



**PT Ciputra Development Tbk
And Subsidiaries**



**Consolidated Financial Statements
For Three Months Ended 31 March 2010 and 2009
(Indonesian Currency)**

PT CIPUTRA DEVELOPMENT TBK AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
31 March 2010 and 2009
(In Rupiah)

	Notes	2010	2009
ASSETS			
Cash and cash equivalents	2d,3	2,073,329,944,041	2,176,444,975,075
Investments	2e,4	322,080,238,803	355,733,445,497
Account receivables	2f		
Trade			
(Net of allowance for doubtful accounts of Rp 5,346,091,403 in 2010 and Rp 3,176,829,956 in 2009)	5	135,371,444,833	122,783,754,345
Others			
Third parties		59,691,676,736	53,017,648,669
Related parties	2g,6	74,593,576,217	-
Inventories	2h,2q,7	2,079,118,554,645	1,877,066,494,871
Advances for purchases of land and others	8	119,443,199,849	105,210,213,543
Prepaid taxes and expenses		73,361,496,205	29,302,632,467
Land for development	2h,2q,9	1,625,556,174,711	1,699,456,671,005
Investment property			
(Net of accumulated depreciation Rp 194,349,226,305 in 2010 and Rp 181,905,956,010 in 2009)	2i,10	417,601,395,482	430,464,320,235
Fixed assets			
(Net of accumulated depreciation of Rp 327,820,562,373 in 2010 and Rp 289,495,259,537 in 2009)	2j,2k,2q,11	1,588,420,514,938	1,365,253,717,303
Other assets			
Restricted funds	3	48,994,125,792	51,874,118,257
Others	2k	17,388,792,939	13,662,719,261
TOTAL ASSETS		8,634,951,135,191	8,280,270,710,528

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

PT CIPUTRA DEVELOPMENT TBK AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (Continued)
31 March 2010 and 2009
(In Rupiah)

	Notes	2010	2009
LIABILITIES, MINORITY INTERESTS AND STOCKHOLDERS' EQUITY			
LIABILITIES			
Bank loans	12	143,719,972,795	161,745,520,300
Account payables			
Trade		12,720,329,679	11,737,662,285
Others			
Third parties	13	97,636,107,150	112,199,237,742
Related parties	2g,6	56,353,561,705	57,101,984,796
Accrued expenses		11,940,444,479	18,358,656,525
Taxes payable	2s,14	14,386,876,274	41,761,042,239
Advances from customers	2p,15	1,055,835,555,523	889,285,541,166
Unearned revenues	2p,16	57,507,906,363	49,393,604,057
Construction costs payable	17	96,753,804,809	93,603,967,062
Deferred tax liabilities	2s	35,335,513,843	37,245,508,511
Estimated liabilities on employee benefits	2n,18	23,407,890,605	17,763,791,961
Others		432,355,179	712,412,686
Total Liabilities		1,606,030,318,404	1,490,908,929,330
MINORITY INTERESTS	2b,19	2,347,959,472,671	2,737,771,005,783
STOCKHOLDERS' EQUITY			
Capital stock – Rp 500 par value per share			
Authorized – 10,000,000,000 shares			
Issued and fully paid – 7,582,907,997 shares in 2010 and 6,556,748,915 shares in 2009	20	3,791,453,998,500	3,278,374,457,500
Additional paid in capital	1b	7,173,979,689	7,173,979,689
Transaction difference in equity changes of subsidiaries	2e	898,680,656,210	898,680,656,210
Deficits		(16,347,290,283)	(132,638,317,984)
Stockholders' Equity – Net		4,680,961,344,116	4,051,590,775,415
TOTAL LIABILITIES, MINORITY INTERESTS AND STOCKHOLDERS' EQUITY		8,634,951,135,191	8,280,270,710,528

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

PT CIPUTRA DEVELOPMENT TBK AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
For Three Months Ended 31 March 2010 and 2009
(In Rupiah)

	Notes	2010	2009
REVENUES			
Net sales	2p,21	263,012,958,056	216,969,556,495
Operating revenues		89,538,494,509	89,050,168,243
Total		352,551,452,565	306,019,724,738
COST OF SALES AND DIRECT COST			
Cost of sales	2p,22	159,529,365,752	138,881,100,325
Direct cost		36,280,808,250	34,248,378,939
Total		195,810,174,002	173,129,479,264
GROSS PROFIT			
		156,741,278,563	132,890,245,474
OPERATING EXPENSES			
Selling	2p,23	20,686,556,180	14,612,226,658
General and administrative		73,503,050,574	71,047,893,694
Total		94,189,606,754	85,660,120,352
INCOME FROM OPERATIONS			
		62,551,671,809	47,230,125,122
OTHER INCOME (CHARGES) - NET			
	24	15,328,419,803	81,924,827,368
EQUITY IN NET INCOME OF ASSOCIATE COMPANY			
		(839,921,523)	236,011,975
INCOME BEFORE INCOME TAX			
		77,040,170,089	129,390,964,465
INCOME TAX BENEFITS (EXPENSES)			
Current - Final tax	2s,14	(16,802,346,458)	(14,229,906,340)
Current - Non final		(1,606,959,781)	(8,159,260,724)
Deferred		4,640,446	(296,186,474)
Income Tax Expenses – Net		(18,404,665,793)	(22,685,353,538)
INCOME BEFORE MINORITY INTEREST			
		58,635,504,296	106,705,610,927
MINORITY INTEREST			
	2b,19	(24,850,073,811)	(52,883,539,905)
NET INCOME			
		33,785,430,485	53,822,071,022
BASIC EARNINGS PER SHARE			
Income from operations	2t, 25	8	7
Net income		4	8
DILUTED EARNINGS PER SHARE			
Income from operations	2t, 25	8	6
Net Income		4	7

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

PT CIPUTRA DEVELOPMENT TBK AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For Three Months Ended 31 March 2010 and 2009
(In Rupiah)

	<u>Capital Stock</u>	<u>Additional Paid-in Capital</u>	<u>Transaction Difference in Equity Changes of Subsidiaries</u>	<u>Deficits</u>	<u>Stockholders' Equity – Net</u>
Balance, 1 January 2009	3,278,374,457,500	7,173,979,689	898,680,656,210	(186,460,389,006)	3,997,768,704,393
Net income	-	-	-	53,822,071,022	53,822,071,022
Balance, 31 March 2009	3,278,374,457,500	7,173,979,689	898,680,656,210	(132,638,317,984)	4,051,590,775,415
Balance, 1 January 2010	3,791,453,998,500	7,173,979,689	898,680,656,210	(50,132,720,768)	4,647,175,913,631
Net income	-	-	-	33,785,430,485	33,785,430,485
Balance, 31 March 2010	3,791,453,998,500	7,173,979,689	898,680,656,210	(16,347,290,283)	4,680,961,344,116

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

PT CIPUTRA DEVELOPMENT TBK AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For Three Months Ended 31 March 2010 and 2009
(In Rupiah)

	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	379,152,722,672	253,194,218,266
Cash received from (paid for):		
Contractors, suppliers and others	(281,209,650,442)	(191,109,110,727)
Salaries and employees' benefit	(53,021,154,739)	(46,027,206,098)
Income and other taxes	(38,331,164,110)	(28,297,842,119)
Other operating expenses	(41,168,452,015)	(36,356,504,874)
Interest and others financial charges	(686,556,448)	(2,921,035,822)
Related Parties	(528,753,928)	(78,634,323)
Interest income	22,945,696,287	37,608,319,943
Net Cash Used in Operating Activities	<u>(12,847,312,723)</u>	<u>(13,987,795,754)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Withdrawal of restricted fund	85,575,383,643	31,512,527,884
Decrease (increase) in investments - net	54,096,729,165	(279,042,237,994)
Increase in fixed assets – net	(66,699,999,193)	(53,035,269,521)
Purchase of land for development	(3,365,596,153)	(6,442,211,247)
Net Cash Provided (used) by Investing Activities	<u>69,606,517,462</u>	<u>(307,007,190,878)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt (payment) of bank loans - net	18,692,082,132	(14,082,571,144)
Net Cash Provided (Used) from Investing Activities	<u>18,692,082,132</u>	<u>(14,082,571,144)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	75,451,286,871	(335,077,557,776)
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(11,383,240,584)	47,181,127,512
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	2,009,261,897,754	2,464,341,405,339
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>2,073,329,944,041</u>	<u>2,176,444,975,075</u>
Cash and cash equivalents at the end of period consist of:		
Cash on hand	4,848,207,860	4,064,911,226
Cash in banks	287,042,591,902	233,015,688,880
Time deposits	1,781,439,144,279	1,412,140,988,790
Bank Indonesia Certificates	-	527,223,386,179
Total	<u>2,073,329,944,041</u>	<u>2,176,444,975,075</u>
ACTIVITIES NOT AFFECTING CASH FLOWS		
Capitalization of interest expenses to inventories and land for development	578,100,933	286,450,461
Addition of assets and liabilities through acquisition of subsidiaries:		
Land for development	-	136,496,353,826

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

PT CIPUTRA DEVELOPMENT TBK AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For Three Months Ended 31 March 2010 and 2009
(In Rupiah)

1. GENERAL

a. The Company's Establishment

PT Ciputra Development Tbk (the Company) was established on 22 October 1981 based on Notarial Deed No. 22 of Hobropoerwanto, SH. The deed of establishment was ratified by the Minister of Justice in its Decision Letter No. Y.A.5/417/9 dated 4 June 1982 and was published in the State Gazette No. 72, Supplement No. 1131 dated 7 September 1982.

The Company's Articles of Association has been amended for several times, most recently by Notarial Deed of DR. Misahardi Wilamarta, SH, MH, MKn, LLM, No. 140 dated 24 June 2008, concerning the shareholders' approval to change the article of association to comply with the Indonesian Law No.40 year 2007 about limited liability company and capital market regulations.

According to Article 3 of the Company's Articles of Association, the Company's scope of activities is to engage in the development and sale of housing (real estate), office spaces, shopping centers and related facilities and industrial estates, and to engage in various services related to the design, development and maintenance of housing facilities, including but not limited to golf courses, family clubs, restaurants and other recreation centers and their related facilities.

The Company's head office is located at Prof. Dr. Satrio Street Kav. 6, Jakarta. Its real estate projects, namely Perumahan Citra 1, 2 and 5, are located in Kalideres, Jakarta.

