

**PT UNILEVER INDONESIA TBK AND SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**  
**(UNAUDITED)**

*Contents*

Consolidated Balance Sheets	2 - 3
Consolidated Statements of Income	4
Consolidated Statements of Changes in Equity	5
Consolidated Statements of Cash Flows	6
Notes to the Consolidated Financial Statements	7 - 42

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**AS AT SEPTEMBER 30, 2005 AND 2004**  
**(UNAUDITED)**

*Rupiah millions*

	Notes	2005	2004
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	560,259	649,995
Trade debtors (Net of allowance for doubtful accounts of Rp 7,808 in 2005 and Rp 5,430 in 2004)			
- Third parties	2g, 5	817,644	750,766
- Related parties	2d, 5	54,228	49,930
Other debtors	2f, 6	28,816	26,561
Inventories (Net of provision for obsolete and unused/slow moving stocks of Rp 26,368 in 2005 and Rp 23,600 in 2004)	2h, 7	693,903	613,915
Prepaid taxes	2n, 14c	5,536	2,211
Prepaid expenses	2l, 9	37,088	63,902
<b>Total Current Assets</b>		2,197,474	2,157,280
<b>NON-CURRENT ASSETS</b>			
Amounts due from related parties	2d, 8c	19,028	12,338
Deferred tax asset, net	2n, 14b	40,597	37,547
Fixed assets (Net of accumulated depreciation of Rp 338,181 in 2005 and Rp 293,203 in 2004)	2i, 10a	1,384,600	1,033,323
Intangible assets (Net of accumulated amortisation of Rp 63,790 in 2005 and Rp 48,720 in 2004)	2j, 11	170,729	178,865
Other assets	2l, 12	59,684	38,734
Prepaid pension expense	2o, 17	19,118	48,775
<b>Total Non-current Assets</b>		1,693,756	1,349,582
<b>TOTAL ASSETS</b>		3,891,230	3,506,862

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

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**AS AT SEPTEMBER 30, 2005 AND 2004**  
**(UNAUDITED)**

*Rupiah millions, except par value per share*

	Notes	2005	2004
<b>CURRENT LIABILITIES</b>			
Trade creditors			
- Third parties	13	482,714	408,051
- Related parties	2d, 13	56,173	27,025
Taxes payable	2n, 14d	94,699	138,082
Accrued expenses	15	387,374	382,433
Other liabilities	16	339,486	295,281
<b>Total Current Liabilities</b>		1,360,446	1,250,872
<b>NON-CURRENT LIABILITIES</b>			
Amounts due to related parties	2d, 8d	73,322	42,446
Employee benefit obligations	2o, 17	16,570	31,359
<b>Total Non-current Liabilities</b>		89,892	73,805
<b>MINORITY INTERESTS</b>	18a	14,448	20,974
<b>EQUITY</b>			
Share capital	19	76,300	76,300
(Authorised, issued and fully paid-up: 7,630,000,000 common shares at par value of Rp 10 per share for 2005 and 2004)			
Capital paid in excess of par value	20	15,227	15,227
Fixed assets revaluation reserve	2i, 10b	287,593	154
Balance arising from restructuring transactions between entities under common control	3, 21	80,773	-
Appropriated retained earnings	23	15,848	15,260
Unappropriated retained earnings		1,950,703	2,054,270
<b>Total Equity</b>		2,426,444	2,161,211
<b>TOTAL LIABILITIES AND EQUITY</b>		3,891,230	3,506,862

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

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2005 AND 2004**  
**(UNAUDITED)**

*Rupiah millions except basic earnings per share*

	Notes	2005	2004
<b>NET SALES</b>	2m, 24	7,609,797	6,599,908
<b>COST OF GOODS SOLD</b>	2m, 25	(3,871,964)	(3,151,903)
<b>GROSS PROFIT</b>		3,737,833	3,448,005
<b>OPERATING EXPENSES</b>		(2,043,175)	(1,938,412)
Marketing and selling expenses	2m, 26a	(1,608,463)	(1,576,527)
General and administration expenses	2m, 26b	(434,712)	(361,885)
<b>OPERATING INCOME</b>		1,694,658	1,509,593
<b>OTHER INCOME/(EXPENSES)</b>		26,310	61,102
Gain/(loss) on disposals of fixed assets	2i, 10d	(1,973)	1,259
Gain on foreign exchange, net	2e	4,127	30,334
Interest income		24,156	29,509
<b>PROFIT BEFORE INCOME TAX</b>		1,720,968	1,570,695
Income tax expense	2n, 14a	(521,771)	(476,596)
<b>INCOME BEFORE MINORITY INTERESTS</b>		1,199,197	1,094,099
<b>MINORITY INTERESTS IN NET LOSS OF SUBSIDIARIES</b>		(15)	(1,374)
Net loss of subsidiaries	18b	(15)	(1,374)
<b>NET INCOME</b>		1,199,182	1,092,725
<b>BASIC EARNINGS PER SHARE</b>	2q, 28	157	143

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

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions*

<u>Notes</u>	<u>Share Capital</u>	<u>Capital paid in excess of par value</u>	<u>Fixed assets revaluation reserve</u>	<u>Balance arising from restructuring transactions between entities under common control</u>	<u>Appropriated retained earnings</u>	<u>Unappropriated retained earnings</u>	<u>Total</u>
<b>Balance at December 31, 2003</b>	76,300	15,227	154	-	15,260	1,988,718	2,095,659
Net income for the period	-	-	-	-	-	1,092,725	1,092,725
PT AL Dividend	-	-	-	-	-	(1,400)	(1,400)
Accumulated deficit of PT Knorr Indonesia	-	-	-	-	-	(33,873)	(33,873)
Dividends	22	-	-	-	-	(991,900)	(991,900)
<b>Balance at September 30, 2004</b>	<u>76,300</u>	<u>15,227</u>	<u>154</u>	<u>-</u>	<u>15,260</u>	<u>2,054,270</u>	<u>2,161,211</u>
<b>Balance at December 31, 2004</b>	76,300	15,227	287,593	80,773	15,848	1,820,943	2,296,684
Net income for the period	-	-	-	-	-	1,199,182	1,199,182
Actuarial loss	-	-	-	-	-	(1,222)	(1,222)
Dividends	22	-	-	-	-	(1,068,200)	(1,068,200)
<b>Balance at September 30, 2005</b>	<u>76,300</u>	<u>15,227</u>	<u>287,593</u>	<u>80,773</u>	<u>15,848</u>	<u>1,950,703</u>	<u>2,426,444</u>

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

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions*

	Notes	2005	2004
<b>Cash flows from operating activities</b>			
Receipts from customers		7,765,652	6,761,404
Receipts of interest income		24,156	29,509
Payments/(repayments) of loans to employees		(13,798)	(8,898)
Payments to suppliers		(5,627,100)	(5,109,272)
Payments of directors and employees remuneration		(363,754)	(396,934)
Payments of pension contributions	17	(30,577)	(18,000)
Payments of service fees		(209,518)	(196,340)
Payments of corporate tax		(585,512)	(365,707)
<b>Net cash flows provided from operating activities</b>		959,549	695,762
<b>Cash flows from investing activities</b>			
Payments for the acquisition of fixed assets	10a	(95,168)	(200,171)
Proceeds from the sale of fixed assets	10d	1,183	6,643
<b>Net cash flows used in investing activities</b>		(93,985)	(193,528)
<b>Cash flows from financing activities</b>			
Dividends paid	22	(1,072,050)	(993,300)
<b>Net cash flows used in financing activities</b>		(1,072,050)	(993,300)
<b>Net (decrease) in cash and cash equivalents</b>		(206,486)	(491,066)
Effect of exchange rate changes on cash and cash equivalents		(17,710)	4,482
<b>Cash and cash equivalents at the beginning of the period</b>		784,455	1,136,579
<b>Cash and cash equivalents at the end of the period</b>	2b, 4	560,259	649,995

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

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

---

**1. General**

PT Unilever Indonesia Tbk (the "Company") was established on December 5, 1933 as Lever's Zeepfabrieken N.V. by deed No. 23 of Mr. A.H. van Ophuijsen, notary in Batavia. This deed was approved by the Gouverneur Generaal van Nederlandsch-Indie under letter No. 14 on December 16, 1933, registered at the Raad van Justitie in Batavia under No. 302 on December 22, 1933 and published in the Javasche Courant on January 9, 1934 Supplement No. 3.

