providing products and services (business segment), or in providing products and services within a particular economic environment (geographical segment), which are subject to risks and returns that are different from other segments.

Revenues, expenses, results, assets and liabilities segment include items directly attributable to the segment as well as things that can be allocated using the appropriate basis to the segment. Segments determined before balances and transactions between the Group are eliminated as part of the consolidation process.

Geographical segment are not presented since all business activities of the Group are performed in Jakarta.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

t. Provisions

Based PSAK 57 (revisi 2009), "Provisions, Contingent Liabilities and Contingent Assets", provisions are recognized when the Company has a present obligation (legal or constructive), as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the profit or loss net of any reimbursement.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

3. USE OF JUDGMENTS, ESTIMATES, AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts herein, and the related disclosures, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgments

The following judgments are made by the management in implementing accounting policies of the Group which have the most significant effect on the amounts recognized in the consolidated financial statements:

Classification of Financial Assets and Liabilities

The Group determines the classifications of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definition set forth in PSAK 55 (revised 2011). Accordingly, the financial assets and financial liabilities are accounted for in accordance with the Group's accounting policies disclosed in Note 2c.

Allowance for Impairment of Trade Receivables

The Group evaluates specific accounts where it has information that certain customers are unable to meet their financial obligations. In these cases, the Group uses judgement, based on the best available facts and circumstances, including but not limited to, the length of its relationship with the customer and the customer's current credit status based on third party credit reports and known market factors, to record specific provisions for customers against amounts due to reduce its receivable amounts that the Group expects to collect. These specific provisions are re-evaluated and adjusted as additional information received affects the amounts of allowance for impairment of trade receivables. The carrying amount of the Group's trade receivables before allowance for impairment as of Desember 31, 2013 and 2012 is disclosed in Note 5.

Determination of Functional Currency

The functional currencies of the Group are the currency of the primary economic environment in which each entity operates. It is the currency that mainly influences the revenue and cost of services. Based on the Group management assessment, the Group functional currency is in Rupiah.

3. USE OF JUDGEMENTS, ESTIMATES, AND ASSUMPTIONS (continued)

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Financial Assets and Liabilities

The group records certain financial assets and financial liabilities at fair value, which requires the use of accounting estimates. While significant components of fair value measurement were determined using verifiable objective evidences, the amount of changes in fair values would differ if the Group utilized different valuation methodology. Any changes in fair values of these financial assets and liabilities would affect directly the Group profit or loss. Further explanation is disclosed in Note 32.

Depreciation of Fixed Assets

The costs of fixed assets are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these fixed assets to be within 4 to 20 years. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised. The net carrying amount of the Group's fixed assets as of December 31, 2013 and 2012 is disclosed in Note 12.

Deferred Tax Assets

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management estimates are required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Employee's Benefits Liability

The determination of the Group 'employees' benefits liability are dependent on its selection of certain assumptions used by the independent actuaries and Group's management in calculating such amounts. Those assumptions include among others, discount rates, future annual salary increase rate, annual employee turn-over rate, mortality rate and retirement rate. Actual results that differ from the Group's assumptions which effects are more than 10% of the defined benefit obligations, are deferred and being amortized on a straight-line basis over the expected average remaining service years of the qualified employees. While it is believed that the Group's assumptions are reasonable and appropriate, significant differences in actual experiences or significant changes in assumptions may materially affect the amount of employee's benefits reserve. The carrying amount of the Group's estimated liabilities for employee benefits as of December 31, 2013 and 2012 is disclosed in Note 18.

Income Tax

Significant judgment is involved in determining the provision for corporate income tax. There are certain transactions and computation for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for expected corporate income tax issues based on estimates of whether additional corporate income tax will be due.

4. CASH AND CASH EQUIVALENTS

Consist of:

	2013	2012
Cash	51,627,007	20,802,880
Banks		
Rupiah		
PT Bank Mandiri (Persero) Tbk	17,495,794,652	19,110,088,902
PT Bank Tabungan Negara (Persero) Tbk	4,059,315,582	1,253,752,774
PT Bank Rakyat Indonesia (Persero) Tbk	3,695,248,245	66,025,797
PT Bank Danamon Indonesia Tbk	1,589,333,391	1,552,563,872
PT Bank Central Asia Tbk	392,690,170	385,810,809
PT Bank Negara Indonesia (Persero) Tbk	259,963,207	253,497,651
PT Bank Mega Tbk	106,631,250	106,212,015
PT Bank Permata Tbk	64,711,126	65,638,444
PT CIMB Niaga Tbk	58,237,980	59,076,652
PT Bank Pan Indonesia Tbk	2,742,698	159,479,016
Others (below Rp 30 milions)	1,634,000	14,676,710
United States Dollar Standard Chartered Bank, Jakarta (USD 176,194 in 2013 and		
USD 17,273 in 2012) PT Bank Negara Indonesia (Persero) Tbk (USD 134,643 in 2013 and	2,147,632,323	167,032,811
USD 52,794 in 2012) PT Bank Mandiri (Persero) Tbk	1,641,167,306	510,515,659
(USD 107,424 in 2013) Singapore Dollar	1,309,391,745	-
PT Bank Mandiri (Persero) Tbk (SGD 38,309 in 2013 and	000 044 555	
SGD 38,323 in 2012) Hongkong Dollar	368,841,557	303,020,606
PT Bank Mandiri (Persero) Tbk		
(HKD 83,015 in 2013 and	400 400 474	404 400 500
HKD 83,708 in 2012)	130,492,174	104,423,520
Subtotal banks	33,323,827,406	24,111,815,238
Cash equivalents - Time deposits Rupiah		
PT Bank Mandiri (Persero) Tbk	500,000,000	575,656,395
PT Bank Danamon Indonesia Tbk	83,952,950	80,637,979
Subtotal cash equivalents	583,952,950	656,294,374
Total	33,959,407,363	24,788,912,492

The annual interest rate on time deposits in Rupiah currency are ranging from 4.25% to 5.00% in 2013 and 2012, respectively.

There are no cash and cash equivalents placement to related parties as of December 31, 2013 dan 2012.

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5. TRADE RECEIVABLE - THIRD PARTIES

The detail of trade receivable - third parties as follows:

	2013	2012
PT Ultrajaya Milk Industry and Trading Company Tbk	27,116,636,285	26,687,551,686
PT Bank Rakyat Indonesia (Persero) Tbk	13,385,349,080	216,186,984
PT Campina Ice Cream Industry	11,056,313,862	10,455,301,135
PT Astra Daihatsu Motor	6,888,011,673	8,199,900,278
PT Astra Honda Motor	5,912,234,086	3,643,615,404
PT Lenovo Indonesia	3,379,192,575	-
PT Tupperware Indonesia	3,364,333,773	7,787,851,600
PT Mowilex Indonesia	3,299,546,226	-
PT Taman Impian Jaya Ancol Tbk	3,142,658,040	9,185,273,960
PT Nutrisains	3,117,765,562	-
PT Muara Wisesa Samudera	2,049,097,827	-
PT Agung Podomoro Land Tbk	1,969,546,378	1,801,796,113
PT ICI Paints Indonesia	1,776,526,323	-
PT Kalbe Farma Tbk	1,706,608,625	1,177,970,149
PT Changhong Electric Indonesia	1,604,553,735	-
PT Takeda Indonesia	1,511,300,992	-
PT Multimedia Prasetyakarya	1,382,929,960	1,382,929,960
PT Jaya Real Property Tbk	1,260,754,617	1,111,777,956
PT Pertamina (Persero)	1,109,983,516	4,965,232,302
PT Nutrindo Jaya Abadi	1,009,360,210	-
PT Pharos Indonesia	1,009,048,478	-
PT Dua Kelinci	609,503,473	1,874,204,562
PT Putra Adhi Prima	591,019,470	1,002,872,790
Bendahara Panitia Daerah SEA Games XXVI	162,027,148	1,485,257,113
PT Hale International	694,180	1,049,827,002
PT Citilink Indonesia	-	28,660,536,211
PT Indocement Tunggal Prakarsa Tbk	-	2,887,898,299
PT Tetra Pak Indonesia	-	2,509,083,584
PT Mustika Ratu Tbk	-	1,193,778,198
PT Kompas Media Nusantara	-	1,040,366,404
Others (below Rp 1 billion)	20,367,818,801	19,371,833,301
Total	118,782,814,895	137,691,044,991
Less provision for impairment	(6,481,908,612)	(5,526,088,713)
Net	112,300,906,283	132,164,956,278

The aging schedule of trade receivables - third parties are as follows:

2013	2012
63,607,712,108	59,129,515,909
32,098,758,404	44,624,832,889
5,964,426,284	14,899,934,129
3,982,218,634	2,623,251,867
13,129,699,465	16,413,510,197
118,782,814,895	137,691,044,991
(6,481,908,612)	(5,526,088,713)
112,300,906,283	132,164,956,278
	63,607,712,108 32,098,758,404 5,964,426,284 3,982,218,634 13,129,699,465 118,782,814,895 (6,481,908,612)

PT FORTUNE INDONESIA The AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2013 AND 2012

(Expressed in Rupiah, unless otherwise stated)

5. TRADE RECEIVABLE - THIRD PARTIES (continued)

The movement of provision for impairment are as follows:

	2013	2012
Beginning balance	5,526,088,713	4,333,344,612
Less beginning balance of PT Fortune Travindo that		
deconsolidated (Note 1c)	-	(18,242,218)
Addition during the year (Note 26)	955,819,899	1,210,986,319
Ending balance	6,481,908,612	5,526,088,713

The management believe that the provision for impairment is adequate to cover possible loss from uncollectible accounts balance. Management also believes that there are no significant concentration of credit risk in third parties trade receivables.

Trade receivables of the Company amounting to Rp 40,000,000,000 and PT Fortune Pramana Rancang (FPR), a Subsidiary, amounting to Rp 1,430,000,000 are used as collateral for bank loan obtained from PT Bank Mandiri (Persero) Tbk (Note 13).

6. SERVICES IN PROGRESS

This account represents accumulated expenses incurred to fund a project. When the project is completed, this account will be charged to direct cost. The details of services in progress accounts based on the type and the job process are as follows:

	2013	2012
Television programs	14,460,771,630	12,458,185,353
Printing materials	10,250,287,858	10,075,760,634
Art materials	6,549,445,127	5,955,856,670
Room exhibition equipment	6,112,494,435	4,889,574,861
Promotion and marketing	4,821,616,804	4,394,260,526
Studio program	3,198,089,372	3,764,409,510
Others	6,405,032,543	5,920,911,197
Total	51,797,737,769	47,458,958,751

7. ADVANCES AND OTHER CURRENT ASSETS

Consist of:

	2013	2012
Advance payment:		
Media	16,023,267,244	10,118,396,354
Production	4,684,753,032	2,943,156,662
Other current assets:		
Equipment	1,771,707,107	1,524,686,457
Prepaid expenses	551,150,858	1,216,298,086
Office supplies	176,780,786_	120,814,193
Total	23,207,659,027	15,923,351,752

- (1) Advances payment for media represent payment in advance to the suppliers of electronic and printing media pertinent to the advertisement performance.
- (2) Advances payment for production represent payment in advance in relation to the production of advertisement activities and program placements in electronic media.
- (3) Prepaid expenses represent building lease and insurance for the Group' property and equipment.

PT FORTUNE INDONESIA The AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2013 AND 2012

(Expressed in Rupiah, unless otherwise stated)

8. RESTRICTED DEPOSITS

Represent time deposit denominated in Rupiah placed in PT Bank Mandiri (Persero) Tbk amounting to Rp 12,000,530,000 as of December 31, 2013 and 2012, respectively, with an interest rate ranging from 5.50% - 7.50% per year in 2013 and 5.00% - 5.75% per year in 2012. This time deposits used as collateral for short-term bank loan from PT Bank Mandiri (Persero) Tbk (Note 13).