The Company started its commercial operations in 1984.

b. Public Offering of the Company's Share

The Company has offered its shares to the public through the capital market since 1994. The Public Offering chronological since the first offer:

Corporate Action	Listing Date	Share Amount	Accumulated Share Amount	Nominal Amount (Rp)
Initial Public Offering (IPO) ¹	28 March 1994	250,000,000	250,000,000	250,000,000,000
Stock split ²	06 August 1996	250,000,000	500,000,000	250,000,000,000
Limited Public Offering (PUT) I ³	08 October 1996	250,000,000	750,000,000	375,000,000,000
Bonus Shares ⁴	04 December 2000	862,500,000	1,612,500,000	806,250,000,000
Issuance shares without pre-emptive rights ⁵	29 March 2006	2,307,276,912	3,919,776,912	1,959,888,456,000
PUT II ⁶	12 December 2006	2,449,860,570	6,369,637,482	3,184,818,741,000
Exercise of Warrant Series I ⁷	June - December 2007	170,959,193	6,540,596,675	3,270,298,337,500
Exercise of Warrant Series I ⁷	January-December 2008	16,152,240	6,556,748,915	3,278,374,457,500
Exercise of Warrant Series I ⁷	January - Desember 2009	1,026,159,082	7,582,907,997	3,791,453,998,500
Total Shares			<u>7,582,907,997</u>	<u>3,791,453,998,500</u>

- 1) The Initial Public Offering totaling 50,000,000 shares (with par value Rp 1,000 per share) at the price of Rp 5,200 per share. The entire shares including founder's shares of 200,000,000 shares have been registered at PT. Bursa Efek Jakarta as of 28 March 1994.
- 2) Change the par value of share from Rp 1,000 to Rp 500.
- 3) The existing share holders of 2 shares entitled to get 1 pre-emptive rights to buy 1 new share (par value Rp 500 per share) at the price of Rp 1,400 per share.
- 4) The existing share holders of 20 shares entitled to 23 bonus shares.
- 5) Related to debt settlement amounting USD 181.2 Million.
- 6) The existing share holders of 8 shares get 5 pre-emptive rights to buy 5 new shares (par value Rp 500 per share) at the price of Rp 500 per share.
- 7) Two shares from PUT II were entitled to get 1 warrant to buy 1 new share in par value Rp 500 per share.

On 12 October 2006, the Company submits Registration Statement of Limited Public Offering II (PUT II) to the Capital Market Supervisory Board and Financial Institution (Bapepam and LK) in connection with issuance of shares without pre-emptive right (HMETD) amounting 2,449,860,570 shares, which each 8 shares holder entitled to buy 5 new shares, the par value and offering price is Rp 500 per share.

PT CIPUTRA DEVELOPMENT TBK AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
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On 17 November 2006, this public offering had been stated effectively by Bapepam and LK by its Letter No.S-2776/BL/2006 dated 15 November 2006. The cost issuance of shares related PUT II was Rp 14,758,141,570 and was recorded as a deduction of additional paid in capital.

Within PUT II, the Company had also issued 1,224,930,285 warrant, which could be exercised as common shares with par value and offering price of Rp 500 per share starting from 1 June 2007 to 30 November 2009. Until 30 November 2009, 1,213,270,515 warrants have been executed into shares.

As of 30 November 2009, all of the Company's shares have been listed in Indonesian Stock Exchange (IDX).

c. The Structure of Subsidiaries

The consolidated financial statements include the accounts of the Company and the following subsidiaries, which majority, directly and indirectly, owned by the Company, as follows:

Subsidiaries	Principle Activities (a)	Start of Commercial Operations	Domicile	Percentage of Ownership (%)		Total Assets 31 March 2010 (in thousand Rp)
				2010	2009	
PT Ciputra Residence and subsidiaries (a)	1	1994	Tangerang	99.99	99.99	1,510,844,993
PT Citraland Graha Realty (b)	-	-	Jakarta	99.99	99.99	5,684,838
PT Ciputra Graha Mitra and subsidiaries (a)	1	2007	Jakarta	99.99	99.99	307,335,744
PT Ciputra Indah and subsidiaries (a)	1	1996	Bogor	99.89	99.89	420,829,804
PT Citra Tumbuh Bahagia (b)	1	1993	Jakarta	80.00	80.00	9,359,517
PT Penta Oktoeneatama and subsidiary (b)	1	1993	Jakarta	80.00	80.00	96,765
PT Ciputra Property Tbk and subsidiaries (a)	3	1993	Jakarta	51.89	51.06	3,668,417,674
PT Ciputra Surya Tbk and subsidiaries (c)	1,4	1993	Surabaya	62.66	39.92	2,334,526,904
PT Ciputra Medika Utama (b)	5	-	Jakarta	99.99	-	2,044,203
Ciputra Development International Finance B.V. (a)	2	1995	Amsterdam	-	100.00	-

- a.
 1. Developing and selling real estate.
 2. Financing the activities of the Company and subsidiaries, liquidated on 17 June 2009
 3. Developing and managing shopping centers, hotels and other commercial buildings.
 4. Developing and operating golf course and club house.
 5. Developing and managing hospitals and related businesses in the health sector
- b. Still in the development stage as of 31 March 2010.
- c. Consolidated due to the Company has ability to exercise control on the operation.

PT Citra Adyapataka

Based on sale and purchase of shares agreement No. 21 dated 19 January 2009 of Djumini Setyoadi SH., PT Ciputra Residence (CR), a subsidiary, had invested in 35,410,853 shares (99.94%) of stock of PT Citra Adyapataka from Artupic International B.V for Rp 21,568,000,000. The net assets values of CAP at the time of acquisition amounted to Rp 36,001,028,919. The related excess of the underlying net asset value over the cost of investments in relation to the acquisition amounting to Rp 14,433,028,919, was allocated to the carrying value of the acquired non-monetary assets.

PT Cakradigdaya Lokaraya

Based on sale and purchase of shares agreement No. 23 dated 19 January 2009 of Djumini Setyoadi SH., PT Ciputra Residence (CR), a subsidiary, had invested in 105,379,271 shares (99.98%) of stock of PT Cakradigdaya Lokaraya from Artupic International B.V for Rp 82,210,000,000. The net assets values of CDLR at the time of acquisition amounted to Rp 107,186,927,070. The related excess of the underlying net asset value over the cost of investments in relation to the acquisition amounting to Rp 24,976,927,070, was allocated to the carrying value of the acquired non-monetary assets.

Ciputra Development International Finance B.V. (CDIF)

Based on the Extraordinary Shareholder's General Meeting (ESGM) dated 17 June 2009, shareholders had agreed to liquidate CDIF, a subsidiary domiciled in Amsterdam, Netherlands. The results from this ESGM has been registered to Chamber of Commerce of the Netherlands. The minutes of this ESGM have been submitted to and registered with the Chamber of Commerce of the Netherlands with registration No. 33261934 dated 3 July 2009.

PT Ciputra Residence

Based on the Debt Conversion Agreement PT Ciputra Residence (CR) dated 25 June 2009 and based on the Minutes of Extraordinary Shareholders' General Meeting dated 26 June 2009, the shareholders have agreed to convert CR's debt to PT Ciputra Development Tbk (the Company) amounting Rp 109,614,112,000 or equivalent to 109,614,112 new shares on behalf the Company. The change in CR's

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authorized capital has been approved by the Minister of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-38362.AH.01.02.Th 2009 dated 10 August 2009.

PT Ciputra Property Tbk

During April to August 2009, the Company had purchased 51,189,000 shares of PT Ciputra Property Tbk ("CP") with the total price of Rp 15,210,763,750 or average Rp 297 per share. By purchase such shares, the company's ownership in CP increased from 3,139,999,996 shares (51.06 %) to be 3,191,188,996 shares (51.89 %). The net assets value of the acquired minority interest at the time of the transaction amounted to Rp 27,549,363,438. The related excess of the underlying net assets value over the cost of investments in relation to the acquisition amounting to Rp 12,301,756,980, was allocated to the carrying value of the acquired non-monetary assets of CP.

Based on a conditional sale and purchase agreement dated 1 July 2009, between CP and Natsteel Properties Pte. Ltd. (NSL), CP agreed to buy 19,000,000 shares of stock of PT Ciputra Adigraha (CAG) owned by NSL for USD 7,600,000 which will be conducted in 2 tranches. Tranche 1 will comprise 9,500,000 shares at USD 3,800,000 fully payable by CP to NSL no later than 30 days after the Share Transfer Deed was prepared on 28 July 2009. Tranche 2, which will involve the procurement of 9,500,000 shares for USD 3,800,000, will be fully payable within 4 years from the completion of tranche 1. The net assets value of the minority interest acquired in tranche 1 amounted to Rp 17,386,845,714. The excess of the underlying net assets value over the acquisition cost of Rp 37,981,000,000 (USD 3,800,000) was allocated to the acquired non-monetary assets of on behalf CAG.

Based on the Debt Conversion Agreement with CAG dated 1 July 2009, CAG's debt to CP amounting to Rp 266,000,000,000 was converted into 66,500,000 new shares of CP.

Based on Notarial Deed No. 174 covering the minutes of CAG's Shareholders' General Meeting and Share Transfer Deed No. 175 dated 28 July 2009 of Buntario Tigris, SH, CAG's stockholders have agreed to the sale and assignment of rights on 9,500,000 shares of stock of CAG owned by NSL to CP and have agreed to the increase of authorized capital and paid-in capital whose settlement was made by the conversion of CAG's debt to CP as discussed above.

PT Ciputra Medika Utama

Based on article of association of PT Ciputra Medika Utama (CMU) No. 195 dated 30 September 2009 from notary of Buntario Tigris Darmawa Ng, SH, MH, the Company and CGM (subsidiary) had invested 999,999 shares or Rp 999,999,000,- (99.99%) and 1 share or Rp 1,000 (0.01%) respectively in CMU. The purpose of establishment of CMU, based on article of association - article no: 3 is to perform health care business, including hospitals, clinics and polyclinics, house of medical treatment as well as other relevant activities. The above article of association has been approved by the Minister of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-54009.AH.01.01.Th 2009 dated 6 November 2009.

PT Citra Raya Medika

Based on article of association of PT Citra Raya Medika (CRM) No. 196 dated 30 September 2009 from notary of Buntario Tigris Darmawa Ng, SH, MH, the Company and CR (subsidiary) had invested 750,000 shares or Rp 750,000,000,- (75%) and 250,000 shares or Rp 250,000,000 (25%) respectively in CRM. The purpose of establishment of CRM, based on article of association - article no: 3 is to perform health care business, including hospitals, clinics and polyclinics, house of medical treatment as well as other relevant activities. The above article of association has been approved by the Minister of Law and Human Rights of the Republic of Indonesia in his Decree No. AHU-54002.AH.01.01.Th 2009 dated 6 November 2009.

On 21 December 2009, the Company transferred its shareholdings in CRM to CMU, so that CMU owned 750,000 shares in CRM.

PT Ciputra Surya Tbk

From October to November 2009, the Company acquired additional 450,000,000 shares of PT Ciputra Surya Tbk (CS) from the market for Rp 372,178,125,000 (including the commission and other expenses which are directly attributed to this transaction). By the purchase of such shares, the Company's ownership in CS increased from 789,953,440 shares (39.92%) to become 1,239,953,440 shares (62.66%). The net assets value of the acquired minority interest at the time of the transaction amounted to Rp 331,435,553,573. The related excess of the underlying net assets value over the cost of investments in relation to the acquisition amounting to Rp 40,742,571,427, was allocated to the acquired non-monetary assets of CS.

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PT Ciputra Delta

Based on the minutes of the ESGM of PT Ciputra Delta (CDL), a subsidiary of CS, held on 10 March 2009 which were notarized under Deed No. 66 dated 13 March 2009 of Buntario Tigris Darmawa Ng, S.H., SE, MH, it was decided to decrease the paid-in capital from Rp 50 billion to Rp 40 billion, so that CS' ownership in CDL decreased to become 96.25%. The decrease of CDL's paid-up capital was approved by the Minister of Law and Human Rights of the Republic of Indonesia in his Decision Letter No. AHU-2165.AH.01.02.Th. 2009 dated 19 May 2009.