By deed No. 171 of public notary Mrs. Kartini Muljadi SH dated July 22, 1980 the Company's name was changed to "PT Unilever Indonesia". By deed No. 92 of public notary Mr. Mudofir Hadi SH dated June 30, 1997 the Company's name was changed to "PT Unilever Indonesia Tbk". This deed was approved by the Minister of Justice under decision letter No.C2-1.049HT.01.04 TH.98 dated February 23, 1998 and published in State Gazette No. 2620 of May 15, 1998 Supplement No. 39.

The Company listed 15% of its shares on the Jakarta Stock Exchange and Surabaya Stock Exchange following the approval from the Chairman of Capital Market Supervisory Board (Bapepam) No.SI-009/PM/E/1981 on November 16, 1981.

At the Company's Annual General Meeting of the Shareholders on June 24, 2003, the shareholders agreed to a stock split, reducing the par value per share from Rp 100 per share to Rp 10 per share. This change was notarised by deed No. 46 of public notary Singgih Susilo SH dated July 10, 2003 and was approved by the Minister of Justice and Human Rights of the Republic of Indonesia under decision letter No. C-17533 HT.01.04-TH.2003.

The Company is engaged in the manufacturing of soaps, detergents, margarine, dairy based foods, ice cream, tea based beverages and cosmetic products.

As approved at the Company's Annual General Meeting of the Shareholders on June 13, 2000, which was notarised by deed No. 82 of public notary Singgih Susilo SH dated June 14, 2000 the Company also acts as a main distributor of its products and provides marketing research services. This deed was approved by the Minister of Law and Legislation (formerly Minister of Justice) of the Republic of Indonesia under decision letter No. C-18482 HT.01.04-TH.2000.

The Company commenced commercial operations in 1933.

The Company's office is located at Jalan Jendral Gatot Subroto Kav. 15, Jakarta. The factories are located at Jalan Jababeka 9 Blok D, Jalan Jababeka Raya Blok O, Jababeka Industrial Estate Cikarang, Bekasi, West Java and Jalan Rungkut Industri IV No. 5-11, Rungkut Industrial Estate, Surabaya, East Java.

On November 22, 2000, the Company entered into an agreement with PT Anugrah Indah Pelangi, to establish a new company namely PT Anugrah Lever ("PT AL") which is engaged in the manufacturing, developing, marketing and selling of soy sauce, chilli sauce and other sauces under the Bango, Parkiet and Sakura trademarks and other brands under license of the Company to PT AL.

On July 3, 2002, the Company entered into an agreement with Texchem Resources Berhad, to establish a new company namely PT Technopia Lever which is engaged in the distribution, export and import of goods under the Domestos Nomos trademark. On November 7, 2003 Texchem Resources Berhad entered into a Share Sale and purchase Agreement with Technopia Singapore Pte. Ltd, in which Texchem Resources Berhad agreed to sell all of its shares in PT Technopia Lever to Technopia Singapore Pte. Ltd.

At the Company's Extraordinary General Meeting of the Shareholders on December 8, 2003, the Company received approval from its minority shareholders to acquire the shares of PT Knorr Indonesia ('PT KI') from Unilever Overseas Holdings Limited (a related party). This acquisition became effective on the signing date of the share sales and purchase agreement between the Company and Unilever Overseas Holdings Limited on January 21, 2004. On July 30, 2004, the Company merged with PT KI. The merger was accounted for using a method similar to the pooling of interest method. The Company was the surviving company and after the merger PT KI no longer existed as separate legal entity. This merger is in accordance with the approval of the Capital Investment Co-ordination Board (BKPM) in letter No. 740/III/PMA/2004 dated July, 29, 2004.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

The summary of the Company's direct ownership in subsidiaries and the total assets of subsidiaries are as follows:

	Country of domicile	Percentage of ownership		Year of commercial operation commenced	Total assets in Rp billion	
		2005	2004		2005	2004
PT Anugrah Lever	Indonesia	65%	65%	2001	69,1	70,1
PT Technopia Lever	Indonesia	51%	51%	2002	51,5	59,6

As at September 30, 2005, the Company's Boards of Commissioners and Directors were as follows:

**Board of Commissioners**

President Commissioner : Louis Willem Gunning  
Commissioners : Theodore Permadi Rachmat  
Kuntoro Mangkusubroto  
Cyrillus Harinowo  
Bambang Subianto

**Board of Directors**

President Director : Maurits Daniel Rudolf Lalisang  
Directors : Desmond Gerard Dempsey  
Mohammad Effendi Soeparsono  
Muhammad Saleh  
Josef Bataona  
Surya Dharma Mandala  
Debora Herawati Sadrach  
Andreas M. Rompis  
Laercio de Holanda Cardoso Junior

**2. Summary of Significant Accounting Policies**

The consolidated financial statements of PT Unilever Indonesia Tbk and subsidiaries (collectively "the Group") were prepared by the Directors and completed on October 26, 2005.

Presented below are the significant accounting policies adopted in preparing the consolidated financial statements of the Group, which are in conformity with accounting principles generally accepted in Indonesia.

**a. Basis of preparation of the consolidated financial statements**

The consolidated financial statements have been prepared under the historical cost convention, with the exception that certain fixed assets have been revalued in accordance with the applicable government regulations (refer to Note 2i) and derivative financial instruments which are valued at fair value (refer to Note 2f).

The consolidated financial statements have also been prepared on the basis of the accruals concept except for the consolidated statements of cash flows.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

---

Figures in the financial statements are rounded and stated in millions of Rupiah unless otherwise stated.

**b. Consolidated statements of cash flows**

The consolidated statements of cash flows are prepared based on the direct method by classifying cash flows on the basis of operating, investing and financing activities. For the purpose of the consolidated statements of cash flows, cash and cash equivalents include cash on hand, cash in banks and short term investments with a maturity of three months or less, net of overdrafts, if any.

**c. Principles of consolidation**

The consolidated financial statements include the accounts of the Company and the subsidiaries it controls, PT Anugrah Lever and PT Technopia Lever, in which the Company directly has control and ownership of more than 50% of voting rights. The subsidiaries are consolidated from the date on which effective control was transferred to the Company.

The effect of all material transactions and balances between the Company and the subsidiaries has been eliminated in preparing the consolidated financial statements.

The accounting policies adopted in preparing the consolidated financial statements have been consistently applied by the subsidiaries unless otherwise stated.

**d. Related party transactions**

The Company and its subsidiaries have transactions with related parties. The definition of related parties used is in accordance with Standard of Financial Accounting Standard ("PSAK") No. 7 "Related Party Disclosures".

All material transactions with related parties are disclosed in the notes to the consolidated financial statements.

The merger with PT Knorr Indonesia was accounted for using a method similar to the pooling of interest method of accounting. The difference between book value of the investment in shares and the book value of the net asset acquired, excluding retained earnings, was recorded in "Balance arising from restructuring transactions between entities under common control" account, which is presented in the equity section of the consolidated balance sheet.

**e. Foreign currency translation**

Transactions in foreign currencies are translated into Indonesian Rupiah at the exchange rate prevailing at the date of the transaction. Period end balances of monetary assets and liabilities in foreign currencies are translated into Indonesian Rupiah at the exchange rates prevailing at the balance sheet date. Exchange gains and losses arising on transactions in foreign currency and on the translation of foreign currency monetary assets and liabilities are recognised in the consolidated income statement. The balance sheet date rates used to translate foreign currency balances as of September 30, 2005 and 2004 were 10,290 (full amount Rupiah) and Rp 9,108 (full amount Rupiah) for USD 1, respectively. As a comparison, the middle rates of Citibank, with whom the Company negotiates most of its foreign currency transactions were Rp 10,290 (full amount Rupiah) and Rp 9,117.5 (full amount Rupiah) for USD 1 as at September 30, 2005 and 2004, respectively.

**f. Derivative financial instruments**

The Company periodically enters into forward foreign currency contracts with external counterparts, in implementing its risk management policies.

Derivative financial instruments are recognised in the balance sheet as assets or liabilities depending on the rights and obligations as governed by the contract, and recorded at their fair value.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

---

Changes in the fair value of derivative instruments that are not designated as hedging instruments are recognised in the consolidated statement of income.

**g. Trade debtors**

Trade debtors are recognised at recoverable value, after providing for doubtful debts, based on management's review of the current status of each account at the end of the period. Uncollectible receivables are written off as bad debts during the period in which they are determined to be not collectible.

**h. Inventories**

Inventories are valued at the lower of cost and net realisable value. The principal method used to determine inventory cost is the average cost method. Cost of finished goods and work in process comprises materials, labour and an appropriate proportion of directly attributable fixed and variable overheads.