9. NATURE AND TRANSACTIONS WITH RELATED PARTIES

Nature of the related parties

Related Parties	Nature of the Relationship
PT Prima Rancang Buana	Associate Company
PT Fortune Travindo	Associate Company
Fortune PR Singapore Pte. Ltd	Associate Company
PT Teknografika Nusantara	Associate Company

Transaction with related parties

a. Employees' receivable

The Group give non interest bearing loan to their employees which will be paid through monthly salaries deduction. The employees receivables reperesent 0.65% of the total consolidated assets as of December 31, 2013 and 2012, respectively.

b. Due from related parties

Consist of:

	2013	2012
PT Prima Rancang Buana	3,072,000,000	
PT Fortune Travindo	1,170,009,641	1,168,007,910
Fortune PR Singapore Pte. Ltd	860,485,339	-
PT Teknografika Nusantara	550,000,000	
Total	5,652,494,980	1,168,007,910

This loans are noninterest bearing, unsecured, and no maturity date that given by the Group. As of December 31, 2013 and 2012, the balance of that receivables are 2.15% and 0.45% of total consolidated assets, respectively.

c. Trade payables

The purchasing of Group to PT Fortune Travindo (FT), Associate Company, is approximately 0.32% and 0.04% of total purchase for the years 2013 and 2012. The balance of payable arising from the transaction presented as "Trade Payable - Related Parties" (Note 14).

The purchasing of Group to PT Prima Rancang Buana, Associate Company, is approximately 0.07% of total purchase for the year 2013. The balance of payable arising from the transaction presented as "Trade Payable - Related Parties" (Note 14).

d. Due to related party

PT Fortune Adwicipta, Subsidiary, conduct transactions outside the main business with related party. The nature of transactions outside the main business as of December 31, 2013 and 2012 are non interest bearing loan, no collateral and no maturity date to FT, Associated Company. As of December 31, 2013 and 2012, the balance of the payable is amounted to 0.15% and 0.15% of total consolidated liabilities, respectively.

9. NATURE AND TRANSACTIONS WITH RELATED PARTIES (continued)

e. Compensation benefits Boards of Commissioners and Directors

Total compensation paid to Boards of Commissioners amounting to Rp 2,110,000,000 and Rp 1,800,750,000, for the years 2013 and 2012, respectively and to Directors amounting to Rp 6,694,958,000 and Rp 8,942,660,000 for the years 2013 and 2012, respectively.

10. INVESTMENT IN ASSOCIATE COMPANY

As of December 31, 2013 and 2012, this is an investment in PT Fortune Travindo (FT) amounted to 20% or 2,272,000 shares with acquisition cost of Rp 2,798,445,633. The mutations of investments in FT are as follows:

	2013	2012
Begining balance	4,053,807,590	3,834,395,029
Portion of current year net income	63,745,168_	219,412,561
Ending balance	4,117,552,758	4,053,807,590

In 2013 and 2012, the Company recorded FT portion of net income of Rp 63,475,168 and Rp 219,412,561 and presented as "Income from investment in the Associate Company" as a part of "Other Income (expense)", in the consolidated statements of comprehensive income.

At the end of each reporting period, the Company evaluate whether there is objective evidence that investments in Associate Company impaired.

FT is domiciled at Jakarta and its business activities is travel services.

11. OTHER LONG - TERM INVESTMENT

As of December 31, 2013 and 2012, this represent investment of one (1) share of PT Usaha Kita Makmur Indonesia (UKMI) with the percentage of ownership of 2.38% with par value of Rp 500,000,000 per shares. The equity instruments are not quoted in an active market and cannot be measured reliably, therefore the fair value of this instruments are recorded at cost.

UKMI was established based on Notarial Deed No. 71 dated June 28, 2004 of Singgih Susilo, S.H., and amended by Notarial Deed No. 20 dated November 5, 2004 from the same Notary, domiciled in Jakarta and engaged in general trading with the mission to help business partner and/or small-medium business; such as to extend and develop market, increase productivity, efficiency, and synergy, as well as innovation.

12. FIXED ASSETS

Fixed assets consists of:

2013	Beginning Balance	Addition	Deduction	Ending Balance
Cost				
Direct ownership :				
Building and improvements	8,533,058,092	-	-	8,533,058,092
Machinery and installations	15,899,768	-	-	15,899,768
Studio equipments	138,738,436	-	-	138,738,436
Office equipments	7,402,694,958	780,044,495	79,570,000	8,103,169,453
Motor vehicles	4,259,631,897	760,000,000	845,000,000	4,174,631,897
Lease asset:				
Office equipments	134,920,000	-	-	134,920,000
Total	20,484,943,151	1,540,044,495	924,570,000	21,100,417,646

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12. FIXED ASSETS (continued)

Beginning Balance	Addition	Deduction	Ending Balance
4,785,284,188	476,488,907	-	5,261,773,095
6,149,400	2,675,000	-	8,824,400
122,900,893	1,154,100	-	124,054,993
5,376,763,900	784,818,757	35,487,967	6,126,094,690
1,387,509,031	522,104,096	284,375,000	1,625,238,127
6,746,000	26,984,000	-	33,730,000
11,685,353,412	1,814,224,860	319,862,967	13,179,715,305
8,799,589,739			7,920,702,341
	4,785,284,188 6,149,400 122,900,893 5,376,763,900 1,387,509,031 6,746,000 11,685,353,412	4,785,284,188 476,488,907 6,149,400 2,675,000 122,900,893 1,154,100 5,376,763,900 784,818,757 1,387,509,031 522,104,096 6,746,000 26,984,000 11,685,353,412 1,814,224,860	4,785,284,188 476,488,907 - 6,149,400 2,675,000 - 122,900,893 1,154,100 - 5,376,763,900 784,818,757 35,487,967 1,387,509,031 522,104,096 284,375,000 6,746,000 26,984,000 - 11,685,353,412 1,814,224,860 319,862,967

2012	Beginning Balance	Addition	Deduction	Deductions of PT Fortune Travindo Balances	Ending Balance
Cost					
Direct ownership: Building and improvements Machinery and	10,777,459,041	-	-	2,244,400,949	8,533,058,092
installations	15,899,768	_	_	_	15,899,768
Studio equipments	147,638,345	_	8.369.909	530.000	138.738.436
Office equipments	7,589,173,904	840,553,781	767,352,501	259,680,226	7,402,694,958
Motor vehicles	5,025,796,411	1,393,675,001	1,933,079,615	226,759,900	4,259,631,897
Lease asset:					
Office equipments	-	134,920,000	-	-	134,920,000
Total	23,555,967,469	2,369,148,782	2,708,802,025	2,731,371,075	20,484,943,151
Accumulated depreciation Direct ownership: Building and					
improvements Machiner and	5,578,572,547	476,488,907	-	1,269,777,266	4,785,284,188
instalations Studio	3,474,400	2,675,000	-	-	6,149,400
equipments	130,646,702	1,154,100	8,369,909	530,000	122,900,893
Office equipments	5,665,404,562	726,871,024	767,352,501	248,159,185	5,376,763,900
Motor vehicles	2,084,973,099	612,578,307	1,187,969,321	122,073,054	1,387,509,031
Lease asset:					
Office equipments		6,746,000	<u> </u>		6,746,000
Total	13,463,071,310	1,826,513,338	1,963,691,731	1,640,539,505	11,685,353,412
Net Book Value	10,092,896,159				8,799,589,739

The detail of gain on sale of fixed assets are as follows:

	2013	2012
Cost	845,000,000	2,556,568,410
Accumulated depreciation	284,375,000	1,909,775,660
Net book value of fixed assets	560,625,000	646,792,750
Proceed from sale or disposal	630,000,000	740,425,000
Gain on sale of fixed assets	69,375,000	93,632,250

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12. FIXED ASSETS (continued)

The detail of income from insurance claim of office equipments from PT Zurich Insurance Indonesia, insurance company are as follows:

	2013	2012
Cost	79,570,000	152,233,615
Accumulated depreciation	35,487,967	53,916,071
Net book value of fixed assets	44,082,033	98,317,544
Claim from insurance	49,482,784	133,300,000
Income from insurance claim	5,400,751	34,982,456

Depreciation charged to operating expenses amounting to Rp 1,814,224,860 and Rp 1,826,513,338 in 2013 and 2012, respectively (Note 26).

Land and building of PT Fortune Pramana Rancang (FPR), a Subsidiary, which located in Plaza 3 Pondok Indah Blok D-03, Jl. Maria Walanda Maramis, South Jakarta, are used as collateral for the loan obtained from PT Bank Mandiri (Persero) Tbk (Note 13).

Vehicle amounting to Rp 1,912,642,500 owned by the Company, acquired through credit facility from PT Pan Indonesia Tbk, PT BII Finance Center, and PT Bank Jasa Jakarta was used as collateral to related liability. Related liability is disclosed as "Financing payable for purchase of fixed assets" in the consolidated statements of financial position as of December 31, 2013 and 2012 (Note 15).

Office equipments amounting to Rp 134,920,000 owned by FPR, Subsidiary, acquired through finance lease facility from PT Orix Indonesia Finance, was used as collateral to related liability. Related liability is disclosed as "Lease payable" in the consolidated statements of financial position as of December 31, 2013 and 2012 (Note 16).

As of December 31, 2013 and 2012, the fixed assets of the Group are insured against fire risk, riot risk, the risk of damage, and other risks under certain blanket policies with the sum insured amounting to Rp 6,624,868,000 dan Rp 6,908,225,234, respectively. The Group's management believe that the sum insured is adequate to cover possible losses on insured assets.

Based on a review of the recoverable value of the fixed assets, the Group's management believes that there are no events or changes indicate an impairment of assets as of December 31, 2013 and 2012.

13. SHORT-TERM BANK LOAN

This account consist of:

	2013	2012
Company PT Bank Mandiri (Persero) Tbk Working capital credit non revolving Working capital credit revolving Working capital credit	25,000,000,000 5,000,200,000	- - 39,121,239,024
Subsidiary PT Fortune Pramana Rancang (FPR) PT Bank Mandiri (Persero) Tbk Working capital credit	· · · · · · · · · · · · · · · · · · ·	1,897,718,763
Total	30,000,200,000	41,018,957,787

PT FORTUNE INDONESIA The AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2013 AND 2012

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13. SHORT-TERM BANK LOAN (continued)

The Company

As stated in the Letter of Credit Agreement No. CBG.CB3/SPPK/MN1.179/2011 dated June 13, 2011, the Company obtain working capital credit facility from PT Bank Mandiri (Persero) Tbk which used for working capital with maximum limit of Rp 20 billion and will be due on July 14, 2012.

Furthermore, based on Credit Agreement No. CRO.KP/205/KMK/11 on November 22, 2012, the Company received additional working capital credit facility with maximum amount of Rp 20 billion, then the maximum facilities become Rp 40 billion and with maturity date on July 14, 2013. This loan facility is secured by trade receivable amounting to Rp 40,000,000,000 (Note 5) and time deposits on behalf of the Company which placed in PT Bank Mandiri (Persero) Tbk amounting to Rp 12,000,530,000 (Note 8) and bear interest at 9.25% per year.

Furthermore, based on Credit Agreement No. CBC.JIS/SPPK/1279/2013 on July 8, 2013, working capital credit facility converted to:

- 1. Working capital credit non revolving amounted to Rp 25,000,000,000
- 2 Working capital credit revolving amounted to Rp 15,000,000,000

This credit facility will be due on August 14, 2014 and guaranteed by the trade receivable amounting to Rp 40,000,000,000 (Note 5) and time deposits under the Company's name which placed in PT Bank Mandiri (Persero) Tbk amounting to Rp 12,000,530,000 (Note 8), and bear interest at 11.5% per year.