PT Ciputra Balai Property

Based on article of association of PT Ciputra Balai Property (CBP) No. 160 dated 27 Agustus 2009 of Buntario Tigris, SH, PT Ciputra Property (CP), a subsidiary, had invested 7,087,499 shares or Rp 7,087,499,000 (99.99%) in CBP. Those Deeds has been approved by Minister of Law and Human Rights Republic of Indonesia as stated in his Decree No. AHU-47392.AH.01.01.Th 2009 dated 2 October 2009

PT Ciputra Bukit Bandung

Based on article of association of PT Ciputra Bukit Bandung (CBB) No. 54 dated 15 Januari 2010 of Buntario Tigris Darmawa Ng, SH, the Company and PT Ciputra Graha Mitra (CGM), a subsidiary, had invested 1 share or Rp 1,000 (0.01%) and 249,999 shares or Rp 249,999,000 (99.99%) respectively in CBB. Those Deeds has been approved by Minister of Law and Human Rights Republic of Indonesia as stated in his Decree No. AHU-05707.AH.01.01.Th 2010 dated 2 February 2010.

PT Ciputra Langgeng Mitra

Based on article of association of PT Ciputra Langgeng Mitra (CLM) No. 92 dated 22 January 2010 of Buntario Tigris Darmawa Ng, SH, the Company and CGM, had invested 1 share or Rp 1,000 (0.01%) and 999,999 shares or Rp 999,999,000 (99.99%) respectively in CLM. Those Deeds has been approved by Minister of Law and Human Rights Republic of Indonesia as stated in his Decree No. AHU-06338 AH.01.01. Th 2010 dated 5 February 2010.

PT Ciputra Karya Mandiri

Based on article of association of PT Ciputra Karya Mandiri (CKM) No. 93 dated 22 January 2010 of Buntario Tigris Darmawa Ng, SH, the Company and CGM, had invested 1 share or Rp 1,000 (0.01%) and 999,999 shares or Rp 999,999,000 (99.99%) respectively in CKM. Those Deeds has been approved by Minister of Law and Human Rights Republic of Indonesia as stated in his Decree No. AHU-09765 AH.01.01. Th 2010 dated 23 February 2010.

PT Ciputra Optima Mitra

Based on article of association of PT Ciputra Optima Mitra (COM) No. 94 dated 22 January 2010 of Buntario Tigris Darmawa Ng, SH, the Company and CGM, had invested 1 share or Rp 1,000 (0.01%) and 999,999 shares or Rp 999,999,000 (99.99%) respectively in COM. Those Deeds has been approved by Minister of Law and Human Rights Republic of Indonesia as stated in his Decree No. AHU-06405AH.01.01.Th 2010 dated 8 February 2010.

PT Ciputra Jaya Mandiri

Based on article of association of PT Ciputra Jaya Mandiri (CJM) No. 95 dated 22 January 2010 of Buntario Tigris Darmawa Ng, SH, the Company and CGM, had invested 1 share or Rp 1,000 (0.01%) and 999,999 shares or Rp 999,999,000 (99.99%) respectively in CJM. Those Deeds has been approved by Minister of Law and Human Rights Republic of Indonesia as stated in his Decree No. AHU-06336.AH.01.01.Th 2010 dated 5 February 2010.

PT Ciputra Intan Mitra

Based on article of association of PT Ciputra Intan Mitra (CIM) No. 96 dated 22 January 2010 of Buntario Tigris Darmawa Ng, SH, the Company and CGM, had invested 1 share or Rp 1,000 (0.01%) and 999,999 shares or Rp 999,999,000 (99.99%) respectively in CIM. Those Deeds has been approved by Minister of Law and Human Rights Republic of Indonesia as stated in his Decree No. AHU-06335.AH.01.01.Th 2010 dated 5 February 2010.

PT Ciputra Harmoni Mitra

Based on article of association of PT Ciputra Harmoni Mitra (CHM) No. 97 dated 22 January 2010 of Buntario Tigris Darmawa Ng, SH, the Company and CGM, had invested 1 share or Rp 1,000 (0.01%) and 999,999 shares or Rp 999,999,000 (99.99%) respectively in CHM. Those Deeds has been approved by Minister of Law and Human Rights Republic of Indonesia as stated in his Decree No. AHU-06333.AH.01.01.Th 2010 dated 5 February 2010.

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d. Commissioners, Directors and Employees

Based on Extraordinary Stockholders's General Meeting of the Company, as covered by Notarial Deed No.140 dated 24 June 2008 of DR. Misahardi Wilamarta, SH, MH, MKN, LLM, shareholders had agreed to appoint Veimeirawaty Kusnadi as a new director of the Company, so the composition of Commissioners and Directors as of 31 March 2010 and 2009 are as follows:

President Commissioner	:	DR. Ir. Ciputra
Commissioners	:	Bayan Akochi Dian Sumeler
Independent Commissioners	:	Cosmas Batubara Henk Wangitan Widigdo Sukarman
President Director	:	Candra Ciputra
Directors:	:	Budiarsa Sastrawinata Rina Ciputra Sastrawinata Harun Hajadi Junita Ciputra Cakra Ciputra Tulus Santoso Brotosiswojo Tanan Herwandi Antonius Veimeirawaty Kusnadi

The composition of the Company's Audit Committee as of 31 March 2010 and 2009 are as follows:

Chairman	:	Cosmas Batubara
Members	:	Lany Wihardjo Thomas Bambang

As of 31 March 2010 and 2009 , the Company and its subsidiaries employed a total of 1,726 and 1,562 employees.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. The Basis of Measurement and Presentation of Consolidated Financial Statements

The following consolidated financial statements are presented in accordance with generally accepted accounting principles in Indonesia, which consist of, among others, Statement of Financial Accounting Standards (SFAS) established by the Indonesian Institute of Accountants, Capital Market Supervisory Board (Bapepam) regulations No. VIII.G.7 (revised 2000) concerning "The Guidelines for Presentation of Financial Statements" and Guidelines for Presentation and Disclosure of Financial Statements for Public Listed Company Engaged in Real Estate Industry in accordance with circular letter of Head of Bapepam No. SE-02/PM/2002 dated 27 December 2002.

The basis of measurement and presentation of the consolidated financial statements is historical cost basis, except for investments in certain securities, which are stated at fair value, inventories and land for development, which are stated at the lower of cost and net realizable value and investment in shares of stock, which are accounted for under the equity method. The financial statements are prepared using accrual method, except for statements of cash flows.

The consolidated balance sheets are prepared using the unclassified method in accordance with SFAS No. 44 concerning "Accounting for Real Estate Development Activities".

The consolidated statements of cash flows are prepared using direct method by classifying cash flows into operating, investing and financing activities.

The reporting currency used in the preparation of these consolidated financial statements is Indonesian Rupiah.

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b. Principles of Consolidation

The consolidated financial statements include the accounts of the Company and subsidiaries as presented in note 1c.

The consolidated financial statements have been prepared on the basis of entity concept. All significant inter company accounts, transactions and profit/loss have been eliminated to reflect the financial position and result of operations as a whole.

c. Translation Adjustments of Foreign Entities

Transactions in foreign currency are recorded at the rates of exchange prevailing at the time the transactions are made. At balance sheets date, monetary assets and liabilities denominated in foreign currencies are translated to Rupiah using the Bank Indonesia middle rate, for Income statement the average rate is used in that period.

Balance sheet accounts	- Middle rate at balance sheet date (31 March 2010: USD 1 = Rp 9,115, EUR 1 = Rp 12,216, AUD 1 = Rp 8,344; 31 March 2009: USD 1 = 11,575, EUR 1 = Rp 15,327, AUD 1 = Rp 7,949)
Income statement accounts	- Average rate during the year (31 March 2010: USD 1 = Rp 9,272, EUR 1 = Rp 12,624, AUD 1 = Rp 8,329 ; 31 March 2009: USD 1 = Rp 11,636, EUR 1 = 15,072, AUD 1 = Rp 7,669)

d. Cash Equivalents

Cash equivalents consist of time deposits and Certificate of Bank Indonesia with maturity periods not more than 3 months since the date of placement and not collateralized.

e. Investments

• **Certain Securities**

Trading

Included in this classification are investments, which are purchased for immediate resale, normally characterized by the high frequency of purchase-and-sale transactions. These investments are made to earn immediate gain from the improvement in the short-term prices of the securities. Investments that meet this classification are recorded at fair value. The unrealized gain/loss at balance sheets date is credited or charged to current operations. The fair value of securities sold determined using the weighted average method.

• **Mutual Fund**

Investment in mutual fund is stated at net assets value.

• **Investments in shares of stock**

Investment in shares of stock wherein the Company has an ownership interest, directly and indirectly, of 20% but not exceeding 50% are accounted for under the equity method, whereby the cost of investment is increased or decreased by the Company's share in the net earnings or losses of the associate company since the acquisition date, and reduced by dividends received.

If the associated company (which accounted for under equity method) or subsidiary sale its share or perform any transaction which could affect the associated company's or subsidiary's equity to the third parties, the Company's net investments in associated company or subsidiary will be affected. The Company recognizes the changes to stockholders' equity.

Investments in shares of stock which its fair value are not readily determinable wherein the Company have ownership interest less than 20% are stated at acquisition cost.

• **Property**

Investment in property is stated at cost.

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f. Allowance for Doubtful Accounts

Allowance for doubtful accounts is provided based on a review of the condition of each debtor at the end of period. The outstanding receivables are written-off against the respective allowance for doubtful accounts or directly from the account at the time management believes that these receivables are determined to be definitely uncollectible.

g. Transaction and Balances with Related Parties

The Company have transactions with related parties. Definitions of related parties is in accordance with SFAS No. 7 concerning "Related Party Disclosure".

All transactions with related parties whether or not conducted at terms and conditions similar to those with third parties are disclosed in the financial statements.

h. Inventories and Land for Development

Inventories of land, residential houses and shop houses under construction and completed residential houses and shop houses are stated at the lower of cost or net realizable value. The cost is determined using the average method. Expenditures relating to land development and improvement including interests and foreign exchange losses on loans obtained to finance the acquisition, development and improvement of the land incurred prior to the completion stage are capitalized as part of the cost of the land.

The inventories of the hotel and restaurant (foods, beverages and others) are stated at the lower of cost or net realizable value. The cost is determined using the first-in, first-out method (FIFO).

Land owned by the Company and subsidiaries for future development is classified as "Land for Development". Upon the commencement of development and construction of infrastructure, the carrying cost of land will be transferred to the inventories or the appropriate property account.

i. Investment Property

Investment property is property owned by the owner or held under a finance lease to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for the administrative purposes or sale in the ordinary course of business.

