

equity method sells its shares to unrelated parties at a price different from its book value, the investor's net investment in that investee is affected. The investor's net investment is also affected when the contribution to the capital stock of an investee made in foreign currency results in additional paid-in capital representing the difference between the rupiah par value and the rupiah equivalent of the contribution at the date of receipt. The Companies recognize the resulting change in their net investment in the investee by a credit or charge to "Difference in Transactions of Equity Changes in Associated Companies/Subsidiaries", net of applicable income tax, after adjusting their equity in the investee to conform to their accounting policies.

- Investments in shares of stock in which the equity interest is less than 20%, and other long term investments are carried at cost.
- Investments in equity shares which are classified as available-for-sale are recorded at fair value, in accordance with SAK 50.
- Investments in bonds which are classified as held-to-maturity securities are recorded at cost, adjusted for amortization of premium or accretion of discount to maturity. When an investment is sold to an entity under common control, the gain or loss on sale of the investment is recorded as "Difference in Value from Restructuring Transactions of Entities under Common Control", which is a component of Stockholders' Equity.

j. Property and Equipment

Property and equipment are stated at cost (which includes certain borrowing cost on funds used to finance the acquisition of property and equipment), less