



AGC Group

PT ASAHIMAS FLAT GLASS Tbk



2014
ANNUAL REPORT

**Fully Capture The Opportunity
For Market Growth**

While Further Strengthen The Company
Tolerability Against The Circumstance Change



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FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

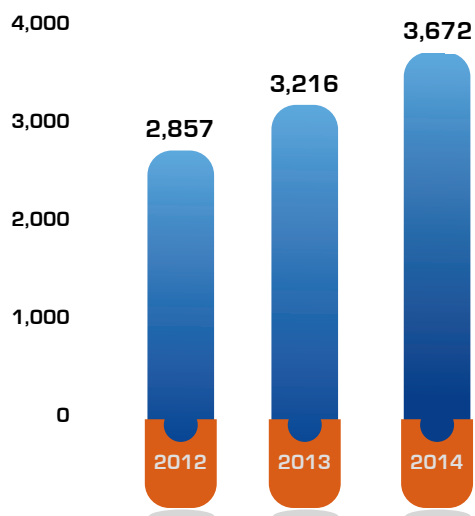
FINANCIAL HIGHLIGHTS

Statement of Comprehensive Income

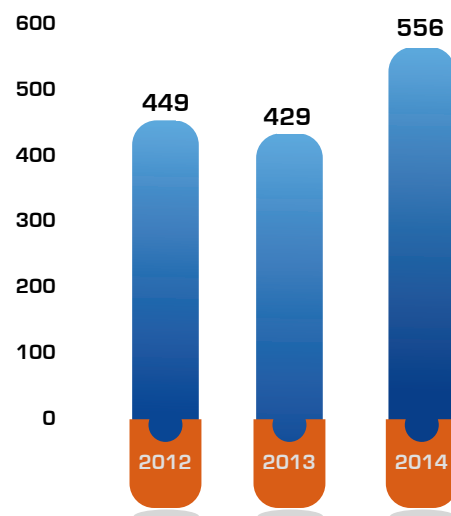
For the years ending on December 31
 [(in million Rupiah, unless specially stated.)]

	2012	2013	2014
Net Sales	2,857,310	3,216,480	3,672,186
Cost of Sales	(2,137,698)	(2,488,570)	(2,766,551)
Gross Profit	719,612	727,910	905,635
Expenses	(270,992)	(298,535)	(349,997)
Operating Profit	448,620	429,375	555,638
Finance Income	15,192	21,378	42,169
Profit Before Income Tax	463,812	450,753	597,807
Income Tax (Expense) / Benefit	(117,203)	(112,395)	(139,172)
Profit/Total Comprehensive Income For The year	346,609	338,358	458,635
Total number of Shares (Million)	434	434	434
Earnings Per Share (in full Rupiah)	1,034	989	1,280
Net Earnings Per Share (in full Rupiah)	799	780	1,057
Nominal Value Per Share (in full Rupiah)	500	500	500

Net Sales (in billion Rupiah)



Operating Profit (in billion Rupiah)



FINANCIAL HIGHLIGHTS

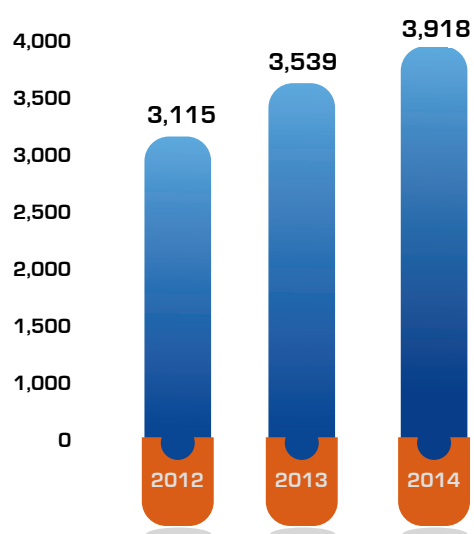
Statement of Financial Position (Balance Sheet)

As of December 31 (in million Rupiah)

