

**Perusahaan Perseroan (Persero) PT Aneka Tambang Tbk
And Subsidiaries**

Consolidated Financial Statements And Independent Auditors' Report
For The Years Ended December 31, 2000 And 1999
(Indonesian Currency)

Independent Auditors' Report

Report No. 35153S

The Stockholders and the Boards of Commissioners and Directors
Perusahaan Perseroan (Persero) PT Aneka Tambang Tbk

We have audited the consolidated balance sheets of Perusahaan Perseroan (Persero) PT Aneka Tambang Tbk and Subsidiaries as of December 31, 2000 and 1999, and the related consolidated statements of income, changes in stockholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Perusahaan Perseroan (Persero) PT Aneka Tambang Tbk and Subsidiaries as of December 31, 2000 and 1999, and the results of their operations, changes in their stockholders' equity and their cash flows for the years then ended in conformity with accounting principles generally accepted in Indonesia.

As disclosed in Notes 21 and 3 to the consolidated financial statements, effective January 1, 2000, the Company changed its accounting policy for stock issuance costs in accordance with Rule No. VIII.G.7 of the Capital Market Supervisory Agency (BAPEPAM) dated March 13, 2000. Prior years' consolidated financial statements have been restated to conform with the change in accounting policy.

Note 32 to the consolidated financial statements includes a summary of the effects of the economic conditions in Indonesia on the Company and its Subsidiaries as well as the measures the Company and its Subsidiaries have implemented and plan to implement in response to the economic conditions. The accompanying consolidated financial statements include the effects of the economic conditions to the extent they can be determined and estimated. Resolution of the economic conditions depends on the measures that have been and will be undertaken by the Indonesian government, actions which are beyond the Company's and Subsidiaries' control, to achieve economic recovery. It is not possible to determine the future effect the economic conditions may have on the Company's and its Subsidiaries' liquidity and earnings.

Generally accepted accounting principles in Indonesia vary in certain respects from those in Australia. A description of the significant difference between these two generally accepted accounting principles and the approximate effects of this difference on net income and stockholders' equity are set forth in Notes 33 and 34 to the consolidated financial statements.

PRASETIO, UTOMO & CO.

License No. 98.2.0024

Drs. Hari Purwantono

License No. 98.1.0065

March 23, 2001

NOTICE TO READERS

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

**PERUSAHAAN PERSEROAN (PERSERO) PT ANEKA TAMBANG Tbk AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS**

(Amounts In Thousands Of Rupiah, Except Per Share Data)

	December 31,	
	2000	1999 (As Restated - see Note 3)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents (<i>Notes 2c, 4 and 18</i>)	Rp 706,778,196	Rp 393,567,972
Proceeds account (<i>Notes 5, 18 and 31</i>)	162,094,110	-
Short-term investments - net (<i>Notes 2d and 6</i>)	2,932,070	583,857
Accounts receivable		
Trade (<i>Notes 2e and 7</i>)	79,873,967	88,042,962
Others - Net of allowance for doubtful accounts of Rp 2,142,834 in 2000 and Rp 662,005 in 1999 (<i>Note 2e</i>)	14,313,543	39,161,791
Inventories - net (<i>Notes 2g, 8, 14 and 18</i>)	238,948,732	183,162,306
Prepaid taxes (<i>Note 9</i>)	41,450,880	24,868,323
Prepaid expenses and other current assets (<i>Note 2h</i>)	15,580,246	33,147,014
Total Current Assets	1,261,971,744	762,534,225
NON-CURRENT ASSETS		
Investment in shares of stock (<i>Notes 2b, 10 and 18</i>)	30,929,169	30,929,169
Property, plant and equipment - Net of accumulated depreciation and amortization of Rp 406,905,042 in 2000 and Rp 295,155,188 in 1999 (<i>Notes 2i, 2j, 2k, 2t, 11, 14, 18 and 28</i>)	1,080,546,909	1,093,479,478
Deferred exploration and development costs - net (<i>Notes 2n and 12</i>)	106,396,113	91,044,069
Deferred charges - net (<i>Notes 2l, 2m, 3 and 13</i>)	16,367,885	9,650,953
Deferred environmental protection and rehabilitation costs - net (<i>Note 2o</i>)	8,949,694	9,897,837
Prepaid pension expense (<i>Notes 2p and 25</i>)	-	23,628,441
Loans to employees	-	18,690,534
Other non-current assets	11,175,564	15,391,594
Total Non-Current Assets	1,254,365,334	1,292,712,075
TOTAL ASSETS	Rp 2,516,337,078	Rp 2,055,246,300

PERUSAHAAN PERSEROAN (PERSERO) PT ANEKA TAMBANG Tbk AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (Continued)
(Amounts In Thousands Of Rupiah, Except Per Share Data)