Subsidiary

As stated in the Letter of Credit Agreement No. RCO.JSD/PK-KMK/096/2008 dated March 3, 2008, PT Fortune Pramana Rancang (FPR), a Subsidiary, obtained overdraft credit facility from PT Bank Mandiri (Persero) Tbk which used for working capital with total maximum limit of Rp 1.5 billion.

The facility have been amended several times, the latest were amended based on Credit Facility Agreement No. SBDC.JSD./1526/T2/2009 dated November 12, 2009, whereby the facilities has increase with maximum facility of Rp 2 billion. The loan bears interest of 14% per year and can be changed in accordance with the requirements from PT Bank Mandiri (Persero) Tbk. This loan is secured by trade receivables amounting to Rp 1,430,000,000 (Note 5) and land and building owned by Subsidiary (Note 12) and will be due on November 12, 2010.

The facilty is extended again until December 29, 2012, based on the letter of credit No. BBC.ML/TL1.0020/2012 dated January 4, 2012.

The loan was changed and extended based on the letter of credit agreement No. BBC.ML/TL1.3389/2012 dated December 26, 2012 until July 14, 2013 and bear interest at 12% per year. On July 8, 2013 FPR has been fully paid the facility.

14. TRADE PAYABLES

This represents liabilities to the following suppliers with the details are as follows:

	2013	2012
Third parties		
PT Rajawali Citra Televisi Indonesia	12,849,316,001	7,930,396,001
PT Surya Citra Televisi	10,686,900,000	512,820,000
PT Kompas Media Nusantara	4,463,913,740	8,729,076,980
PT Global Informasi Bermutu	3,594,580,000	2,244,988,000

14. TRADE PAYABLES (continued)

	2013	2012
PT Televisi Transformasi Indonesia	2,709,294,339	1,063,700,000
PT Sentra Mega Kreasi	2,437,577,546	-
PT Sebelas April Lian Mipro	2,344,908,923	2,473,856,416
PT Media Nusantara Citra Tbk	1,832,886,000	363,000,000
PT Duta Visual Nusantara Tivi Tujuh	1,764,664,000	1,457,500,000
PT MNC Skyvision	1,659,312,017	555,666,309
PT Magentha Prima	1,297,920,001	-
PT Jawa Pos Media Televisi	105,613,200	2,439,371,550
PT Media Nusantara Informasi	55,000,000	1,980,258,210
PT Media Televisi Indonesia	-	1,400,815,207
PT Dwi Mitra Komunika	-	1,261,690,430
PT Bali Pos	-	1,208,880,750
PT Republika Media Mandiri	-	1,109,354,400
Others (below Rp1 billion)	30,742,453,289	31,958,932,702
Total third parties	76,544,339,056	66,690,306,955
Related parties (Note 9c)		
PT Prima Rancang Buana	257,232,806	-
PT Fortune Travindo	92,591,097	163,326,343
Total related parties	349,823,903	163,326,343
Total	76,894,162,959	66,853,633,298

The aging schedule of trade payables based on invoices date are as follows:

	2013	2012
Third parties		
Current	40,860,147,214	43,560,790,232
Overdue:		
1 - 30 days	9,330,518,137	9,259,587,876
31 - 60 days	3,759,515,242	1,414,949,184
61 - 90 days	7,490,568,547	2,445,807,436
More than 90 days	15,103,589,916	10,009,172,227
Subtotal	76,544,339,056	66,690,306,955
Related parties	<u> </u>	
Current	39,692,759	-
Overdue:		
1 - 30 days	34,130,625	85,684,400
31 - 60 days	-	1,114,060
More than 90 days	276,000,519	76,527,883
Subtotal	349,823,903	163,326,343
Total	76,894,162,959	66,853,633,298

15. FINANCING PAYABLE

This represents financing payable for purchase of fixed assets with fiduciary by the Company from PT Pan Indonesia Tbk, PT BII Finance Center and PT Bank Jasa Jakarta in connection with the purchase of vehicles with the following details:

PT FORTUNE INDONESIA Thk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2013 AND 2012

(Expressed in Rupiah, unless otherwise stated)

15. FINANCING PAYABLE (continued)

	2013	2012
Financing payable for purchase of fixed assets	399,000,000	311,558,090
Less current maturities	266,000,000	311,558,090
Long Term Portion - Net	133,000,000	-

Financing payable guaranted by related assets (Note 12).

16. LEASE PAYABLE

In 2013 and 2012, PT Fortune Pramana Rancang, Subsidiary, obtained lease facility from PT Orix Indonesia Finance for the purchase of office equipments that will expire in 2015, with the details are as follows:

	2013	2012
2013	-	39,750,000
2014	39,750,000	39,750,000
2015	39,750,000	36,437,516
Total minimum lease	79,500,000	115,937,516
Less interest expense	16,537,328	24,116,960
Present value of minimum lease payments	62,962,672	91,820,556
Less current maturities	31,481,328	31,481,328
Long Term Portion - Net	31,481,344	60,339,228

Lease payable guaranted by related assets (Note 12).

17. TAXATION

a. Taxes Payable

Taxes payable consists of:

	2013	2012
Company:		
Income taxes:		
Article 21	1,197,976,765	2,409,810,436
Article 23	1,071,917,286	877,678,146
Article 29	8,841,386	20,701,445
Value Added Taxes	3,584,493,735	985,110,743
Subtotal Company	5,863,229,172	4,293,300,770
Subsidiaries:		
Income taxes:		
Article 21	600,468,488	1,125,373,875
Article 23	606,999,359	789,102,549
Article 25	283,875,667	251,803,867
Article 29	307,206,934	989,091,916
Value Added Taxes	1,751,272,127	4,149,212,474
STP/SKPKB/SP (Note 17e)	214,816,459	206,401,635
Subtotal Subsidiaries	3,764,639,034	7,510,986,316
Total	9,627,868,206	11,804,287,086

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(Expressed in Rupiah, unless otherwise stated)

17. TAXATION (continued)

b. Income Taxes

	2013	2012
Company:		
Current tax expenses	(1,999,153,600)	(2,120,115,500)
Deferred tax benefit	559,094,817	313,933,990
Subsidiaries:		
Current tax expenses	(1,840,167,636)	(2,869,300,750)
Deferred tax benefit	51,914,671	315,879,543
Total	(3,228,311,748)	(4,359,602,717)

c. Current Tax

A reconciliation between income before income tax expense as shown in the consolidated statements of comprehensive income with estimated taxable income of the Company for the years ended December 31, 2013 and 2012, are as follows:

	2013	2012
Income before income tax expense per consolidated statements of comprehensive		
income	13,809,599,312	17,018,214,550
Income of subsidiaries before tax expense	(6,444,313,173)	(9,914,399,616)
Income from investment in Associate Company	(63,745,168)	(219,412,561)
Income before income tax benefit (expenses)		
attributable to the Company	7,301,540,971	6,884,402,373
Timing difference:		
Provision for employees' benefit	1,759,777,651	949,264,210
Depreciation of fixed assets	272,948,502	218,312,298
Provision for impairment	203,653,113	88,159,450
Permanent difference:		
Employees' welfare	652,828,663	903,263,076
Representation and donation	321,948,101	185,571,552
Tax and penalties	180,294,360	194,427,187
Telephone	105,118,300	· · · · -
Interest income already subjected to final		
tax	(802,340,893)	(942,937,302)
Estimated taxable income - Company	9,995,768,768	8,480,462,844

The computation of current tax expenses, corporate income tax payables, and estimated claim for tax refund of the Group are as follows:

	2013	2012
Estimated taxable income (rounded):		
Company	9,995,768,000	8,480,462,000
Subsidiaries	7,540,563,000	13,043,373,000

17. TAXATION (continued)

c. Current Tax (continued)

	2013	2012
Current tax expenses:		
Company	1,999,153,600	2,120,115,500
Subsidiaries	1,840,167,636	2,869,300,750
Total current tax expenses	3,839,321,236	4,989,416,250
Less prepaid tax:		
Company		
Article 23	1,870,357,214	1,827,934,055
Article 25	119,955,000	271,480,000
<u>Subsidiaries</u>		
Article 23	346,028,102	984,632,634
Article 25	1,186,932,600	895,576,200
Total	3,523,272,916	3,979,622,889
Corporate tax payable:		
Company	8,841,386	20,701,445
Subsidiaries	307,206,934	989,091,916
Total corporate tax payable	316,048,320	1,009,793,361
Estimated claim for tax refund (Note 17e) Subsidiaries		
Article 23	51,030,735	51,030,735
Article 25	42,877,200	42,877,200
Total estimated claim for tax refund	93,907,935	93,907,935
-		· " 2212

The Company and Subsidiaries will report the estimated taxable income for the year 2013 mentioned above in their Annual Tax Return (SPT) that will be submitted to Tax Office (KPP).

The amount of estimated taxable income for the year of 2012 mentioned above are in accordance with the amount which reported in SPT that were reported to Tax Office (KPP).

d. Deferred Tax

Details of deferred tax benefit are as follows:

	2013	2012
Company		
Provision for employees' benefit	439,944,413	237,316,053
Depreciation of fixed assets	68,237,126	54,578,074
Provision for impairment	50,913,278	22,039,863
Deferred tax benefit - Company	559,094,817	313,933,990

PT FORTUNE INDONESIA The AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2013 AND 2012 (Figure 2014)

(Expressed in Rupiah, unless otherwise stated)

17. TAXATION (continued)

d. Deferred Tax (continued)

Details of deferred tax benefit are as follows:

	2013	2012
Subsidiaries		
Provision for impairment	188,041,697	280,706,717
Fiscal loss	(77,693,680)	(391,542,523)
Provision for employees' benefit	(55,940,913)	423,744,264
Depreciation of fixed assets	(2,023,962)	1,940,445
Financial lease	(468,471)	1,030,640
Deferred tax benefit - Subsidiaries	51,914,671	315,879,543
Total deferred tax benefit	611,009,488	629,813,533
Details of deferred tax asset - net are as follows:		
	2013	2012
Company		_
Provision for employees' benefit	1,414,659,815	974,715,402
Provision for impairment	783,471,688	732,558,410
Depreciation of fixed assets	61,898,370	(6,338,756)
Deferred tax assets - Company	2,260,029,873	1,700,935,056
Subsidiaries	_	_
Provision for employees' benefit	1,455,744,684	1,511,685,597
Provision for impairment	837,005,466	648,963,769
Depreciation of fixed assets	337,525,698	339,549,660
Financial lease	562,169	1,030,640
Accumulated fiscal loss	-	77,693,680
Deferred tax assets - Subsidiaries	2,630,838,017	2,578,923,346
Total	4,890,867,890	4,279,858,402

e. Tax Collection and Assesment

PT Fortune Pramana Rancang (FPR)

On January 14, 2013, PT Fortune Pramana Rancang (FPR), a Subsidiary, received tax assessment corporate income tax for year 2010 amounted of Rp 93,907,935. The taxes examination result stated that the Subsidiary has an overpayment amounted to Rp 110,838,365. Until December 31, 2013, FPR has not received the overpayment restitution result.

In 2013, FPR, received tax collection letters (STP/"Surat Tagihan Pajak") for income tax article 4 paragraph 2, income tax article 21, income tax article 23, and Value Added Tax for the years 2010 until 2012 amounted to Rp 273,485,395 and recorded as part of "Tax and Penalties" account as part of "Operating Expense" in the 2013 consolidated statement of comprehensive income. The tax collection has been paid by FPR in 2013.