A provision for obsolete and unused/slow moving inventories is determined on the basis of estimated future usage or sale of inventory items.

**i. Fixed assets and depreciation**

Fixed assets are recorded at cost, except for certain fixed assets which were revalued in accordance with government regulations, less accumulated depreciation. Maintenance and repairs are charged to expenses while replacements and improvements, which materially increase the value or extend the life or the capacity of the related assets are capitalised. Sold fixed assets are removed from the related group of fixed assets, and the resulting gains or losses are reflected in the consolidated statement of income for the period. Fixed assets, which are no longer used in the operations are removed from the related group of fixed assets and recorded as other assets.

The Company has revalued its fixed assets several times; on January 1, 1981 in accordance with the Minister of Finance decree No. KEP-1677/MK/II/12/1976, as of January 1, 1987 in accordance with Government Regulation No. 45/1986 and the Minister of Finance decree No. 914/KMK.04/1986 and as of August 30, 2004 in accordance with the Minister of Finance decree No. 486/KMK.03/2002 and the decree of the Director General of Tax No. KEP-519/PJ/2002 dated December 2, 2002.

The differences resulting from the revaluation of such assets have been approved by the Director General of Tax, the latest in the decree No. KEP-14/WPJ.19/BD.04/2004 dated December 20, 2004. The revaluation increments were credited to the "Fixed asset revaluation reserve" account, presented in the equity section of the consolidated balance sheet. Depreciation is calculated on cost or revalued amount on the straight-line method over the estimated useful lives of the assets.

The major classes of depreciable fixed assets with their estimated useful lives are summarised below:

Buildings	40 years
Machinery and equipment	20 years
Motor vehicles	8 years
Furniture	8 years

Land is not depreciated.

When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount, which is determined as the higher of net selling price or value in use.

The accumulated costs of the construction of buildings and plant and the installation of machinery are capitalised as construction in progress. These costs are reclassified to fixed asset accounts when the construction or installation is complete. Depreciation is charged from the date when assets are brought into use.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

---

**j. Intangible assets**

The cost of operating rights, trademarks and copyrights acquired are amortised on the straight-line method over their estimated useful lives of 10 – 20 years. Management also assesses the carrying value of intangible assets based on annual review of their remaining useful lives.

**k. Research and development**

Research and development costs are expensed in the period in which they are incurred, as long as those costs do not meet the requirements for capitalisation.

**l. Prepaid expenses**

Prepaid expenses are charged against the consolidated statement of income over the period in which the related benefits are derived, using the straight-line method. Prepaid expenses with benefit period of more than 12 months are recorded as non-current assets.

**m. Revenue and expenses**

Net sales represent revenue earned from the sale of the Group's products, net of returns, trade allowances, duties and value-added tax. Revenue from export sales is recognised upon shipment of the goods to the customers (f.o.b. shipping point). Revenue from domestic sales is recognised when goods are delivered to the distributors/customers.

Expenses are recognised on an accrual basis.

**n. Taxation**

Deferred income tax is provided using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred income tax.

Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Amendments to taxation obligations are recorded when an assessment is received or, if appealed against, when the results of the appeal are determined.

**o. Employee benefits**

**- Short-term employee benefits**

Short-term of employee benefits are recognised when they accrue to the employees.

**- Long-term and post employment employee benefits**

Employee benefits such as pension, post employment healthcare benefits and other benefits are calculated in accordance with the Company's Regulations and Labour Law No. 13/2003.

The Company has a defined benefit pension plan covering all of its employees who have the right to pension benefits as stipulated in the regulations of Dana Pensiun Unilever Indonesia ("Dana Pensiun"). The plan is generally funded through payments to the Dana Pensiun, which are determined by periodic actuarial calculation. A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, year of service and compensation.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

---

The benefit pension obligations is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service cost. The defined benefit obligation is calculated annually by independent actuaries using the Projected Unit Credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the interest rates of high-quality long-term bonds that are denominated in Rupiah in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the income statement over the employees' expected average remaining working lives.

Past-service costs are recognised immediately in the consolidated statements of income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised using the straight-line method over the vesting period.

The Company also provides post-employment medical benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The liability and expense relating to this plan are determined by independent actuary once every year, using the Projected Unit Credit method.

**p. Share matching plan**

Since 2002, the Company introduced a Share Matching plan, which is applied to manager level and above.

Under this plan, managers can invest up to 25% of their gross annual bonus in Unilever shares ("bonus shares"). Middle and junior managers are entitled to invest in the Company's shares, senior managers and above are only entitled to invest in the shares of Unilever N.V. and Unilever PLC (the ultimate shareholders). The Company then awards an equivalent number of matching shares. These matching shares vest three years after the grant provided certain conditions are met, including the requirement that the original "bonus shares" shall be retained for the three-year period and the managers are still employed by the Company at the end of the three-year period. The cost of the matching shares is recorded as deferred charges and is charged to the statement of income over a period of three years, using the straight-line method.

**q. Basic earnings per share**

Basic earnings per share is computed by dividing net income with the weighted average number of outstanding shares. There are no convertible securities, options or warrants that would give rise to a dilution of the earnings per share.

**r. Segment information**

The Company's segment information is presented based on business segments. A business segment is a distinguishable component engaged in providing products (individual products as well as group of products) that are subject to risks and returns which are different from those of other business segments. Business segment information is consistent with the operating information routinely reported to the ultimate decision makers within the Company.

**s. Use of estimates**

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

**3. Merger and comparison of the consolidated financial statements**

The merger between PT Knorr Indonesia and the Company was accounted for as a restructuring transaction between entities under common control, using a method similar to the pooling interest method of accounting. The Company has decided not to restate the consolidated financial statements as at and for the year ended December 31, 2003 since the impact is not considered to be material.

A summary of balances before and after the merger at the effective date of merger is as follows:

	<b>July 30, 2004</b>	
	<b>Before merger – the Company and subsidiaries</b>	<b>After merger – Group</b>
Current assets	1,990,712	1,995,084
Non-current assets	1,686,844	1,718,121
Current liabilities	1,300,497	1,361,237
Non-current liabilities	69,558	69,558
Minority interests	7,286	7,286
Equity	2,300,214	2,275,123
Operating income	1,200,968	1,201,148
Net income	874,389	882,054
Basic earnings per share	115	116

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	2005	2004
<b>4. Cash and cash equivalents</b>	560,259	649,995
Cash on hand	302	354
Cash in banks		
Third parties – Rupiah:		
ABN Amro Bank	20,915	170,520
Deutsche Bank	62,660	65,024
Citibank	14,069	21,494
Lippo Bank	16,996	10,509
Bank Mandiri	15,401	30,634
Bank Central Asia	11,132	3,772
Bank BNI' 46	4,119	2,444
Bank Rakyat Indonesia	218	2,120
Bank Permata, Standard Chartered Bank, ANZ Bank (respective individual balances less than Rp 1,000)	1,120	88
Third parties – US Dollars:		
Citibank	47,816	49,249
ABN Amro Bank	169	4,911
Deutsche Bank, Standard Chartered Bank (respective individual balances less than Rp 1,000)	291	353
Third parties – Euro:		
ABN Amro Bank	22,761	15,534
Citibank, Deutsche Bank (respective individual balances less than Rp 1,000)	590	801
Time deposits (maturity within three months):		
Third parties – Rupiah:		
ABN Amro Bank	20,000	90,000
Rabo Bank	20,000	-
Standard Chartered Bank	-	60,000
Bank Mandiri	30,000	-
Citibank	-	280
Third parties – US Dollars:		
Bank Mizuho Indonesia	20,580	36,432
Bank Mandiri	61,740	-
Citibank	41,160	-
ANZ Bank	123,480	18,216
Third parties – Euro:		
Citibank	-	22,420
Bank Mizuho Indonesia	24,740	-
Deutsche Bank	-	44,840

The interest rates per annum for the above time deposits are as follows:

Rupiah	7.0% -10.0%	5.0% - 7.4%
US Dollars	3.3% - 4.0%	1.1% - 1.4%
Euro	1.8% - 1.9%	1.8% - 1.9%

