

**PT MINDA ASEAN AUTOMOTIVE
AND SUBSIDIARY**

**Consolidated Financial Statements
For 3 (Three) Months Period Ended March 31, 2016 and
for The Year Ended December 31, 2015**

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARY

Table of Contents	Page
Directors' Statement Letter	
Independent Auditors' Report	
Consolidated Financial Statements For 3 (Three) Months Period Ended March 31, 2016 and for The Year Ended December 31, 2015	
Consolidated Statements of Financial Position	1
Consolidated Statements of Profit or Loss Other Comprehensive Income	3
Consolidated Statements of Changes in Equity	4
Consolidated Statements of Cash Flows	5
Notes to the Consolidated Financial Statements	6



PT. MINDA ASEAN AUTOMOTIVE
Jl. Permata Raya Lot CA/7 KIIC,
West Karawang 41361, West Java, Indonesia
Tel. : +6221-89114674
+62267- 419700, 419701, 419702
Fax : +62267-419703

**BOARD OF DIRECTORS' STATEMENT REGARDING
THE RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS
FOR 3 (THREE) MONTHS PERIOD ENDED MARCH 31, 2016
PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARY**

We, the undersigned:

Name : LILA DHAR AGRAWAL
Office Address : Jl. Permata Raya Lot CA/7 Kawasan Industri KIIC, Sukaluyu
Teluk Jambe, Karawang 41361, West Java
Residential Address : Taman Kemayoran Condominium, Tower Cendana 20/05
Jakarta Pusat
Telephone : (0267) 419701, 419702
Title : Director


declare that:

1. We are responsible for the preparation and presentation of PT Minda Asean Automotive and subsidiary's consolidated financial statements;
2. PT Minda Asean Automotive and subsidiary's consolidated financial statements have been prepared and presented in accordance with Indonesia financial accounting standard;
3. a. All information in the PT Minda Asean Automotive and subsidiary's consolidated financial statements has been disclosed in a complete and truthful manner;
b. PT Minda Asean Automotive and subsidiary's consolidated financial statements do not contain any incorrect information or material fact, nor do they omit information or material fact;
4. We are responsible for PT Minda Asean Automotive and subsidiary's internal control system.

Thus this statement is made truthfully.

Jakarta, April 29, 2016

For and behalf of the Board of Directors


PT MINDA ASEAN AUTOMOTIVE
Jl. Permata Raya Lot CA/7 Kawasan Industri KIIC, Sukaluyu
Teluk Jambe, Karawang 41361, West Java
Tel. : +6221-89114674
+62267- 419700, 419701, 419702
Fax : +62267-419703
000
RIBURUPIAH
LILA DHAR AGRAWAL
Director



RSM

Amir Abadi Jusuf, Aryanto, Mawar & Rekan

Amir Abadi Jusuf, Aryanto, Mawar & Rekan
Registered Public Accountants

Number : R/392.AGA/bna.3/2016

RSMIndonesia
Plaza ASIA, Level 10
Jl. Jend. Sudirman Kav. 59
Jakarta 12190 Indonesia

T +62 215140 1340

F +62 215140 1350

www.rsminonesia.id

Independent Auditors' Report

The Shareholders, Commissioner and Directors
PT Minda Asean Automotive

We have audited the accompanying consolidated financial statements of PT Minda Asean Automotive ("the Company") and its subsidiary, which comprise the consolidated statement of financial position as of March 31, 2016, and the consolidated statements of profit or loss and other comprehensive income, changes in equity, and cash flows flows for the 3 (three) months period 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 these consolidated financial statements in accordance with Indonesian Financial Accounting Standards, 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 the 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 the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risks assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on 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 consolidated financial statements.

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

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of PT Minda Asean Automotive and its subsidiary as of March 31, 2016, and their consolidated financial performance and cash flows for the 3 (three) months period then ended, in accordance with Indonesian Financial Accounting Standards.

Emphasis of matter

As disclosed in Note 2.a of the accompanying consolidated financial statements, this consolidated financial statements is prepared for the purposes of change of financial year. Accordingly, the consolidated financial statements are presented with comparison for 3 (three) months ended March 31, 2016 (the fourth quarter of the year begin from April 1, 2015) and for the year ended December 31, 2015. Our opinion is not modified in respect of this matter.

Amir Abadi Jusuf, Aryanto, Mawar & Rekan



Benny Andria

Public Accountant License Number: AP.0181

Jakarta, April 29, 2016

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of March 31, 2016 and December 31, 2015
(In Full of Rupiah)

	Notes	March 31, 2016 Rp	December 31, 2015 Rp
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	3	16,609,274,507	36,595,731,705
Trade Receivables :			
Related Parties	4	1,665,614,527	77,698,958
Third Parties	4	30,466,242,627	23,436,693,993
Inventories	5	12,718,328,802	12,623,929,994
Prepaid Tax	6	2,378,545,738	2,466,228,887
Prepaid Expenses	7	206,497,427	349,011,952
Advances	8	2,926,511,035	3,395,126,072
Other Receivables from Third Parties	9	31,441,277,095	7,522,031,817
Total Current Assets		98,412,291,758	86,466,453,377
NON CURRENT ASSETS			
Property, Plant and Equipment	10	58,651,238,552	60,317,168,148
Deferred Tax Assets	6	991,229,831	995,938,801
Other Assets	11	66,836,454	87,974,664
Total Non Current Assets		59,709,304,837	61,401,081,613
TOTAL ASSETS		158,121,596,595	147,867,534,991
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Short-Term Bank Loans	12	4,447,567,356	4,406,210,822
Trade Payables			
Related Parties	13	4,070,951,280	2,626,130,344
Third Parties		28,365,630,865	22,609,710,450
Other Payables to Third Parties	14	131,737,482	--
Taxes Payable	6	2,729,668,545	2,611,657,557
Accrued Expenses	15	3,397,262,163	2,658,968,525
Current Maturities of Long-Term Bank Loans	16	6,414,628,512	9,403,016,584
Total Current Liabilities		49,557,446,202	44,315,694,282
NON CURRENT LIABILITIES			
Long-Term Bank Loans - Net of Current Maturities	16	--	108,205,374
Post-Employment Benefits Liabilities	17	3,964,919,320	3,983,755,206
Total Non Current Liabilities		3,964,919,320	4,091,960,581
Total Liabilities		53,522,365,522	48,407,654,863
EQUITY			
Share Capital - Rp91,680 Par Value per Share			
Authorized - 270,000 shares			
Issued and Paid-Up - 106,500 Shares			
as of March 31, 2016 and December 31, 2015, respectively	18	9,763,920,000	9,763,920,000
Foreign Exchange Rate Difference from Paid-Up Capital	18	1,160,985,000	1,160,985,000
Retained Earnings	19	93,613,872,663	88,477,762,526
Total Equity Attributable to Equity Holder of the Parent Entity		104,538,777,663	99,402,667,526
Non-Controlling Interest		60,453,409	57,212,603
Total Equity		104,599,231,072	99,459,880,129
TOTAL LIABILITIES AND EQUITY		158,121,596,595	147,867,534,991

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

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For 3 (Three) Months Period Ended March 31, 2016 and
For the Year Ended December 31, 2015
(In Full of Rupiah)

	Notes	2016 (3 Months) Rp	2015 (1 Year) Rp
Sales	20	68,312,307,709	225,021,913,234
Cost of Goods Sold	21	(50,594,395,877)	(157,447,829,706)
GROSS PROFIT		17,717,911,832	67,574,083,528
OPERATING EXPENSES			
General and Administrative Expenses	22	(11,487,260,458)	(44,802,443,153)
Selling Expenses	23	(373,300,020)	(3,254,833,981)
Total Operating Expenses		(11,860,560,479)	(48,057,277,134)
OPERATING INCOME		5,857,351,353	19,516,806,393
Other Income (Expenses) - Net	24	702,121,131	7,276,698,800
PROFIT BEFORE TAX		6,559,472,484	26,793,505,193
TAX BENEFITS (EXPENSES)			
Current Tax	6	(1,744,337,417)	(5,254,694,202)
Deferred Tax	6	77,522,241	303,162,488
Total Tax Expenses		(1,666,815,176)	(4,951,531,714)
PROFIT OF THE PERIOD/YEAR		4,892,657,308	21,841,973,479
OTHER COMPREHENSIVE INCOME			
Items not to be Reclassified to Profit or Loss :			
Actuarial Gain		328,924,846	541,489,002
Deferred Tax Expense		(82,231,212)	(135,372,250)
Total Other Comprehensive Income - net of tax		246,693,635	406,116,752
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR		5,139,350,942	22,248,090,231
PROFIT FOR THE PERIOD/YEAR ATTRIBUTABLE TO:			
Owners of the Parent Entity		4,889,435,502	21,833,466,730
Non Controlling Interest		3,221,806	8,506,749
TOTAL		4,892,657,308	21,841,973,479
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Owner of the Parent Entity		5,136,110,136	22,239,457,021
Non-Controlling Interest		3,240,806	8,633,210
TOTAL		5,139,350,942	22,248,090,231

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

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For 3 (Three) Months Period Ended March 31, 2016 and
For the Year Ended December 31, 2015
(In Full of Rupiah)

	Notes	Attributable to the Owner of the Parent Entity			Total Non Controlling Interest	Total Equity
		Share Capital	Exchange Rate Differences from Paid-Up Capital	Retained Earnings		
		Rp	Rp	Rp	Rp	Rp
BALANCE AS OF JANUARY 1, 2015		9,763,920,000	1,160,985,000	70,143,873,504	48,579,393	81,117,357,897
Cash Dividends	18	--	--	(3,905,568,000)	--	(3,905,568,000)
Profit for the Year		--	--	21,833,466,730	8,506,749	21,841,973,479
Other Comprehensive Income for the Year		--	--	405,990,292	126,461	406,116,753
BALANCE AS OF DECEMBER 31, 2015		9,763,920,000	1,160,985,000	88,477,762,526	57,212,603	99,459,880,129
Profit for the Period		--	--	4,889,435,502	3,221,806	4,892,657,308
Other Comprehensive Income for the Period		--	--	246,674,635	19,000	246,693,635
BALANCE AS OF MARCH 31, 2016		9,763,920,000	1,160,985,000	93,613,872,663	60,453,409	104,599,231,072

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

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For 3 (Three) Months Period Ended March 31, 2016 and
For the Year Ended December 31, 2015
(In Full of Rupiah)