In 2012, FPR, Subsidiary, received tax collection letters (STP/"Surat Tagihan Pajak") for Value Added Tax for the years 2006 until 2012 amounting to Rp 392,266,947 and recorded as part of "Tax and Penalties" account in "Operating Expenses" in the 2012 consolidated statement of comprehensive income. The tax collection has been paid by the FPR amounting to Rp 298,332,295, therefore the outstanding tax that should be paid by FPR is Rp 93,934,652 as of December 31, 2012. In 2013, the tax collection has been paid by FPR.

17. TAXATION (continued)

e. Tax Collection and Assesment (continued)

PT Fortune Adwicipta (FAC)

In 2013, PT Fortune Adwicipta (FAC), Subsidiary, received tax collection letter (STP/"Surat Tagihan Pajak") for income tax article 21 and Final Income Tax, Foreign Fiscal, and Forced Letters of income tax article 21, income tax article 23, and Value Added tax for fiscal period from 2007 until 2010 amounting to Rp 102,349,476. In connection with this tax collection letter, FAC recorded as part of "Tax and Penalties" account as part of "Operating Expense" in the 2013 consolidated statement of comprehensive income. Those amount still outstanding as of December 31, 2013.

On November 21, 2011, FAC, received tax assessment for 2009 corporate income tax amounted to of Rp 279,258,403. The taxes examination result stated that FAC has an overpayment amounting to Rp 279,258,402 and an underpayment of income tax article 4 paragraph 2 of Rp 100,875,419, income tax article 21 of Rp 20,187,499, income tax article 23 of Rp 118,779,468 and Value Added Tax amounting to Rp 15,165,000 with total amount of Rp 255,007,386. Based on taxes examination result, FAC recorded income tax year 2009 of Rp 255,007,386 in "Tax and Penalties" account as part of "Operating Expenses" in consolidated statement of comprehensive income. Based on Directorate General of Taxation Decision Letter No. KEP 00093.PPH/WPJ.04/KP.1003/2011 concerning restitution of overpayment to FAC, which decided to compensate the overpayment amounting to Rp 279,258,402 with the underpayment amounting to Rp 190,824,906 from 2009 claim for tax refund, Rp 44,955,907 from 2008 claim for tax refund, Rp 41,677,589 from 2007 claim for tax refund and Rp 1,800,000 from 2010 claim for tax refund, therefore the tax amount of 2009 corporate income tax should be paid by FAC amounting to Rp 64,182,480 as of December 31, 2012. Those amount still outstanding as of December 31, 2013.

On July 20, 2010, FAC, received tax assessment for 2008 corporate income tax amounting to Rp 252,506,449. The taxes examination result stated that FAC has an overpayment amounting to Rp 252,506,449 and an underpayment of income tax article 4 paragraph 2 of Rp 72,210,116, income tax article 21 of Rp 45,685,057, income tax article 23 of Rp 253,368,629 and Value Added Tax amounting to Rp 21,103,262 with total amount of Rp 392,367,064. In accordance with the Tax Assessment Letter (SKP) KPPPMB No. 00022/406/08/017/10, FAC compensated the overpayment amounting to Rp 252,506,449 with the underpayment amounting to Rp 392,367,064, therefore the tax amount should be paid by FAC amounting to Rp 139,860,615 as of December 31, 2010. Based on those result, FAC charged income tax expense year 2008 and an underpayment of income tax article 4 paragraph 2, income tax article 21, income tax article 23 and Value Added Tax amounting to Rp 392,367,064 in "Tax and Penalties" account as part of "Operating Expenses" in the 2010 consolidated statement of comprehensive income. Then in 2011, FAC paid 2008 income tax underpayment amounting to Rp 46,620,205 and compensate 2009 income tax overpayment with 2008 income tax underpayment amounting to Rp 44,955,907, therefore the tax amount should be paid by FAC amounting to Rp 48,284,503 as of December 31, 2012. Those amount still outstanding as of December 31, 2013.

The amount of tax payable by FAC as of December 31, 2013, is amounting to Rp 214,816,459.

f. Administration and Changes in Tax Regulation

Under the taxation laws of Indonesia, tax payer submits tax returns on the basis of self assessment. The Director General of Tax ("DGT") may assess or amend taxes within ten years of the time the tax becomes due, or until the end of 2013, whichever is earlier. There are new rules applicable to fiscal year 2008 and subsequent years stipulating that the DGT may assess or amend taxes within five years of the time the tax becomes due.

PT FORTUNE INDONESIA The AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2013 AND 2012

(Expressed in Rupiah, unless otherwise stated)

18. EMPLOYEES BENEFITS LIABILITY

The Group recognizes retirement benefits liability in 2013 and 2012 based on the actuary's calculation of PT Dayamandiri Dharmakonsilindo, an independent actuary, dated March 15, 2014 and March 1, 2013, respectively, using the "Projected Unit Credit" method. The main assumptions used in the actuarial calculation are as follows:

	2013	2012
Discounted rate	8.0%	4.8%
Salary increase projection rate	10%	10%
Mortality rate	Tabel CSO - 1980	Tabel CSO – 1980
Pension age	55	55

Amount of employees benefits liablity should be recognized in consolidated statements of financial position are as follows:

	2013	2012
Present value of employees' benefits obligation	13,259,190,000	14,621,853,000
Unrecognized past service cost – unvested	(65,259,000)	(95,655,000)
Unrecognized actuarial loss	(1,712,313,000)	(4,580,594,000)
Total	11,481,618,000	9,945,604,000

Movement of the net liability recognized in the consolidated statements of financial position are as follows:

	2013	2012
Beginning balance	9,945,604,000	8,118,440,000
Current cost recognized in the consolidated		
statements of comprehensive income	2,678,397,000	3,177,256,268
Actual post-employment benefit payment	(1,142,383,000)	(533,015,000)
Less beginning balance of PT Fortune Travindo		
that deconsolidated (Note 1c)	<u> </u>	(817,077,268)
Ending balance	11,481,618,000	9,945,604,000

The detail of employee benefit expense recognized in the consolidated statement of comprehensive income are as follows:

	2013	2012
Current service expense	1,022,442,000	1,136,352,000
Interest cost	669,123,000	804,083,000
Amortization of actuarial losses	558,046,000	865,044,268
Payment during the year	428,786,000	371,777,000
Total	2,678,397,000	3,177,256,268

Employees' benefits liability is determined based on Labor Law No. 13/2003 dated March 25, 2003.

Employees' benefits expense is presented in "Operating Expenses" account in the consolidated statements of comprehensive income (Note 26). Employees' benefits liability is presented in "Employees' Benefits Liability" account in the consolidated statements of financial position.

Historical information over the present value of the defined benefit obligation, fair value of plan assets and experience adjustments are as follows:

PT FORTUNE INDONESIA Thk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2013 AND 2012

(Expressed in Rupiah, unless otherwise stated)

18. EMPLOYEES BENEFITS LIABILITY (continued)

			31 Desember		
	2013	2012	2011	2010	2009
Present value of defined benefit obligation Fair value of plan asset	13,259,190,000	14,621,853,000	15,054,005,000	18,453,306,000	16,489,412,000
Suplus Expeerience adjustments on plan	13,259,190,000	14,621,853,000	15,054,005,000	18,453,306,000	16,489,412,000
liabilities	(25,277,000)	(226,819,000)	(3,117,927,000)	943,264,000	-

19. CAPITAL STOCK

The details of shareholders with their ownership as of December 31, 2013 and 2012 based on the record maintained by PT Sinartama Gunita, the Securities Administration Agency, are as follows:

Stockholders	Capital Stock - Issued and Fully Paid	Persentage of Ownership (%)	Total Capital Stock
PT Grhaadhika Fortune	180,600,000	38.82	18,060,000,000
PT Fortune Daksa Pariwara	29,400,000	6.32	2,940,000,000
Public (ownership less than 5%)	255,224,000	54.86	25,522,400,000
Total	465,224,000	100.00	46,522,400,000

As of December 31, 2013 and 2012, there is no Company's shares owned by the Company's Commissioners and Directors.

20. ADDITIONAL PAID IN CAPITAL - NET

As of December 31, 2013 and 2012, details of this account are as follows:

	2013	2012
Additional Paid-in Capital Initial Public Offering Additional paid-in capital from exercise of	6,150,000,000	6.150.000.000
Warrant Seri I	613,440,000	613.440.000
Stock issuance costs	(3,167,567,104)	(3.167.567.104)
	3,595,872,896	3.595.872.896
Difference arising from restructuring transaction		
between under common control	3,553,096,441	-
Total	7,148,969,337	3.595.872.896

Additional paid-in capital amounting to Rp 613,440,000 represents paid-in capital coming from exercise of Warrant Seri I of 10,224,000 shares until the end of excercise period in January 14, 2005 with the preliminary exercise price of Rp 160 per share.

21. GENERAL RESERVE AND DIVIDEND

Based on the Shareholders' General Meeting held on May 21, 2013 as notarized by Notarial Deed No. 32 Leolin Jayayanti, S.H., on the same date, the shareholders agreed to make an additional general reserve of Rp 1,887,750,307 or 15% of the 2012 net income and distribute cash dividend at Rp 7 per share or total of Rp 3,256,568,000.

(Expressed in Rupiah, unless otherwise stated)

21. GENERAL RESERVE AND DIVIDEND (continued)

Based on the Shareholders' General Meeting held on June 13, 2012 as notarized by Notarial Deed No. 4 Leolin Jayayanti, S.H., on the same date, the shareholders agreed to make an additional general reserve of Rp 1,938,756,919 or 15% of the 2011 net income and distribute cash dividend at Rp 7 per share or total of Rp 3,256,568,000.

22. NONCONTROLING INTEREST

The details of the noncontrolling interests of equity and net portion of the consolidated Subsidiaries are as follows:

	2013		
	Beginning Balance	Noncontrolling Interest Portion in Net Income	Ending Balance
PT Pelita Alembana	189,454,984	35,104,042	224,559,026
PT Fortune Pramana Rancang	136,792,663	10,559,023	147,351,686
PT Fortune Adwicipta	(26,047,043)	897,537	(25,149,506)
Total	300,200,604	46,560,602	346,761,206

	Beginning Balance	Noncontrolling Interest Portion in Net Income	Effect of Dilution on Investment	Ending Balance
PT Pelita Alembana	158,876,099	30,578,885		189,454,984
PT Fortune Pramana				
Rancang	95,179,297	41,613,366	-	136,792,663
PT Fortune Adwicipta	(27,464,576)	1,417,533	-	(26,047,043)
PT Fortune Travindo	38,703,990	<u> </u>	38,703,990	<u>-</u>
Total	265,294,810	73,609,784	38,703,990	300,200,604

2012

23. EARNINGS PER SHARE

Earnings per share is computed by dividing total comprehensive income in the current year with weighted average number of shares issued and paid during the year:

	2013	2012
Total comprehensive income attributable to Equity holders of the Company	10,534,726,962	12,585,002,049
Weighted average number of shares issued and paid	465,224,000	465,224,000
Earnings per share	23	27

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(Expressed in Rupiah, unless otherwise stated)

24. REVENUE

	2013	2012
Media:		
Television	192,992,308,419	204,380,558,732
Printing	44,507,296,268	102,928,570,862
Digital	11,261,837,303	3,235,650,074
Radio	4,961,051,776	6,250,899,327
Advertising production	119,963,702,959	125,397,360,716
Public relations	21,868,783,927	27,719,865,408
Graphic design and exhibition	11,851,739,197	10,234,161,812
Total	407,406,719,849	480,147,066,931

In 2013, customers with revenue more than 10% of total revenues were PT Tupperware Indonesia and PT Ultrajaya Milk Industry and Trading Company Tbk with a total approximately of Rp 115 billion.

In 2012, customers with revenue more than 10% of total revenues were PT Astra Honda Motor, PT Tupperware Indonesia and PT Ultrajaya Milk Industry and Trading Company Tbk with a total approximately of Rp 172 billion.