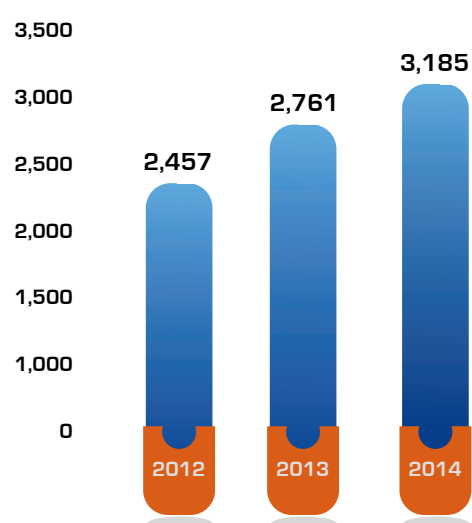
Assets	2012	2013	2014
Current Assets	1,658,468	1,980,116	2,263,728
Investment (at Equity method)	1,575	1,575	1,575
Fixed Assets, Net	1,384,995	1,478,147	1,530,836
Deferred Tax Assets	45,231	50,154	52,220
Other Non-Current Assets, Net	25,152	29,401	70,032
Total Assets	3,115,421	3,539,393	3,918,391

Liabilities and Equity	2012	2013	2014
Current Liabilities			
Bank Loans	-	-	-
Current Liabilities	426,669	473,960	398,238
Total Current Liabilities	426,669	473,960	398,238
Non-Current Liabilities			
Employees Benefit Obligation	231,663	304,706	335,511
Total Non-Current Liabilities	231,663	304,706	335,511
Total Liabilities	658,332	778,666	733,749
Equity	2,457,089	2,760,727	3,184,642
Total Liabilities and Equity	3,115,421	3,539,393	3,918,391
Net Working Capital	1,231,799	1,506,156	1,865,490

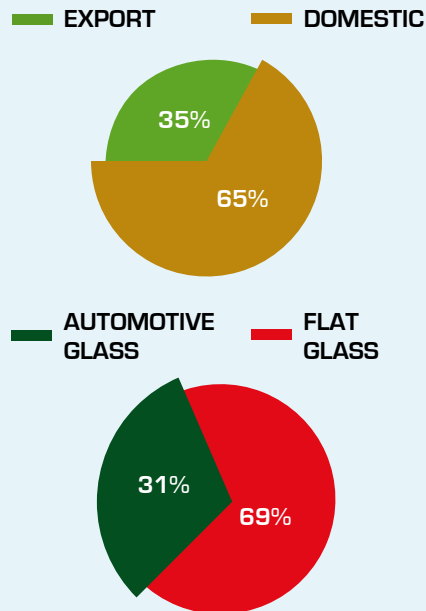
Total Assets (in billion Rupiah)



Total Equity (in billion Rupiah)



FINANCIAL HIGHLIGHTS

Composition of 2014
Net Sales ValueKey Financial
Ratios

In % (percentage)

	2012	2013	2014
Gross Profit to Net Sales	25.2	22.6	24.7
Operating Profit to Net Sales	15.7	13.3	15.1
Operating Profit to Equity	18.3	15.6	17.4
Operating Profit to Total Asset	14.4	12.1	14.2
Net Profit to Total Assets	11.1	9.6	11.7
Net Profit to Equity	14.1	12.3	14.4
Current Assets to Current Liabilities	388.7	417.8	568.4
Total Liabilities to Equity	26.8	28.2	23.0
Total Liabilities to Total Assets	21.1	22.0	18.7

PT Asahimas Flat Glass Tbk (AMFG)'s Share Information

Total Listed Shares: 434,000,000

					Period: Jan. - Dec. 2014
Quarter	Price (Rp)			Transaction Volume (unit)	Market Capitalization
	Highest	Lowest	Closing		
I	7,100	6,425	7,100	575,400	3,081,400,000,000
II	7,300	6,700	7,150	419,400	3,103,100,000,000
III	8,825	6,550	7,450	2,657,800	3,233,300,000,000
IV	8,175	6,250	8,050	17,987,500	3,493,700,000,000

					Period: Jan. - Dec. 2013
Quarter	Price (Rp)			Transaction Volume (unit)	Market Capitalization
	Highest	Lowest	Closing		
I	9,000	7,550	8,800	3,926,000	3,819,200,000,000
II	9,000	6,700	8,350	2,389,500	3,623,900,000,000
III	8,350	7,000	8,100	1,223,500	3,515,400,000,000
IV	8,400	6,250	7,000	2,918,500	3,038,000,000,000

BOARD OF COMMISSIONERS' REPORT

Dear distinguished shareholders,

We give thanks to God Almighty and feel pleased to have successfully accomplished our duty to supervise the Board of Directors' performance in running the Company's management throughout 2014. The Board of Commissioners has worked actively in carrying out this supervisory duty mandated by the shareholders to oversee the course of the Company's management. We recognize that this task could only be accomplished with the trust and good cooperation of all stakeholders. We are proud to announce that the Company's performance in 2014 has resulted in a satisfactory achievement.