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	2005	2004
<b>5, Trade debtors</b>		
Third parties :	817,644	750,766
Rupiah	793,342	741,360
US Dollars	32,110	14,836
Less: Allowance for doubtful accounts	(7,808)	(5,430)
Third party trade debtors denominated in Rupiah comprise receivables from customers throughout the Indonesian archipelago.		
Third party trade debtors denominated in US Dollars comprise receivables from foreign customers.		
Related parties :	54,228	49,930
Unilever Taiwan Ltd.	3,960	9,066
Unilever Philippines (PRC), Inc.	341	12,203
Unilever Australia Ltd.	20,661	7,922
Unilever Malaysia Holdings Sdn. Bhd.	14,696	9,138
Unilever Chile Ltd.	-	1,434
Unilever Singapore Pte. Ltd.	2,754	4,772
Unilever New Zealand	6,215	3,348
Unilever Market Development South Africa	1,321	-
PT Diversey Indonesia	1,488	1,044
Unilever Thai Holdings Ltd.	1,834	266
Others (respective individual balances less than Rp 1,000)	958	737
Ageing analysis of trade receivables:	817,644	750,766
Current	773,557	706,679
Overdue 1 – 30 days	44,087	44,087
Movements in the allowance for doubtful accounts are as follows:	(7,808)	(5,430)
Allowance for doubtful accounts – beginning	(6,118)	(2,855)
Amounts provided	(1,690)	(2,575)
Doubtful debts written off	-	-
Allowance for doubtful accounts – ending	(7,808)	(5,430)

Based on a review of the status of accounts receivable at the end of the period, management believes that the allowance for doubtful accounts is sufficient to cover any losses from the non-collection of accounts.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	<b>2005</b>	<b>2004</b>
<b>6. Other debtors</b>	28,816	26,561
Loans to employees	20,080	16,749
Advances	8,139	7,610
Others (respective individual balances less than Rp 1,000)	597	2,202
<p>Management has not made any provision for doubtful accounts for other debtors as they are of the opinion that these receivables will be collectible in full.</p> <p>At September 30, 2005, the Company had forward foreign exchange contracts in US Dollars, for the purchase of foreign currencies which will fall due between November and December 2005. The notional amount of the contracts as at September 30, 2005 was USD 10,000,000 (2004: nil). The forward rates of the contracts range from Rp 10,270 (full amount Rupiah) to Rp 10,495 (full amount Rupiah) per US Dollar 1.</p> <p>The counter parties for the above contracts are ABN, Citibank.</p>		
<b>7. Inventories</b>	693,903	613,915
Finished products	438,666	368,172
Work in process	16,544	10,245
Raw materials	189,069	198,910
Goods in transit	51,686	36,262
Spare parts	24,306	23,926
Provision for obsolete and unused/slow moving stocks	(26,368)	(23,600)
Movements in the provision for obsolete and unused/slow moving stocks are as follows:	(26,368)	(23,600)
Beginning balance	(23,247)	(24,878)
Changes during the period:		
Amounts provided	(25,687)	(4,423)
Amounts written off	22,566	5,701
Ending balance	(26,368)	(23,600)

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

---

Management believes that the provision for obsolete and unused/slow moving stocks is adequate to cover any possible losses arising.

As of September 30, 2005 and 2004 inventories owned by the Company and subsidiaries were insured against the risk of loss due to natural disaster, fire, sabotage and vandalism with a total coverage of Rp 543 billion and Rp 553 billion, respectively, which was considered adequate by management to cover such risks.

**8. Related party transactions**

a. The nature of transactions and relationships with related parties are as follows:

i. The Group sold finished goods to the following related parties:

- Unilever Australia Ltd.
- Unilever Malaysia Holdings Sdn. Bhd.
- Unilever Thai Holdings Ltd.
- Unilever Taiwan Ltd.
- Unilever New Zealand
- Unilever Singapore Pte. Ltd.
- Unilever Philippines (PRC), Inc.
- Unilever Market Development South Africa
- PT Diversey Indonesia
- BBL Japan K.K.
- Unilever Chile Ltd.
- Unilever Hongkong Ltd.

ii. The Group purchased raw materials and others from the following following related parties:

- Lever Faberge Deutschland GmbH
- PT Kimberly Lever Indonesia
- PT Anugrah Setia Lestari
- Lipton Ltd Kenya
- PT Technopia Jakarta
- Unilever Philippines (PRC), Inc.
- Hindustan Lever Limited
- CPC/AJI (Malaysia) Sdn. Bhd.
- Unilever China Ltd.
- Bestfoods (Shandong) Foods Ltd. China

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	2005	2004
iii. Details of the nature and types of transactions with related parties other than mentioned above are as follows:		
	Related parties	Nature of the relationship
-	Unilever Business Group Services B.V.	Affiliated company
-	Unilever N.V.	Ultimate shareholder
-	Unilever United States. Inc.	Affiliated company
-	Unilever United Kingdom Central Resources	Affiliated company
-	PT Anugrah Setia Lestari	Affiliated company
-	Unilever Thai Trading	Affiliated company
-	Hindustan Lever	Affiliated company
		Type of transactions
		Payments for regional services/reimbursements of regional research costs paid by the Company
		Royalty payments
		Expense reimbursements
		Expense reimbursements
		Manufacturing fees
		Expense reimbursements
		Expense reimbursements

b. Significant agreements with related parties

The Company

- i. Under the terms and conditions of an agreement with the Unilever group of companies which is valid until a date that is yet to be determined, certain services are provided by Unilever N.V. to the Company. The Company also has the right to use all Indonesian patents and trade marks owned by Unilever N.V. or any member of the Unilever group of companies. The agreement further provides that the Company shall, in consideration for granting of these rights, pay an annual contribution to Unilever Group equal to two percent (including withholding tax Article. 26) of the value of sales made to third parties during the period.
- ii. In 1997, the Company entered into an agreement with Unilever Business Group Services B.V. ("UBGS") companies which is valid until a date that is yet to be determined. Under this agreement, the Company shall pay an annual fee amounting to 1.5% of sales for regional services provided by UBGS and the Company shall charge UBGS for business group costs paid by Company.
- iii. On April 7, 2000 the Company entered into a distribution agreement with PT Kimberly Lever Indonesia ("KLI") companies which is valid until a date that is yet to be determined, whereby KLI appointed the Company as its exclusive distributor of KLI's products sold in Indonesia.

The Subsidiaries

- i. On March 1, 2001 PT Anugrah Lever ("PT AL"), the subsidiary, entered into a food distribution agreement with PT Anugrah Kasih Karunia ("PT AKK"), whereby PT AL appointed PT AKK as its distributor for the Jakarta, Bogor, Tangerang and Bekasi areas. This agreement was terminated in April 2003.
- ii. On July 17, 2002 PT Technopia Lever ("PT TL") entered into a manufacturing agreement with PT Technopia Jakarta, to appoint PT Technopia Jakarta to manufacture, pack, store and supply PT TL's products exclusively for PT TL in Indonesia. The initial term of this agreement is for a period of 10 years and can be extended for further period of 5 years.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	<b>2005</b>	<b>2004</b>
iii. On July 17, 2002 PT TL entered into a technology transfer agreement with Fumakilla Malaysia Berhad (“Fumakilla”) and PT Technopia Jakarta (“Technopia”), in which Fumakilla agreed to grant PT TL and Technopia a license to use technical information and know-how in connection with the manufacturing, development and use of products, on the terms and conditions set forth in this agreement. The initial term of this agreement is for a period of 10 years and can be extended for further period of 5 years. Under this agreement, PT TL shall pay a royalty of 1% of net sales on a quarterly basis, exclusive of Value Added Tax and any other taxes.		
iv. On July 17, 2002 PT TL entered into a trademark license agreement with Unilever N.V., under which PT TL is entitled to use the “Domestos Nomos” trademark in Indonesia in connection with the manufacturing, packaging, advertising and sales of these products in Indonesia. The initial term of this agreement is for a period of 10 years and can be extended for further period of 5 years. Under this agreement, PT TL shall pay a royalty of 1% of net sales on a quarterly basis, exclusive of Value Added Tax and any other taxes.		
v. On July 17, 2002 PT TL entered into a management service agreement with Texchem Resources Berhad (“Texchem”). Under this agreement. PT TL agrees to accept Texchem’s assistance in managing its business within Indonesia. This agreement covers a period of five years, unless terminated in accordance with the provisions specified in the agreement. PT TL shall pay Texchem a monthly management fee as specified in the agreement.		

The summary of receipts from and payments to related parties are as follows:

	<b>2005</b>	<b>2004</b>
Payments to related parties	259,383	219,201
As percentage to total operating expenses	12.7%	11.3%
Service fee to Unilever N.V.	143,368	120,260
Service fee to UBGS	106,841	89,617
Manufacturing fee to PT ASL	9,174	8,078
Others (respective individual balances less than Rp 1,000)	-	1,246

See Notes 24 and 25 for details of sales and purchases of goods and services to/from related parties.