In 2013 dan 2012, there is no sales to related parties.

25. DIRECT COST

	2013	2012
Media:		
Television	178,962,064,290	180,649,852,830
Printing	34,924,303,170	91,907,847,838
Radio	4,762,594,024	5,304,013,096
Digital	6,503,960,006	2,186,503,704
Advertising production	82,602,055,056	90,979,857,496
Public relations	10,068,482,115	17,047,591,496
Graphic design and exhibition	8,571,373,016	6,247,746,270
Total	326,394,831,677	394,323,412,730

Suppliers with a purchase value more than 10% of total purchases during the year 2013 were PT Rajawali Citra Televisi Indonesia and PT Duta Visual Nusantara Tivi Tujuh with a total value of Rp 107 billion.

Suppliers with a purchase value more than 10% of total purchases during the year 2012 were PT Duta Visual Nusantara Tivi Tujuh with a total value of Rp 54 billion.

In 2013, there were purchases from related parties to PT Fortune Travindo, Associated Company, and PT Prima Rancang Buana, Associated Company, with each total amount of Rp 1 billion and Rp 235 million.

In 2012, there were purchase from related party, PT Fortune Travindo, Associate Company with amount of Rp 348 billion.

PT FORTUNE INDONESIA Thk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2013 AND 2012

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26.	OPERATING EXPENSE		
	Details of operating expenses are as follows:		
		2013	2012
	Salaries, wages and employees welfare	51,715,006,855	53,256,953,260
	Employees' benefits (Note 18)	2,678,397,000	3,177,256,268
	Rent	2,379,490,755	2,895,832,579
	Travel and transportation	1,837,396,892	1,524,414,162
	Depreciation (Note 12)	1,814,224,860	1,826,513,338
	Representation and donation	1,134,243,882	1,258,791,085
	Telephone, facsimile, electricity and internet	1,084,515,209	1,016,194,252
	Office administration	1,041,047,384	601,776,762
	Provision for impairment (Note 5)	955,819,899	1,210,986,319
	Professional fees	933,283,824	1,045,564,751
	Tax and penalties	822,061,887	716,381,111
	Others (below Rp 100 million)	128,144,196	781,332,644
	Total	66,523,632,643	69,311,996,531
27.	INTEREST INCOME		
	Consist of:		
		2013	2012
	Time deposits	577,472,867	585,839,202
	Interest income	434,551,144	589,548,930
	Total	1,012,024,011	1,175,388,132
28.	FINANCING COST		
	Consists of:		
		2013	2012
	Interest expense:	0.000.447.047	004 044 007
	Bank loan	2,828,147,917	694,344,227
	Financing payable	26,553,343	24,017,723
	Lease payable Bank charges and provisions	7,579,616	689,056
	Bank charges and provisions	528,886,660	446,748,363
	·		
	Total	3,391,167,536	1,165,799,369
29.	·	3,391,167,536	1,165,799,369
29.	Total	3,391,167,536	1,165,799,369
29.	Total OTHER INCOME	2013	1,165,799,369 2012
29.	Total OTHER INCOME		<u> </u>
29.	Total OTHER INCOME Consist of:	2013	2012

Total

102,385,980

310,634,681

PT FORTUNE INDONESIA The AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2013 AND 2012

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30. MONETARY ASSET IN FOREIGN CURRENCY

As of December 31, 2013 and 2012, Group have monetary asset with the details as follows:

		2013		2	012
		Foreign Currency	Ekuivalen Rupiah	Foreign Currency	Ekuivalen Rupiah
Aset					
Banks	USD	418,261	5,098,191,374	70,067	677,548,470
	SGD	38,309	368,841,557	38,323	303,020,606
	HKD	83,015	130,492,174	83,708	104,423,520
Total monetary asset in foreign currency		су	5,597,525,105		1,084,992,596

If the net asset in foreign currencies at December 31, 2013 are translated into Rupiah currency using the middle rates on March 21, 2014, the total net monetary asset denominated in foreign currencies above will decrease by Rp 350,935,582.

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

In its daily business activities, the Group is exposed to risk. The main risk force by the Group arising from its financial instrument are credit risk, market risk (i.e foreign exchange currency risk and interest risk), liquidity risk and capital management risk. The core function of the Group risk management is to identify all key risks for the Group, measure these risk and manage the risk positions in accordance with its policies. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and best markets practice.

a. Credit Risk

Credit risk is the risk that the Group will incur a loss arising from the customers, who failed to meet their contractual obligations. The Group manage and control credit risk by setting limits of acceptable risk for individual customers and monitor the exposure associated with these restrictions.

			201	13		
	Neither Past	Past Due but not impaired		Past due		
	Due nor Impaired	1 - 30 days	31 - 60 days	61 - 90 days	and impaired	Total
Banks and cash equivalents	33,907,780,356		-	-	-	33,907,780,356
Trade receivables	63,607,712,108	32,098,758,404	5,964,426,284	3,982,218,634	6,647,790,853	112,300,906,283
Total	97,515,492,464	32,098,758,404	5,964,426,284	3,982,218,634	6,647,790,853	146,208,686,639
			20°	12		
	Neither Past	P	ast Due but not impaire	d	Dont does and	_
	Due nor Impaired	1 - 30 days	31 - 60 days	61 - 90 days	Past due and impaired	Total
Banks and cash equivalents	24,768,109,612	-	-	-	-	24,768,109,612
Trade receivables	59,129,515,909	44,624,832,889	14,899,934,129	2,623,251,867	10,887,421,484	132,164,956,278
Total	83,897,625,521	44,624,832,889	14,899,934,129	2,623,251,867	10,887,421,484	156,933,065,890

The Group conduct business relationships only with recognized and credible third parties. The Group have policy to go through customer credit verification procedures. In addition, the amount of receivables are monitored continuously to reduce the risk for impairment.

As of December 31, 2013 and 2012, trade receivables were impaired and provided provision with details as follows:

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

a. Credit Risk (continued)

	Individually	Collectively	
	Impaired	Impaired	Total
As of January 1, 2013 Provision for impairment	105,653,115,430	13,129,699,465 (6,481,908,612)	118,782,814,895 (6,481,908,612)
As of December 31, 2013	105,653,115,430	6,647,790,853	112,300,906,283
		2012	
		2012	
	Individually	Collectively	
	Individually Impaired		Total
As of January 1, 2012 Provision for impairment	•	Collectively	Total 137,691,044,991 (5,526,088,713)

b. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group is exposed to market risks, in particular, interest rate risk.

Foreign Exchange Currency Risk

Foreign exchange currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group exposed to the risk of foreign currency exchange rates which mainly arise from net monetary assets that are different from the functional currency of the Group.

The Group closely monitors the foreign exchange rate fluctuation and market expectation so it can take necessary actions benefited most to the Group in due time.

The following table demonstrates the sensitivity that reasonably possible change in the exchange rate against foreign currencies, with all other variables held constant, with the profit before tax ended on December 31, 2013 and 2012:

	Increase (De Foreign C		Effect on Income Before Tax
December 31, 2013	USD	5% -5%	254,909,569 (254,909,569)
	SGD	5% -5%	18,442,078 (18,442,078)
	HKD	5% -5%	6,524,609 (6,524,609)
December 31, 2012	USD	5% -5%	33,877,424 (33,877,424)
	SGD	5%	15,151,030
	HKD	-5% 5% -5%	(15,151,030) 5,221,176 (5,221,176)

The Group has asset denominated in foreign currencies as of December 31, 2013 and 2012 are presented in Note 30.

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

b. Market Risk (continued)

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The influence of market interest rate risk associated with the Group's loan which bear with floating interest rate.

The Group closely monitors the market interest rate fluctuation and market expectation so it can take necessary actions benefited most to the Company in due time. The management currently does not consider the necessity to enter into any interest rate swaps

The following table is the carrying amount, by maturity, the Group's financial assets and liabilities related to interest rate risk:

	2013					
	Effective Interest Rate	Maturities in One (1) Year	Maturity in the year - 2	Maturity in the year - 3	Maturity in the year - 4	Total
Aset Fixed Interest Banks and cash equivalents	5.75% - 7.5%	33,907,780,356	-	-	-	33,907,780,356
Restricted time deposits	5% - 7.5%	12,000,530,000	-	-	-	12,000,530,000
Liabilities Fixed Interest						
Short-term bank loan	10.5%	30,000,200,000	-	-	-	30,000,200,000
Financing payable	3.58%	266,000,000	133,000,000	-	-	399,000,000
Lease payable	8.75%	31,481,328	31,481,344	-	-	62,962,672
			2012			
	Effective Interest Rate	Maturities in One (1) Year	Maturity in the year - 2	Maturity in the year - 3	Maturity in the year - 4	Total
Assets Fixed Interest Banks and cash equivalents	4.25% - 5.00%	24,788,912,492	-	-	-	24,788,912,492
Restricted time deposits	5.00% - 5.75%	12,000,530,000	-	-	-	12,000,530,000
Liabilities Fixed Interest	9,25% -					
Short-term bank loan	12.00%	41,018,957,787	-	-	-	41,018,957,787
Financing payable	4.95% - 9.67%	311,558,090	-	-	-	311,558,090
Lease payable	8.75%	28,857,884	31,481,328	31,481,344	-	91,820,556

c. Liquidity Risk

Liquidity risk is the risk that the Group is unable to meet its liabilities when they fall due. The management evaluates and monitors cash-in flows and cash-out flows to ensure the availability of fund to settle the due liabilities.

In general, the need to fund the repayment of short-term liabilities and long-term maturities derived from sales to customers.

The tables below summarize the maturity profile of the Company's financial liabilities based on undiscounted contractual payments as of December 31, 2013 and 2012:

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

c. Liquidity Risk (continued)

			2013		
	< 1 month	1 - 3 months	3 - 12 months	> 12 months	Total
Financial liabilities Short-term bank loan Trade payables	-	5,000,000,000	7,559,655,282	17,440,544,718	30,000,200,000
Third parties Related parties	56,205,969,104 349,823,903	7,913,260,304	3,537,739,498	8,887,370,150 -	76,544,339,056 349,823,903
Other payable - third parties	607,714,156	197,878,730	202,782,291	681,454,280	1,689,829,457
Accrued expenses	187,745,897	-	-	-	187,745,897
Financing payable	-	66,500,000	199,500,000	133,000,000	399,000,000
Lease payable	-	7,870,332	23,610,996	31,481,344	62,962,672
Due to related party	-	-	-	200,000,000	200,000,000
Total Financial Liabilities	57,351,253,060	13,185,509,366	11,523,288,067	27,373,850,492	109,433,900,985
			2012		
	< 1 month	1 - 3 monhts	3 - 12 months	> 12 months	Total
Financial liabilities Short-term bank loan Trade payables	22,080,894,298	17,440,344,726	1,297,718,763	200,000,000	41,018,957,787
Third parties	50,038,469,058	1,815,136,058	12,065,057,866	2,771,643,973	66,690,306,955
Related parties	92,674,613	-	-	70,651,730	163,326,343
Other payable - third parties	642,194,300	36,333,763	11,678,710	503,563,769	1,193,770,542
Accrued expenses	183,505,892	-	-	-	183,505,892
Financing payable	32,878,125	65,756,250	98,634,375	114,289,340	311,558,090
Lease payable	4,175,000	8,350,000	37,575,000	41,720,556	91,820,556
Due to related party				200,000,000	200,000,000
				200,000,000	200,000,000

d. Capital Management Risk

The Group are faced with capital risk which ensure that the Group will continue as a going concern, other than maximizing returns for shareholders, through the optimization of the debt and equity balance.

The capital structure of the Group consists of debt, which includes loans as described in Note 13 and owner's equity, which consists of issued capital, retained earnings and additional paid-in capital - net.