Board of Commissioners' Supervision

Throughout 2014, the Board of Commissioners has conducted our supervisory duties on the policies concerning the Company's operations. The Board of Commissioners regularly received reports of policy and implementation of the Company's management. During 2014, the Board of Commissioners also conducted BOC meetings and joint meetings between the Board of Commissioners and the Board of Directors. The Board of Commissioners has provided advice on the policies and strategies undertaken by the Board of Directors. The Board of Commissioners considers that the Board of Directors has properly run the Company's management in accordance with corporate governance principles.

In carrying out supervisory duties related to Good Corporate Governance implementation, the Board of Commissioners is assisted by 5 (five) committees, namely:

- (i) Audit Committee
- (ii) Compliance Committee
- (iii) Nomination and Remuneration Committee
- (iv) Risk Management and Insurance Committee
- (v) Executive Committee

During 2014, the above-mentioned committees carried their functions in a proper manner. The Committees monitored and supervised the Company's development including the Board of Directors' performance, among others, in ensuring the compliance of all levels of the organization with the legislation in force, as well as the implementation of good corporate governance.

The Board of Commissioners has also requested the Company to conduct an internal assessment by referring to the ASEAN Corporate Governance Scorecard and continuously seek to make adjustments in accordance with the development of capital market regulatory, so that there will be improvements in corporate governance implementation while continuing to maintain the Company's level of compliance with the regulations in force.

The Board of Commissioners has received and reviewed the Board of Directors' reports and the Company's financial statements for the year ending December 31, 2014 audited by Public Accountants Firm Siddharta Widjaja & Partners

[a member firm of KPMG International]. The Board of Commissioners has assessed the Company's Financial Statements in accordance with Statement of Financial Accounting Standards (SFAS) and capital market regulations.

During the financial year 2014, the Board of Commissioners has carried out the duties by taking the following measures:

- i. Supervising and giving advice to the Board of Directors on the policies made by the Board of Directors;
- ii. Making effective the functions of the five committees under the Board of Commissioners;
- iii. Giving approval for the actions of the Board of Directors that required the Board of Commissioners' approval;
- iv. Carrying out the mandate given by the GMS:
 - to determine the amount of remuneration for each members of the Board of Commissioners and Board of Directors;
 - appointing public accountants firm to audit the Company's bookkeeping for the financial year 2014 and determining the fees and other requirements;
- v. Assessing the performance of the Board of Directors; and
- vi. Giving approval to the Annual Working Plan including CSR budget for 2015;
- vii. Examining the recommendations given by Nomination and Remuneration Committee related to nomination of prospective members of the Board of Directors and the Board of Commissioners.

Assessment of the Board of Directors' Performance

2014 was a year full of challenges for the Company, where in the midst of economic slowdown and rising costs of production, the Board of Directors has taken proactive measures to cope with the challenges in 2014. These measures are reflected in the positive achievement of the Company's performance. The Company remained able to demonstrate a good performance and encouraging achievement in accordance with the Company's targets and working plan. The Board of Commissioners considers that the Board of Directors has carried out the 2014 working plan with satisfactory results.

In 2014, the Company recorded net sales of Rp 3.67 trillion, an increase by 14% compared to the year 2013 amounting to Rp 3.22 trillion. This result exceeded the 7% targeted sales growth set by the Board of Directors for 2014. Net profit also increased to Rp 459 billion, up 36% compared to 2013. The two increases are new records for the Company's achievement.

The Company also managed to close sale transaction of idle land located in Sidoarjo, East Java in June 2014. This transaction was executed by adhering to the provisions of the capital market. The sale of the land is expected to enable the Company enhance its performance.