Notes	2016 (3 Months) Rp	2015 (1 Year) Rp
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Others	67,276,050,222	243,659,338,251
Paid to Suppliers, Employees, Others	(57,873,621,604)	(202,013,178,167)
Payment for Income Tax	(1,822,399,777)	(4,292,348,713)
Interest Paid for Bank Loans	(630,022,209)	(2,359,535,170)
Taxes Refund Received	--	5,539,237,241
Loan to third Parties	(23,592,000,000)	(5,726,478,400)
Net Cash Flows Provided by (Used in) Operating Activities	<u>(16,641,993,368)</u>	<u>34,807,035,042</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Disposal of Property, Plant and Equipment	--	21,325,375,000
Purchase of Property, Plant and Equipment	(498,638,100)	(14,613,586,967)
Net Cash Flows Provided by (Used in) Investing Activities	<u>(498,638,100)</u>	<u>6,711,788,033</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Received from Bank Loan	--	7,360,314,154
Payment of Bank Loan	(2,845,825,730)	(28,160,409,343)
Cash Dividend Paid	--	(3,905,568,000)
Net Cash Flows Used in Financing Activities	<u>(2,845,825,730)</u>	<u>(24,705,063,189)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(19,966,457,198)	16,813,159,886
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD/YEAR	36,595,731,705	19,782,571,819
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD/YEAR	<u><u>16,609,274,507</u></u>	<u><u>36,595,731,705</u></u>

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

**PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

1. General

a. The Company Establishment

PT Minda Asean Automotive ("the Company") is a limited liability company established in Indonesia within the framework of the Foreign Capital Investment Law No.1 Year 1967 jo No.11 Year 1970. The approval of Foreign Capital Investment was stated in the approval letter of the Chairman of Capital Investment Coordinating Board No.510/I/PMA/2004 dated August 2, 2004. The Company's Article of Association was stated in the Notarial Deed of Haji Dana Sasmita, SH, No. 4 dated August 3, 2004, and approved by Ministry of Justice in its decision letter No. C-04131 HT.01.01.TH.2005 dated February 18, 2005. On July 27, 2007 the Company has got The Permanent Business License (IUT) based on Capital Investment Coordinating Board approval No.676/T/Industri/Perdagangan/2007.

The Article of Association has been amended several times, the latest amendment was by Notarial Deed No. 12 dated December 23, 2013 of Kokoh Henry, SH., MKn, in relation to the increase in the Company's issued and paid-up capital. The approval of Foreign Capital Investment was stated in the approval letter of the Chairman of Capital Investment Coordinating Board No.1971/1/IP-PB/PMA/2013 dated December 23, 2013. This amendment had been approved by Minister of Law and Human Rights through his decision letter No AHU-AH.01.10-56395 dated December 30, 2013.

In accordance with Article 3 of the Company's Articles of Association, the purposes and objectives of the Company are to operate in Trade, Industry, and Services.

In order to achieve the purposes and objectives, the Company may carry out the following activities:

- i. To operate export-import trading and main distributor of trade goods such as automotive and engineering parts.
- ii. To produce, design, trade spare parts and accessories for all types of two-wheeled vehicles or four wheeled vehicles (including engineering goods parts).
- iii. To operate management consultancy services, consulting and advice on business development, design and technology and manufacture of automotive components and spare parts.

The Company is domiciled at Permata Raya Lot CA-7, Kawasan Industry KIIC, Karawang, Jawa Barat 41361. The Company started to operate commercially on February 18, 2005. Ultimate parent entity is Minda Industries Limited and Minda Investment Limited.

b. Board of Commissioner, Directors and Employees

The Company's Boards of Commissioner and Directors as of March 31, 2016 and December 31, 2015 are as follows:

	<u>March 31, 2016</u>	<u>December 31, 2015</u>
Commissioner	Ravi Mehra	Ravi Mehra
Directors:		
President Director	Vikaas Bajaj	Vikaas Bajaj
Director:	Pawan Agarwal Lila Dhar Agrawal Poothampillil Muralidharan Menon	Pawan Agarwal Lila Dhar Agrawal Poothampillil Muralidharan Menon

As of March 31, 2016 and December 31, 2015, the Company has 168 and 166 employees, respectively (unaudited).

Details of salaries and benefits for the Directors for three months period ended March 31, 2016 and for the year December 31, 2015 amounting to Rp1,287,536,181 and Rp6,039,926,823, respectively.

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

c. The Structure of Subsidiaries

PT Minda Trading

The Company has direct ownership to PT Minda Trading ("subsidiary") a limited liability company, which has received an approval from Foreign Capital Investment through the approval letter of the Chairman of Capital Investment Coordinating Board No. 00490/1/PPM/PMA/2010 dated March 31, 2010.

The Subsidiary's Article of Association was stated in the Notarial Deed of Siti Rachmayanti, SH, No. 3 dated April 8, 2010, and approved by the Ministry of Justice and Human Right through its decision letter No. AHU-19215.AH01.01.TH.2010 dated April 15, 2010, with amended by article No. 35 dated October 18, 2012 and approved by Minister of Law and Human Rights of the Republic of Indonesia in his decision letter No. AHU-AH-01.10-02542 dated January 31, 2013 and ammended article of association dated 8 April 2014 and approved by Minister of Law and Human Rights of the Republic of Indonesia in his decision letter No.AHU-01576.40.22.2014 dated 10 April 2014. The latest amendment was made by notarial deed of Hesti Pudjiastuti, S.H, No.6. dated June 16, 2015 related to changes in the composition of Director. The amendment was approved by the Minister of law and Human Right of Republic Indonesia based on decision letter No. AHU-AH.01.03-0942302 dated June 17, 2015.

In accordance with Article 3 of the Subsidiary's Articles of Association, the purpose and objectives of the subsidiary is to operate in trade and services. In order to achieve the purpose and objectives, the Subsidiary carry out the following activities:

- i. Operate export-import trading and main distributor of trade goods such as automotive and engineering parts.
- ii. Operate management consultancy services, consulting and advice on business development.

As of March 31, 2016 and December 31, 2015, the Company's portion of ownership to the subsidiary is 99%, the other 1% is owned by Mr. Sanjay Jain.

2. Summary of Significant Accounting Policies

2.a. The Statements of Compliance

The consolidated financial statements of the Company for the years ended March 31, 2016 is prepared and presented in accordance with the Indonesian Financial Accounting Standards.

This consolidated financial statements is prepared for the purposes of change of financial year. Accordingly, the consolidated financial statements are presented with comparison for three months ended March 31, 2016 (the fourth quarter of the year begin from April 1, 2016) and for the year ended December 31, 2015. Therefore, the Company and subsidiary has not implement the new financial accounting standards, its amendments and interpretations which is issued for financial year beginning January 1, 2016 (Note 29).

2.b. Basis Measurement and Preparation of Consolidated Financial Statements

The consolidated financial statements have been prepared and presented based on going concern assumption and accrual basis of accounting, except for the consolidated statements of cash flows. Basis of measurement in preparation of these consolidated financial statements is the historical costs concept, except for certain accounts which have been prepared on the basis of other measurements as described in their respective policies. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The consolidated financial statement are prepared using accrual basis of accounting, except for statement of cash flow. The statement of cash flows have been prepared by using direct method by classifying cash flows into operating, investing, and financing activities.

The reporting currency used in the preparation of financial statement is Indonesian Rupiah, which is the Company and its subsidiary's functional currency.

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

Accounting Standards Effective in Current Year

The following are new standards, amendments of standards and interpretation of standard issued by DSAK - IAI and effectively applied for the period starting on or after January 1, 2015, as follows:

- PSAK No. 1 (Revised 2013) "Presentation of Financial Statements"
- PSAK No. 4 (Revised 2013) "Separate Financial Statements"
- PSAK No. 15 (Revised 2013) "Investments in Associates and Joint Ventures"
- PSAK No. 24 (Revised 2013) "Employee Benefits"
- PSAK No. 46 (Revised 2013) "Income Taxes"
- PSAK No. 48 (Revised 2014) "Impairment of Assets"
- PSAK No. 50 (Revised 2014) "Financial Instruments: Presentation"
- PSAK No. 55 (Revised 2014) "Financial Instruments: Recognition and Measurement"
- PSAK No. 60 (Revised 2014) "Financial Instruments: Disclosures"
- PSAK No. 65 "Consolidated Financial Statements"
- PSAK No. 66 "Joint Arrangements"
- PSAK No. 67 "Disclosure of Interests in Other Entities"
- PSAK No. 68 "Fair Value Measurement"
- ISAK No. 26 "Reassessment of Embedded Derivatives"

The following is the impact of the amendments in accounting standards that are relevant and significant to the financial statements of the Company:

- **PSAK No. 1 (Revised 2013) "Presentation of Financial Statements"**
PSAK No. 1 (Revised 2013) has introduced changes in the format and revision of the title of the report. The significant impact of changes of this accounting standard to the The Company and subsidiary, among others, are:
 - Change of report title which previously named "Statement of Comprehensive Income" become "Statement of Profit or Loss and Other Comprehensive Income"
 - Requirement for the presentation of other comprehensive income are The Company and subsidiary into (a). items that will not be reclassified to profit or loss; and (b). items that will be reclassified to profit or loss

This standard is applied retrospectively and certain comparative information have been restated, accordingly.

- **PSAK No. 4 (Revised 2013) "Separate Financial Statements"**
PSAK No. 4 (Revised 2009) "Consolidated and Separate Financial Statements" has been revised and re-titled into PSAK No. 4 (Revised 2013) "Separate Financial Statements" which became a standard only deals with requirement for separate financial statements. The existing guidance for separate financial statements remains unchanged.
- **PSAK No. 24 (Revised 2013) "Employee Benefits"**
This PSAK amending some accounting provisions related to defined benefit plans. The key amendments include elimination of the "corridor approach", modification of accounting for termination benefits and improvement of the recognition, presentation and disclosure requirements for defined benefit plans.

Amended provisions that impacting the The Company and subsidiary's consolidated financial statements are as follows:

- a. the recognition of actuarial gains (losses) through other comprehensive income;
- b. all past service cost is recognized as an expense at the earlier of the date when the amendment/curtailment occurs or the date when the entity recognizes related restructuring costs or termination benefits. Therefore the unvested past service cost is no longer be deferred and recognized over the vesting period.
- c. interest expense and returns on plan assets used in the previous PSAK No. 24 is replaced by the concept of net interest, which is calculated using a discount rate liabilities (assets) net defined benefit as determined at the beginning of each annual reporting period.