All transactions with related parties are conducted on the same terms and conditions as those with non-related parties.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	<b>2005</b>	<b>2004</b>
c. Amounts due from related parties	19,028	12,338
Unilever Business Group Services B.V.	-	3,509
PT Kimberly Lever Indonesia	18,011	8,059
Others (respective individual balances less than Rp 1,000)	1,017	770
<p>Management has not made a provision for doubtful accounts as they are of the opinion that these receivables will be collectible in full.</p>		
d. Amounts due to related parties	73,322	42,446
Unilever N.V.	59,960	33,368
Unilever United Kingdom Central Resources	6,610	-
Unilever Thai Trading	663	5,964
Unilever United States, Inc.	2,455	1,315
Hindustan Lever	1,768	-
Others (respective individual balances less than Rp 1,000)	1,866	1,799
e. Employee loans to key management personnel	6,346	5,504
Loans:		
- Current	20,080	16,749
- Non current	28,282	22,053
	48,362	38,802
Less: employee loans to non-key management personnel	42,016	33,298
<p>The Company provides its personnel with non-interest bearing loans. The loans are repayable by installments deducted from the related employees monthly salaries.</p>		
f. Salaries and allowances of the Boards of commissioners and directors.	16,453	22,092
<p>Included in the Board of directors remuneration package are housing and vehicle facilities.</p>		
As a percentage to total employee costs	4%	5.5%

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

g. The share matching plan

A summary of the share matching plan is as follows:

	2005		2004	
	Number of shares matched	Average price per share (full amount Rupiah)	Number of shares matched	Average price per share (full amount Rupiah)
Balance at January 1	1,252,638	-	840,431	-
Shares granted:				
- Unilever N.V.	223	627,836	2,256	602,405
- Unilever PLC	1,551	90,269	15,578	87,240
- PT Unilever Indonesia Tbk	55,497	3,680	404,605	3,675
Bonus shares canceled:	(35,239)	3,675	-	-
Balance at September 30	1,274,670		1,260,431	

Deferred charges for the share matching plan as at September 30, are as follows:

	2005	2004
Balance at January 1	3,745	3,562
Shares granted:		
- Unilever N.V.	140	1,359
- Unilever PLC	140	1,359
- PT Unilever Indonesia Tbk	204	1,487
Bonus shares canceled:	(130)	-
	4,099	7,767
Charged to the consolidated statements of income	-	(1,631)
Balance at September 30	4,099	6,127

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	<b>2005</b>	<b>2004</b>
<b>9. Prepaid expenses</b>	37,088	63,902
Prepaid rents	11,467	18,526
Advertising expenses	5,885	890
Information technology consultant	5,889	29,737
Others (respective individual balances less than Rp 1,000)	13,847	14,749

**10. Fixed Assets**

a. Movements by major classifications of fixed assets are as follows :

	<b>Balance December 31, 2004</b>	<b>Additions</b>	<b>Transfers</b>	<b>Disposals</b>	<b>Balance September 30, 2005</b>
<u>Direct ownership</u>					
At cost (inclusive of revaluation increments):					
Land	64,945	757	-	-	65,702
Buildings	270,156	282	27,727	(149)	298,016
Machinery and equipment	1,146,330	9,229	85,127	(12,499)	1,228,187
Motor vehicles	41,102	6,637	-	(3,372)	44,367
Construction in progress	121,100	78,263	(112,854)	-	86,509
Total	<u>1,643,633</u>	<u>95,168</u>	<u>-</u>	<u>(16,020)</u>	<u>1,722,781</u>
Accumulated depreciation:					
Buildings	(26,712)	(5,228)	-	7	(31,933)
Machinery and equipment	(252,519)	(46,856)	-	10,544	(288,831)
Motor vehicles	(16,000)	(3,731)	-	2,314	(17,417)
Total	<u>(295,231)</u>	<u>(55,815)</u>	<u>-</u>	<u>12,865</u>	<u>(338,181)</u>
Net book value	<u>1,348,402</u>				<u>1,384,600</u>

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	<u>Balance December 31, 2003</u>	<u>Additions</u>	<u>Transfers</u>	<u>Disposals</u>	<u>Balance September 30, 2004</u>
<i>Direct ownership</i>					
At cost (inclusive of revaluation increments):					
Land	44,732	20,110	103	-	64,945
Buildings	160,966	5,164	28,169	(250)	194,049
Machinery and equipment	764,912	4,065	165,706	(33,107)	901,576
Motor vehicles	42,359	151	2,164	(2,069)	42,605
Construction in progress	148,812	170,681	(196,142)	-	123,351
Total	<u>1,161,781</u>	<u>200,171</u>	<u>-</u>	<u>(35,426)</u>	<u>1,326,526</u>
Accumulated depreciation:					
Buildings	(21,881)	(3,243)	-	11	(25,113)
Machinery and equipment	(250,022)	(34,848)	-	32,509	(252,361)
Motor vehicles	(13,398)	(3,757)	-	1,426	(15,729)
Total	<u>(285,301)</u>	<u>(41,848)</u>	<u>-</u>	<u>33,946</u>	<u>(293,203)</u>
Net book value	<u>876,480</u>				<u>1,033,323</u>

- b. On September 2004, the Company's certain assets were revalued in accordance with Minister of Finance decree No. 486/KMK.03/2002 and the decree of Director General of Tax No. KEP-519/PJ/2002 dated December 2, 2002. The revaluation was performed by PT Artanila Permai, an independent appraisal company, resulting an increment of Rp 291,583 and was approved by the tax office in its decision letter No. KEP-14/WPJ.19/BD.04/2004 dated December 20, 2004. The independent appraisal used the cost approach in determining the fair value of those assets. The carrying value of buildings, machinery and equipment that were revalued on August 2004 (at the revaluation date) was Rp 441,411.

The above revaluation increment and the deferred tax effect of Rp 37,522 net of the final tax of Rp 41,666 were credited to the "Fixed asset revaluation reserve" account, presented in the equity section of the consolidated balance sheet.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	2005	2004
<p>c. The Company has 32 plots of land with <i>Hak Guna Bangunan</i> titles and 1 plot of land with <i>Hak Pakai</i> title which have remaining useful lives ranging from 4 to 18 years expiring between 2009 until 2023.</p>		
<p>d. The calculation of the gain/(loss) on disposals of fixed assets is as follows:</p>		
	(1,973)	1,259
Gain/(loss) on sale of fixed assets	(1,412)	2,768
Acquisition costs	14,242	16,220
Accumulated depreciation	(11,647)	(12,345)
Net book value	2,595	3,875
Proceeds	1,183	6,643
Gain/(loss) on sale of fixed assets	(1,412)	2,768
(Loss) on sale of fixed assets	(561)	(1,509)
Acquisition costs	1,779	26,090
Accumulated depreciation	(1,218)	(24,581)
Net book value	561	1,509
(Loss) on sale of fixed assets	(561)	(1,509)
<p>e. Construction in progress as of September 30:</p>		
	86,508	143,028
Buildings	-	1,446
Machinery and equipment	86,508	141,582
<p>The percentage of completion for construction in progress is approximately 75% (2004: 53%) of the total budgeted costs.</p>		
<p>f. Depreciation expense was allocated as follows:</p>		
	55,815	41,848
Cost of goods manufactured	42,754	26,907
Operating expenses	13,061	14,941
<p>g. The Group's fixed assets have been insured against the risk of loss with total coverage of approximately USD 174 million and Rp 41,866 million (2004: USD 180 million and Rp 44,316 million) which was considered adequate by management to cover possible losses arising from such risks.</p>		

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	<b>2005</b>			<b>2004</b>
Insurance coverage by fixed asset class is as follows:				
<b>Period ended September 30, 2005:</b>				
	Insured amounts			Net book value of fixed assets
	USD million	Rp millions equivalent	Rp millions	Rp millions
Buildings, machinery and equipment	174	1,793,568	-	1,205,439
Motor vehicles	-	-	41,866	26,950
	<u>174</u>	<u>1,793,568</u>	<u>41,866</u>	<u>1,232,389</u>
<b>Period ended September 30, 2004:</b>				
	Insured amounts			Net book value of fixed assets
	USD million	Rp millions equivalent	Rp millions	Rp millions
Buildings, machinery and equipment	180	1,638,793	-	818,151
Motor vehicles	-	-	44,316	26,876
	<u>180</u>	<u>1,638,793</u>	<u>44,316</u>	<u>845,027</u>
		<b>2005</b>	<b>2004</b>	
<b>11. Intangible assets</b>		170,729	178,865	
Cost		234,519	227,585	
Less: Accumulated amortisation		(63,790)	(48,720)	
Amortisation expense		11,880	9,568	

Intangible assets comprise primarily operating rights, trademarks and copyrights relating to the Hazeline, Bango and Taro products.