LAPORAN DEWAN KOMISARIS

The Board of Commissioners also appreciates the Board of Directors' efforts in preparing for its investment in the construction of a new Flat Glass Factory in Cikampek, West Java. This was also already reported to the Financial Services Authority (OJK) and announced to public. All pre-construction preparations, including licensing, design engineering and appointment of contractors, have been implemented in the fourth quarter of 2014 and the Board of Commissioners hopes that the factory construction project can run properly in accordance with the predetermined schedules and budget.

A View on the Company's Business Prospects

Entering 2015, the Board of Commissioners realizes that the challenges in 2015 will be more formidable than that of the previous year. Fierce competition both at home and abroad will continue in 2015. Heading for the ASEAN free market by end 2015, the competition is becoming more stringent, not only with domestic players, but also with the regional players that will enter the market. To deal with this, the Company must strive to improve its competitiveness to make its products become more competitive in the eyes of its customers, and continue to make product innovations, especially for products with high quality and added values.

For the domestic market, the Company will continue to pay attention to the possibility of a slowdown in demand, both from property and automotive sectors. However, with the commencement of the Working Cabinet by end of 2014, the Company hopes that the government could make improvements in the economic areas more quickly.

Ongoing decline of the world crude oil prices and the Government's policy to reduce fuel subsidy at the end of 2014 are expected to encourage the government's activities in the infrastructure sector, which in turn will stimulate the economy and eventually boost the growth of the Company's business.

The Board of Commissioners has examined the Company's business projections prepared by the Board of Directors in

the Annual Working Plan 2015 and views that the business projections are good and reasonable enough to deliver optimal results for the Company. However, we again would like to emphasize that the Board of Directors should prioritize the principle of prudence and precision in anticipating any dynamics in the field as an important element in making decisions and taking actions.

Board of Commissioners' Composition

In 2014, there was no change in the composition of members of the Board of Commissioners. The Company's General Meeting of Shareholders (GMS) held on May 31, 2013 has approved the term of office of members of the Board of Commissioners until the closing of the GMS in 2016. Composition of the Board of Commissioners consists of six (6) members and is arranged in compliance with the OJK Regulation No. 33/POJK.04/2014. Complete composition and profile of the Board of Commissioners are presented on the page containing the composition of the Board of Commissioners and the Board of Directors.

Appreciation to the Shareholders

On this occasion, the Board of Commissioners would like to thanks to all the stakeholders for their support and cooperation so that the Board of Commissioners is able to carry out our supervisory function and ensure a proper implementation of Good Corporate Governance in the Company.

Our high appreciation is also extended to the Board of Directors, Management and all employees who have worked hard and demonstrated their exceptional dedication in realizing the Company's vision and mission. Hopefully, the support given to the Company will continue on the coming years.

Thus end of our report, may the Almighty God bless each step and effort we make.

The Board of Commissioners,



TAN PEI LING
President Commissioner



KIMIKAZU ICHIKAWA
Vice President Commissioner



ANDI PURNOMO
Commissioner



TAKEO TAKEI
Commissioner



BENYAMIN SUBRATA
Independent Commissioner



HIDEYA TANAKA
Independent Commissioner

BOARD OF DIRECTORS' REPORT

Dear distinguished shareholders,

2014 was a challenging year for the Company, both in terms of global and domestic economic conditions. Indonesia's economic growth in 2014 was 5.02% or slowed down compared with 5.58% in 2013.

In the midst of the economic slowdown, in 2014, there was also an increase in production costs in the country that curtailed product competitiveness, both inside and outside the country. However, amidst the challenges and obstacles, we praise and give thanks to God Almighty for making the Company manage to sail through the challenges and obstacles in 2014 with better results than the preceding year. We realize that such the success owes the trust and cooperation put in by the stakeholders at large.

The Company's Performance

Amid the economic conditions that were relatively stagnant and political condition in the country that were getting warmer in connection with the 2014 General Elections, the Company managed to achieve a new sales record for flat glass and automotive glass. The Company recorded net sales of Rp 3.67 trillion, an increase by 14% compared to 2013 amounting to Rp 3.22 trillion. The sales figure surpassed the target set by the Company in early 2014.