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

This amendments have been applied retrospectively (except for changes to the carrying value of assets that include employee benefit costs in the carrying amount.

- **PSAK No. 46 (Revised 2013) "Income Taxes"**
This PSAK No. 46 (Revised 2013) emphasize on measurement of deferred tax on assets measured at fair value, assuming that the carrying amount of the assets will be recovered through sales. In addition, this standard also removes provision on final tax.

The adoption of the revised standard had no material effect to the financial statements.

- **PSAK No. 48 (Revised 2014) "Impairment of Assets"**
Changes in PSAK No. 48 (Revised 2014), mainly to incorporate the changes in definition and requirements of fair value as governed in PSAK No. 68.

The adoption of the revised standard had no material effect to the financial statements.

- **PSAK No. 50 (Revised 2014) "Financial Instrument: Presentation", PSAK No. 55 (Revised 2014) "Financial Instrument: Recognition and Measurement", and PSAK No. 60 (Revised 2014) "Financial Instrument: Disclosures"**

The amendment of these PSAKs mainly related to the changes as an impact the issuance of PSAK No. 68 concerning fair value.

PSAK No. 50 (Revised 2014) removing arrangement of income tax related to dividend and will refer to PSAK No. 46. Furthermore, PSAK No. 50 (Revised 2014) provides more specific arrangement (application guidelines) related to the criteria for offsetting and net settlement of financial asset and financial liability.

The changes in PSAK No. 55 (Revised 2014) deals with measurement and reclassification of embedded derivative, arrangement of criteria and derecognition of hedging instrument, and arrangement of date of recording financial instrument.

PSAK No. 60 (Revised 2014) deals with additional disclosures relates to the fair value, offsetting financial asset and liability, and transfers of financial assets.

The The Company and subsidiary had adopting these PSAKs and had completed the required disclosures requirements.

- **PSAK No. 65 "Consolidated Financial Statements"**
This standard replaces all of the guidance on control and consolidation in PSAK No. 4 (Revised 2009) and ISAK No.7. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the consolidation procedures.

PSAK 65 introduces a single consolidation model that identifies control as the basis for consolidation for all types of entities, where control is based on whether an investor has power over the investee, exposure / rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the returns.

The new standard also includes guidance on participating and protective rights and on agent - principal relationships.

The adoption of the PSAK No. 65 has no impact to the financial statements upon initial adoption, as its scope of remains unchanged.

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

2.c. Principles of Consolidation

The consolidated financial statements incorporate financial statements of the Parent Entity and Subsidiaries, direct and indirectly owned by the Parent Entity. Subsidiaries are fully consolidated from the date of effective control are achieved by the Parent Entity and will be no longer consolidated from the date of the Parent Entity has cease effective controls. Control is presumed to exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity unless, except that, such ownership does not constitute control. Control also exists when the parent owns half or less of the voting power of an entity when there is:

- a) power over more than half of the voting rights by virtue of an agreement with other investors;
- b) power to govern the financial and operating policies of the entity under a statute or an agreement;
- c) power to appoint or remove the majority of the members of the board of directors or equivalent governing body and control of the entity is by that board or body; or
- d) power to cast the majority of votes at meetings of the board of directors or equivalent governing body and control of the entity is by that board or body.

The consolidated financial statements are prepared using uniform basis, i.e.: similar accounting policy for similar transactions, events and circumstances. The policy has been applied consistently by Subsidiaries, unless otherwise stated.

In preparing the consolidated financial statements, the financial statements of the Parent Company and Subsidiaries are combined on a line by line basis by adding together similar elements of assets, liabilities, equity, income and expenses. All material balances and transactions between the Parent Company and the Subsidiaries have been eliminated.

The account of "Non Controlling Interests in Subsidiaries" account represents interest of the minority shareholders in the Subsidiaries. Non controlling interest in net income (loss) of Subsidiaries in the consolidated statement of comprehensive income is presented as "Current Year Profit/Loss Attributable to Non Controlling Interest".

Losses of non-wholly owned subsidiary are attributed to the non controlling interest even if the non controlling interest results in deficit balance.

2.d. Foreign Currency Transactions and Balances

The Company maintains its accounting records in Rupiah. Transactions in currencies other than Rupiah are recorded at end of previous month middle exchange rate quoted by Bank Indonesia.

At statements of financial position date, all monetary assets and liabilities in foreign currencies are translated into Rupiah by using middle rate of exchange published by Bank Indonesia at such date.

Exchange gains and losses arising from translations of foreign currency monetary assets and liabilities are recognized in the current year's statements of comprehensive income.

Exchange rates used as of March 31, 2016 and December 31, 2015 to translate the major foreign currencies are as follows:

	March 31, 2016	December 31, 2015
	Rp	Rp
USD 1	13,276	13,795
EUR 1	15,030	15,070

2.e. Cash Equivalents

Cash equivalents consists of time deposits with maturity of less than or equal to 3 (three) months and are not pledged as collateral.

2.f. Financial Assets and Liabilities

Financial Assets

Financial assets are classified into four categories, as follows: (i) financial assets at fair value through profit or loss, (ii) loans and receivables, (iii) held-to-maturity financial assets and (iv) available-for-sale

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognized at fair value plus transaction cost and subsequently measured at amortized cost using the effective interest rate method.

Loans and receivables include cash and cash equivalents, trade receivables from third parties, other receivables from third parties, and other assets.

Impairment of Financial Assets

Financial assets, other than those at Fair Value Through Profit and Loss (FVTPL), are assessed for indicators of impairment at each financial position's reporting date. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For quoted and unquoted equity investments classified as AFS, a significant or prolonged decline in the fair value of the equity investment below its cost is considered to be an objective evidence of impairment.

Some objective evidence for impairment value are as follows:

- significant financial difficulty of the issuer or counterparty; or
- a breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial reorganization.

For certain categories of financial asset, such as receivables, the impairment value of assets are assessed individually. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period as well as, and observable changes in the national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of impairment is the difference between the assets's carrying amount and the present value of estimated future cash flows, discounted at the financial assets's original effective interest rate.

The carrying amount of the financial asset is directly reduced by the amount of impairment loss for all financial assets with the exception of receivables, where the carrying amount is reduced through the use of an allowance account. When a receivable is considered uncollectible, it is written-off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized the statement of income.

When an Available For Sale (AFS) financial asset is considered to be impaired, cumulative gains or losses previously recognized in equity are reclassified to the statement of income in the current period.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment on the date of the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

In respect of AFS equity instrument, impairment losses previously recognized in the statement of income are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized directly in equity.

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

Financial Liabilities

Financial liabilities are classified into the category of (i) financial liabilities at fair value through profit or loss and (ii) financial liabilities measured at amortized cost.

(i) Financial liabilities measured at amortized cost

Financial liabilities that are not classified as financial liabilities at fair value through profit or loss are categorized and measured at amortized cost.

Financial liabilities which categorized into financial liabilities measured at amortized cost are short term bank loan, trade payables to third parties, other payables to third parties, accrued expenses, and long term bank loan.

Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

PSAK No. 60, "Financial Instruments: Disclosures" requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- 1) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- 2) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2), and
- 3) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company is the current bid price, while financial liabilities use ask price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as minimum as possible on estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as minimum as possible on estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities.

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments; and
- other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and its net amount presented in the statement of financial position only if it has a legally enforceable right to set off the recognized amount; and intends either to settle on a net basis or to realize the assets and settle liabilities simultaneously.

Derecognition

Derecognition of a financial asset when the contractual rights to the cash flows from the financial asset expire or when the financial asset has been transferred and substantially all the risks and rewards of ownership have been transferred (if, substantially all the risks and rewards are not transferred, then the Company will conduct an evaluation to ensure ongoing involvement of the controls which are still not prevent derecognition).

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

Financial liabilities are derecognized when the liability specified in the contract is discharged or canceled or expire. If an existing financial liability is replaced by another liability 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 original liabilities and the recognition of a new liability, and the difference between the carrying amount of each financial liabilities are recognized in the statement of comprehensive income.

Effective Interest Method

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and others paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

2.g. Related Party Transactions

Related parties is a person or entity that is related to the entity that is preparing its financial statement (reporting entity) that following criteria applies:

- a. A person or a close member of that persons family is related to a reporting entity if that person:
 - (i) Has control or joint control over the reporting entity;
 - (ii) Has significant influence over the reporting entity; or
 - (iii) Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b. An entity is related to the reporting entity if it meets one of the following:
 - (i) The entity and reporting entity are the same The Company and subsidiary member (which means that each parent, subsidiary and fellow subsidiary is related to the others)
 - (ii) One entity is an associate or joint venture of the other entity (or an associate entity or joint venture of a member The Company and subsidiary of which the other entity is a member).
 - (iii) Both entities are joint venture of the same third party.
 - (iv) An entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related.
 - (vi) An entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel.

2.h. Inventories

Inventories are stated at the lower of cost or net realizable value.

Cost is based on the first in first out method and comprises all costs and purchase, cost of conversion and appropriate overheads incurred in bringing the inventories to its present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sale.

2.i. Prepaid Expenses

Prepaid expenses are amortized over their beneficial periods using the straight-line method.

2.j. Impairment of Non Financial Assets

The Company assess at each annual 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 (i.e., an intangible asset with an indefinite useful life, an intangible asset not yet available for use, or goodwill acquired in a business combination) is required, the Company makes an estimate of the asset's recoverable amount.

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

An asset's recoverable amount is the higher of the asset's or Cash Generated Unit's (CGU) fair value less costs to sell and its value in use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or The Company and subsidiarys of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations are recognized in the statements of comprehensive income as "impairment losses". In assessing the value in use, the estimated net future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used to determine the fair value of the assets. These calculations are corroborated by valuation multiples or other available fair value indicators.

Impairment losses of continuing operations, if any, are recognized in the statements of comprehensive income under expense categories that are consistent with the functions of the impaired assets.

An assessment is made at each annual reporting period as to whether there is any indication that previously recognized impairment losses recognized for an asset other than goodwill may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss for an asset other than goodwill is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior period.