The Directors of the Group periodically review their capital structure of Group. As part of this review, the Directors consider the cost of capital and related risk. The Group manage the risk through monitoring debt to equity ratio.

The Group manage its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, issue new shares or raise debt financing. No changes were made in the objectives, policies or processes for the years ended December 31, 2013 and 2012.

PT FORTUNE INDONESIA Thk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2013 AND 2012

(Expressed in Rupiah, unless otherwise stated)

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

d. Capital Management Risk (continued)

The debt to equity as of December 31, 2013 and 2012 are as follows:

	2013	2012
Loan	30,000,200,000	41,018,957,787
Equity	132,627,407,044	125,349,248,082
Net debt to equity ratio	22.62%	32.72%

32. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of a financial assets and liabilities are the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's-length transaction. other than in a forced or liquidation sale situation.

These are the method and assumption used to estimate the fair value of each class of Group's financial instrument:

- Cash and cash equivalents, trade receivables third parties, other receivables from third parties, short-term bank loan, trade payables to third parties and related parties, other payables - third parties and accrued expenses approximate to their carrying amounts largely due to their shortterm maturities.
- 2. Carrying value of long term liabilities such as financing payable and lease payable approximate to its fair value because floating interest rate from financial statement depends on adjustment from bank or creditors.
- 3. Fair value of restricted time deposit, loan to employees, due from related parties, other long term investment, refundable deposit, and due to related party recorded as historical cost because its fair value can not be reliably estimated. It is not practical to estimate the fair value of these assets because there is no definite time period even though payment is not expected to be completed within 12 months after the date of the consolidated statements of financial position.

The table below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are carried in the financial statement as of December 31, 2013 and 2012:

	2013		
	Carrying Value	Fair Value	
Financial Assets			
Cash and cash equivalents	33,959,407,363	33,959,407,363	
Trade receivables - third parties	112,300,906,283	112,300,906,283	
Other receivables - third parties	5,351,969,997	5,351,969,997	
Restricted time deposits	12,000,530,000	12,000,530,000	
Employees receivables	1,705,819,098	1,705,819,098	
Due from related parties	5,652,494,980	5,652,494,980	
Other long term investment	500,000,000	500,000,000	
Refundable deposit	18,000,000	18,000,000	
Total	171,489,127,721	171,489,127,721	

32. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	2013		
	Carrying Value	Fair Value	
Financial Liabilities			
Short-term bank loans	30,000,200,000	30,000,200,000	
Trade payables	,,	, , ,	
Third parties	76,544,339,056	76,544,339,056	
Related party	349,823,903	349,823,903	
Other payables - third parties	1,689,829,457	1,689,829,457	
Accrued expenses	187,745,897	187,745,897	
Financing payable	399,000,000	399,000,000	
Lease payable	62,962,672	62,962,672	
Due to related party	200,000,000	200,000,000	
Total	109,433,900,985	109,433,900,985	
	2012		
	Carrying Value	Fair Value	
Financial Assets			
Cash and cash equivalents	24,788,912,492	24,788,912,492	
Trade receivables - third parties	132,164,956,278	132,164,956,278	
Other receivables - third parties	4,359,317,818	4,359,317,818	
Restricted time deposits	12,000,530,000	12,000,530,000	
Employees receivables	1,661,387,270	1,661,387,270	
Due from related parties	1,168,007,910	1,168,007,910	
Other long term investment	500,000,000	500,000,000	
Total	176,643,111,768	176,643,111,768	
Financial Liabilities			
Short-term bank loans	41,018,957,787	41,018,957,787	
Trade payables			
Third parties	66,690,306,955	66,690,306,955	
Related party	163,326,343	163,326,343	
Other payables - third parties	1,193,770,542	1,193,770,542	
Accrued expenses	183,505,892	183,505,892	
Financing payable	311,558,090	311,558,090	
Lease payable	91,820,556	91,820,556	
Due to related party	200,000,000	200,000,000	
Total	109,853,246,165	109,853,246,165	

PT FORTUNE INDONESIA Thk AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2013 AND 2012

(Expressed in Rupiah, unless otherwise stated)

33. SEGMENT INFORMATION

In 2013 and 2012, Group classify their business into three (3) business segment, as follows:

- Advertising services in planning and advertisement media and integrated marketing communication arrangement.
- Public relation focusing services on corporate public relation, litigation public relation and crisis management.
- Graphics design covering producing and provide graphics designing which consists of logo, corporate identity, product and trade mark, package and social service advertisement, exhibition services and audio visual or multi media services.

In accordance with PSAK 5 (revised 2009), "Segment Reporting", the following segment information is prepared based on the information used by management in evaluating the performance of each business segment and in determining the allocation of resources.

			Graphics		
2013	Advertising	Public Relations	Design	Elimination	Total
Segment Information	<u> </u>				
Revenue					
External	367,826,448,429	27,791,458,113	11,788,813,307	-	407,406,719,849
Inter segment	3,885,645,270	1,170,665,187	1,151,698,017	(6,208,008,474)	-
Total Revenue	371,712,093,699	28,962,123,300	12,940,511,324	(6,208,008,474)	407,406,719,849
Operating income	13,616,509,575	790,179,531	81,566,423		14,488,255,529
Interest income	951,446,075	44,276,014	16,301,922	-	1,012,024,011
Financing cost	(3,246,088,289)	(139,719,057)	(5,360,190)	-	(3,391,167,536)
Other income	5,313,927,903	830,474,134	165,584,877	(4,609,499,606)	1,700,487,308
Income before income tax expense	16,635,795,264	1,525,210,622	258,093,032	(4,609,499,606)	13,809,599,312
Income tax expense	(2,590,664,068)	(469,308,301)	(168,339,379)	-	(3,228,311,748)
Net comprehensive income	14,045,131,196	1,055,902,321	89,753,653	(4,609,499,606)	10,581,287,564
Segment assets	278,943,427,504	22,710,949,873	15,075,515,213	(53,212,337,149)	263,517,555,441
Segment liabilities	123,857,817,868	7,973,081,256	17,590,265,802	(18,877,777,735)	130,543,387,191
Capital expenditures	1,412,268,240	56,946,350	70,829,905	-	1,540,044,495
Depreciation	1,501,752,264	278,875,126	33,597,470	-	1,814,224,860
			Cranbias		
2012	A alternationism	Public Relations	Graphics	Flimination	Total
	Advertising	Public Relations	Design	Elimination	Total
Segment Information Revenue					
External	374,599,274,870	92,201,183,238	13,346,608,823		480,147,066,931
			3,407,390,132	(58,303,182,766)	400, 147,000,931
Inter segment Total Revenue	54,768,655,134	127,137,500			490 447 066 034
=	429,367,930,004	92,328,320,738	16,753,998,955	(58,303,182,766)	480,147,066,931
Operating income	10,669,899,333	5,653,447,182	188,311,155	-	16,511,657,670
Interest income	1,127,808,958	38,321,451	9,257,723	-	1,175,388,132
Financing cost	(1,000,429,835)	(161,693,384)	(3,676,150)	(7.007.000.005.)	(1,165,799,369)
Other income	7,658,216,762	89,568,072	36,551,908	(7,287,368,625)	496,968,117
Income before income tax expense	18,455,495,218	5,619,643,321	230,444,636	(7,287,368,625)	17,018,214,550
Income tax expense	(2,812,604,664)	(1,458,306,758)	(88,691,295)		(4,359,602,717)
Net comprehensive income	15,642,890,554	4,161,336,563	141,753,341	(7,287,368,625)	12,658,611,833
Segment assets	271,015,634,858	48,256,426,590	10,621,074,376	(72,640,549,887)	257,252,585,937
Segment liabilities	126,718,588,415	34,574,460,295	13,225,578,619	(42,915,490,078)	131,603,137,251
	120,7 10,000,410	0 1,01 1,100,200	-, -,,-	(,- :-, :,-:-)	. ,, . ,
Capital expenditures	1,911,408,895	442,064,886	15,675,001	-	2,369,148,782

34. CONTINGENCY

PT Fortune Adwicipta (FAC), Subsidiary, become the defendant in case No. 140/Pdt.G/2012/PN.Jkt.Sel filed by PT Pahala Kencana (the litigant) on March 8, 2012 to Jakarta Selatan State Court, regarding the shipping costs of printing/brochures and banners promo Fastron product of PT Pertamina (Persero) in all area of Indonesia as totaling to 4,151 points places with delivery point to SPBU of PT Pertamina (Persero).

34. CONTINGENCY (continued)

On March 4, 2013, for case No. 140/Pdt.G/2012/PN.Jkt.Sel against FAC, Subsidiary, Jakarta Selatan State Court has given the decision as follows:

- 1. Partially fulfill the litigant claim.
- 2. Stated that the defendant was in default (broken promise).
- 3. Cancel the agreement of delivery package between the litigant and the defendant dated May 16, 2011.
- 4. Penalized the defendant to pay the shipping costs of Pertamina package to the litigant amounting to Rp 311,000,000.
- 5. Penalized the defendant to pay compensation to the litigant amounting to Rp 100,000,000.
- 6. Refused part and remaining litigant claim.

In October 7, 2013, through Magdir Ismail & Partners as lawyer of FAC, FAC submitted an appeal againts the decision of Jakarta Selatan State Court in March 4, 2013. The appeals stated that FAC objection and refused whole considerations of the council of Jakarta Selatan state court.

Until the completion date of the consolidated financal statements, FAC has not yet received the decision from-court related of appelas and demands for material and immaterial losses

35. NONCASH TRANSACTION

Investing activities which not affecting cash and cash equivalents are as follows:

_	2013	2012
Additions of fixed asset through finance payable	760.000.000	-
Additions of fixed asset through lease payable	-	134,920,000

36. NEW AND MODIFIED PSAK BUT NOT YET EFFECTIVE

The following new standards, revised standards and interpretations that were recently issued by Indonesian Financial Accounting Standard Board but not yet effective for 2013 financial statements:

Effective on or after January 1, 2014:

- ISAK 27, "Transfer of Assets from Customers"
- 2. ISAK 28, "Extinguishing Financial Liabilities with Equity Instruments".
- 3. ISAK 29, "Stripping Cost in the Production Phase of a Surface Mining".
- 4. PPSAK 12, "Revacation of PSAK 33".

Effective on or after January 1, 2015:

- 1. PSAK 1 (revised 2013), "Presentation of Financial Statements".
- 2. PSAK 4 (revised 2013), "Separate Financial Statements".
- 3. PSAK 15 (revised 2013), "Investment in Associated and Joint Ventures".4. PSAK 24 (revised 2013), "Employees' benefits".

- 5. PSAK 65, "Consolidated Financial Statements".
 6. PSAK 66, "Joint Arrangements".
 7. PSAK 67, "Disclosure of Interest in Other Entities".
- 8. PSAK 68, "Fair Value Measurement".

The management is currently evaluating and has not determined yet the effect of these standards on their consolidated financial Statements.