In 2014, several domestic cost components increased significantly. Energy cost increased particularly due to a sharp rise of electricity tariff. In addition, Provincial Minimum Wage (UMP) and raw material prices also rose in connection with rising inflation and transportation costs.

Loan-to-Value policy issued by Bank Indonesia in 2012 began to give an impact on the second half of 2014, especially in Housing Loan (KPR) and Motor Vehicle Loan (KKB). The increase in Bank Indonesia rate at a range of up to 7.75% also contributed to the slowdown in the growth of property and automotive sectors, which would certainly affect the sales of the Company's products. However, with an acumen business strategy executed by the Board of Directors, by increasing productivity and the sales of value-added products, the Company managed to increase domestic sales from Rp 2.16 trillion in 2013 to Rp 2.38 trillion in 2014, or increasing by 10%.

As for the export market, although the US economy has started to recover, the impact of the Eurozone economic crisis made the global economy still not fully recovered from the pressure of the crisis. To increase export sales, benefiting from its marketing network, the Company managed to increase its export sales from Rp1.06 trillion in 2013 to Rp1.30 trillion in 2014, or an increase by 22%. The demand for the Company's



MAMPEI CHIYODA, President Director

high quality products has contributed positively to the Company's operating margin of export sales. Besides, stronger exchange rate of USD against Rupiah has also contributed to the Company's export sales.

The Company's achievement in 2014 is not an easy thing to get, the intense competition both in the country and abroad requires the Company to continue making product innovations, improving productivity and providing a high standard of satisfaction for its customers.

Details of the Company's performance in 2014 compared to 2013 are as follows:

1. Gross profit of Rp 906 billion, or increasing by 24%.
2. Gross profit margin of 25% or increasing by 2% compared with 23% in 2013.
3. Operating profit of Rp 556 billion or increasing by 29% compared to 2013 amounting to Rp 429 billion.
4. Operating profit margin of 15% or increasing by 2% compared with 13% in 2013.
5. Net profit of Rp 459 billion or increasing by 36% compared to 2013 amounting to Rp 338 billion.

On June 13, 2014, the Company realized sale-purchase transaction of its 110,091 m² land located in Sidoarjo, East Java. The land was originally planned for the Company's business activities. However, over the time, the Company's factory land in Tanjungsari, Sidoarjo, East Java, was already sufficient to cover, so that the Company was no longer in need of land inventory for its business development activities in Sidoarjo, East Java.

By completing the sale-purchase transaction, the Company pocketed net cash funds of Rp 22.6 billion. In addition, the Company does not need to bear maintenance cost of the unused land owing to the fact that location of the land is not connected to the Company's factory.

BOARD OF DIRECTORS' REPORT



TJAHJANA SETIADHI, Vice President Director

On September 3, 2014, the Company made disclosures of information to public in connection with its plan to build a new flat glass factory with a total production capacity of 210,000 tons per year with an investment of USD154.9 million. The factory will be built on the Company's 68 hectares area located in Indotaisei Industrial Area Sector IA, Block M, Kalihurip Village, Cikampek Sub-District and Tamelang Village, Purwasari Village, Purwasari Sub District, Karawang Regency, West Java Province.

The factory construction will commence in early 2015 and is expected to be completed in the second half of 2016. The factory will use new, more sophisticated technologies that can produce glass with certain specifications in order to anticipate the demand for glass at home and abroad, especially environmentally friendly glass products (green building).

With regard to all the above transactions, the Company has submitted relevant reports to OJK and BEI/IDX and made disclosures of information to public as set out in OJK regulations.

2014 Challenges

We shall be grateful for the Company's achievement in 2014, considering the steep road should be faced during the year, where there were many challenges, both in the country and abroad, the Company should overcome. The challenges included, among others:

1. Increase in PLN electricity tariff.
2. Increase in Provincial Minimum Wage.
3. Increase in raw material prices.
4. Slowdown in the growth of property and automotive sectors in connection with Loan-to Value-Ratio policy regulated by Bank Indonesia
5. Increase in distribution and transportation costs.
6. Increasing supply of glass products, especially from China, resulting in more stringent competition in the domestic and export markets.