Reversal of an impairment loss is recognized in the statements of comprehensive income. After such a reversal, the depreciation charge on the said asset is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2.k. Revenue and Expense Recognition

Revenue is recognized when products are delivered to customers. Expenses are recognized when they are incurred. Other income are recognized when earned.

2.l. Income Taxes

Current tax expense is determined based on the taxable income for the year computed using prevailing tax rates.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases except those differences that are subject to final tax. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable income will be available in future periods against which the deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted as of the statement of financial position date. Deferred tax is charged or credited in the statement of income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset in the consolidated statement of financial position, except deferred tax assets and liabilities of different entity in the same manner the current tax assets and liabilities are presented.

Deferred tax assets and liability are offset if, and only if (a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

2.m. Employee Benefits Obligation

Short-term Employee Benefits

Short-term employee benefits are recognized when an employee has rendered service during accounting period, at the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service.

Short term employee benefits include such as wages, salaries, bonus and incentive.

Post-employment Benefits

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

The Company and subsidiary recognizes the amount of the net defined benefit liability at the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets which calculated by independent actuaries using the Projected Unit Credit method. Present value benefit obligation determine by discounting the benefit.

The Company and subsidiary account not only for its legal obligation under the formal terms of a defined benefit plan, but also for any constructive obligation that arises from the entity's informal practices.

Current service cost, past service cost and gain or loss on settlement, and net interests on the net defined benefit liability (asset) are recognized in profit and loss.

The remeasurement of the net defined benefit liability (assets) comprises actuarial gains and losses, the return on plan assets, and any change in effect of the asset ceiling are recognized in other comprehensive income.

2.n. Property, Plant and Equipment

The Company and subsidiary had chosen the cost model as the accounting policy for their property, plant and equipments measurement.

Property, plant and equipments are stated at cost less accumulated depreciation and impairment loss, if any. Such cost includes the cost of replacing part of the property, plant and equipments when that 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 property, plant and equipments as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs that do not meet the recognition criteria are recognized in the statements of comprehensive income as incurred.

Depreciation of property, plant and equipments, except land, is computed using the straight-line method over the following estimated useful lives.

	<u>Years</u>
Buildings	20
Plant and Machineries	8
Office Equipments	8
Computers	4
Furniture and Fixtures	8
Dies and Tools	4
Vehicles	4

Land is stated at cost and not depreciated.

The cost of maintenance and repairs is charged as an expense as incurred. Expenditures which extend the useful life of an asset or provide further economic benefits by increasing the capacity or quality of production of the asset, are capitalized and depreciated based on the applicable depreciation rate.

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

An item of property, plant and equipments is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income in the period the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipments are reviewed and adjusted prospectively, if appropriate, at the end of each financial period.

The accumulated costs of the construction of buildings and plant and the installation of machinery are capitalized as construction in progress. These costs are reclassified to the appropriate property, plant and equipments accounts when the construction or installation is completed. Depreciation is charged from the date when the assets become available for their intended use

2.o. Use of Estimates

The preparation of Company and subsidiary's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, 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 amounts of assets or liabilities affected in future years.

The preparation of Company and subsidiary's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, 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 amounts of assets or liabilities affected in future years.

Determination of Functional Currency

In the process of applying Company and subsidiary's accounting policies, management has made judgment on the determination of functional currency, apart from those estimations and assumptions which have the most significant effects on the amounts recognized in the consolidated financial statements.

The functional currency is the currency of the primary economic environment in which each of them operates. It is the currency, among others, that mainly influences sales prices for goods and services, of the country whose competitive forces and regulations mainly determine the sales prices of its goods and services, and the currency in which funds from financing activities are generated.

Determination of Fair Values of Financial Assets and Financial Liabilities

When the fair value of financial assets and financial liabilities recorded in the consolidated statements of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

The judgment includes consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Realization of Deferred Tax Assets

Company reviews the carrying amounts of deferred tax assets at the end of each reporting period and reduce these to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. Company assessment on the recognition of deferred tax assets on deductible temporary differences is based on the level and timing of forecasted taxable income of the subsequent reporting periods.

This forecast is based on Company past results and future expectations on revenues and expenses as well as future tax planning strategies. However, there is no assurance that Company will generate sufficient taxable income to allow all or part of deferred tax assets to be utilized.

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

Estimating Provision for Impairment Losses on Receivables

If there is objective evidence that an impairment loss has been incurred on trade receivables, Company estimate the provision for impairment losses related to their trade receivables that are specifically identified as doubtful of collection. The level of provision is evaluated by management on the basis of factors that affect the collectibility of the accounts. In these cases, Company use judgment based on the best available facts and circumstances, including but not limited to, the length of Company relationship with the customers and the customers' credit status based on third-party credit reports and known market factors, to record specific reserves for customers against amounts due in order to reduce The Company and subsidiary's receivables to amounts that they expect to collect. These specific reserves are re-evaluated and adjusted as additional information received affects the amounts estimated.

Uncertainty of Tax Exposure

In certain circumstances, Company and subsidiary's may not be able to determine the exact amount of their current or future tax liabilities due to ongoing investigations by, or negotiations with, the taxation authority. Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. In determining the amount to be recognized in respect of an uncertain tax liability, Company apply similar considerations as they would use in determining the amount of a provision to be recognized in accordance with PSAK 57, "Provisions, Contingent Liabilities and Contingent Assets". Company make an analysis of all tax positions related to income taxes to determine if a tax liability for unrecognized tax benefit should be recognized.

Interest and penalties for the underpayment of income tax, if any, are presented under Other Income (Expenses) as part of "Others - net" in the consolidated statements of comprehensive income.

Estimated of Useful Life

The Company and subsidiary's reviews on useful life of property, plant and equipments based on several factors i.e. technical conditions and technology development in the future. Operating results in the future will be affected by the estimated changes of those factors (See Note 9 for carrying value of property, plant and equipments).

Post Employment Benefit

The present value of post employment benefit depends on several factors which are determined by actuarial basis based on several assumptions. Assumptions used to determine pension costs (benefits) covered discount rate. The changes of assumption might affect carrying value of post employment benefit.

Impairment of Non Financial Assets

In accordance with Company and subsidiary's accounting policy, each asset or Cash Generated Unit (CGU) is evaluated every reporting period to determine whether there are any indications of impairment. If any such indication exists, a formal estimate of recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash generating The Company and subsidiary of assets is measured at the higher of fair value less costs to sell and value in use.

The determination of fair value and value in use requires management to make estimates and assumptions about expected production and sales volumes, commodity prices (considering current and historical prices, price trends and related factors), reserves, operating costs, closure and rehabilitation costs and future capital expenditure. these estimates and assumptions are subject to risk and uncertainty; hence there is a possibility that changes in circumstances will alter these projections, which may have an impact on the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the assets may be further impaired or the impairment charge reduced with the impact recorded in the consolidated statements of comprehensive income.

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

3. Cash and Cash Equivalents

	March 31, 2016 Rp	December 31, 2015 Rp
Cash on Hand	288,154,242	213,757,540
Cash in Banks		
Rupiah		
PT Bank Permata Tbk	840,803,994	670,450,988
PT Bank Mandiri (Persero) Tbk	386,271,121	485,271,546
PT Bank CIMB Niaga Tbk	808,185,160	74,795,562
	<u>2,035,260,274</u>	<u>1,230,518,096</u>
US Dollar		
PT Bank Permata Tbk	557,367,767	2,204,701,035
PT Bank Mandiri (Persero) Tbk	728,492,223	805,899,210
PT Bank CIMB Niaga Tbk	--	40,855,824
	<u>1,285,859,990</u>	<u>3,051,456,069</u>
Subtotal	<u>3,321,120,264</u>	<u>4,281,974,165</u>
Time Deposits		
Rupiah		
PT Bank Permata Tbk	6,000,000,000	27,100,000,000
PT Bank Mandiri (Persero) Tbk	4,500,000,000	3,000,000,000
PT Bank CIMB Niaga Tbk	2,500,000,000	2,000,000,000
Subtotal	<u>13,000,000,000</u>	<u>32,100,000,000</u>
Total	<u><u>16,609,274,507</u></u>	<u><u>36,595,731,705</u></u>
Interest Rate on Time Deposits per Year	1% - 8.75%	7% - 9%
Maturity period	3 Months	3 Months

4. Trade Receivables

	March 31, 2016 Rp	December 31, 2015 Rp
Related Parties (Note 28)		
Foreign - USD	1,665,614,527	77,698,958
Third Parties		
Local - Rupiah	27,889,323,765	20,297,530,279
Foreign - USD	2,576,918,862	3,139,163,714
	<u>30,466,242,627</u>	<u>23,436,693,993</u>
Total	<u><u>32,131,857,155</u></u>	<u><u>23,514,392,951</u></u>

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

Details of accounts receivable aging schedule as of March 31, 2015 and December 31, 2015 are as follows:

	<u>March 31, 2016</u>	<u>December 31, 2015</u>
	Rp	Rp
Less than 31 Days	31,006,341,395	22,496,078,247
31 - 60 Days	870,017,729	442,460,595
61 - 90 Days	236,898,488	255,081,561
91 - 120 Days	9,621,117	248,652,889
More than 120 Days	8,978,426	72,119,659
Total	<u>32,131,857,155</u>	<u>23,514,392,951</u>

As of March 31, 2016 significant amount of trade receivables consist of current outstanding, thus the Management believes that all receivables are collectible and a provision for impairment losses is not considered necessary.

Trade receivable and inventories amounting to Rp40,000,000,000 are pledged as collateral for bank loans (Notes 12 and 16).

5. Inventories

	<u>March 31, 2016</u>	<u>December 31, 2015</u>
	Rp	Rp
Raw Materials and Components (Note 21)	7,993,893,347	7,613,981,454
Work In Process (Note 21)	1,227,271,987	1,395,174,088
Finished Goods (Note 21)	3,497,163,468	3,614,774,452
Total	<u>12,718,328,802</u>	<u>12,623,929,994</u>

As of March 31, 2016 the Company's inventories were insured with PT Asuransi Wahana Tata, PT Asuransi FPG Indonesia, PT Asuransi Rama Satria Wibawa and PT Asuransi Central Asia all risks with sum insured of USD765,000 and period covered from September 23, 2015 to September 23, 2016. The Management believes that the insurance coverage is adequate to cover possible losses on the assets insured.

Trade receivable and inventories amounting to Rp40,000,000,000 are pledged as collateral for bank loans (Notes 12 and 16).