Investment property is carried at cost less its accumulated and any accumulated impairment losses on the assets (cost model). Depreciation is computed by using the straight-line method based on the estimated useful lives of the investment property for 50 years. Land are not amortized.

j. Fixed Assets

Fixed Assets, except landrights, are stated at cost less accumulated depreciation. Landrights are stated at cost and not amortized. Depreciation is computed using the straight-line method based on the estimated useful lives of the assets as follows:

Buildings	:	20 – 50 years
Golf course	:	20 years
Furniture and fixtures	:	5 years
Transportation equipment	:	5 years
Project and golf equipment	:	5 years

The cost of repairs and maintenance is charged to operations as incurred; significant renewals and betterments are capitalized. When assets are retired or otherwise disposed of, their costs and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in the statements of income for the period.

k. Construction in Progress

Construction in progress is presented under property and equipment and stated at cost. The expenditures, including the borrowing cost, to finance the development and construction of the projects are capitalized as part of the cost of the construction in progress. Upon substantial completion of the projects and when the assets are ready for their intended use, the accumulated costs will be transferred to the appropriate property accounts.

PT CIPUTRA DEVELOPMENT TBK AND SUBSIDIARIES
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I. Deferred Charges

Advertising expenses incurred before the opening of a project were deferred and are being amortized over 5 years using the straight-line method.

Billboard expenses are amortized over 1-3 years using the straight-line method.

m. Reserve for Replacement of Hotel and Club House Operating Equipment

Reserve for replacement of hotel and club house operating equipment is determined based on the estimated replacement value of the lost or damaged items. The replacement cost of the lost or damaged items is recorded as a deduction to the reserve accounts.

n. Estimated Liabilities of Employee Benefits

Short-term employees' benefits are recognized at undiscounted amounts when employees has rendered their service to the Company during an accounting period.

Post employees' benefits are recognized at measurable amounts using discount rate basis, when an employee has rendered service to the Company during an accounting period. Liabilities and expenses are measured using actuarial techniques which include constructive obligation which arises from the Company's informal practices. In computing the liabilities, the benefits should be discounted by using projected unit credit method.

Termination benefits are recognized when, and only when, the Company has commitments to either:

- a. terminate an employee or group of employees before the normal retirement date; or
- b. provide termination benefits for employees who received offerings to have voluntary resignation.

o. Impairment of Assets Value

The Company and subsidiaries conduct an evaluation to determine whether there is an indication for events or changes in circumstance which indicate that its carrying amount may not be fully recovered at each reporting date. If any such indication exists, the Company and subsidiaries are required to determine the estimated recoverable value of all their assets and recognize the impairment in assets value as a loss in the consolidated statements of income.

p. Revenues and Expense Recognition

The Company and subsidiaries recognize revenues from real estate sales using the full accrual method. The revenue from real estate sales will be recognized in full if all the following conditions are met:

- Sale of residential houses, shop houses and other types of buildings, and sales of land wherein the house or building will be built by the seller. The conditions that should be met consist of:
 - a. The sale is consummated;
 - b. The collectibility of the sales price is reasonably assured;
 - c. The receivable from the sale is not subject to future subordination against other loans which will be obtained by the buyer; and
 - d. The seller has transferred to the buyer the usual risks and rewards of ownership through a transaction representing a sale in substance and the seller does not have a substantial continuing involvement with the property.
- Sale of land wherein the building will be built by the buyer without the involvement of the seller (retail land sales). The conditions that should be met consist of:
 - a. The payments received from the buyer have reached 20% of the agreed selling price and this amount is non-refundable;
 - b. The collectibility of the sales price is reasonably assured;
 - c. The receivable from the sale is not subject to future subordination against other loans which will be obtained by the buyer;
 - d. The process of land development has been completed that the seller is not obliged to develop the lots sold or to construct amenities or other facilities applicable to the lots sold as provided in the agreement between the seller and the buyer or regulated by law; and
 - e. The sale consists only of the lots of land, without any involvement of the seller in the construction of the buildings on the lots sold.

PT CIPUTRA DEVELOPMENT TBK AND SUBSIDIARIES
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- Sale of condominiums, apartments, office buildings, shopping centers, other buildings of the similar type and time sharing ownership units are recognized using the percentage of completion method if all of the following criteria are satisfied:
 - a. The construction process has already commenced, that is the building foundation has been completed and all of the requirements to commence construction have been fulfilled;
 - b. Total payments by the buyer is at least 20% of the agreed sale price and that amount is not refundable; and
 - c. The amount of revenue and the cost of the property can be reliably estimated.

If a real estate sale fails to meet all of the above conditions, revenue recognition is deferred and sale is recognized using the deposit method until all of the conditions are fulfilled.

The cost of the land sold is determined on the basis of the acquisition cost of the land plus other expenditures relating to its development. The cost of residential houses sold includes all the construction costs incurred.

Lease rentals by the shopping center tenants, except for anchor tenants, are paid 1 to 5 years in advances, and are recorded under "Unearned Revenues". These lease rentals are being amortized and recorded as revenues on a monthly basis. Lease rentals by anchor tenants are paid on a monthly basis and the related revenues earned from these rentals are likewise recognized on a monthly basis.

Lease rentals of golf villa units are recognized as revenues based on the respective rental periods of the golf villa units.

The membership registration fees for golf and club house are recognized as revenues upon receipt. The quarterly or more membership dues for golf and club house received in advance are presented under "Unearned Revenues" account and amortized as revenues based on the periods benefited.

Expenses are recognized when incurred (accrual basis).

q. Borrowing Cost

Interests and foreign exchange losses incurred on loans obtained to finance the acquisition, improvement and development of the land are capitalized as part of the cost of the inventories of land and land for development for real estate, and capitalized as part of the cost of property and equipment and construction in progress for shopping centers and hotels. Upon the substantial completion of all activities related to the development of the land or the construction of the facilities and the related property is ready for its intended use, the capitalization of interests and foreign exchange losses ceases.

r. Foreign Currency Transactions and Balances

Transactions involving foreign currencies are recorded in Rupiah amounts at the rates of exchange prevailing at the time the transactions are made. At balance sheet date, monetary assets and liabilities denominated in foreign currencies are adjusted to Rupiah using the Bank Indonesia middle rate of exchange for export bills prevailing at that (31 March 2010: USD 1 = Rp 9,115, EUR 1 = Rp 12,216, AUD 1 = Rp 8,344; 31 March 2009: USD 1 = Rp 11,575, EUR 1 = Rp 15,327, AUD 1 = Rp 7,949)

s. Income Tax

All temporary differences arising between the tax bases of assets and liabilities and their carrying value for financial reporting purposes are recognized as deferred tax using liability method. Currently enacted tax rates are used to determine deferred income tax.

Deferred tax assets relating to the fiscal losses carry forward are recognized to the extent that future taxable profit will be available against it. Amendments to taxation obligations are recorded when an assessment is received or, if appealed against, when the results of the appeal are determined.

Current tax is recognized based on taxable income for the year, in accordance with the current tax regulations.

On November 4, 2008, the Government has issued new Regulation No. 71 year 2008 concerning Income tax over transfer of ownership of land and/or building. This regulation stated that revenue from transfer of ownership of land and/or building are subject to final income tax. This regulation is effective since January, 1, 2009.

PT CIPUTRA DEVELOPMENT TBK AND SUBSIDIARIES
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For revenues subject to final income tax, such as revenue of golf villa unit rental and shopping centers rental, no temporary difference between commercial and tax reporting purposes. If the carrying value of assets and liabilities which related to the final income tax between commercial and tax reporting is different, it is not recognized as deferred tax assets or liabilities. Expense for tax purpose is recognized proportionally with the income of the current period.

t. Earning per Share

Income from operation and net income per share are computed by dividing income from operation and net income, respectively, with the weighted-average number of shares outstanding during the period. In calculating diluted earnings per share, the number of weighted average of outstanding common shares has to be adjusted by considering the impact of all potentially dillutive common shares effects.

u. Use of Estimates

The preparation of the consolidated financial statements is conformity with generally accepted accounting principles requires the Company and subsidiaries' management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could be different from these estimates.

v. Segment Information

Business segment is reported as primary segment and geographical segment based on the location of assets is reported as the secondary segment.

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3. CASH AND CASH EQUIVALENTS

This account consists of:

	2010	2009
Cash on Hand		
Rupiah	4,820,757,375	4,052,884,800
US Dollar (2010: USD 3,012; 2009: USD 1,039)	27,450,485	12,026,426
Total Cash on Hand	4,848,207,860	4,064,911,226
Cash in Banks		
<u>Rupiah</u>		
PT Bank Central Asia Tbk	98,451,987,715	45,597,840,893
PT Bank Mandiri (Persero) Tbk	55,571,132,035	70,554,727,145
PT Bank OCBC NISP Tbk	23,498,656,014	17,728,809,040
PT Bank Internasional Indonesia Tbk	14,461,965,495	10,462,766,027
PT Bank Mega Tbk	11,133,169,884	1,901,103,027
PT Bank Bukopin Tbk	6,767,787,333	7,411,198,553
PT Bank Commonwealth	4,336,110,530	9,186,459,615
Sandard Chartered Bank	403,095,106	7,644,576,487
EFG Bank, Singapore	-	5,618,870,654
Others (each bellow Rp 5 billion)	18,637,973,376	17,405,445,667
Sub-total	233,261,877,488	193,511,797,108
<u>US Dollar</u>		
Credit Suisse (2010: USD 4,333,636 2009: USD 3,214,123)	39,501,090,135	37,203,473,146
PT Bank Mega Tbk	8,474,045,232	-
Others (2010: USD 602,189 and 2009: USD 198,740)	5,488,954,649	2,300,418,626
Sub-total	53,464,090,016	39,503,891,772
<u>Australian Dollar</u>		
Others (2010: AUD 37,946)	316,624,398	-
Total Cash in Bank	287,042,591,902	233,015,688,880
Time Deposits		
<u>Rupiah</u>		
PT Bank Mandiri (Persero) Tbk	725,998,080,736	251,507,296,689
PT Bank Rakyat Indonesia	242,429,527,748	9,000,000,000
PT Bank Commonwealth	155,490,633,746	46,172,423,362
PT Bank Internasional Indonesia Tbk	60,200,639,286	91,952,938,120
PT Bank Tabungan Negara (Persero)	50,400,000,000	23,000,000,000
PT Bank Bukopin Tbk	45,295,772,830	16,268,047,281
PT Bank Danamon Indonesia Tbk	34,540,416,699	29,540,547,214
PT Bank CIMB Niaga Tbk	28,461,295,844	22,592,822,616
PT Bank Nasional Indonesia	19,843,374,376	4,070,939,248
PT Bank Central Asia Tbk	18,546,584,909	20,361,987,930
PT Bank Pan Indonesia Tbk	16,607,138,298	2,030,227,653
The Hongkong and Shanghai Banking Corporation Limited	16,230,069,361	-
PT Bank OCBC NISP Tbk	15,717,644,974	9,005,783,075
PT Bank Permata Tbk	2,000,000,000	12,700,000,000
PT Bank Mega Tbk	5,709,421,116	27,514,421,918
Others (each bellow Rp 5 billion)	15,212,186,323	3,000,000,000
Sub-total	1,452,682,786,246	568,717,435,106

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	<u>2010</u>	<u>2009</u>
<u>US Dollar</u>		
PT Bank Rakyat Indonesia (2010: USD 25,650,315)	233,802,617,944	-
PT Bank Mandiri (Persero) Tbk (2010: USD 4,231,750)	38,572,404,623	-
PT Bank Internasional Indonesia Tbk (2010: USD 2,614,734)	23,833,300,410	-
PT ICBC Indonesia (2010: USD 2,028,050)	18,485,675,841	-
PT Sinar Mas (2010: USD 999,970)	9,114,726,550	-
PT Bank Mega Tbk (2010: USD 519,124 2009: USD 509,357)	4,731,813,437	5,895,810,030
Union Bank of Switzerland (2009: USD 32,138,471)	-	372,002,803,908
PT Bank Commonwealth (2009: USD 15,806,357)	-	182,958,580,902
Credit Suisse (2009: USD 14,397,414)	-	166,650,067,860
PT Bank OCBC NISP Tbk (2009: USD 7,502,494)	-	86,841,369,323
PT Bank Central Asia Tbk (2009: USD 1,033,396)	-	11,961,553,260
Others (2010: USD 23,677; 2009: USD 445,780)	215,819,228	5,159,897,944
Sub-total	328,756,358,033	831,470,083,227
<u>Euro</u>		
PT Bank Central Asia Tbk (2009: EUR 779,896)	-	11,953,470,457
Total Time Deposits	1,781,439,144,279	1,412,140,988,790
Bank Indonesia Certificates (SBI)	-	527,223,386,179
Total	2,073,329,944,041	2,176,444,975,075
<u>Interest Rate:</u>		
Time Deposits		
Rupiah	6.00% - 7.75%	10.00% - 13.00%
US Dollar	0.50% - 1.25%	0.25% - 5.50%
Euro	-	0.50% - 1.00%
SBI	-	8.50% - 10.00%

As of 31 March 2010 and 2009, certain subsidiaries have escrow accounts in several banks amounted to Rp 48,994,125,792 and Rp 51,874,118,257 respectively and presented as "Restricted Fund" account in the balance sheet.