Business Strategy

The increase in costs occurred in 2014 was not fully covered by the increase in selling prices. The Company has made various efforts to maintain its profit margin. The policies undertaken by the Company in 2014 were as follows:

1. Improving the efficiency and implement Strategic Cost Reduction by way of productivity improvements, production cost efficiency and avoiding waste.
2. Adjusting selling prices of the Company's products.
3. Increasing sales and market penetration both domestic and export markets particularly for value-added and high quality glass products.
4. Continuously improving supply chain quality and becoming a supplier that can provide solutions using the asset of AGC Group.

By implementing the above policies, the Company has managed to maintain its business growth.

Business Prospects

2015 will be a challenging year for the Company, despite the 5.6% economic growth targeted by the Government for 2015 and 4.4% inflation assumption. Nevertheless, until the end of 2014, economic conditions in the country were still on a slow pace, indicated by a decrease in the sales of property and automotive products compared to the preceding year. In term of the commodity sector, there was also a turmoil in global market prices, especially oil and export commodities. The price fluctuations were affected by the global economic and geopolitical conditions.

Indonesia's domestic economy is directly and indirectly affected by the global economy. Global uncertainty related to the Fed's interest rate policy resulted in depressed Rupiah exchange rate at the end of 2014 and is expected to continue in 2015, which will affect the economy in the Country and decrease the people's purchasing power.

Nevertheless, foreign investors still positively consider Indonesia as an investment destination, both for portfolio investment and foreign direct investment. The foreign investors' interest to invest in Indonesia is quite high, considering that Indonesia is an attractive market. Moreover, the government has continuously increased the ease of investment with BKPM's One Stop Services. The government has also continued to improve the investment climate by making some improvements, such as infrastructure, legal certainty, solution to the problem of high interest rates, and so forth.

The newly formed government is expected to perform a number of strategic policies in the economic area, which can help increase the people's purchasing power and strengthen competitiveness of the businesses'

BOARD OF DIRECTORS' REPORT

products. Therefore, stable rupiah exchange rate and the volatility need to be maintained in order to prevent businesses from experiencing substantial losses.

A lowered Bank Indonesia rate by 25 basis points in early 2015 is expected to encourage banks to cut loan interest rates gradually. A decline of loan interest rates will drive demand in property and automotive segments, which would also be able to increase demand for the Company's products.

Although the economic slowdown still continues on in early 2015, the Company expects that its business will still grow in line with the rapid growth of the middle class' productivity. The young, middle class in society with ever-increasing income has a high need to own property and automotive products. New areas developments in the buffer zones have also increased the growth of property sector. The Company's flat glass products also have a contribution to the growth of property in the country.

As for the prospects of the automotive glass segment, the Company expects demand will continue to grow in 2015. The launch of several types of new cars and demand for Low Cost Green Car (LCGC) is quite good and the improving economy in 2015 is expected to contribute positively to the demand for the Company's automotive glass.

However, the Board of Directors will continue to monitor and address the volatility that may hamper its business activities in 2015, by working hard to improve synergies, productivity and cost efficiency in all areas. The Company expects to achieve better results in 2015 than in 2014.

Good Corporate Governance Implementation

As an implementation of Good Corporate Governance (GCG), in 2014 the Company once again conducted dissemination of the Company's Code of Conduct (CoC) and Whistleblowing System in its factories in Jakarta, Sidoarjo and Cikampek. The Company also issued a Management Letter on the Commitment to Compliance for all employees of the Company so that they always carry out their work by referring to the Code of Conduct.

The Company also focuses on the prevention and control of fraud that may occur on its behalf. The Company always sends out letters on an ongoing basis, especially to suppliers/ vendors, representing that the Company's employees do not accept gifts or gratuities of any kind. This policy has been disseminated to all suppliers/vendors and will be continuously implemented in a consistent manner.

To meet regulatory IX.I.4 No. Kep-63 / PM / 1996 dated 17 January 1996 concerning the establishment of the Corporate Secretary and Regulation No. I-A Appendix Decision of Directors of the Indonesia Stock Exchange

No.Kep-00001 / BEI / 01-2014 dated January 20, 2014 on the Registration of Shares and Equity In addition Shares Issued By Listed Companies, the Company has appointed Christoforus as replacing Corporate Secretary Rusli Pranadi effective from May 21, 2014. With the publication of the Financial Services Authority regulation No. 35 / POJK.04 / 2014 regarding the Corporate Secretary, the Company will adjust the provision.