6. Taxation

a. Prepaid Taxes

	<u>March 31, 2016</u>	<u>December 31, 2016</u>
	Rp	Rp
The Company		
Article 21	1,685,625	--
	<u>1,685,625</u>	<u>--</u>
Subsidiary		
Corporate Income Tax Article 28A:		
2011	264,125,615	264,125,615
Value Added Tax - Net	802,102,424	891,761,435
Article 21	290,237	--
Others Prepaid Tax	1,310,341,837	1,310,341,837
	<u>2,376,860,113</u>	<u>2,466,228,887</u>
Total	<u>2,378,545,738</u>	<u>2,466,228,887</u>

Other prepaid tax represents Income Tax Article 25 for the year 2011, which is still on appeal against of tax.

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

b. Taxes Payable

	March 31, 2016 Rp	December 31, 2015 Rp
The Company		
Income Taxes:		
Article 21	171,903,115	601,670,627
Article 23	15,981,463	15,506,126
Article 25	230,995,106	230,995,106
Article 26	575,417,343	430,714,284
Article 29	728,679,861	781,519,295
Value Added Tax	988,025,822	447,661,831
	<u>2,711,002,710</u>	<u>2,508,067,269</u>
Subsidiary		
Income Taxes:		
Article 21	10,557,067	70,928,593
Article 23	296,600	526,600
Article 25	5,473,035	5,473,035
Article 29	1,439,133	26,662,060
Article 4 (2)	900,000	--
	<u>18,665,835</u>	<u>103,590,288</u>
Total	<u><u>2,729,668,545</u></u>	<u><u>2,611,657,557</u></u>

c. Corporate Income Tax

	2016 (3 Months) Rp	2015 (1 Year) Rp
Current Tax		
The Company	(1,642,498,179)	(4,762,128,308)
Current Tax Adjustment from Prior Period	--	(151,545,204)
Subsidiary	(101,839,238)	(341,020,690)
	<u>(1,744,337,417)</u>	<u>(5,254,694,202)</u>
Deferred Tax		
The Company	77,028,249	300,868,726
Subsidiary	493,992	2,293,762
	<u>77,522,241</u>	<u>303,162,488</u>
Total	<u><u>(1,666,815,176)</u></u>	<u><u>(4,951,531,714)</u></u>

The reconciliation between income before income tax as shown in the statements of profit or loss and the estimated taxable income of the Company for the period ended March 31, 2016 and for the year ended December 31, 2015 is as follows:

	2016 (3 Months) Rp	2015 (1 Year) Rp
Consolidated Profit Before Tax	6,559,472,483	26,793,505,193
Profit Before Tax of Subsidiaries	(423,525,800)	(1,189,401,873)
Profit Before Tax of the Company	<u>6,135,946,683</u>	<u>25,604,103,320</u>

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

	2016 (3 Months) Rp	2015 (1 Year) Rp
Final Taxable Income:		
Interest Income	(441,661,943)	(710,498,312)
Others Income	(9,000,000)	(11,887,005,094)
Timing Difference:		
Employee Benefits	308,112,997	1,203,474,904
Permanent Differences:		
Entertainment	9,449,804	1,729,758,476
Medical	78,231,999	335,133,244
Rent	--	5,230,612
Guest House	15,139,558	58,648,812
Tax Expense	19,781,901	1,176,225,843
Festival (Ceremony) Expense	--	167,557,769
Staf Welfare Expense	59,385,221	316,272,335
Other Expenses	394,606,495	1,049,611,323
	<u>434,046,033</u>	<u>(6,555,590,088)</u>
Taxable Income - Net	<u>6,569,992,716</u>	<u>19,048,513,232</u>
Current Tax Expenses (with Applicable Rate of 25%)	<u>1,642,498,179</u>	<u>4,762,128,308</u>
Less: Prepaid Corporate Income Tax		
Article 22	220,833,000	1,188,636,000
Article 25	692,985,318	2,791,973,013
	<u>913,818,318</u>	<u>3,980,609,013</u>
Tax Payable of Corporate Income Tax	<u>728,679,861</u>	<u>781,519,295</u>

d. Deferred Tax Assets

	December 31, 2014	Credited to Profit or Loss	Charged to Other Comprehensive Income	December 31, 2015	Credited to Profit or Loss	Charged to Other Comprehensive Income	March 31, 2016
	Rp	(1 Year) Rp	(1 Year) Rp	Rp	(3 Months) Rp	(3 Months) Rp	Rp
The Company							
Employee Benefit	821,252,373	300,868,726	(131,156,909)	990,964,189	77,028,249	(81,597,870)	986,394,569
Subsidiaries							
Employee Benefit	6,896,191	2,293,762	(4,215,341)	4,974,612	493,992	(633,342)	4,835,262
Total	<u>828,148,564</u>	<u>303,162,488</u>	<u>(135,372,250)</u>	<u>995,938,801</u>	<u>77,522,241</u>	<u>(82,231,212)</u>	<u>991,229,831</u>

7. Prepaid Expenses

	March 31, 2016 Rp	December 31, 2015 Rp
Insurance	206,497,427	349,011,952
Total	<u>206,497,427</u>	<u>349,011,952</u>

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

8. Advances

Advance to suppliers as of March 31, 2016 for consist of purchasing new machineries, tools and raw materials amounted to Rp2,926,511,035 and as of December 31, 2015 consist of purchasing new machineries, tools and raw materials amounted to Rp3,395,126,072

9. Other Receivables

	March 31, 2016 Rp	December 31, 2015 Rp
Third Parties		
Others Receivable-Global Mazinkert SLU	30,217,830,832	6,047,043,523
Employee Receivables	969,629,379	1,178,348,148
Others (each below Rp15,000,000)	253,816,884	296,640,146
Total	31,441,277,095	7,522,031,817

In January 2015, PT Minda Asean Automotive lend fund to Global Mazinkert S.L.U amounted Euro 380,000 with interest rate 6.5% p.a and 5.75% p.a which effective from august 1, 2015 for one year period.

In March 2016 PT Minda Asean Automotive has added loan to Global Mazinkert S.L.U became amounted Euro 1,600,000 with interest rate 5.75% p.a which effective from august 1, 2015 for one year period these loans are repayable on demand.

Employee receivables mainly represent loan which given by the company to support the rental house for expatriates on their demand. The payment of these receivables is deducted from the monthly salaries.

10. Property, Plant and Equipment

	2016 (3 Months)				Ending Balance Rp
	Beginning Balance Rp	Additions Rp	Disposals Rp	Adjustment Rp	
Acquisition Cost					
Land	7,090,694,600	--	--	--	7,090,694,600
Buildings	38,329,274,173	--	--	--	38,329,274,173
Plant and Machineries	38,167,347,458	377,864,500	--	--	38,545,211,958
Dies and Tools	15,963,006,947	72,033,600	--	--	16,035,040,547
Furnitures and Fixtures	3,175,093,713	18,890,000	--	--	3,193,983,713
Computers	3,028,797,870	29,850,000	--	--	3,058,647,870
Office Equipments	2,813,493,219	--	--	--	2,813,493,219
Vehicles	2,911,812,085	--	--	--	2,911,812,085
	<u>111,479,520,065</u>	<u>498,638,100</u>	<u>--</u>	<u>--</u>	<u>111,978,158,166</u>
Accumulated Depreciation					
Buildings	13,858,103,104	479,115,927	--	--	14,337,219,031
Plant and Machineries	17,126,235,815	897,301,725	--	--	18,023,537,540
Dies and Tools	11,660,210,355	491,766,432	--	--	12,151,976,787
Furnitures and Fixtures	1,737,717,814	67,046,179	--	--	1,804,763,993
Computers	2,466,415,215	83,868,429	--	--	2,550,283,644
Office Equipments	1,941,161,975	51,633,181	--	--	1,992,795,156
Vehicles	2,372,507,639	93,835,824	--	--	2,466,343,463
	<u>51,162,351,917</u>	<u>2,164,567,697</u>	<u>--</u>	<u>--</u>	<u>53,326,919,614</u>
Carrying Amount	<u>60,317,168,148</u>				<u>58,651,238,552</u>

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

	2015 (1 Year)				
	Beginning Balance	Additions	Disposals	Adjustment	Ending Balance
	Rp	Rp	Rp	Rp	Rp
Acquisition Cost					
Land	16,179,064,506	--	9,088,369,906	--	7,090,694,600
Buildings	37,968,312,798	360,961,375	--	--	38,329,274,173
Plant and Machineries	26,516,358,314	11,650,989,144	--	--	38,167,347,458
Dies and Tools	14,234,076,843	1,728,930,104	--	--	15,963,006,947
Furnitures and Fixtures	2,853,022,941	322,070,772	--	--	3,175,093,713
Computers	2,806,742,186	222,055,684	--	--	3,028,797,870
Office Equipments	2,484,913,331	328,579,888	--	--	2,813,493,219
Vehicles	3,989,189,358	--	1,077,377,273	--	2,911,812,085
	<u>107,031,680,278</u>	<u>14,613,586,967</u>	<u>10,165,747,179</u>	<u>--</u>	<u>111,479,520,065</u>
Accumulated Depreciation					
Buildings	11,954,298,798	1,903,804,306	--	--	13,858,103,104
Plant and Machineries	14,359,108,071	2,767,127,744	--	--	17,126,235,815
Dies and Tools	9,746,665,214	1,913,545,141	--	--	11,660,210,355
Furnitures and Fixtures	1,470,298,158	267,419,656	--	--	1,737,717,814
Computers	2,162,960,512	303,454,703	--	--	2,466,415,215
Office Equipments	1,714,741,525	226,420,450	--	--	1,941,161,975
Vehicles	2,537,889,341	809,880,794	1,007,826,704	32,564,208	2,372,507,639
	<u>43,945,961,619</u>	<u>8,191,652,794</u>	<u>1,007,826,704</u>	<u>32,564,208</u>	<u>51,162,351,917</u>
Carrying Amount	<u><u>63,085,718,659</u></u>				<u><u>60,317,168,148</u></u>

Land represents usage rights (HGB) for a maximum period of 20 years and could be extended.