4. INVESTMENTS

This account consists of:

	<u>2010</u>	<u>2009</u>
Investment in shares of stock	118,281,980,766	122,848,172,153
Investment in securities – trading:		
Bonds of Republic of Indonesia	189,072,904,152	224,995,263,880
Mutual Funds	14,725,353,885	7,890,009,464
Total	322,080,238,803	355,733,445,497

PT CIPUTRA DEVELOPMENT TBK AND SUBSIDIARIES
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The details of investment in stocks are as follows:

2010				
Company	% Ownership	Cost	Accumulated Profit (Loss) of Associated Companies	Total (Rp)
At Equity				
PT Ciputra Liang Court	39.94	116,981,085,323	1,300,895,443	118,281,980,766
Ridge Capital Enterprises Limited (BVI) (USD 3,325)	33.25	31,221,750	(31,221,750)	-
Deaumont Investment Limited (BVI) (USD 3,325)	33.25	31,221,750	(31,221,750)	-
		<u>117,043,528,823</u>	<u>1,238,451,943</u>	<u>118,281,980,766</u>
2009				
Company	% Ownership	Cost	Accumulated Profit (Loss) of Associated Companies	Total (Rp)
At Equity				
PT Ciputra Liang Court	39.94	<u>116,981,085,323</u>	<u>5,867,086,830</u>	<u>122,848,172,153</u>

Investment in shares of CLC represents investment owned by PT Dimensi Serasi (DS), a subsidiary of PT Ciputra Property Tbk (CP), of 8.76% (105 shares) and CP for 33.81% (405 shares), then CP's total direct and indirect ownership is 39.94%.

On 30 September 2009, CR invested in shares representing 47.5% each of Ridge Capital Enterprises Ltd., (BVI) (Ridge) and Deaumont Investment Ltd., (BVI) (Deaumont), with initial investment of US\$ 2,375 each. Both of these companies will perform as Special Purpose Vehicles (SPV) to develop an Integrated New Township covering an area of ±313 hectares of land located in Shenyang, Liaoning Province, China.

On 22 December 2009, CR transferred its shareholdings in Ridge and Deaumont to the Company.

On 5 January 2010, Deaumont and Ridge's authorized capital and fully paid increased from 5,000 shares to become 10,000 shares. The Company adds deposits of USD 950 to each company, so that the ownership of the Company on the Ridge and Deaumont becomes 33.25%.

Investments in securities - trading is the placement of mutual funds and bonds of Republic of Indonesia.

5. ACCOUNTS RECEIVABLE

This account represents receivables of the third parties arising from:

	2010	2009
Sales of land and residential houses	132,536,656,825	118,443,576,572
Revenues from hotels	6,407,537,480	4,416,010,455
Revenues from shopping centers	1,773,341,931	3,100,997,275
Sub - Total	140,717,536,236	125,960,584,302
Less: Allowance for doubtful accounts	(5,346,091,403)	(3,176,829,956)
Net	<u>135,371,444,833</u>	<u>122,783,754,345</u>

Accounts receivable amounting Rp 50.06 billion (35.58%) and Rp 66.76 (53%) owned by certain subsidiaries are pledged as collateral for the bank loans and bonds payable as of 31 March 2010 and 2009 respectively (see note 12).

The management of the Company and subsidiaries believe that the allowance for doubtful accounts provided is adequate to cover possible losses on uncollectible accounts.

PT CIPUTRA DEVELOPMENT TBK AND SUBSIDIARIES
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6. TRANSACTION AND BALANCE WITH RELATED PARTIES

In the ordinary course of business, the Company and subsidiaries are engaged in financial transactions with related parties, wherein such transactions consist of expense charges and non-interest bearing cash borrowing without fixed repayment dates.

	Character of Relation	2010	2009
Others Receivable			
PT Ciputra Widjaja	Having the same management with the company	543,844,909	-
PT Intibantala Karya	Having the same management with the company	9,118,250	-
Ridge Capital Enterprises Ltd	Associated Company	74,040,613,058	-
Total		74,593,576,217	-
Others Payable			
PT Ciputra Corpora	Having the same management with the company	51,579,613,417	51,589,495,576
PT Apratima Sejahtera	Having the same management with the company	1,683,126,288	2,421,667,220
DR. Ir. Ciputra	Commissioner of the Company	3,090,822,000	3,090,822,000
Total		56,353,561,705	57,101,984,796

The percentage of due to related parties to total liabilities is 3.5 % and 3.8 % as of 31 March 2010 and 2009 respectively.

7. INVENTORIES

The detail of inventories are as follows:

	2010	2009
Land lots	1,696,030,113,688	1,598,234,467,505
Residential houses and shop-houses under construction	377,618,786,742	273,278,031,247
Foods, beverages and others	5,469,654,215	5,553,996,119
Total	2,079,118,554,645	1,877,066,494,871

Movement of land lots is as follows:

	2010	2009
Beginning balance	1,688,213,756,305	1,666,593,941,643
Additions		
Purchase/ development	76,889,919,117	45,665,708,742
Interest capitalized	578,100,933	286,450,461
Deductions		
Charged to cost of sales	(69,651,662,667)	(52,864,208,430)
Adjustment/Reclassification to land for development	-	(61,447,424,911)
Ending Balance	1,696,030,113,688	1,598,234,467,505

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Movement of residential houses and shop-houses under construction and completed is as follows:

	2010	2009
Beginning balance of residential houses and shop-houses under construction	382,519,423,955	179,658,774,821
Production costs	63,626,652,142	179,448,087,642
Ending balance of residential houses and shop-houses under construction	(377,618,786,742)	(273,278,031,247)
Construction costs	68,527,289,355	85,828,831,216
Beginning balance of completed residential houses and shop-houses	-	188,060,679
Cost of sales	(68,527,289,355)	(86,016,891,895)
Ending balance of completed residential houses and shop-houses	-	-

The interests capitalized as part of the inventories of land lots for three months ended 31 March 2010 and 2009 is Rp 578,100,933 and Rp 286,450,461 respectively.

Building and apartment inventories are covered by insurance against fire and other risks with a coverage of Rp 822.65 billion. The Company's and Subsidiaries' management are of the opinion that the above coverage is adequate to cover possible losses arising from such risks.

As of 31 March 2010, inventory amounting Rp 6.25 billion from PT Asenda Bangun Persada, a subsidiary of PT Ciputra Surya Tbk is pledged as collateral for the loans of BCA (see note 12).

The management of the Company and subsidiaries believe that there are no changes in circumstances that indicate material impairment of inventories as of 31 March 2010 and 2009 .

8. ADVANCES

This account consist of:

	2010	2009
Purchase of land	118,344,006,417	104,703,721,569
Others	1,099,193,432	506,491,974
Total	119,443,199,849	105,210,213,543

Land

Advance for purchases of land represents payment for land purchased which located, among others in West Jakarta, Tangerang and Surabaya.

9. LAND FOR DEVELOPMENT

This account represents a land area covering approximately 1,115 hectares and 1,198 hectares as of 31 March 2010 and 2009 respectively owned by the Company and subsidiaries for future development.

There were no interest capitalized in the land for development for three months ended 31 March 2010 and 2009.

The management of the Company and subsidiaries believe that there are no changes in circumstances that indicate material impairment of land for development as of 31 March 2010 and 2009 .

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10. INVESTMENT PROPERTY

The details of investment property are as follows:

	2010			
	Beginning Balance	Additions/ Reclassification	Deductions/ Reclassification	Ending Balance
Cost				
Land rights	26,649,703,939	-	-	26,649,703,939
Building	584,850,286,695	450,631,153	-	585,300,917,848
Total	611,499,990,634	450,631,154	-	611,950,621,787
Accumulated Depreciation				
Building	190,547,241,392	3,801,984,913	-	194,349,226,305
Total	190,547,241,392	3,801,984,913	-	194,349,226,305
Net Book Value	420,952,749,242			417,601,395,482
	2009			
	Beginning Balance	Additions/ Reclassification	Deductions/ Reclassification	Ending Balance
Cost				
Land rights	26,649,703,939	-	-	26,649,703,939
Building	585,599,022,308	121,550,000	-	585,720,572,308
Total	612,248,726,247	121,550,000	-	612,370,276,247
Accumulated Depreciation				
Building	177,975,161,215	3,930,794,795	-	181,905,956,010
Total	177,975,161,215	3,930,794,795	-	181,905,956,010
Net Book Value	434,273,565,032			430,464,320,235

Investment in property mainly represents investment in land and shopping center building owned by PT Ciputra Sentra (CSN) and PT Ciputra Semarang (CSM), both are subsidiaries of CP, located in Jakarta and Semarang. These investment property are rented to the third parties. Rental income of this investment is recorded under revenues from shopping centers in statement of income.

As of 31 March 2009, land and shopping building with Building Right Title Certificate (SHGB) No. 2940 under the name of CSN with net book value amounting to Rp 212.20 billion are pledged as collateral of loan to PT Bank Mandiri Tbk (see note 12). As of 23 Desember 2009, there's no land and building pledged as collateral as since this loan has been fully paid.

As of 31 March 2010, investment property are covered by insurance under a blanket policy with fixed assets (see note 11). Management believes that the insured amount is adequate to cover possible losses for such risk.

In 2010 and 2009, depreciation expenses charged to statement of a income is Rp 3,801,984,913 and Rp 3,930,794,795 respectively.