н	CATEGORY	DESCRIPTION	PAGE.
A.	GENERAL TERMS AND FORMS OF ANNUAL	REPORT	
1.	That the Company's annual report is an important source of information about the performance and prospects for the Company's shareholders as one of the basic considerations in making investment decisions. Therefore, the annual report shall contain comprehensive information about the Company's performance	The annual report must consist of: a. Summary of key financial data; b. Board of Commissioners' Report; c. Board of Directors' Report; d. Company profile; e. Management discussion and analysis; f. Corporate governance; g. Corporate social responsibility; h. Audited financial report; and a. Letter of responsibility statement of the Board of Commissioners and Board of Directors of the annual report content.	V
2.	The annual report must be presented in a proper Bahasa Indonesia, and recommended to do the presentation in English.	Annual report is prepared not only in Bahasa Indonesia, in both in the same document or separately, therefor the annual report referred to contain the same information.	v
3.	Annual report must be easy to read.	All aspects of graphics such as images, graphs, tables and diagrams presented by stating the title and/or a clear explanation.	v
4.	The annual report shall be printed on colored paper of good quality, A4 size, bound, and is possible to be reproduced by photocopying.	The annual report is delivered in hardcopy and as well as in softcopy.	V
5.	The annual report stated the company identity clearly	The company name and the annual report year shown in: 1. Cover; 2. Side; 3. Back cover; and 4. Each page.	V
6.	The annual report shall be open to shareholders.	The annual report shall be available to the shareholders at the Annual General Meeting calls, and shall be posted on the Company website page that can be accessed at any time.	V
В.	ANNUAL REPORT CONTENT		
ı.	Summary of Important Financial Data		
1.	Summary of important financial data presented in the form of comparisons for 3 (three) years or since starting the business if the Company is running its operations for less than 3 (three) years.	Highlights contains: a. Sales or income; b. Profit (loss); c. Net profit (loss); and Earning per share.	16-17
2.	Balance sheet financial information is presented in the form of comparisons for 3 (three) years or since starting the business if the Company is running its operations for less than 3 (three) years.	a.The content consist some of below information:a. Total assets;b. Total liabilities;c. Total equity.	16-17
3.	Financial ratios presented in the form of comparisons for 3 (three) years or since starting the business if the Company is running its operations for less than 3 (three) years.	Contains general information and financial ratios relevant to the Company and type of industry, including: a. Return on Assets ratio (ROA); b. Return on Equity ratio (ROE); c. Return on Investment ratio (ROI); d. Operating Profit Margin ratio (OPM); e. Net Profit Margin ratio (NPM); f. Cash ratio; g. Current Ratio; h. Collection Period ratio (CP); i. Inventory Turn Over ratio (ITO); j. Total Assets Turn Over ratio (TATO); k. Equity To Total Assets ratio (ETTA); l. Time Interest Earned Ratio (TIER) ratio.	16-17

4.	Information on shares issued for each quarter in		17
	the 2 (two) years of the last book	a. The number of shares outstanding;	
		b. The market capitalization;	
		c. The highest, lowest, and closing stock price;	
		d. Trading volume.	
5.	Stock price information in case of corporate actions	Explanation include:	17
	such as stock splits, reverse stock, stock dividend,	a. Date of corporate actions;	
	bonus shares, and the reduction of par value.	b. Ratio of stock split, reverse stock, stock dividend, stock bonus,	
		and a decrease in stock value;	
		c. Number of shares outstanding before and after the corporate	
		action;	
		d. Stock prices before and after the corporate action.	
II.	Report of the Board of Commissioners and	Board of Directors	
1.	Report of the Board of Commissioners.	Report of the Board of Commissioners at least consist of the	18-21
"	neport of the board of commissioners.	following matters:	10 21
		Director performance assessment toward organization	
		governance;	
		Point of view of Company's business prospects prepared by	
		Director;	
		3. Changes of Board of Commissioners composition and its	
		reasons.	
	Danauk afaha Danyil af Diwastan		22.27
2.	Report of the Board of Directors.	Report of the Board of Directors at least consist of the following	22-27
		matters:	
		Performance of the Company, which include such as strategic	
		policy, the comparison between the results achieved with	
		targeted, and the constraints faced by the Company;	
		2. The description of the business prospects;	
		3. Implementation of Corporate governance; and	
		4. Changes in the composition of the Board of Directors and the	
		reason for the change.	
III.	Company Profile	,	
11.	Company Profile Corporate Identity	Consist of the name, address, telephone number, fax number,	30
		electronic mail address (e-mail), and page (website) of:	30
		i i	30
		electronic mail address (e-mail), and page (website) of:	30
		electronic mail address (e-mail), and page (website) of: Company; and/or	30 31
1.	Corporate Identity	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office. Includes Company history, date of establishment, and the name	
1.	Corporate Identity	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office.	
2.	Corporate Identity Brief history	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office. Includes Company history, date of establishment, and the name and Company name changes (if any). The business activities of the Company in accordance with the	31
2.	Corporate Identity Brief history	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office. Includes Company history, date of establishment, and the name and Company name changes (if any). The business activities of the Company in accordance with the last Articles of Association, as well as the types of products and/	31
2.	Corporate Identity Brief history Line of Business.	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office. Includes Company history, date of establishment, and the name and Company name changes (if any). The business activities of the Company in accordance with the last Articles of Association, as well as the types of products and/ or services produced.	31 32-33
2.	Corporate Identity Brief history	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office. Includes Company history, date of establishment, and the name and Company name changes (if any). The business activities of the Company in accordance with the last Articles of Association, as well as the types of products and/or services produced. In a form of chart, at least until one level of structure below the	31
 2. 3. 4. 	Corporate Identity Brief history Line of Business. Organization structure.	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office. Includes Company history, date of establishment, and the name and Company name changes (if any). The business activities of the Company in accordance with the last Articles of Association, as well as the types of products and/or services produced. In a form of chart, at least until one level of structure below the Board of Directors, along with the names and positions.	31 32-33 34
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 2. 3. 4. 	Corporate Identity Brief history Line of Business. Organization structure.	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office. Includes Company history, date of establishment, and the name and Company name changes (if any). The business activities of the Company in accordance with the last Articles of Association, as well as the types of products and/or services produced. In a form of chart, at least until one level of structure below the Board of Directors, along with the names and positions. Consist of: 1. The vision and mission of the Company that has been	31 32-33 34
 2. 3. 4. 	Corporate Identity Brief history Line of Business. Organization structure.	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office. Includes Company history, date of establishment, and the name and Company name changes (if any). The business activities of the Company in accordance with the last Articles of Association, as well as the types of products and/or services produced. In a form of chart, at least until one level of structure below the Board of Directors, along with the names and positions. Consist of: The vision and mission of the Company that has been approved by the Board of Directors, and	31 32-33 34
1. 2. 3. 4.	Corporate Identity Brief history Line of Business. Organization structure. Vision and mission.	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office. Includes Company history, date of establishment, and the name and Company name changes (if any). The business activities of the Company in accordance with the last Articles of Association, as well as the types of products and/or services produced. In a form of chart, at least until one level of structure below the Board of Directors, along with the names and positions. Consist of: The vision and mission of the Company that has been approved by the Board of Directors, and Corporate Culture.	31 32-33 34 36-39
 2. 3. 4. 	Corporate Identity Brief history Line of Business. Organization structure.	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office. Includes Company history, date of establishment, and the name and Company name changes (if any). The business activities of the Company in accordance with the last Articles of Association, as well as the types of products and/or services produced. In a form of chart, at least until one level of structure below the Board of Directors, along with the names and positions. Consist of: The vision and mission of the Company that has been approved by the Board of Directors, and Corporate Culture. Consist of:	31 32-33 34
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1. 2. 3. 4.	Corporate Identity Brief history Line of Business. Organization structure. Vision and mission.	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office. Includes Company history, date of establishment, and the name and Company name changes (if any). The business activities of the Company in accordance with the last Articles of Association, as well as the types of products and/or services produced. In a form of chart, at least until one level of structure below the Board of Directors, along with the names and positions. Consist of: The vision and mission of the Company that has been approved by the Board of Directors, and Corporate Culture. Consist of: Name History of position, working experiences, and the legal basis	31 32-33 34 36-39
1. 2. 3. 4.	Corporate Identity Brief history Line of Business. Organization structure. Vision and mission.	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office. Includes Company history, date of establishment, and the name and Company name changes (if any). The business activities of the Company in accordance with the last Articles of Association, as well as the types of products and/or services produced. In a form of chart, at least until one level of structure below the Board of Directors, along with the names and positions. Consist of: The vision and mission of the Company that has been approved by the Board of Directors, and Consist of: Name History of position, working experiences, and the legal basis on the first appointment of the Company, as stated in the	31 32-33 34 36-39
1. 2. 3. 4.	Corporate Identity Brief history Line of Business. Organization structure. Vision and mission.	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office. Includes Company history, date of establishment, and the name and Company name changes (if any). The business activities of the Company in accordance with the last Articles of Association, as well as the types of products and/or services produced. In a form of chart, at least until one level of structure below the Board of Directors, along with the names and positions. Consist of: The vision and mission of the Company that has been approved by the Board of Directors, and Corporate Culture. Consist of: Name History of position, working experiences, and the legal basis on the first appointment of the Company, as stated in the minutes of the General Meeting of Shareholders' decision;	31 32-33 34 36-39
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1. 2. 3. 4.	Corporate Identity Brief history Line of Business. Organization structure. Vision and mission.	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office. Includes Company history, date of establishment, and the name and Company name changes (if any). The business activities of the Company in accordance with the last Articles of Association, as well as the types of products and/or services produced. In a form of chart, at least until one level of structure below the Board of Directors, along with the names and positions. Consist of: The vision and mission of the Company that has been approved by the Board of Directors, and Corporate Culture. Consist of: Name History of position, working experiences, and the legal basis on the first appointment of the Company, as stated in the minutes of the General Meeting of Shareholders' decision; History of education; A brief description in the financial year of the type of training attended by the Board of Commissioners in order to improve	31 32-33 34 36-39
1. 2. 3. 4.	Corporate Identity Brief history Line of Business. Organization structure. Vision and mission.	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office. Includes Company history, date of establishment, and the name and Company name changes (if any). The business activities of the Company in accordance with the last Articles of Association, as well as the types of products and/or services produced. In a form of chart, at least until one level of structure below the Board of Directors, along with the names and positions. Consist of: The vision and mission of the Company that has been approved by the Board of Directors, and Corporate Culture. Consist of: Name History of position, working experiences, and the legal basis on the first appointment of the Company, as stated in the minutes of the General Meeting of Shareholders' decision; History of education; A brief description in the financial year of the type of training attended by the Board of Commissioners in order to improve the competence (if any); and	31 32-33 34 36-39
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1. 2. 3. 4.	Corporate Identity Brief history Line of Business. Organization structure. Vision and mission.	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office. Includes Company history, date of establishment, and the name and Company name changes (if any). The business activities of the Company in accordance with the last Articles of Association, as well as the types of products and/or services produced. In a form of chart, at least until one level of structure below the Board of Directors, along with the names and positions. Consist of: The vision and mission of the Company that has been approved by the Board of Directors, and Corporate Culture. Consist of: A Name History of position, working experiences, and the legal basis on the first appointment of the Company, as stated in the minutes of the General Meeting of Shareholders' decision; History of education; A brief description in the financial year of the type of training attended by the Board of Commissioners in order to improve the competence (if any); and E Disclosure affiliate relationships with members of the Board of Directors and other members of the Board of Commissioners,	31 32-33 34 36-39
1. 2. 3. 4.	Corporate Identity Brief history Line of Business. Organization structure. Vision and mission.	electronic mail address (e-mail), and page (website) of: Company; and/or Branch office or representative office. Includes Company history, date of establishment, and the name and Company name changes (if any). The business activities of the Company in accordance with the last Articles of Association, as well as the types of products and/or services produced. In a form of chart, at least until one level of structure below the Board of Directors, along with the names and positions. Consist of: The vision and mission of the Company that has been approved by the Board of Directors, and Corporate Culture. Consist of: A Name History of position, working experiences, and the legal basis on the first appointment of the Company, as stated in the minutes of the General Meeting of Shareholders' decision; History of education; A brief description in the financial year of the type of training attended by the Board of Commissioners in order to improve the competence (if any); and E Disclosure affiliate relationships with members of the Board of	31 32-33 34 36-39