As of March 31, 2016 the property, plant and equipment (exclude vehicles) were insured to PT Asuransi Wahana Tata, PT Asuransi FPG Indonesia, PT Asuransi Rama Satria Wibawa and PT Asuransi Central Asia against all risks and earthquake for USD10,850,000 and period covered from September 23, 2015 to September 23, 2016. As of March 31, 2016, Vehicle was insured to PT Asuransi Allianz Utama Indonesia against all risks for Rp2,946,000,000 and period covered from May 4, 2015 to May 4, 2016. Management believes that the insurance coverage is adequate to cover possible losses on the assets insure.

Land and Building amounting to Rp27,562,500,000, are pledged as collateral for bank loans. Machineries and Equipments amounting to Rp19,607,000,000 and Rp36,512,000,000, are pledged as collateral for bank loans (Notes 12 and 16).

Detail of gain sale of property, plant and equipments are as follows:

	2016 (3 Months) Rp	2015 (1 Year) Rp
Selling Proceeds	--	21,325,375,000
Carrying values :		
Land	--	(9,088,369,906)
Vehicle	--	(102,114,775)
	<u>--</u>	<u>12,134,890,319</u>

Depreciation expenses were allocated as follows:

	2016 (3 Months) Rp	2015 (1 Year) Rp
Cost of Goods Sold (Note 21)	1,868,429,133	6,585,457,392
General and Administrative Expenses (Note 22)	296,138,564	1,606,195,404
Total	<u><u>2,164,567,697</u></u>	<u><u>8,191,652,796</u></u>

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

11. Other Assets

Other assets represent security deposit amounted Rp66,836,454 and Rp87,974,664 as of March 31, 2016 and December 31, 2015, respectively.

12. Short-Term Bank Loans

	March 31, 2016	December 31, 2015
	Rp	Rp
Rupiah		
PT Bank Permata Tbk	4,447,567,356	4,406,210,822
Total	4,447,567,356	4,406,210,822

This represents facilities obtained by the Company as follows :

1. Revolving loan credit facility with credit limit of USD1,000,000 with credit term for 1 year from the signing date of credit agreement, which dated on October 5, 2015 and maturity dated on October 5, 2016.
2. The facility bear interest rate at 5.50%.pa.
3. The objective of this facility is to finance the purchase of raw materials from suppliers.
4. This loan facility is secured by collateral such as:
 - a. Land and Building – the current production facility amounting to Rp27,562,500,000.
 - b. Land and Building – expansion from the current production facility amounting to Rp29,187,500,000.
 - c. Machineries and Equipments amounting to Rp19,607,000,000. and Rp36,512,000,000
 - d. Account Receivable / Inventory amounting to Rp40,000,000,000
5. The Company should be maintain several negative covenant as disclosed in credit agreement such as:
 - a. Total debt to EBITDA ratio of a maximum of 3X
 - b. Current Ratio
 - FYE 2011 : min 0,60X
 - FYE 2012-2016 : min 1X
 - c. Interest Coverage Ratio (Anualisasi) any time not less than 3X
 - d. The consolidated equity at any time not less than USD 30 billion
 - e. DSRC any time not less than 1,50X
 - f. DER:
 - 2011 : Max 2,50X
 - 2012 : Max 2,00X
 - 2013-2016 :1,00X

All collateral located in Jl. Permata Raya Lot CA/7, Kawasan Industri KIIC, Karawang Barat 41361, Jawa Barat, Indonesia.

13. Trade Payables

	March 31, 2016	December 31, 2015
	Rp	Rp
Related Parties		
Foreign - US Dollar (Note 28)	4,070,951,280	2,626,130,344
Third Party		
Local - Rupiah	21,875,063,907	15,917,176,450
Foreign - US Dollar	6,490,566,958	6,692,534,000
	<u>28,365,630,865</u>	<u>22,609,710,450</u>
Total	32,436,582,145	25,235,840,794

Trade payables represent payable for purchases of raw materials and trading goods.

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

14. Other Payables to Third Parties

	March 31, 2016	December 31, 2015
	Rp	Rp
Foreign - USD	131,737,482	--
Total	131,737,482	--

Other payables mainly represent sales return from subsidiary to customer.

15. Accrued Expenses

	March 31, 2016	December 31, 2015
	Rp	Rp
Royalty	2,434,433,396	1,706,344,935
Salaries	765,408,285	780,238,338
Others (each below Rp100,000,000)	197,420,482	172,385,252
Total	3,397,262,163	2,658,968,525

Accrued royalty represents Company's liabilities to Minda Industries Limited and Minda Corporation Limited for technical know-how as per agreement at 7.5% of sales of self-produced goods until March 31, 2015 and decrease became at 5% of sales of self-produced goods from April 1, 2015.

16. Long Term Bank Loans

	March 31, 2016	December 31, 2015
	Rp	Rp
PT Bank Permata Tbk	6,414,628,512	9,511,221,958
Current Maturities	6,414,628,512	9,403,016,584
Long term Bank Loans - Net	--	108,205,374

This represents facilities obtained by the Company as follows :

1. Committed term loan sub limit credit facility with credit limit of USD3,500,000 with credit term for four year which will fall due in July 27, 2016
2. The facility bear interest rate at 5.25%.pa.
3. The objective of this facility is to finance plant expansion in Kawasan International Industry City, Karawang Barat.
4. This loan facility is secured by collateral such as:
 - a. Land and Building – the current production facility amounting to Rp27,562,500,000.
 - b. Land and Building – expansion from the current production facility amounting to Rp29,187,500,000.
 - c. Machineries and Equipments amounting to Rp19,607,000,000 and Rp36,512,000,000.
 - d. Account Receivable / Inventory amounting to Rp40,000,000,000.
5. The Company should be maintain several negative covenant as disclosed in credit agreement such as:
 - a. Total debt to EBITDA ratio of a maximum of 3X
 - b. Current Ratio
 - FYE 2011 : min 0,60X
 - FYE 2012-2016 : min 1X
 - c. Interest Coverage Ratio (Anualisasi) any time not less than 3X
 - d. The consolidated equity at any time not less than IDR 30 billion
 - e. DSRC any time not less than 1,50X
 - f. DER:
 - 2011 : Max 2,50X
 - 2012 : Max 2,00X
 - 2013-2016 :1,00X

All collateral located in Jl. Permata Raya Lot CA/7, Kawasan Industri KIIC, Karawang Barat 41361, Jawa Barat, Indonesia.

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

17. Post-Employee Benefits Liabilities

	March 31, 2016 Rp	December 31, 2015 Rp
Employee Benefit Liability:		
The Company	3,945,578,274	3,963,856,757
Subsidiary	19,341,046	19,898,449
	<u>3,964,919,320</u>	<u>3,983,755,206</u>

The Company provides employee benefits obligation based on Labor Law No. 13/2003 dated March 25, 2003. The benefits are unfunded.

1. The Company

Calculation of all factors is commonly called the actuarial present value. The actuarial valuation at the expense of pension PT Minda Asean Automotive respectively on March 31, 2016 and December 31, 2014 conducted by PT Bumi Dharma Aktuaria, an independent actuary, in its report respectively on March 31, 2016 and December 31, 2015 in accordance with PSAK 24 (Revised 2013) using the Projected Unit Credit consider the following assumptions :

	March 31, 2016	December 31, 2015
Discount Rate	9.20%	8.60%
Salary Increase Rate	10.00%	10.00%
Mortality Rate	TMI 2011	TMI 2011
Disability Rate	10% x TMI-2011	10% x TMI-2011
Pension Age Normal	55	55

The movement in actual present value of obligation for 3 (Three) months period ended March 31, 2016 and for the years ended December 31, 2015 are as follow:

	2016 (3 Months) Rp	2015 (1 Year) Rp
Actual Present Value of Obligation at Beginning of Year	3,963,856,757	3,285,009,491
Current Service Cost	222,890,077	924,249,097
Interest Cost	85,222,920	279,225,807
Actuarial (Gain) Loss on Obligation	(326,391,480)	(524,627,638)
Present Value of Obligation at End of Year - Actual	<u>3,945,578,274</u>	<u>3,963,856,757</u>

Net benefit expense for 3 (Three) months period ended March 31, 2016 and for the year ended December 31, 2015 based on actuarial valuation are as follow:

	2016 (3 Months) Rp	2015 (1 Year) Rp
Current Service Cost	222,890,077	924,249,097
Interest income (Net)	85,222,920	279,225,807
Net benefit expense	<u>308,112,997</u>	<u>1,203,474,904</u>

The movement in the employee benefit liability for 3 (Three) months period ended March 31, 2016 and for the year ended December 31, 2015 are as follows:

	March 31, 2016 (3 Months) Rp	December 31, 2015 (1 Year) Rp
Beginning Balance	3,963,856,757	3,285,009,491
Total Expense Recorded		
at Income Statement	308,112,997	1,203,474,904
at Other Comprehensive Income	(326,391,480)	(524,627,638)
Ending Balance	<u>3,945,578,274</u>	<u>3,963,856,757</u>

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

The movement in actuarial gain (losses) for 3 (Three) months period ended March 31, 2016 and for the year ended December 31, 2015 are as follows:

	2016 (3 Months) Rp	2015 (1 Year) Rp
Other Comprehensive Income		
Beginning of Year	10,382,241	(514,245,397)
Other Comprehensive Income for the Period/Year	326,391,480	524,627,638
Total	336,773,721	10,382,241

2. **Subsidiary**

Calculation of all factors is commonly called the actuarial present value. The actuarial valuation at the expense of pension PT Minda Trading respectively on March 31, 2016 and December 31, 2015 conducted by PT. Bumi Dharma Aktuaria, an independent actuary, in its report respectively on March 31, 2016 and December 31, 2015 in accordance with PSAK 24 (Revised 2013) using the Projected Unit Credit consider the following assumptions :

	March 31, 2016	December 31, 2015
Discount Rate	9,20%	8,50%
Salary Increase Rate	10,00%	10,00%
Mortality Rate	TMI 2011	TMI 2011
Disability Rate	10% x TMI-2011	10% x TMI-2011
Pension Age Normal	55	55

The movement in actual present value of obligation for 3 (Three) months period ended March 31, 2016 and for the year ended December 31, 2015 are as follow:

	2016 (3 Months) Rp	2015 (1 Year) Rp
Actual Present Value of Obligation at Beginning of Year	19,898,449	27,584,763
Current Service Cost	1,553,124	6,968,269
Interest Cost	422,842	2,206,781
Actuarial (Gain) Loss on Obligation	(2,533,368)	(16,861,364)
Present Value of Obligation at End of Year - Actual	19,341,046	19,898,449