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11. FIXED ASSETS - NET

The details of fixed assets are as follows:

	2010			
	Beginning Balance	Additions	Deductions/ Reclassification	Ending Balance
Cost				
<u>Direct ownership</u>				
Landrights	402,651,393,080	-	-	402,651,393,080
Buildings	567,768,039,520	12,498,602,815	-	580,266,642,335
Golf courses	44,271,808,552	-	-	44,271,808,552
Furniture and fixtures	150,134,579,523	4,521,073,057	3,585,597,440	151,070,055,140
Transportation equipment	9,335,268,839	95,444,091	35,000,000	9,395,712,930
Project and golf equipments	12,287,258,339	826,071,567	-	13,113,329,906
<u>Construction in progress</u>				
Buildings	656,036,508,216	60,944,068,396	1,508,441,244	715,472,135,368
Total	1,842,484,856,069	78,885,259,926	5,129,038,684	1,916,241,077,311
Accumulated Depreciation				
<u>Direct ownership</u>				
Buildings	166,609,705,440	5,616,061,465	-	172,225,766,905
Golf courses	29,715,301,882	553,397,607	-	30,268,699,489
Furniture and fixtures	102,325,610,549	3,596,457,802	-	105,922,068,351
Transportation equipment	6,916,858,909	257,371,667	22,268,060	7,151,962,516
Project and golf equipments	12,219,936,157	32,128,955	-	12,252,065,112
Total	317,787,412,937	10,055,417,496	22,268,060	327,820,562,373
Net Book Value	1,524,697,443,132			1,588,420,514,938
2009				
	Beginning Balance	Additions/ Reclassification	Deductions/ Reclassification	Ending Balance
Cost				
<u>Direct ownership</u>				
Land rights	456,190,610,012	-	-	456,190,610,012
Buildings	455,525,364,937	926,561,227	400,000	456,451,526,164
Golf courses	44,142,108,552	-	-	44,142,108,552
Furniture and fixtures	133,640,267,861	2,881,539,830	38,701,960	136,483,105,731
Transportation equipment	9,133,774,713	40,605,000	289,014,046	8,885,365,667
Project and golf equipments	8,779,992,506	87,567,527	-	8,867,560,033
	1,107,412,118,581	3,936,273,584	328,116,006	1,111,020,276,158
<u>Construction in progress</u>				
Buildings	499,627,193,538	44,101,507,141	-	543,728,700,679
Total	1,607,039,312,119	48,037,780,725	328,116,006	1,654,748,976,837
Accumulated Depreciation				
<u>Direct ownership</u>				
Buildings	146,507,192,120	4,778,014,771	-	151,285,206,891
Golf courses	27,526,049,241	551,776,357	-	28,077,825,598
Furniture and fixtures	90,809,445,765	4,059,962,001	2,122,731	94,903,736,475
Transportation equipment	6,867,715,003	-	20,354,285	6,810,909,278
Project and golf equipments	8,399,399,417	18,181,878	-	8,417,581,295
Total	280,109,801,546	9,407,935,007	22,477,016	289,495,259,537
Net Book Value	1,326,929,510,572			1,365,253,717,303

Construction in progress mainly represents the accumulated development cost of superblock owned by PT Ciputra Adigraha (CAG), a subsidiary of PT Ciputra Property Tbk, with percentage of completion of 24.06%, the construction of the project was postponed in 1997 and has continued in 2007. Construction in progress also includes Ciputra World Surabaya project, owned by PT Win Win Realty Centre (WWR), a subsidiary of PT Ciputra Surya Tbk, Surabaya with percentage of completion of 54%.

Depreciation expenses charged to the operation for three months ended 31 March 2010 and 2009 is Rp 10,055,417,496 and Rp 9,407,935,007 respectively.

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As of 31 March 2010, fixed assets owned by certain subsidiaries are pledged as collateral for their respective loans payable (see notes 12).

Fixed asset, except for the land rights and golf course, are covered by insurance against risk of fire and other associated risk to certain insurance companies, with sum insured of USD 665,500 and Rp 5,519 billion as of 31 March 2010 and USD 645,000 and Rp 5,026 billion as of 31 March 2009.

The management of company and subsidiaries believes that the insured amount is adequate to cover possible losses from such risk.

The management of the Company and subsidiaries believe that there are no changes in circumstances that indicate material impairment of the carrying amount of property and equipment as of 31 March 2010 and 2009.

12. BANK LOANS

This account represents loans obtained from:

	2010	2009
PT Bank Mega Tbk	120,843,434,139	54,525,760,744
PT Bank Internasional Indonesia Tbk	8,302,219,000	20,755,567,000
PT Bank Bukopin Tbk	7,443,917,793	12,569,185,103
PT ICBC Indonesia	5,000,000,000	-
PT Bank Central Asia Tbk	2,130,401,863	3,811,500,000
PT Bank Mandiri (Persero) Tbk	-	43,500,000,000
EFG Bank, Singapore	-	26,382,285,183
PT Bank Harfa	-	201,222,270
Total	143,719,972,795	161,745,520,300

PT Bank Mega Tbk

On 29 February 2008, PT Win Win Realty (WWR), a subsidiary of CS, obtained term loan facility amounting to Rp 389.77 billion and Interest During Construction (IDC) loan facility amounting to Rp 55.03 billion which used for the 1st term of Ciputra World Surabaya development. Both loan facilities will due on 28 February 2016 and bears interest at annual rates ranging from 12% to 15%.

These facilities are secured by land and building covering an area of 29,126 sqm, with total area of 74,906 sqm owned by WWR and account receivable.

PT Bank Internasional Indonesia Tbk (BII)

On 14 December 2007 PT Ciputra Surya Tbk (CS), a subsidiary, obtained loan facility from BII amounting to Rp 30 billion which was used for financing accounts receivable of CitraRaya Surabaya project. This loan will be due for the next 36 months, with availability period until 6 months and bears an annual interest rate of Bank Indonesia Certificates' rate + 2.5% decreasing effectively (9%). This loan is secured by CS' Account Receivables, with the ratio of Account Receivables against this loan is not less than 125% of outstanding loan or amounting to Rp 37.5 billion.

PT Bank Bukopin Tbk

On 21 June 2007, CS, obtained investment credit facility from PT Bank Bukopin Tbk amounting to Rp 20 billion, which used for refinancing Ciputra Waterpark's project facilities. The loan will be due on 21 June 2011 and bears annual interest rate of 10%-15.75%. The loan is secured by land covering approximately 31,734 sqm amounting to Rp 22.25 billion.

PT ICBC Indonesia

On 18 January 2010, CS, obtained loan facility from ICBC Indonesia amounting to Rp 30 billion which was used as working capital. This loan will be on 18 January 2011 and bears annual interest rate of 11.5%, with the provisions of the bank reserves the right to make changes to the interest every bank interest prime rate changes. This loan is secured by CS' Account Receivables, with the ratio of Account Receivables against this loan is not less than 125% of outstanding loan.

PT Bank Central Asia Tbk (BCA)

On 5 November 2007, PT Asendabangun Persada (ABP), a subsidiary of CS, obtained credit facilities from BCA amounting to Rp 5 billion consisted of overdraft facility of Rp 1 billion and investment credit facility of Rp 4 billion,

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which was used for working capital and infrastructure development for new lots at Citra Garden Lampung. The overdraft facility and investment credit facility will be due on 11 November 2009 and 5 May 2011. These facilities bear an annual interest rate of 11.5%.

Both loans are secured by land owned by ABP with Building Rate Title No. 07 covering an area of 46,753 sqm amounting to Rp 6.25 billion.

PT Bank Mandiri (Persero) Tbk

In 2002, PT Ciputra Sentra (CSN), a subsidiary of CP, obtained investment credit facility from PT Bank Mandiri (Persero) Tbk amounting to Rp 200 billion and bears annual interest of 19.5% for the first month and subsequently will be adjusted to the respective market interest rate (in 2009: 13%).

This loan is secured by land, inventories and accounts receivable of shopping center and hotel owned by CSN (see notes 5, 10 and 11). This loan was used to settle CSN's loan to Morgan Stanley Emerging Markets, Inc. The repayment of the loan is based on quarterly basis.

This loan will be on 31 December 2010. But on 23 December 2009, this loan had been fully paid by CSN.

EFG Bank, Singapore

On 30 January 2008, PT Ciputra Surya Tbk (CS), subsidiary, obtained loan facility and overdraft from EFG Bank Singapore, with maximum facility of USD 2,800,000 (equivalent). The loan facility will be due on 31 October 2009 and guaranteed by Obligasi Republik Indonesia (ORI), which will due on 17 February 2037, with nominal amount is not less than 40% of USD 6,900,000. The loan interest rate for fixed terms is 0.6% above the cost of fund, while for overdraft is 2% above cost of fund. CS has paid this loan on 30 September 2009.

PT Bank Harfa (Bank Harfa)

On 23 June 2006, PT Ciputra Surabaya Padang Golf (CSPG), a subsidiary of CS, obtained loan facility from PT Bank Harfa amounting to Rp 2 billion to purchase 40 units of golf car for CSPG's operational activities. This loan will be due in 36 months and bears an annual interest of 12.5%. Repayment of this loan will be done monthly starting on July 2006. This loan is secured by the respective financing assets. CSPG has paid this loan on 29 June 2009.

13. OTHER ACCOUNTS PAYABLE – THIRD PARTIES

This account consists of:

	2010	2009
Tenant's deposits	47,121,499,389	43,608,688,491
WWR's Stockholders (Subsidiary of CS)	23,617,500,000	29,539,729,160
Others	26,897,107,761	39,050,820,091
Total	97,636,107,150	112,199,237,742

14. TAXES PAYABLE

Taxes payable consists of:

	2010	2009
Estimated income tax payable of Subsidiaries	885,348,445	13,367,011,732
Other income taxes payable		
Article 21	1,594,020,291	4,664,911,165
Article 23	686,366,620	1,231,689,635
Article 25/ 29	2,806,198,926	16,878,423,863
Article 26	1,020,004,188	1,059,491,506
Value-added tax	3,597,294,293	1,842,627
Development tax I (PB I)	1,128,857,904	1,080,666,963
Final tax	2,622,755,403	3,477,004,748
Other taxes	46,030,204	-
Total	14,386,876,274	41,761,042,239

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A reconciliation between income before income tax, as shown in the Consolidated Statements of Income, with estimated taxable income (loss) of the Company for three months ended 31 March 2010 and 2009 is as follows:

	2010	2009
Income before income tax per Consolidated Statement of Income	77,040,170,089	129,390,964,465
Income of subsidiaries before income tax	(43,254,739,604)	(80,251,437,381)
Income before income tax of the Company	33,785,430,485	49,139,527,084
Permanent differences:		
Donation and entertainment		70,000,000
Equity in net loss (earnings) of subsidiaries and associated company	(40,290,872,614)	(47,952,577,935)
Interest income already subjected to final income tax	(2,981,240,636)	(2,792,037,849)
Estimated taxable income (loss) of the Company	(9,486,682,765)	(1,535,088,700)
Total of uncompensated tax losses past period:		
Year 2004	-	(174,366,713,077)
Year 2005	(17,454,486,737)	(17,454,486,727)
Year 2006 – Revised Annual Tax Return	(261,279,208,317)	(261,279,208,328)
Year 2007 – Tax Examination	(3,807,484,322)	(3,807,484,322)
Year 2008	-	13,767,339,009
Year 2009	(21,970,163,993)	-
Accumulated tax losses	(304,511,347,380)	(443,140,553,445)

The Company does not provide allowance for current income tax in 2010 and 2009 because the Company still records the accumulated tax losses.