	December 31,	
	2000	1999 (As Restated - see Note 3)
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Short-term bank loans (Notes 8, 11 and 14)	Rp 131,332,690	Rp 144,588,320
Accounts payable		
Trade (Notes 2f, 15 and 26)		
Third parties	41,750,398	30,385,873
Related parties	3,144,225	6,065,047
Others	5,729,351	11,663,298
Accrued expenses (Notes 2p, 16 and 25)	67,993,005	27,116,032
Taxes payable (Notes 2u and 17)	166,055,571	24,489,617
Current maturities of long-term debts (Notes 5, 8, 11 and 18)	79,957,993	64,070,704
Current portion of estimated liabilities for environmental protection and rehabilitation (Notes 2o, 19 and 29b)	2,971,542	1,648,133
Total Current Liabilities	498,934,775	310,027,024
NON-CURRENT LIABILITIES		
Deferred tax liabilities - net (Notes 2u and 17)	80,014,761	86,519,396
Long-term debts - Net of current maturities (Notes 5, 8, 11 and 18)	156,917,098	187,540,885
Estimated liabilities for environmental protection and rehabilitation - Net of current portion (Notes 2o, 19 and 29b)	21,131,764	13,918,132
Total Non-Current Liabilities	258,063,623	287,978,413
MINORITY INTERESTS IN CONSOLIDATED SUBSIDIARIES (Note 2b)	9,031,698	9,586,667

(Forward)

PERUSAHAAN PERSEROAN (PERSERO) PT ANEKA TAMBANG Tbk AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (Continued)
(Amounts In Thousands Of Rupiah, Except Per Share Data)

	December 31,	
	2000	1999 (As Restated - see Note 3)
STOCKHOLDERS' EQUITY		
Capital stock - par value of Rp 500 for preferred stock and common stock (Note 20) Authorized - 1 preferred share and 3,199,999,999 common shares Issued and fully paid - 1 preferred share and 1,230,768,999 common shares	Rp 615,384,500	Rp 615,384,500
Additional paid-in capital in excess of par value (Notes 3 and 20)	340,987,784	340,987,784
Difference in foreign currency translation (Note 2b)	32,427,628	23,004,145
Unrealized holding gain on marketable securities (Note 2d)	149,569	-
Retained earnings (Notes 3 and 27)		
Appropriated	378,202,540	233,933,245
Unappropriated	383,154,961	234,344,522
Total Stockholders' Equity	<u>1,750,306,982</u>	<u>1,447,654,196</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>Rp 2,516,337,078</u>	<u>Rp 2,055,246,300</u>

See accompanying Notes to Consolidated Financial Statements which are an integral part of the consolidated financial statements.

**PERUSAHAAN PERSEROAN (PERSERO) PT ANEKA TAMBANG Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME**

(Amounts In Thousands Of Rupiah, Except Per Share Data)

	For The Years Ended December 31,	
	2000	1999 (As Restated - see Note 3)
NET SALES (Notes 2r, 2s and 21)	Rp 1,566,308,952	Rp 966,145,426
COST OF GOODS SOLD (Notes 2r and 22)	860,274,905	547,727,091
GROSS PROFIT	706,034,047	418,418,335
OPERATING EXPENSES (Notes 2r and 23)		
General and administrative	106,248,714	68,136,758
Selling	34,932,562	26,955,747
Exploration (Note 2n)	15,273,576	5,309,993
Total Operating Expenses	156,454,852	100,402,498
INCOME FROM OPERATIONS	549,579,195	318,015,837
OTHER INCOME (CHARGES)		
Interest income	32,463,292	33,646,038
Gain (loss) on foreign exchange - net (Note 2f)	39,173,668	(13,685,853)
Pension income (cost) (Notes 2p and 35)	(31,813,567)	7,653,433
Interest expense	(25,420,640)	(29,038,627)
Write-off of other assets (Note 35)	(7,689,063)	(1,536,713)
Geology service expense - net	(7,434,869)	(7,114,748)
Amortization of deferred environmental protection and rehabilitation costs (Note 2o)	(948,143)	(1,850,958)
Others - net	(13,648)	(533,756)
Other Charges - Net	(1,682,970)	(12,461,184)
INCOME BEFORE EXTRAORDINARY ITEM	547,896,225	305,554,653
EXTRAORDINARY ITEM (Note 28)	-	14,239,110
INCOME BEFORE PROVISION FOR TAX EXPENSE (INCOME)	547,896,225	319,793,763
PROVISION FOR TAX EXPENSE (INCOME) (Notes 2u and 17)		
Current	173,869,437	53,041,463
Deferred	(6,504,635)	32,793,746
Total	167,364,802	85,835,209

(Forward)

PERUSAHAAN PERSEROAN (PERSERO) PT ANEKA TAMBANG Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME (Continued)
(Amounts in Thousands Of Rupiah, Except Per Share Data)

	For The Years Ended December 31,	
	2000	1999 (As Restated - see Note 3)
INCOME BEFORE MINORITY INTERESTS IN NET LOSS OF SUBSIDIARIES	Rp 380,531,423	Rp 233,958,554
MINORITY INTERESTS IN NET LOSS OF SUBSIDIARIES (Note 2b)	2,623,538	385,968
NET INCOME	Rp 383,154,961	Rp 234,344,522
EARNINGS PER SHARE (Note 2v)	Rp 311.31	Rp 190.40

See accompanying Notes to Consolidated Financial Statements which are an integral part of the consolidated financial statements.