Net benefit expense for 3 (Three) months period ended March 31, 2016 and for the year ended December 31, 2015 based on actuarial valuation are as follow:

	2016 (3 Months) Rp	2015 (1 Year) Rp
Current Service Cost	1,553,124	6,968,269
Interest income (Net)	422,842	2,206,781
Net benefit expense	1,975,966	9,175,050

The Movement in the employee benefit liability for 3 (Three) Months period ended March 31, 2016 and for the year ended December 31, 2015 as follows:

	2016 (3 Months) Rp	2015 (1 Year) Rp
Beginning Balance	19,898,448	27,584,762
Total Expense Recorded		
at Income Statement	1,975,966	9,175,050
at Other Comprehensive Income	(2,533,368)	(16,861,364)
Ending Balance	19,341,046	19,898,448

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

The movement in actuarial gain (losses) for 3 (Three) months period ended March 31, 2016 and for the year ended December 31, 2015 are as follows:

	2016 (3 Months) Rp	2015 (1 Year) Rp
Other Comprehensive Income Beginning of Year	196,581,077	179,719,713
Other Comprehensive Income for the Period/Year	2,533,368	16,861,364
Total	199,114,445	196,581,077

18. Share Capital

- a. Based on Circular Resolution of the Shareholders of the Company dated August 28 2015 which had been put forth into Notarial Deed No. 03 dated August 28, 2015, by Notary Hesti pudjiastuti, among others decided the tranfer of shares ownership of Minda Investment Limited amounted to 13,845 shares to Minda Industries Limited. Therefore, the Company's Shareholders as of March 31, 2016 are as follows:

Shareholders	Number of Shares	Percentage of Ownership %	Issued and Paid- in Capital Rp
SAM Global Pte., Ltd.	39,000	37	3,575,520,000
Minda Industries Limited	34,095	32	3,125,829,600
Minda Investment Limited	33,405	31	3,062,570,400
Total	106,500	100	9,763,920,000

- b. Based on the shareholders' written resolution in lieu of the annual general meeting of shareholders dated June 19, 2015, the shareholders approved to declare dividends for 2014. Dividends were distributed to :

	March 31, 2016 Rp	December 31, 2015 Rp
Minda Investments Ltd	--	1,732,752,000
SAM Global PTE Ltd	--	1,430,208,000
Minda Industries Ltd	--	742,608,000
Total	--	3,905,568,000

- c. The exchange rate difference from paid-up capital amounted to Rp1,160,985,000 represents exchange rate difference on paid-in capital as a result of differences in the rates of exchange at the time of receipt of capital contributions in US Dollar and rate of exchange as per the Company's Articles of Association.

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

19. Retained Earnings

Retained Earning consist of:

	March 31, 2015 Rp	December 31, 2015 Rp
Retained Earnings	93,213,449,897	88,324,014,396
Other Comprehensive Income Accumulated - net after tax Actuarial Gain (Note 18)	400,422,766	153,748,130
Total	93,613,872,663	88,477,762,526

Retained earnings represents the accumulative balance of profit or loss after deducting dividends and the appropriation of reserve through annual general meeting of shareholders's decision (if any).

Other comprehensive income represents actuarial gain which is derived from the measurement of post-employment benefit.

20. Sales

	2016 (3 Months) Rp	2015 (1 Year) Rp
Local - Net	62,747,956,287	202,490,626,731
Export	5,564,351,422	22,531,286,503
Net	68,312,307,709	225,021,913,234

21. Cost of Goods Sold

	2016 (3 Months) Rp	2015 (1 Year) Rp
Manufacturing Cost:		
Direct Material		
Beginning Inventory - Raw Materials and Components	7,613,981,454	9,389,201,778
Purchases	32,082,693,195	76,010,741,652
Plating and Rework	901,537,056	2,319,163,749
Freight and Handling Charges	564,719,116	2,536,640,241
Custom Duty	507,954,160	1,574,041,314
Ending Inventory - Raw Materials and Components (Note 5)	(7,993,893,347)	(7,613,981,454)
	33,676,991,633	84,215,807,280
Direct Labor		
Wages	3,536,988,254	12,711,153,951
Overtime	687,332,984	2,234,980,728
THR and Bonus	--	1,551,865,021
Transportation	345,978,291	1,378,138,184
Catering	249,925,428	956,376,569
Casual Expenses	256,172,686	732,109,913
Jamsostek	181,107,068	656,510,881
BPJS	128,127,115	446,123,510
Uniform	7,528,000	84,009,000
Medical	9,820,000	--
	5,402,979,826	20,751,267,757

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

	2016 (3 Months) Rp	2015 (1 Year) Rp
Factory Overhead		
Consumptions	1,284,833,206	15,400,548,750
Depreciation (Note 10)	1,868,429,133	6,585,457,392
Electricity, Fuel & Power	563,802,822	2,254,420,790
Salary for Production Staffs	676,225,242	2,248,587,466
Testing Charges	84,216,390	1,660,659,227
Repair and Maintenance for Production	283,005,118	796,200,884
Production Staffs Allowance and Bonus	--	341,947,981
	<u>4,760,511,912</u>	<u>29,287,822,490</u>
Total Manufacturing Costs	43,840,483,372	134,254,897,527
Work In Process		
Beginning Balance	1,395,174,088	715,556,750
Ending Balance (Note 5)	(1,227,271,987)	(1,395,174,088)
Cost of Goods Manufactured	<u>44,008,385,473</u>	<u>133,575,280,189</u>
Finished Goods		
Beginning Balance	3,614,774,452	3,461,877,718
Purchases	6,232,848,170	23,398,173,093
Freight and Handling Charges	160,428,250	434,714,158
Custom Duty	75,123,000	192,559,000
Ending Balance (Note 5)	(3,497,163,468)	(3,614,774,452)
Total Cost of Goods Sold	<u>50,594,395,877</u>	<u>157,447,829,706</u>

22. General and Administrative Expenses

	2016 (3 Months) Rp	2015 (1 Year) Rp
Salary, Allowance and Bonus	4,353,056,838	16,808,485,948
Royalty	2,889,716,745	8,651,827,855
Professional Fee	1,062,037,680	4,832,815,908
Transportation, Travelling and Forwarding	925,479,498	3,358,301,650
Employee Benefit (Note 17)	310,088,963	1,212,649,954
Depreciation (Note 10)	296,138,565	1,606,195,404
Working Permit Expense	219,229,356	588,785,680
Security	216,162,200	825,917,350
Postage and Stationery	161,285,660	502,237,810
Office Running, Repair and Maintenance	160,916,665	914,667,311
Insurance	153,955,757	652,911,356
Telephone and Water	109,151,976	450,938,142
Jamsostek JHT Contribution	80,230,223	266,491,694
Cleaning Expense	75,935,838	283,747,478
Medical	74,525,313	342,726,304
Staf Welfare Expense	59,615,221	322,689,768
Estate Service Fee	57,397,200	326,066,000

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

	2016 (3 Months) Rp	2015 (1 Year) Rp
Courier Expense	39,717,072	307,542,449
Taxation	19,781,901	1,177,225,843
Bank Facility Fee	--	254,731,840
Relocation Expenses	--	208,847,785
Others (each below Rp200,000,000)	222,837,789	906,639,624
Total	11,487,280,459	44,802,443,153

23. Selling Expenses

	2016 (3 Months) Rp	2015 (1 Year) Rp
Entertainment	217,259,320	2,549,502,113
Promotion	141,571,563	355,716,437
Warranty Claim	14,469,137	349,615,431
Total	373,300,020	3,254,833,981

24. Other Income (Expenses) - Net

	2016 (3 Months) Rp	2015 (1 Year) Rp
Other Income		
Gain On Sale of property, plant and equipments	--	12,134,890,319
Bank Interests	309,711,487	404,938,398
Gain on Foreign Exchange	660,085,581	--
Others	70,004,777	466,815,763
	<u>1,039,801,845</u>	<u>13,006,644,480</u>
Other Expenses		
Loss on Foreign Exchange	--	(3,051,940,740)
Interest on Bank Loan	(317,449,354)	(2,359,535,170)
Bank Charges	(20,231,359)	(164,929,770)
Others Expenses	--	(153,540,000)
	<u>(337,680,713)</u>	<u>(5,729,945,680)</u>
Total - Net	702,121,131	7,276,698,800

25. Monetary Assets and Liabilities in Foreign Currency

		March 31, 2016		December 31, 2015	
		Equivalent to Rp	Foreign Currency	Equivalent to Rp	Foreign Currency
Assets					
Cash and Cash Equivalents	USD	1,285,859,990	96,856	3,051,456,069	221,200
Trade Receivables	USD	4,242,533,390	319,564	3,216,862,672	233,190
Other Receivables	EUR	30,217,830,832	2,010,532	6,047,043,523	401,272
Total Assets		<u>35,746,224,212</u>	<u>2,426,953</u>	<u>12,315,362,263</u>	<u>855,663</u>

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

	March 31, 2016		December 31, 2015	
	Equivalent to Rp	Foreign Currency	Equivalent to Rp	Foreign Currency
Liabilities				
Trade Payables	USD 10,561,518,238	795,535	9,318,664,344	675,510
Other Payables	USD 131,737,482	9,923	--	--
Accrued Expenses	USD 2,434,433,396	183,371	1,706,344,935	123,693
Long Term Bank Loans	USD 6,414,628,512	483,175	9,511,221,958	689,469
Total Liabilities	19,542,317,628	1,472,003	20,536,231,237	1,488,672
Net Assets (Liabilities)	16,203,906,584	954,949	(9,271,106,734)	(633,009)

26. Financial Instruments and Financial Risks Management

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include market risk (which includes currency risk and interest risk), liquidity risk and credit risk. The Directors carried out their financial risks management in accordance with established policies and procedures.