The Hazeline and Bango intangible assets were acquired in 1995 and 2000, respectively.

On July 31, 2003, the Company acquired the operation rights, trademark and copyrights on Taro products amounting to Rp 100,000.

In the year 2005, there is additional software amounting to Rp 6,934.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	<b>2005</b>	<b>2004</b>
<b>12. Other assets</b>	59,684	38,734
Loans to employees	28,283	22,053
Refundable deposits	11,604	9,568
Prepaid rents	19,797	7,113
<p>Management has not made any provision for doubtful accounts as they are of the opinion that the loans to employees and the refundable deposits will be collectible in full.</p>		
<b>13. Trade creditors</b>		
Third parties :	482,714	408,051
- Rupiah	390,206	310,555
- Foreign currencies	92,508	97,496
Related parties	56,173	27,025
Unilever China Ltd.	23,964	153
Bestfoods (Shandong) Foods Ltd. (China)	-	1,529
Hindustan Lever Limited	2,335	-
Lipton Ltd. Kenya	12,134	7,045
Lever Faberge Deutschland GmbH	4,769	7,507
CPC/AJI (Malaysia) Sdn. Bhd.	3,211	-
PT Kimberly Lever Indonesia	7,654	8,654
Others (respective individual balances less than Rp 1,000)	2,106	2,137
<p>These balances arise from the purchases of raw materials, technical materials, supplies and advertising.</p>		
<b>14. Taxation</b>		
a. Income tax expense		
The Group	521,771	476,596
Current	509,618	473,744
Deferred	12,153	2,852
The Subsidiaries	400	4,807
Current	250	4,805
Deferred	150	2

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	2005	2004
The Company	521,371	471,789
Current	509,368	468,939
Deferred	12,003	2,850

The income tax expense represents the income tax expense of the Company and its subsidiary ("PT AL"). As at September 30, 2005 PT Technopia Lever was still in a commercial and fiscal loss position, hence did not record any income tax expense or liabilities.

A reconciliation between profit before income tax as shown in the consolidated financial statements and the Company's estimated taxable income for the period ended September 30, 2005 and 2004 is as follows:

Consolidated profit before income tax	1,720,968	1,570,695
Net (gain) from subsidiaries before income tax	(984)	(11,125)
Profit before income tax – the Company	1,719,984	1,559,570
Temporary differences:		
Provisions	22,335	16,409
Difference between book and tax depreciation and amortisation	(68,912)	(25,680)
Provision for retirement benefits	15,914	(230)
Permanent differences:		
Interest income subject to final tax	(24,156)	(29,509)
Non-deductible expenses	31,304	42,629
Tax assessments on 1999	(827)	-
	1,695,642	1,563,189
Tax losses compensated	-	-
Taxable income – the Company	1,695,642	1,563,189

The reconciliation between the Company's income tax expense and the theoretical tax amount on the Company's profit before income tax is as follows:

Profit before income tax	1,719,984	1,559,570
Income tax expense	521,371	471,789
Tax calculated at progressive rates:	515,979	467,854
Income subject to final tax	(9,502)	(9,190)
Non-deductible expenses	11,646	13,125
Tax penalty refund	(248)	-
Deferred tax	3,496	-

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	2005	2004
b. Deferred tax asset	40,597	37,547

The temporary difference calculated at the maximum tax rate (30%).

	December 31, 2004	Merger	Charged to fixed assets revaluation surplus	Credited/ (charged) to the consolidated statement of income	September 30, 2005
Deferred tax asset - the Group	52,226	-	524	(12,153)	40,597
Deferred tax asset - the Company:					
- Provisions	85,278	-	-	6,699	91,977
- Difference between book and tax depreciation and amortisation	(23,203)	-	-	(23,477)	(46,680)
- Provision for retirement benefits	(11,694)	-	524	(4,139)	(15,309)
- Provision for employee compensation	1,545	-	-	8,914	10,459
	51,926	-	524	(12,003)	40,447
Deferred tax asset - the subsidiary, net	300	-	-	(150)	150
	December 31, 2003	Merger	Charged to fixed assets revaluation surplus	Credited/ (charged) to the consolidated statement of income	September 30, 2004
Deferred tax asset - the Group	40,399	-	-	(2,852)	37,547
Deferred tax asset - the Company:					
- Provisions	94,756	-	-	4,922	99,678
- Difference between book and tax depreciation and amortisation	(49,214)	-	-	(7,704)	(56,918)
- Provision for retirement benefits	(15,170)	-	-	537	(14,633)
- Provision for employee compensation	10,013	-	-	(605)	9,408
	40,385	-	-	(2,850)	37,535
Deferred tax asset - the subsidiary, net	14	-	-	(2)	12

Management believes that the Company's deferred tax asset as at September 30, 2005 will be realised in the foreseeable future.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	2005	2004
As at September 30, 2005 deferred tax asset of PT Technopia Lever (the subsidiary) which was mainly derived from the carried forward tax losses amounting to Rp 19,402 have not been booked due to the uncertainty of its realisation in the foreseeable future.		
c. Prepaid taxes	5,536	2,211
The Subsidiaries:		
Value added tax	5,536	2,211
d. Taxes payable	94,699	138,082
- The Company	97,026	133,894
- The Subsidiaries	(2,327)	4,188
Taxes payable - the Company	97,026	133,894
Income tax expense – current period	509,368	468,939
Less: Prepaid tax	(453,121)	(347,672)
Corporate income tax payable	56,247	121,267
Other taxes payable:		
- Employee income tax Article 21	8,730	3,616
- Value added tax	26,455	3,658
- Withholding taxes Articles 23/26	5,594	5,353
Taxes payable - the subsidiaries	(2,327)	4,188
Income tax expense – current period	250	4,805
Less: Prepaid tax	(3,222)	(1,017)
Corporate income tax payable	(2,972)	3,788
Other taxes payable:		
- Employee income tax Article 21	1	2
- Withholding taxes Articles 23/26	644	398
e. Tax assessments		

On December 16, 2003 the Company received a tax assessment letter confirming an underpayment of income tax amounting to Rp 298 million. This underpayment was paid in December 2003 and charge to expense in 2003. The Company lodged an objection against the assessment and the tax office accepted the objection in December 2004.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	2005	2004
<p>In June 2002, the Company received a tax assessment letter confirming an underpayment of 1999 corporate income tax and value added tax amounting to Rp 1,342 and Rp 4,527 respectively. These underpayments were paid in July 2002. The Company lodged an objection to Rp 1,788 of the value added tax assessment. The tax office accepted part of the objection filed by the Company amounting to Rp 508, which was offset against the value added tax payable for September 2003. In the subsequent appeal process, the tax office accepted the Company's objection. The final result of the Company's objection amounting to Rp 1,280 was offset against the 2004 value added tax payable and income tax Article 21.</p> <p>As at the date of the preparation of this report, the Company is being audited by the tax authorities for the 2000 value added tax and 2001 withholding taxes, and also for all taxes relating to 2002 and 2003 fiscal years.</p> <p>f. Administration</p> <p>Under the taxation laws of Indonesia, the Group submits its tax returns on the basis of self-assessment. The tax authorities may assess or amend taxes within ten years from the date the tax becomes due.</p>		
<b>15. Accrued expenses</b>	387,374	382,433
Sales expenses	95,728	89,655
Employee bonus	82,047	66,299
Employee expenses	85,208	100,163
Insurance	25,611	13,439
ULI Peduli foundation	14,328	16,537
Others (respective individual balances less than Rp 10,000)	84,452	96,340
<b>16. Other liabilities</b>	339,486	295,281
Advertising and promotion expenses	271,787	242,898
Consultant fees and other services	43,968	32,217
Technical parts	6,279	15,245
Others (respective individual balances less than Rp 10,000)	17,452	4,921