The estimated income tax payable and computation of provision for income tax of the subsidiaries for three months ended 31 March 2010 and 2009 is as follows:

	2010	2009
Provision for income tax – current period		
Progressive rate	1,606,959,781	8,159,260,724
Final rate	16,802,346,458	14,229,906,340
Sub - total	18,409,306,239	22,389,167,064
Prepayments of tax		
Income tax article 25	721,611,336	1,269,222,930
Final income tax	16,802,346,458	7,752,932,402
Sub - total	17,523,957,794	9,022,155,332
Estimated income tax payable	885,348,445	13,367,011,732

15. ADVANCES FROM CUSTOMERS

This account represents deposits received from customers for sale of land and residential houses, and for legal process of the certificate of ownership. All of advances are denominated in Rupiah.

16. UNEARNED REVENUES

This account represents lease rental of shopping centers paid in advance from third parties. All of rental revenues are denominated in Rupiah.

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17. CONSTRUCTION COSTS PAYABLE

This account represents estimated liabilities to the contractors and suppliers for the remaining costs to complete the land, residential houses and shop-houses sold.

18. ESTIMATED LIABILITIES OF EMPLOYEE BENEFITS

This account represents estimated liabilities based on Labor Law No.13 year 2003 dated March 25, 2003, which calculated by PT Rileos Pratama.

19. MINORITY INTERESTS

This account represents the equity interests of minority stockholders in income or loss of consolidated subsidiaries.

20. CAPITAL STOCK

The stockholders and their respective stockholdings as of 31 March 2010 and 2009 are as follows:

Stockholders	2010		
	Number of Shares Issued and Fully Paid	Percentage of Ownership	Amount (Rp)
PT Sang Pelopor	2,322,375,000	30.63	1,161,187,500,000
Credit Suisse Singapore	611,191,988	8.06	305,595,994,000
Bayan Akochi *	15,396,500	0.20	7,698,250,000
Public (each below 5%)	4,633,944,509	61.11	2,316,972,254,500
Total	7,582,907,997	100.00	3,791,453,998,500

Stockholders	2009		
	Number of Shares Issued and Fully Paid	Percentage of Ownership	Amount (Rp)
PT Sang Pelopor	2,322,375,000	35.42	1,161,187,500,000
Credit Suisse Singapore	524,001,988	7.99	262,000,994,000
Rollrick Holdings Ltd,	344,181,101	5.25	172,090,550,500
Bayan Akochi *	15,396,500	0.23	7,698,250,000
Public (each below 5%)	3,350,794,326	51.11	1,675,397,163,000
Total	6,556,748,915	100.00	3,278,374,457,500

*The Company's commissioner

According to Notarial Deed No, 110 dated 18 December 2006 from Misahardi Wilamarta, SH, the Company has issued 2,449,860,570 new shares with pre-emptive rights to shareholders and public. The issuance was in accordance with Limited Public Offering II (see Notes 1a and 1b).

Within Limited Public offering II above, the company had also issued 1,224,930,285 warrant series I. Warrant gives rights to their holders to purchase common shares with par value and offering price of Rp 500 per share. Exercise period starts from 1 June 2007 until 30 November 2009, which each 1 warrant holder is entitled to 1 new share. Until 30 November 2009, 1,213,270,515 warrants have been executed into shares.

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21. REVENUES

This account consists of:	2010	2009
Net sales		
Land lots	78,414,742,515	23,511,107,741
Residential and shop-houses		
Buildings	81,364,267,376	100,609,916,203
Land	72,872,507,939	92,848,532,551
Apartements	30,361,440,226	-
Sub-total	263,012,958,056	216,969,556,495
Operating revenues		
Shopping centers	52,619,428,289	51,996,456,006
Hotels	25,073,651,532	23,944,991,213
Golf course	8,143,480,194	9,084,204,689
Others	3,701,934,494	4,024,516,335
Sub-total	89,538,494,509	89,050,168,243
Total	352,551,452,565	306,019,724,738

22. COST OF SALES AND DIRECT COST

This account consists of:	2010	2009
Cost of sales		
Land lots	34,365,579,836	10,561,898,199
Residential and shop-houses		
Buildings	68,527,289,355	86,016,891,895
Land	35,286,082,831	42,302,310,231
Apartements	21,350,413,729	-
Sub-total	159,529,365,752	138,881,100,325
Direct cost		
Shopping centers	16,172,244,494	14,694,346,583
Hotels	11,858,224,985	11,312,912,026
Golf course	5,722,424,104	5,560,505,152
Others	2,527,914,667	2,680,615,178
Sub-total	36,280,808,250	34,248,378,939
Total	195,810,174,002	173,129,479,264

23. OPERATING EXPENSES

Operating expenses consist of:	2010	2009
Selling		
Advertising and promotions	13,044,036,628	10,555,934,373
Sales commissions	4,314,414,233	1,629,405,627
Management fee	641,075,231	522,200,429
Others	2,687,030,088	1,904,686,229
Sub-total	20,686,556,180	14,612,226,658

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	2010	2009
General and administrative		
Salaries and allowances	53,021,154,739	46,027,206,098
Depreciation	7,328,281,147	7,090,001,755
Maintenance	1,640,133,143	1,813,206,631
Donation and entertainment	1,472,987,509	915,886,874
Postage and telecommunication	1,244,344,366	1,034,106,665
Traveling expenses	1,040,715,068	1,046,660,242
Professional fees	858,750,037	1,554,002,502
Vehicle	747,879,468	741,529,595
Water and electricity	673,569,836	1,335,482,452
Printing and stationary	586,938,732	587,580,159
Insurance	394,103,875	398,305,441
Others	4,494,192,654	8,503,925,280
Sub-total	73,503,050,574	71,047,893,694
Total	94,189,606,754	85,660,120,352

24. OTHERS INCOME (CHARGES)

	2010	2009
Interest income	22,945,696,287	37,608,319,943
Gain (loss) foreign exchange - net	(17,436,666,792)	47,181,127,512
Interest expense and others financial expense	(686,556,448)	(2,921,035,822)
Gain (loss) on sale investment – net	86,500,000	(1,790,676,911)
Others – net	10,419,446,756	1,847,092,646
Total	15,328,419,803	81,924,827,368

25. BASIC EARNINGS PER SHARE

The computation of basic earnings per share as of 31 March 2010 and 2009 is follows:

Basic earnings per share

	2010	2009
Income from operations (In Rupiah)	62,551,671,809	47,230,125,122
Net income (In Rupiah)	33,785,430,485	53,822,071,022
Amount of outstanding share		
Beginning of period	7,582,907,997	6,556,748,915
Exercise warrant to share capital	-	-
Ending of period	7,582,907,997	6,556,748,915
Earnings per share – Income from operations (In Rupiah)	8	7
Earnings per share – Net income (In Rupiah)	4	8

Diluted earnings per share

	2010	2009
Income from operations (In Rupiah)	62,551,671,809	47,230,125,122
Net income (In Rupiah)	33,785,430,485	53,822,071,022

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	2010	2009
Amount of outstanding share		
Beginning of period	7,582,907,997	6,556,748,915
Effect on Exercise of Residual Warrant (see note 1b)	-	1,037,818,852
Ending of period	7,582,907,997	7,594,567,767
Earnings per share – Income from operations (In Rupiah)	8	6
Earnings per share – Net income (In Rupiah)	4	7

26. SIGNIFICANT AGREEMENTS

- a. Based on a joint operation agreement in 1996 and its latest amendment in 2001, entered into by and between PT Bumiindah Permaiterang (BIPT), a subsidiary of PT Ciputra Surya Tbk (CS), and Perum Perumnas (Perumnas), both parties agreed to engage in land acquisition, construction, marketing and sales of residential and commercial buildings in a land area covering approximately 115 hectares located at Lakarsantri, Surabaya, whereas the location permit is obtained by Perumnas. BIPT, through CS, will provide a land area approximately 47.92 hectares, and the rest will be provided by Perumnas. The construction, marketing and sales will be conducted by CS. As compensation, CS agreed to pay 25.184% of the proceeds from the minimum sales.

Based on Fifth Amendment of the agreement dated 4 February 2005, effective from 1 May 2005 to 31 May 2005, both parties also agree to engage in acquisition, construction, marketing and sales of land located at the above mentioned area. In addition, the compensation rate has been changed to 26.77%. The agreement was terminated through Closing Official Report of Cooperative Agreement dated 31 May 2005.

- b. Further, based on cooperative agreement in 2005, between Perumnas and BIPT, both parties agreed to engage in sales of building and land amounting to 18 units of building and 209 units of land. In this agreement, Perumnas will be receive revenue sharing amounting to 26.775% of minimum sales price.
- c. PT Ciputra Sentra (CSN) and PT Ciputra Semarang (CSM), the subsidiaries of CP, entered into management and promotion agreements with Swiss Pacific B.V. (SP), the Netherlands, and Club and Hotel International Management Company B.V. (CHIC), the Netherlands. As compensation, CSN and CSM agreed to pay SP, a fixed and incentive hotel management coordination fee equivalent to 0.5% of the gross revenues and 1.5% of the gross operating profit, respectively. In addition, CSN and CSM also agreed to pay CHIC a fixed and incentive hotel marketing and service coordination fee equivalent to 2.5% of the gross revenues and 6% of the gross operating profit, respectively.

Starting from 1 August 2005 SP transferred its rights and obligations to PT Swiss-Bellhotel International Indonesia. Meanwhile, CHIC transferred its right and obligations to CHIC Limited, British Virgin Island, on 1 November 2005.

- d. Based on a joint operation agreement dated 25 November 2004, entered into by CS and PT Taman Dayu (TD), both parties agree to cooperate and to develop the Taman Dayu project, located in Pandaan, East Java. CS, among others, will organize and perform the management, operation, marketing and financial aspects of the project. Whereas, TD has an obligation to provide land which ready to be developed. The revenue sharing is agreed at net selling price of land net of 2% commission. Expenses related on those marketing activities are borne by CS.
- e. Based on Notarial Deed of Cooperative Agreement of Land Development No. 7 dated 4 April 2007 of Ferdinand Bustani, SH. PT Ciputra Graha Mitra (CGM), a subsidiary, and PT Bangun Pratama Kaltim Abadi (BPKA) entered into a cooperative agreement of land development located at JL. D.I. Panjaitan, Samarinda with total land area of approximately ± 33 Ha. Based on agreement, CGM has obligation to develop and sell the land and project building, while BPKA has obligation to provide land for development. The revenue sharing was agreed based on certain percentage of sales price of land and building.
- f. Based on Cooperative Agreement of Land Development No. 76 dated 22 August 2005 of PT Cita Citra Lestari (CCL), a subsidiary of CGM and PT Graha Elok Asrijaya (GEA), CCL and GEA have entered into a cooperative agreement of land development on JL. Ahmad Yani, Banjarmasin with total land area of approximately ± 87,105 sqm. According to this agreement, CCL has obligation to develop and sell the land

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and project building, and GEA provides land for development. The revenue sharing was agreed based on certain percentage of sales of price land and building.