(i) Market Risk

a. Currency Risk

The Company has an exposure to currency risk as its trade accounts receivable is denominated in both US Dollar and Indonesian Rupiah. Below is the detail of accounts which is denominated in USD, as follows:

	March 31, 2015 Equivalent Rp	December 31, 2015 Equivalent Rp
USD		
Assets		
Cash and Cash Equivalents	1,285,859,990	3,051,456,069
Trade Receivables	4,242,533,390	3,216,862,672
Other Receivables	30,217,830,832	6,047,043,523
Liabilities		
Trade Payables	10,561,518,238	9,318,664,344
Other Payables	131,737,482	--
Accrued Expenses	2,434,433,396	1,706,344,935
Long Term Bank Loans	6,414,628,512	9,511,221,958

Following is the sensitivity to a 100 basis point change in exchange rate of functional currency of US Dollar and Euro against significant outstanding non-functional currency as of March 31, 2016 and December 31, 2015, with other variables held constant, of the Company after tax. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjust their translation at the period end for a 100 basis point change in foreign currency rate:

	Change In Currency Rate	Effect on Profit after Tax	
		March 31, 2016 Rp	December 31, 2015 Rp
USD	+ 100 bp	78,576,878	77,012,842
EUR	+ 100 bp	201,053,249	40,127,232

b. Interest Rate Risk

Interest on the cash flow risk is the risk that future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company exposure to interest rate is considered low when viewed from the side of the balance sheet, but continue to monitor these companies to minimize the negative impact on the company. Borrowings issued at variable interest rates expose the company to cash flows from interest rate risk.

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

	March 31, 2016			
	Floating Interest Rate		Non Interest Bearing	Total
	Current	Non Current		
	Rp	Rp	Rp	Rp
Liability				
Trade Payable to Related Parties	--	--	4,070,951,280	4,070,951,280
Trade Payable to Third Parties	--	--	28,365,630,865	28,365,630,865
Accrued Expense	--	--	3,397,262,163	3,397,262,163
Current Maturities of Long Term Bank Loan	6,414,628,512	--	--	6,414,628,512
Total Financial Liability	6,414,628,512	--	31,762,693,028	38,177,521,540

	December 31, 2015			
	Floating Interest Rate		Non Interest Bearing	Total
	Current	Non Current		
	Rp	Rp	Rp	Rp
Liability				
Trade Payable to Related Parties	--	--	2,626,130,344	2,626,130,344
Trade Payable to Third Parties	--	--	22,609,710,450	22,609,710,450
Accrued Expense	--	--	2,658,968,525	2,658,968,525
Other Payable	--	--	--	--
Current Maturities of Long Term Bank Loan	9,403,016,584	--	--	9,403,016,584
Long-Term Bank Loans - Net of Current Maturities	--	108,205,374	--	108,205,374
Total Financial Liability	9,403,016,584	108,205,374	25,268,678,975	37,406,031,277

	Change in Interest	Effect on Profit after Tax	
		March 31, 2016	December 31, 2015
		Rp	Rp
Rupiah	+ 50 bp	32,073,143	47,556,110

(ii) Liquidity Risk

The Company manages liquidity risk by maintaining adequate reserves, by continuous forecast and cash flows and matching the maturity profiles of financial assets and liabilities.

The following table represents the liquidity analysis of financial instruments as of March 31, 2016 and December 31, 2015 based on exposure on due date on undiscounted contractual maturities for all non-derivative financial assets and liabilities. The contractual maturity is based on the earliest date on which the Company may be required to pay.

	March 31, 2016	
	Within One Year Rp	Within One Year Rp
Cash and Cash Equivalents	16,609,274,507	--
Trade Receivables	32,131,857,155	--
Other Receivables from Third Parties	31,441,277,095	--
Total	80,182,408,756	--
Trade Payable to Third Parties	28,365,630,865	--
Accrued Expense	3,397,262,163	--
Other Payables	131,737,482	--
Current Maturities of Long Term - Bank Loan	6,414,628,512	--
Long-Term Bank Loans - Net of Current Maturities	--	--
Total	38,309,259,022	--

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

	December 31, 2015	
	Within One Year	Within One Year
	Rp	Rp
Cash and Cash Equivalents	36,595,731,705	--
Trade Receivables	23,436,693,993	--
Other Receivables from Third Parties	7,522,031,817	--
Total	67,554,457,515	--
Trade Payable to Third Parties	22,609,710,450	--
Accrued Expense	2,658,968,525	--
Other Payables	--	--
Current Maturities of Long Term - Bank Loan	9,403,016,584	--
Long-Term Bank Loans - Net of Current Maturities	108,205,374	--
Total	34,779,900,933	--

(iii) Credit Risk

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks and receivables.

Financial instruments of the Company which are potentially exposed to credit risk are cash in banks and trade accounts receivables. The maximum exposure to credit risk is equal to its carrying value.

The fair values of financial assets and liabilities, together with the carrying amounts, are as follow:

	March 31, 2016	
	Carrying Value	Fair Value
	Rp	Rp
Financial Assets		
Cash and Cash Equivalents	16,609,274,507	16,609,274,507
Trade Receivables	32,131,857,155	32,131,857,155
Other Receivables	30,217,830,832	30,217,830,832
Total	78,958,962,493	78,958,962,493
Financial Liabilities		
Trade Payables	28,365,630,865	28,365,630,865
Accrued Expense	3,397,262,163	3,397,262,163
Other Payables	131,737,482	131,737,482
Long Term Bank Loans	6,414,628,512	6,414,628,512
Total	31,894,630,510	31,894,630,510

	December 31, 2015	
	Carrying Value	Fair Value
	Rp	Rp
Financial Assets		
Cash and Cash Equivalents	36,595,731,705	36,595,731,705
Trade Receivables	23,436,693,993	23,436,693,993
Other Receivables	6,047,043,523	6,047,043,523
Total	66,079,469,221	66,079,469,221
Financial Liabilities		
Trade Payable to Third Parties	22,609,710,450	22,609,710,450
Accrued Expense	2,658,968,525	2,658,968,525
Long Term Bank Loans	9,511,221,958	9,511,221,958
Total	34,779,900,933	34,779,900,933

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

27. Capital Management

The Company purpose in managing capital is to protect the ability of the entity in maintaining business continuity, so that entities can still deliver results for shareholders and benefits for other stakeholders, and to provide adequate returns to shareholders by pricing products and services that are commensurate with the level of risk.

The Company set a number of capitals in proportion to the risk. The Company manages its capital structure and makes adjustments taking into account changes in economic conditions and risk characteristics of the underlying asset. Consistent with other companies in the industry, the Company monitors capital on the basis of the ratio of adjusted debt to capital. This ratio is calculated as follows: net debt divided by adjusted capital. Net debt is total debt (as the amount in the statement of financial position) less cash and cash equivalents. Adjusted capital comprises all components of equity (including capital stock, foreign exchange translation adjustment of foreign currency and retained earnings). During the year 2015, the Company's strategy has not changed, namely, to maintain the debt to equity ratio at maximum 0,5:1. The ratio of debt to equity as at March 31, 2016 are as follows:

	March 31, 2015 Rp	December 31, 2015 Rp
Short-term Liabilities	49,557,446,202	44,315,694,282
Long-term Liabilities	3,964,919,320	4,091,960,581
Total Liabilities	53,522,365,522	48,407,654,863
Total Equity	104,599,231,072	99,459,880,129
Debt to Equity Ratio	0.5 : 1	0.5 : 1

28. Related Parties Transactions

a. Nature of Relationships

Company Name	Type of Relationship	Transaction
Minda Industries Ltd	Shareholder	Purchases, Sales

b. Details of Transactions with Related Parties:

	March 31, 2015 Rp	% of Total Assets/ Liabilities/ Sales/ Cost of Good Sold	December 31, 2015 Rp	% of Total Assets/ Liabilities/ Sales/ Cost of Good Sold
Trade Receivables	1,665,614,527	5,18%	77,698,958	0,33%
Trade Payable	4,070,951,280	12,55%	2,626,130,344	10,41%
Sales	1,738,762,334	2,55%	79,766,500	0,04%
Purchase	6,057,155,947	11,97%	16,538,928,436	10,50%

29. New Prospective Accounting Standards

Standards and interpretations issued not yet adopted

Standard and improvements to standards effective for periods beginning on or after January 1, 2016, with early application permitted as are follows:

Standard
PSAK 110 (revised 2015): Accounting for Sukuk

PT MINDA ASEAN AUTOMOTIVE AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For 3 (Three) Months Period Ended March 31, 2016 and
for the Years Ended December 31, 2015
(Expressed in Rupiah)

Adjustment

- PSAK 5: Operating Segments
- PSAK 7: Related Party Disclosures
- PSAK 13: Investments Property
- PSAK 16: Property, Plant and Equipment
- PSAK 19: Intangible Assets
- PSAK 22: Business Combination
- PSAK 25: Accounting Policies, Changes in Accounting Estimates and Errors
- PSAK 53: Share-based Payments
- PSAK 68: Fair Value Measurement

Amendments to standards and interpretation which are effective for periods beginning on or after January 1, 2016, with retrospective application are as follows:

- PSAK 4: Separate Financial Statements about Equity Method in Separate Financial Statements,
- PSAK 15: Investment in Associates and Joint Venture about Investment Entities: Applying the Consolidation Exception,
- PSAK 24: Employee Benefits about Defined Benefit Plans: Employee Contributions,
- PSAK 65: Consolidation Financial Statements about Investment Entities: Applying the Consolidation Exception, .
- PSAK 67: Disclosures of Interest in Other Entities about Investment Entities: Applying the Consolidation Exception, and
- ISAK 30: Levies

Amendments to standards and interpretation which are effective for periods beginning on or after January 1, 2016, with prospective application are as follows:

- PSAK 16: Property, Plant and Equipment about Clarification of Acceptable Methods of Depreciation and Amortization,
- PSAK 19: Intangible Asset about Clarification of Acceptable Methods of Depreciation and Amortization, and
- PSAK 66: Joint Arrangements about Accounting for Acquisitions of Interests in Joint Operation.

Amendments to standard and interpretation effective for periods beginning on or after January 1, 2017, with early application permitted are amendments to PSAK 1: Presentation of Financial Statements about Disclosure Initiative and ISAK 31, Scope Interpretation of PSAK 13: Investment Property.

Standard and amendment to standard effective for periods beginning on or after January 1, 2018, with early application permitted are PSAK 69: Agriculture and amendments to PSAK 16: Property, Plant and Equipment about Agriculture: Bearer Plants.

As at the authorisation date of this financial statements, the Company and Subsidiary is still evaluating the potential impact of these new and revised standards to the consolidated financial statements.

30. Completion of the Consolidated Financial Statements

Management of the Company is responsible for preparation and presentation of the consolidated financial statements. The consolidated financial statements has been authorized for issuance by the Directors on April 29, 2016.