7.	Profile of the Board of Directors.	Consist of: a. Name and brief description of the implemented duties and functions;	48
		 b. History of position, working experiences, and the legal basis on the first appointment of the Company, as stated in the minutes of the General Meeting of shareholders' decision; c. History of education; 	
		 d. A brief description of the type of training which has been followed by the Board of Directors in order to improve the competence that are mentioned in financial year (if any); and e. Disclosure affiliate relationships with other members of the 	
		Board of Directors and shareholders (if any);	
8.		The composition that supposed to be listed is Boards of Commissioners and/or Directors of the last and previous.	91
9.	A description of the employment of the Company.	The number of employees and description of the competency development in the financial year; for instance, aspects of education and training of employees that have been done.	78-83
10	The description of names of the shareholders	Information consists of:	110 -111
	and percentage of ownership by the end of the financial year.	a. The shareholders who own 5% (five percent) or more;b. Share ownership by the Commissioner and the Director; and	
	ililariciai year.	c. Shareholder group, each of which has less than 5% (five percent).	
11.	Information regarding to major shareholders and	Either direct or indirect;	51,
	controllers that presented in the form of schematic or diagram.	· Up to the individual owners.	110 -111
12.	List of subsidiaries, associated companies and or venture entities.	 These include: Name of subsidiaries, associated companies, joint venture companies in which the Company has joint control entity. For subsidiaries, in order to add information about the address; The percentage of share ownership; The field of business; and The operating status of the company (if any). 	52-65
13.	Chronology of share listing.	 Information includes: Chronological share listing; Changes in the number of shares from the start of recording until the end of the financial year, as well as Name of the Stock Exchange where the shares are listed (if any). 	17, 51, 66
14.	Chronology of other securities.	Information includes: Chronological listing of other securities; and Securities Rating	-
15.	Stock rating agency.	Name and address of the rating agency (if any).	66
16.	Capital market institutions and profession.	Information includes:	66
		 Name and address of capital market supporting institution and/or professions; 	
		 Disclosure of information regarding services rendered; Costs for services rendered; The period of assignment that has been done. 	
17.	Awards and certifications received by the		12-15
	Company, both national and international in the	1. Names or awards and certificates;	
	last financial year.	2. Year of acquisition;	
		3. Agency of appreciator and/certificate; and4. The validity period (of certification).	

11/2	Management Biomerican and Ameliain		
IV.	Management Discussion and Analysis		
1.	Operational review per business segment.	a. Important information relating to corporate operations in accordance with the type of the Company industry, at least consist of: a. Production, which includes processes, capacity, and development; b. Sales or income; and c. Profitability.	32-33, 72-77
2.	Description of the Company's financial performance.	Comprehensive analysis of financial performance including comparison of financial performance in the 2 (two) years of the last financial year, an explanation of the causes of the change and the impact of these changes, such as: a. Current assets, non-current assets, and total assets; b. Short-term liabilities, long term liabilities and total liabilities; c. Equity; d. Revenues, expenses, income (loss), other comprehensive income, and total comprehensive income (loss); as well as e. Cash flow.	72-77
3.	Ability to pay its debt.	Information of the ability to pay the debt with the relevant ratio calculation.	72-77
4.	The level of collectibility period.	Information of Company's receivable collectibility period by presenting the relevant ratio calculation	74
5.	The capital structure and the capital structure policy.	The information consist of: a. Capital structure; and b. Management policies over capital structure.	51, 74
6.	Information regarding to commitments for capital expenditure.	Discussion of material commitments for capital expenditure, such as consist of below explanations: a. The purpose of the commitments; b. Sources of funds to fulfill such commitments; c. Denominated currency; and d. The steps that the Company planned to mitigate risks resulting from foreign currency-related.	75-77
7.	Material Information and facts subsequent to the accountant's report date.	Information of important events after the date of the accountant's report, including its impact on the performance and future business risks.	75-77
8.	Business prospects.	Business prospects of the Company associated with industry conditions, general economic and international markets as well as quantitative supporting data from a reliable data source	70
9.	Comparison between 'RKAP' and realization.	Discussion of the comparison between the target/projection at the beginning of the financial year book with the results achieved (realization), regarding: Incomes, profits; Capitalization structure; or Other things that are considered important for the Company.	72-73
10	'RKAP' target on the 1st coming year.	Information regarding to the target/projection to be achieved no later than the Company for the coming year, on: Incomes; Profit (loss); Capitalization structure; Dividend policy; or Other things that are considered important for the Company.	74-75
11.	Marketing aspects.	The discussion of the marketing aspects of products and services of the Company, such as: a. Marketing strategy; and b. Market share.	70-77

12.	Dividend policy.	The description of the dividend policy and the date as well as the dividend amount per share (cash and/or non-cash) and the dividend amount per year is declared or paid during the 2 (two) years of the last financial year.	75-77
13.	Utilization of Initial Public Offering's Proceeds.	Include the description of: a. In the event during the financial year, the Company has an obligation to submit a report realization of proceeds, it must be disclosed use of proceeds from the realization of cumulative public offering until the end of the financial year book; and b. If there are any changes in the use of proceeds as provided in Rule Number X.K.4, then the Company shall explain these changes.	-
14.	Information of transaction with affiliates and/or transaction which related with conflict of interest.	It's including: a. Date, value, and the object of the transaction; b. Name of parties to a transaction; c. The nature of relationships affiliation (if any); d. Explanation about the fairness of the transaction; and e. Related regulatory compliance.	-
15.	Changes in regulations that have a significant effect on the Company	Information about changes in regulations that affect the Company and its impact on the financial statements (if any).	77
16.	Changes in accounting policies that affect the financial statements.	Information about changes in accounting policies, the reasons and the impact on the financial statements (if any).	74
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1.	Description of the Board of Commissioners.	 Include: a. Description of the duties of the Board of Commissioners; b. Disclosure procedure, the basis for determining, and the amount of remuneration for the Board of Commissioners; and c. Company's disclosure policy and its implementation, on the frequency of board meetings, including joint meetings with the Board of Directors, and the attendance of the Commissioners at the meeting. 	92-96
2.	Description of the Board of Directors.	 Is including below points: a. Description of duty and responsibility of each Boards member; b. Disclosure procedure, the basis for determining, and the remuneration of the Directors, as well as the relationship between the remuneration to the Company's performance; c. Company's disclosure policy and its implementation, on the frequency of Director meetings, including joint meetings with the Board of Commissioners, and the attendance of the Directors at the meeting; d. The previous year General meeting of shareholders' decision and its realization in the financial year, as well as the reasons for the decision are not yet realized; and e. Disclosure of the Company's policy on assessment of the performance of members of the Board of Directors (if any). 	98-103

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J.	Description of audit committee	 a. Name; b. History of position, working experience, and the appointment of a legal basis; c. Education background; d. Period of position of the members of the Audit Committee; e. Disclosure independence of the Audit Committee; f. Company's disclosure policy and its implementation, on the Audit Committee meeting frequency and the attendance of the Audit Committee members at the meeting; g. A brief description of the activities of the Audit Committee in accordance with the books listed in the Audit Committee charter. 	100-109
4.	Another committee of the Company in order to support the functions and duties of the Board of Directors and/or Board of Commissioners, such as nomination and remuneration committee.	•	109
5.	Description of the corporate secretary	 Description of the tasks and functions of the Corporate Secretary: a. Name; b. History of position, working experience, and a legal basis for the assignment; c. Educational Background; d. The Corporate Secretary position period; e. A brief description of the implementation of the Corporate Secretary tasks in the financial year book. 	104-105
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7.	Description on internal control system adopted by the Company.		115
8.	Risk management system adopted by the Company.		121-123

9.	Case in point faced by the Company, its subsidiaries,		114, 116
	active members of the Board of Commissioners and Board of Directors.	a. Merits of the case/claim; b. Settlement status/lawsuit; and	
		c. Its influence on the condition of the Company.	
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	authorities and other authorities.	Issuer or Public Company, the Board of Commissioners and Board of Directors, by the capital market authorities and other authorities	104, 112
		in the last financial year (if any).	
11.	Information regarding the Company's code of		38-39
	ethics and culture.	a. Principles of code of ethics; b. Principles of corporate culture;	
		c. Form of socialization enforcement and code of ethics; and	
		d. Disclosure that the code of conduct applicable to the Board	
12.	Description of the employee stock ownership	of Commissioners, Directors and employees of the Company. Description of the employee stock ownership program and/or	51
12.	program and/or management.	management of the Company held, such as:	٥,
		a. Number of share ownership;	
		b. Stock holding period; c. Requirements employees and/or management that are	
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		d. Exercise price (if any)	
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		such as:	
		a. The submission of allegation of infringement;	
		b. Protection for whistleblowers;c. Handling of complaints;	
		d. Complaints manager; and	
		u. Complaints manager, and	
		e. The results of the handling of complaints.	
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VI. 1.	Discussion of corporate social responsibility in	e. The results of the handling of complaints. Descriptions as the use of materials and energy that are	128-134
		e. The results of the handling of complaints.	128-134
	Discussion of corporate social responsibility in	e. The results of the handling of complaints. Descriptions as the use of materials and energy that are environmentally friendly and can be recycled, waste processing systems of the company, in the field of environmental certifications held, and others, include:	128-134
	Discussion of corporate social responsibility in	e. The results of the handling of complaints. Descriptions as the use of materials and energy that are environmentally friendly and can be recycled, waste processing systems of the company, in the field of environmental certifications held, and others, include: a. Policy;	128-134
	Discussion of corporate social responsibility in	e. The results of the handling of complaints. Descriptions as the use of materials and energy that are environmentally friendly and can be recycled, waste processing systems of the company, in the field of environmental certifications held, and others, include:	128-134
	Discussion of corporate social responsibility in environmental aspects. Discussion on corporate responsibility in aspects	e. The results of the handling of complaints. Descriptions as the use of materials and energy that are environmentally friendly and can be recycled, waste processing systems of the company, in the field of environmental certifications held, and others, include: a. Policy; b. Types of programs; and c. Costs incurred.	128-134 78-83
1.	Discussion of corporate social responsibility in environmental aspects.	e. The results of the handling of complaints. Descriptions as the use of materials and energy that are environmentally friendly and can be recycled, waste processing systems of the company, in the field of environmental certifications held, and others, include: a. Policy; b. Types of programs; and c. Costs incurred. Descriptions as gender equality and employment opportunities, facilities and occupational safety, employees turnover, the rate of	
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5	Disclosure of corporate social responsibility information.	The Company may disclose information in the annual report or separate reports submitted in conjunction with the annual report to Bapepam-LK, such as sustainability report or corporate social responsibility report.	130
V	. Audited Annual Financial Statement		
1	Annual Financial Statements contained in the annual report shall be prepared in accordance with Financial Accounting Standards in Indonesia, which has been audited by the Accountant.	*	138
VI	I. Signature of the Board of Commissioners a	nd Board of Directors	
1	report that must directly autographed by all	 The validation sheet completed with a signature is intended to meet the following rules: The annual report shall be signed by all members of the Board of Commissioners and Board of Directors that are being served. Signature referred above shall be putted on a separate sheet in the annual report where the sheet must include a statement that referred to the Board of Commissioners and Board of Directors are fully responsible for the accuracy of the content of the annual report, in accordance with Form Number X.K.6-1 Attachment of Bapepam-LK Number X.K.6. If there are any members of the Board of Commissioners or Directors who do not sign the annual report, the concerned shall specify the reasons in writing in a separate letter attached to the annual report. If there are any members of the Board of Commissioners or Directors who do not sign the annual report and did not give reasons in writing, then the members of the Board of Commissioners or Directors who sign the annual report shall state in writing in a separate letter attached to the annual report shall state in writing in a separate letter attached to the annual report. 	135

PT Fortune Indonesia Tbk RELOAD FORU viii

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