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	<b>2005</b>	<b>2004</b>
<b>17. Employee benefits</b>		
<b>The Company</b>		
The Company received approval from the Minister of Finance of the Republic of Indonesia on July 3, 2000 to establish a separate trustee-administered pension fund, Dana Pensiun Unilever Indonesia (the "Fund"), for which substantially all employees, after serving a qualifying period, are entitled to defined benefits on retirement, disability or death.		
The Fund is funded through contributions, made primarily by the Company, sufficient to meet the minimum requirements set forth in the applicable pension legislation.		
Employee benefits recognised in the consolidated balance sheets consisted of:		
Prepaid pension expense	(19,118)	(48,775)
Employee benefit obligation	16,570	31,359
Post-employment medical benefits obligation	30,716	-
Other employee benefits obligation/UU13	6,348	-
Pension benefit obligation	(20,494)	31,359
The amounts recognised in the consolidated statement of income are as follows:		
	22,164	51,147
Pension benefits	16,741	19,788
Post-employment medical benefits	2,477	-
Actuarial loss	1,748	-
Other employee benefits	1,198	31,359
- Pension benefits		
The amounts recognised in the consolidated balance sheets are determined as follows:		
Present value of funded obligations	328,952	130,214
Fair value of plan assets	(355,827)	(219,802)
	(26,875)	(89,588)
Unrecognised actuarial losses	1,748	4,884
Unrecognised past service cost	2,334	4,570
Medical after retired	2,477	-
Other employee benefits	1,198	31,359
Prepaid pension expense	(19,118)	(48,775)

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	2005	2004
Pension benefit expense consisted of the following components	18,488	19,788
Current service cost	17,507	14,129
Interest cost	22,615	(3,793)
Expected return on plan assets	(25,716)	-
Net actuarial losses recognised during the period	1,748	4,882
Past service cost	2,334	4,570
<p>Of the total charge of Rp 6,164, Rp 1,829 (2004: Rp 3,903) and Rp 4,335 (2004: Rp 7,065) were included in cost of goods sold and general and administration expenses respectively.</p> <p>The movement in the prepaid pension expense recognised in the balance sheet is as follows:</p>		
	(47,396)	(48,775)
Beginning of the period	(38,982)	(50,566)
Charged to consolidated statement of income	20,415	19,791
Actuarial loss	1,748	-
Contributions paid	(30,577)	(18,000)

The estimated actuarial liability and fair value of the fund assets per September 30, 2005 and 2004 were based on the actuarial calculations by PT Watson Wyatt Purbajaga in its report dated January 5, 2005 (2004: dated February 25, 2004) using the principal actuarial assumptions as follows:

- a. Discount rate : 10% per annum
- b. Pensionable salary increase : 8% per annum
- c. Expected return on plan assets : 12% per annum

- Post-employment medical benefits

The Company provides a post-employment medical benefits scheme. The accounting method, assumptions and the frequency of valuations are similar to those used for the Company's defined benefit pension scheme. There are no plan assets for the post-employment medical benefits. The post-employment medical benefits scheme is self funded.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	2005	2004
The estimated actuarial liability as at September 30, 2005 was based on the actuarial calculations performed by PT Watson Wyatt Purbajaga in its report dated January 5, 2005 using the main actuarial assumption of long-term increase in health cost of 8% per annum. The amounts recognised in the consolidated balance sheet were determined as follows:	30,716	-
Present value of unfunded obligations	28,632	-
Unrecognised actuarial losses	-	-
Unrecognised past service cost	-	-
Interest Expense	2,084	-
The amounts recognised in the consolidated statement of income were as follows:	2,476	19,788
Current service cost	392	14,129
Interest cost	2,084	(3,793)
Net actuarial losses recognised in period	-	4,882
Past service cost	-	4,570
<b>18. Minority interests</b>		
a. Minority interests in the net assets of subsidiaries:	14,448	20,974
PT Anugrah Lever		
Percentage of ownership 35%	9,387	11,656
Carrying amount – beginning	12,559	8,750
2004 interim dividend paid to PT Anugrah Indah Pelangi	(2,734)	-
2004 interim dividend paid to PT Anugrah Damai Pratama	(1,116)	-
2003 Final dividend paid to PT Anugrah Indah Pelangi	-	(1,400)
Share of net profit/(loss) – current period	678	4,306
PT Technopia Lever		
Percentage of ownership 49%	5,061	9,318
Carrying amount – beginning	5,724	-
Investment of PT Technopia Singapore Pte. Ltd	-	12,250
Share of net loss – current period	(663)	(2,932)
b. Minority interests in the net loss of the subsidiaries:	15	1,374
PT Anugrah Lever	678	4,306
PT Technopia Lever	(663)	(2,932)

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	2005	2004
<b>19. Share capital</b>	76,300	76,300
Authorised, issued and fully paid-up by:		
Maatschappij voor Internationale Beleggingen (Mavibel) B.V. Rotterdam, Netherlands: 6,484,877,500 shares, with par value of Rp 10 per share (full amount Rupiah).	64,849	64,849
Public (listed on the Jakarta Stock Exchange and Surabaya Stock Exchange): 1,145,122,500 shares, with par value of Rp 10 per share (full amount Rupiah).	11,451	11,451
At September 30, 2005, Mavibel B.V. which held 6,484,877,500 shares or 85% of the total authorised, issued and fully paid-up shares of the Company was the largest shareholder of the Company; there were no other shareholders held more than 5% of the total authorised, issued and fully paid-up shares of the Company.		
As of September 30, 2005 and 2004, Directors who held the Company's public shares were:		
- Mr. Josef Bataona		
The highest individual ownership is not more than 0.001% of the authorised, issued and fully paid-up shares of the Company.		
There were no members of the Board of commissioners who held the Company's public shares.		
<b>20. Capital paid in excess of par value</b>	15,227	15,227

Capital paid in excess of par value represents the difference between the selling price (Rp 3,175 per share) (full amount Rupiah) and the par value prior to the share splits (Rp 1,000 per share) (full amount Rupiah) of 9,200,000 shares issued on the Indonesian Stock Exchanges in December 1981, net of the distribution of 4,783,333 bonus shares amounting to Rp 4,783,333,000 (full amount Rupiah) in 1993.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	2005	2004
<b>21. Balance arising from restructuring transactions between entities under common control</b>	80,773	-
Total equity excluding accumulated deficit of PT Knorr Indonesia	85,173	-
Purchase price of PT Knorr Indonesia's shares	(4,400)	-

**22. Dividends**

The Group	1,072,050	993,300
The Company	1,068,200	991,900

	Payment dates	Dividend per share (full amount Rupiah)	Payments in 2005	Payments in 2004
Final dividend 2004	July 27, 2005	80	610,400	-
Interim dividend II 2004	March 24, 2005	60	457,800	-
Final dividend 2003	August 5, 2004	80	-	610,400
Interim dividend II 2003	March 5, 2004	50	-	381,500

The Subsidiaries	3,850	1,400
------------------	-------	-------

	Payment dates	Dividend per share (full amount Rupiah)	Payments in 2005	Payments in 2004
Final dividend 2004 to PT Anugrah Indah Pelangi	May 23, 2005	300,000	1,243	-
Interim dividend 2004 to PT Anugrah Indah Pelangi	March 15, 2005	300,000	1,491	-
Final dividend 2004 to PT Anugrah Damai Pratama	May 23, 2005	300,000	507	-
Interim dividend 2004 to PT Anugrah Damai Pratama	March 15, 2005	300,000	609	-
Final dividend 2003 to PT Anugrah Indah Pelangi	May 29, 2004	200,000	-	1,400

**23. Statutory reserve**

	15,848	15,260
--	--------	--------

At the Company's Annual General Meeting of the Shareholders on May 31, 1999, the Company established a statutory reserve from the 1998 net profit amounting to Rp 15,260 in accordance with Article 61 of the Indonesian Limited Company Law No. 1 year 1995.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	<b>2005</b>	<b>2004</b>
<b>24. Net Sales</b>	7,609,797	6,599,908
Domestic	7,181,552	6,202,326
Export	428,245	397,582
<p>No individual customer had total transactions of more than 10% of net sales.</p> <p>The Group's sales to related parties amounted to Rp 273,342 and Rp 326,013 for the period ended September 30, 2005 and 2004, respectively, which represent 3.59% and 4.94% of total net sales respectively.</p> <p>The details of sales to related parties are as follows:</p>		
	273,342	326,013
Unilever Australia Ltd.	78,938	77,424
Unilever Market Development South Africa	11,672	-
Unilever Malaysia Holdings Sdn. Bhd.	76,048	74,845
Unilever Philippines (PRC), Inc.	37,292	61,518
Unilever Taiwan Ltd.	10,584	31,738
Unilever Singapore Pte. Ltd.	22,314	33,271
Unilever New Zealand	19,307	22,473
Unilever Thai Holdings	10,808	12,134
Unilever Chile Ltd.	-	4,944
Unilever Hongkong Ltd.	2,991	3,714
BBL Japan K.K.	1,811	1,616
Others (respective individual balances less than Rp 1,000)	1,577	2,336
<b>25. Cost of goods sold</b>	<b>3,871,964</b>	<b>3,151,903</b>
<p>The components of cost of goods sold are as follows:</p>		
Raw materials		
- At the beginning of the period	191,872	140,775
- Purchases	3,544,170	2,882,537
	3,736,042	3,023,312
- At the end of the period	(238,692)	(235,498)
Raw materials used	3,497,350	2,787,814
Direct labour	145,696	129,926
Depreciation	42,762	26,907
Manufacturing overheads	205,940	203,725
Total production cost	3,891,748	3,148,372
Work in process		
- At the beginning of the period	8,454	7,694
- At the end of the period	(16,545)	(10,245)
Cost of goods manufactured	3,883,657	3,145,821
Finished products		
- At the beginning of the period	426,973	374,254
- At the end of the period	(438,666)	(368,172)