**PERUSAHAAN PERSEROAN (PERSERO) PT ANEKA TAMBANG Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**

(Amounts In Thousands Of Rupiah)

For The Years Ended December 31, 2000 And 1999

	Capital Stock	Additional Paid-in Capital in Excess of Par Value	Difference in Foreign Currency Translation	Unrealized Holding Gain on Marketable Securities	Retained Earnings		Total
					Appropriated	Unappropriated	
Balance, January 1, 1999 as previously reported	Rp 615,384,500	Rp 387,692,100	Rp 26,063,010	Rp -	Rp 27,609,003	Rp 319,598,677	Rp 1,376,347,290
Adjustment due to change in accounting policy (Note 3)	-	(46,704,316)	-	-	14,565,036	-	(32,139,280)
Balance, January 1, 1999 As Restated	615,384,500	340,987,784	26,063,010	-	42,174,039	319,598,677	1,344,208,010
Net income as previously reported	-	-	-	-	-	225,188,068	225,188,068
Adjustment due to change in accounting policy (Note 3)	-	-	-	-	-	9,156,454	9,156,454
Net income As Restated	-	-	-	-	-	234,344,522	234,344,522
Appropriation for general reserve	-	-	-	-	191,759,206	(191,759,206)	-
Difference in foreign currency translation (Note 2b)	-	-	(3,058,865)	-	-	-	(3,058,865)
Cash dividends declared (Note 27)	-	-	-	-	-	(127,839,471)	(127,839,471)
Balance, December 31, 1999 As Restated	615,384,500	340,987,784	23,004,145	-	233,933,245	234,344,522	1,447,654,196
Net income	-	-	-	-	-	383,154,961	383,154,961
Appropriation for general reserve	-	-	-	-	144,269,295	(144,269,295)	-
Difference in foreign currency translation (Note 2b)	-	-	9,423,483	-	-	-	9,423,483
Cash dividends declared (Note 27)	-	-	-	-	-	(90,075,227)	(90,075,227)
Unrealized holding gain on Marketable Securities	-	-	-	149,569	-	-	149,569
Balance, December 31, 2000	Rp 615,384,500	Rp 340,987,784	Rp 32,427,628	Rp 149,569	Rp 378,202,540	Rp 383,154,961	Rp 1,750,306,982

See accompanying Notes to Consolidated Financial Statements which are an integral part of the consolidated financial statements.

**PERUSAHAAN PERSEROAN (PERSERO) PT ANEKA TAMBANG Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Amounts In Thousands Of Rupiah)

	For The Years Ended December 31,	
	2000	1999 (As Restated - see Note 2a)
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	Rp 1,585,480,714	Rp 932,923,908
Payments to suppliers and employees	(831,072,123)	(593,445,925)
Cash provided by operating activities	754,408,591	339,477,983
Payment of interest expense	(28,015,451)	(30,236,538)
Income taxes paid	(41,812,110)	(58,347,117)
Cash receipt from insurance	8,286,534	3,460,000
Foreign exchange adjustment of cash and cash equivalents	132,607,484	(35,490,164)
Net Cash Provided by Operating Activities	825,475,048	218,864,164
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(98,306,022)	(144,460,606)
Proceeds from (payment of):		
Deferred exploration and development costs	(32,658,897)	(25,365,037)
Deferred charges	(17,534,233)	(6,809,230)
Loans to employees	18,690,535	3,519,798
Other assets	4,216,029	4,136,489
Short-term investment	(2,304,147)	-
Net Cash Used in Investing Activities	(127,896,735)	(168,978,586)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from (repayment of) short-term bank loans	(53,670,079)	79,552,444
Repayments of long-term debts	(78,528,673)	(84,984,381)
Payments of cash dividends	(90,075,227)	(127,839,471)
Addition in proceeds account	(162,094,110)	-
Net Cash Used in Financing Activities	(384,368,089)	(133,271,408)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	313,210,224	(83,385,830)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	393,567,972	476,953,802
CASH AND CASH EQUIVALENTS AT END OF YEAR	Rp 706,778,196	Rp 393,567,972

(Forward)

PERUSAHAAN PERSEROAN (PERSERO) PT ANEKA TAMBANG Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(Amounts In Thousands Of Rupiah)

	For The Years Ended December 31,	
	2000	1999 (As Restated - see Note 2a)
Activities not affecting cash flows:		
Capitalization of foreign exchange gain to property, plant and equipment	Rp	- (Rp 4,897,541)
Reclassification of property, plant and equipment to other assets		- 2,695,547
Reclassification of other assets to property, plant and equipment		- 337,639

See accompanying Notes to Consolidated Financial Statements which are an integral part of the consolidated financial statements.