- g. Based on Cooperative Agreement of Land Development No. 245 dated 30 November 2007 of PT Ciputra Bangun Mitra (CBM), a subsidiary of CGM and PT PutraBalikpapan Adiperkasa (PBAP), have entered into a cooperative agreement of land development on Jl. MT. Haryono, Komplek Bukit Damai Indah, Balikpapan with total land area of approximately ± 206,035 sqm. According to this agreement, CBM has obligation to develop and sell the land and project building, and PBAP provides land for development, The revenue sharing was agreed based on certain percentage of sales of price land and building.
- h. On 26 February 2008, PT Ciputra Adigraha (CAG), subsidiary of CP, signed the apartment management agreement and the technical assistant agreement in kavling 3-5 with PT Ascott International Management Indonesia. CAG has agreed to pay management fee 3% of total revenues plus 8% from gross operating profit. The agreement has become effective on 1 July 2012 or other agreed date.
- i. On 29 April 2008, CAG, a subsidiary of CP, signed in the hotel management agreement and the technical assistant agreement in kavling 3-5 with PT Raffles Hotels and Resorts Management and Raffles International Limited, wherein CAG has agreed to pay 0.5% from total revenues. The agreement has become effective since 29 April 2008 and will be terminated after 25 years from opening date on 1 November 2011 or other date that should be agreed by both parties.
- j. On 29 April 2008, CAG has entered into Residential License Agreement with Raffles International Limited and Perhimpunan Penghuni Premium Residence Ciputra World Jakarta, wherein Raffles International Limited is willing to grant a license to CAG to use the license marks of Raffles International Limited. CAG has agreed to pay 1% from gross revenue. The agreement has become effective since 29 April 2008 and will be terminated until CAG has fully sell-out or the next 5 (five) years after the execution of this agreement.
- k. On 29 April 2008, CAG has entered into Hotel License Agreement with Raffles International Limited, wherein Raffles International Limited is willing to grant a license to CAG to use the license marks of Raffles International Limited. CAG has agreed to pay 1% from gross revenue. The agreement has become effective since the agreement date and will be terminated after 25 years from opening date on 1 November 2011 or other date that should be agreed by the parties.
- l. On 29 April 2008, CAG has entered into Residential Sales Marketing Advisory Agreement with Raffles International Limited, wherein Raffles International Limited is willing to provide sales, marketing and general administrative advisory services to CAG and support for residential sales. CAG has agreed to pay 3% of gross revenues if the gross revenues achieve USD 3,000 per sqm or 2.75% of gross revenue if such gross revenues excess than USD 3,000 per sqm. The agreement has become effective on 29 April 2008.
- m. Based on Cooperation Agreement Deed between PT Citra Mitra Property (CMP), a subsidiary of CR, and PT Cipta Arsigraya (CA) dated 29 June 2007, of Buntario Tigris Darmawa NG.SH.SE.MH, notary, both parties were agreed to form Joint Operation namely Citra Arsigraya JO. Citra Arsigraya JO was formed in conformity with land development agreement in Talang Kelapa sub-district, Sukaramei district, Palembang with total land area of 1,560,768 sqm. Based on the agreement, CMP, among others, have obligation to run and sell the project's land lots and building, whereas CA provide land for development. Revenue sharing has been agreed to be calculated based on certain percentage of profit from joint operation.
- n. Based on Cooperative Agreement of Land Development No. 28 dated 28 July 2008 of PT Ciputra Fajar Mitra (CFM), a subsidiary of CGM and PT Graha Celebes Realty (GCR), have entered into a cooperative agreement of land development on Jl. Herstaning Baru (II), Makassar, with total land area of approximately ± 33 hectares. According to this agreement, CFM has obligation to develop and sell the land and project building, and GCR provides land for development. The revenue sharing was agreed based on certain percentage of sales of price land and building.

Based on a Cooperation Agreement on Land Development dated 31 August 2009 between CFM, a subsidiary of CGM, and PT Sinar Galesong Pratama (SGP), the parties, agreed to develop land at Jl. Herstaning Baru (II), Makassar, with total land area of approximately ± 14.4 hectares. Under this agreement, CFM has the obligation to, among others, develop and sell the land and project building, while SGP provides the land for development. The revenue sharing was agreed based on certain percentage of the sales price of the land and building.

- o. On 30 September 2008, the Company and PT Ascott International Management Indonesia (AIMI) entered into a Consulting Services Agreement, whereby the Company agreed to render consulting services including administration and general management services. As compensation, the Company is entitled to receive

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monthly retainer fee equivalent to 1.275% of total revenues and 3.4% of gross operating profit. This agreement became effective on 1 October 2008 and will be terminated 10 years after the agreement date. On 15 April 2009, this agreement has been amended to change the definition of AIMI property as Somerset Grand Citra.

- p. On 15 April 2009, CP and PT Ascott International Management Indonesia entered into the first amendment of Consulting Services Agreement, whereby CP agreed to render consulting services including administration and general management services. CP is entitled to receive a monthly retainer fee as compensation, equivalent to 1.275% of total revenues and 3.4% of gross operating profit. This agreement commenced on 15 April 2009. Total management fee is presented as part of "Other Income (Expenses) - Others - net" in the consolidated statement of income and amounted to Rp 2,005,981,272 in 2009.
- q. Based on a Cooperation Agreement on Land Development between CS and PT Bumi Sidoarjo Permai (BSP), which is notarized under deed No. 14 dated 4 September 2009 of Wahyudi Suyanto, S.H., both parties have agreed to develop land with total land area of approximately ± 19,158 sqm. Under this agreement, CS has the obligation to, among others, develop and sell the land and project building, while BSP provides the land for development. The revenue sharing was agreed based on certain percentage of the sales price of the land and building.
- r. PT Win Win Realty Centre (WWR), a subsidiary of CS, entered into Construction Contract Agreement with PT Adhi Karya (Persero) Tbk for Ciputra World Mall construction with contract value of Rp 192,768,302,000. This agreement is valid since 5 August 2008 to 4 August 2009.
- s. WWR entered into Construction Contract Agreement with PT Adhi Karya (Persero) Tbk for Ciputra World Apartment construction with contract value of Rp 47,534,300,000. This agreement is valid since 5 August 2008 to 4 August 2009.
- t. WWR entered into Construction Contract Agreement with PT Tatamulia Nusantara Indah for the finishing of Ciputra World Mall construction with contract value of Rp 3,796,871,000. This agreement is valid since 1 February 2010 to 15 April 2010.
- u. WWR entered into Construction Contract Agreement with PT Tatamulia Nusantara Indah for Ciputra World Apartment construction with contract value of Rp 82,553,128,000. This agreement is valid since 1 February 2010 to 15 April 2010.

28. SEGMENT INFORMATION

- a. Business segment information is as follows (in thousand of Rupiah):

	2010			
	Real Estate	Rental	Others	Consolidated
Revenues				
External parties	263,012,958	77,693,080	11,845,415	352,551,453
Result				
Segment result	103,483,592	49,662,610	3,595,076	156,741,279
Operating expenses	(64,848,709)	(24,322,203)	(5,018,695)	(94,189,607)
Income (loss) from operation	38,634,883	25,340,407	(1,423,619)	62,551,672
Financial charges	(216,684)	(241,815)	(228,057)	(686,556)
Income (loss) on foreign exchange	(4,084,566)	(13,350,005)	(2,096)	(17,436,667)
Income (loss) subsidiaries	-	-	(839,922)	(839,922)
Other income (expense) – net	17,822,951	14,778,006	850,685	33,451,643
Income (loss) before income tax	52,156,584	26,526,594	(1,643,008)	77,040,170
Income tax expense	(12,478,048)	(5,948,906)	22,288	(18,404,666)
Income (loss) before minority interests	39,678,536	20,577,688	(1,620,720)	58,635,504
Minority interests	(14,804,660)	(10,650,591)	605,177	(24,850,074)
Net income (loss)	<u>24,873,876</u>	<u>9,927,097</u>	<u>(1,015,543)</u>	<u>33,785,430</u>
Other information				
Assets	<u>4,567,579,725</u>	<u>3,909,493,983</u>	<u>157,877,427</u>	<u>8,634,951,135</u>
Liabilities	<u>1,044,530,669</u>	<u>430,241,316</u>	<u>131,258,333</u>	<u>1,606,030,318</u>

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	2009			
	Real Estate	Rental	Others	Consolidated
Revenues				
External parties	216,969,556	75,941,447	13,108,722	306,019,725
Result				
Segment result	78,088,456	49,934,187	4,867,602	132,890,245
Operating expenses	(52,324,544)	(28,835,285)	(4,500,291)	(85,660,120)
Income (loss) from operation	25,763,912	21,098,902	367,311	47,230,125
Financial charges	(618,551)	(1,749,696)	(552,789)	(2,921,036)
Income (loss) on foreign exchange	10,620,915	36,547,972	12,240	47,181,128
Other income (expense) – net	8,341,674	29,785,187	(226,114)	37,900,748
Income (loss) before income tax	44,107,950	85,682,365	(399,352)	129,390,964
Income tax expense	(10,180,101)	(12,490,522)	(14,731)	(22,685,354)
Income (loss) before minority interests	33,927,851	73,191,843	(414,083)	106,705,611
Minority interests	(15,921,355)	(37,519,943)	557,758	(52,883,540)
Net income (loss)	<u>18,006,496</u>	<u>35,671,900</u>	<u>143,675</u>	<u>53,822,071</u>
Other information				
Assets	<u>4,034,282,955</u>	<u>4,053,865,229</u>	<u>192,122,527</u>	<u>8,280,270,711</u>
Liabilities	<u>715,110,778</u>	<u>605,879,318</u>	<u>169,918,833</u>	<u>1,490,908,929</u>

b, Geographical Segment (in million of Rupiah):

	2010	2009
Asset		
Jakarta and surrounding	10,100,172	9,466,906
Surabaya and surrounding	2,275,873	2,104,483
Semarang	258,899	241,162
Lampung	57,199	66,693
Kalimantan	199,379	153,596
Sulawesi	105,333	-
Amsterdam	-	85
Total	12,996,855	12,032,926
Elimination	(4,361,904)	(3,752,656)
Net	<u>8,634,951</u>	<u>8,280,270</u>
Liabilities		
Jakarta and surrounding	579,832	748,054
Surabaya and surrounding	645,915	560,829
Semarang	50,521	69,008
Lampung	49,285	51,050
Kalimantan	207,585	164,602
Sulawesi	102,816	-
Amsterdam	-	2,640
Total	1,635,954	1,596,183
Elimination	(29,924)	(105,274)
Net	<u>1,606,030</u>	<u>1,490,909</u>

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	2010	2009
Revenues		
Jakarta and surrounding	137,295	134,698
Surabaya and surrounding	129,846	111,651
Semarang	24,109	23,214
Lampung	13,276	8,142
Kalimantan	1,327	28,315
Sulawesi	46,698	-
Net	352,551	306,020
Net Income (Loss)		
Jakarta and surrounding	51,437	112,483
Surabaya and surrounding	36,461	23,748
Semarang	8,370	10,435
Lampung	4,285	957
Kalimantan	(9,382)	401
Sulawesi	6,789	-
Amsterdam	-	(481)
Total	97,960	147,543
Elimination	(64,175)	(93,721)
Net	33,785	53,822

29. COMPLETION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The management of the Company is responsible for the preparation of the consolidated financial statements that were completed on 30 April 2010.