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	<b>2005</b>	<b>2004</b>
No purchases from individual suppliers were made in excess of 10% of the Group's purchases.		
The Group's purchases from related parties, amounted to Rp 172,129 and Rp 97,650 for the period ended September 30, 2005 and 2004 respectively, which represent 4.86% and 3.39% respectively of the total purchases of goods and services.		
Purchases of goods and services from related parties comprise:	172,129	97,650
PT Kimberly Lever Indonesia	50,385	38,499
PT Anugrah Setia Lestari	64,285	38,964
PT Technopia Jakarta	18,305	16,148
Lipton Ltd. Kenya	7,982	3,448
Unilever Philippines (PRC) Inc.	1,149	-
Hindustan Lever	6,367	-
Unilever China Limited	22,787	-
Others (respective individual balances less than 1,000)	869	591
<b>26. a. Marketing and selling expenses</b>	<b>1,608,463</b>	<b>1,576,527</b>
Advertising, promotion and research	986,648	983,016
Distribution costs	295,211	294,803
Remuneration	204,982	195,054
Travelling and representation	18,280	14,067
Rents	14,214	13,121
Depreciation of fixed assets	5,066	7,917
Telecommunications	11,060	9,030
Repairs and maintenance	8,211	4,325
Others (respective individual balances less than Rp 1,000)	64,791	55,194
<b>b. General and administration expenses</b>	<b>434,712</b>	<b>361,885</b>
Service fees	250,209	209,877
Remuneration	89,971	80,252
Pension	16,741	19,790
Telecommunications	14,569	18,795
Rental expenses	27,021	17,226
Consultants fees	8,417	5,263
Education and training	6,576	7,141
Depreciation of fixed assets	7,995	7,024
Travelling and representation	6,855	6,355
Allowance for doubtful debts	351	348
Repairs and maintenance	2,603	1,689
Others (respective individual balances less than Rp 1,000)	3,404	(11,875)

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	<b>2005</b>	<b>2004</b>
<b>27. Employee costs</b>	440,649	405,232
<p>The number of permanent employees of the Company as of September 30, 2005 and 2004 were 3,010 and 3,000 respectively.</p> <p>As at September 30, 2005 and 2004, the subsidiaries (PT Anugrah Lever and PT Technopia Lever) had no permanent employees.</p>		
<b>28. Basic earnings per share</b>		
Net income attributable to the shareholders	<u>1,199,182</u>	<u>1,092,725</u>
Weighted average number of ordinary shares (in thousands)	<u>7,630,000</u>	<u>7,630,000</u>
Basic earnings per share (full amount Rupiah)	<u><u>157</u></u>	<u><u>143</u></u>

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

**29. Assets and liabilities in foreign currencies**

Assets and liabilities denominated in various foreign currencies are as follows:

	<b>2005</b>		
	Foreign currency		Rupiah millions
<b>Assets</b>			
Cash and cash equivalents	USD	28,692,999	295,251
	EUR	3,079,316	38,091
Trade debtors			
- Third parties	USD	3,120,493	32,110
- Related parties	USD	5,125,340	52,740
Amounts due from related parties	USD	98,798	1,017
			<u>419,209</u>
<b>Liabilities</b>			
Trade creditors			
- Third parties	AUD	72,966	571
	EUR	142,398	1,761
	GBP	435,791	7,892
	USD	7,996,474	82,284
- Related parties	AUD	89	1
	EUR	385,536	4,769
	USD	4,251,650	43,750
Other liabilities	CHF	4,282	34
	EUR	4,571	57
	MYR	6,463	18
	THB	4,782,926	1,200
	USD	138,512	1,425
Amounts due to related parties	AUD	4,465	35
	EUR	53,298	659
	GBP	367,830	6,661
	SGD	69,700	424
	THB	8,902	2
	USD	6,369,254	65,541
			<u>217,084</u>
Excess of assets over liabilities in foreign currencies			<u>202,125</u>

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	<b>2004</b>	
	Foreign currency	Rupiah millions
<b>Assets</b>		
Cash and cash equivalents	USD 11,985,118	109,161
	EUR 7,457,188	83,595
Trade debtors		
- Third parties	USD 1,628,897	14,836
- Related parties	USD 5,367,369	48,886
Amounts due from related parties	USD 1,354,582	12,338
		268,816
<b>Liabilities</b>		
Trade creditors		
- Third parties	AUD 157,149	1,022
	CHF 13,275	96
	EUR 418,962	4,697
	GBP 475,584	7,804
	JPY 943,950	78
	THB 32,005	7
	USD 9,199,820	83,792
- Related parties	USD 1,168,417	10,642
	EUR 669,683	7,507
	THB 1,006,610	222
Other liabilities	AUD 1,225	8
	EUR 25,376	284
	GBP 9,067	149
	MYR 6,580	16
	PHP 6,061	1
	SGD 44,867	242
	THB 1,008,953	222
	USD 50,769	462
Amounts due to related parties	THB 1,290	284
	EUR 627,615	7,036
	GBP 15,407	253
	SGD 24,569	132
	USD 3,814,339	34,741
		159,697
Excess of assets over liabilities in foreign currencies		109,119

When it is required in the opinion of management, the Group enters into foreign currency exchange contracts with external counterparts to reduce its exposure to foreign exchange movements affecting existing foreign currency denominated assets and liabilities.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

**30. Commitments and contingent liabilities**

a. The Company had commitments to purchase fixed assets and raw materials amounting to Rp 43.2 billion and Rp 5.0 billion respectively as of September 30, 2005 (2004: Rp 29.3 billion and Rp 43.2 billion for purchases of fixed assets and raw materials respectively).

b. Rental commitments under operating leases:

	<b>2005</b>	<b>2004</b>
	USD	USD
	(in thousands)	(in thousands)
Payable within		
1 year	998	962
2 – 5 years	2,374	3,372

c. The Company had revolving credit facilities at September 30, 2005 and 2004 from:

	Short term	Overdraft
	USD (million)	Rp (million)
Citibank	2	-
ABN AMRO Bank	-	175,000
Deutsche Bank	2	-
HSBC	-	-
Total facilities	4	175,000

These facilities are unsecured short-term financing and the interest is paid at prevailing market rates. The facilities are subject to review on annual basis.

On December 7, 2004, ABN AMRO and the Company agreed to use the facility from ABN AMRO as a supplier financing facility for certain of the Company's suppliers.

As at September 30, 2005 and 2004, the Company did not use the facilities from the above mentioned banks, except that ABN AMRO had paid Rp 15,154 to certain of the Company's suppliers. The liabilities arising from this facility was recorded in trade creditors.

d. The Group did not have any significant contingent liabilities as at September 30, 2005 and 2004.

**PT UNILEVER INDONESIA Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005 AND 2004**

*Rupiah millions except otherwise stated*

	2005	2004
<b>31. Business segment information</b>		
a. Activities		
- <i>Home &amp; Personal Care</i> This segment relates to the cleaning, household care and cosmetics products.		
- <i>Foods &amp; Ice Cream</i> This segment relates to foods, beverages and ice cream products.		
b. Information by business segment		
Segment net sales:	7,609,797	6,599,908
Home & Personal Care	6,126,706	5,376,057
Foods & Ice Cream	1,483,091	1,223,851

**32. Reclassification of accounts**

The following reclassifications of accounts of the 2004 consolidated financial statements were made to be consistent with the presentation of the 2005 consolidated financial statements:

- Accrued advertising and accrued technical parts amounting to Rp 290,360 for the period 2004 were reclassified from trade creditors third parties to the other liabilities.