On November 7, 2014 the Company has held the Annual Public Expose in Indonesia Stock Exchange Building, Jakarta. The purpose of the event is to provide an explanation of: (i) the disclosure of information in 2014 (ii) financial performance and constraints experienced by the Company during the year and the Company's efforts to overcome (iii) the results that have been achieved and (iv) the Company's plan in the future. Public Expose was attended by Commissioners and the Board of Directors, shareholders, investors, analysts and capital market journalists both print and online. The Company expects these activities will increase the transparency to public for the investors to make the right decision in investment.

To provide an understanding and to improve Good Corporate Governance practices, on September 30, 2014, the Company in cooperation with the Indonesian Institute for Corporate Directorship (IICD) held In-House training on "Overview of ASEAN Corporate Governance Scorecard" themed "Enhancing Corporate Governance Disclosure Policy and Practice Based on ASEAN CG Scorecard ". This full-day activity was directly presented by Professor Sidharta Utama, Ph.D., CFA and James Simanjuntak, Ph.D. from IICD. This activity was expected to give an understanding to members of the Company's Board of Commissioners and Board of Directors and Employees on the importance of Corporate Governance practices that will add value to the company in the eyes of stakeholders.

Complete information on the Company's GCG activities is presented in Corporate Governance Chapter hereof.

Board of Directors' Composition

The Company's Annual General Meeting of Shareholders (AGMS) on June 20, 2014 at Hotel Novotel, North Jakarta, has decided the change of the Board of Directors composition, in which the Company has appointed Tatsuo Sugiyama as the Company's Director replacing Hiroaki Aimu with a term of service up to the AGMS in 2015, appointed Naomasa Taniguchi as Director replacing Takashi Hirotsu effective from August 1, 2014 up to the AGMS in 2015, and appointed Rusli Pranadi as the Company's Independent Director with a term of service up to the AGMS in 2015.

BOARD OF DIRECTORS' REPORT

The AGMS has also accepted the resignation of Takashi Hirotsu and Hiroaki Aimu, with gratitude and high appreciation for their ideas, inputs and dedication that were valuable in encouraging the Company's achievement to date.

The number and composition of the Board of Directors members are already in accordance OJK Regulation No. 33/POJK.04/2014. Complete information on the composition and profile of the Company's Board of Directors are presented in the section describing composition of the Company's Board of Commissioners and Board of Directors hereof.

Appreciation to the Stakeholders

On behalf of the Board of Directors, we would like to express our gratitude and sincere appreciation to all employees and partners for their support that has enabled the Company to continuously grow. We would also like to thank for the support of our Customers, Suppliers, Principals and Shareholders, Board of Commissioners, Committees and the Stakeholders at large. The Board of Directors expects to enhance solid cooperation that has been demonstrated by our stakeholders in order to make changes and improvements on an ongoing basis.

For and on behalf of the Board of Directors,



MAMPEI CHIYODA
Presiden Direktur



TJAHJANA SETIADHI
Wakil Presiden Direktur



1. MAMPEI CHIYODA, President Director
2. TJAHJANA SETIADHI, Vice President Director
3. NAOMASA TANIGUCHI, Director
4. MITSUHIRO YOSHIKADO, Director
5. YOSHIKI INOUE, Director
6. PRASETYO AJI, Director
7. E. DAVID SATRIA SOETEDJA, Director
8. YASUSHI KAWAMOTO, Director
9. TJIO FERRY SUSANTO, Director
10. TATSUO SUGIYAMA, Director
11. RUSLI PRANADI, Independent Director



COMPANY PROFILE

1. The Company's Name and Address



Head Office and Factory in Jakarta

Jl. Ancol IX/5, Ancol Barat
North Jakarta , 14430, Indonesia
Phone : (62-21) 690 4041 (8 lines)
Facs : (62-21) 691 8820, 690 4705
E-mail : corporate-secretary@amfg.co.id
Website : www.amfg.co.id

Office and Factory in Sidoarjo

Desa Tanjungsari, Kecamatan Taman
Kabupaten Sidoarjo 61257
East Java, Indonesia
Phone : (62-31) 788 2383, 788 2135
Facs : (62-31) 788 2842, 788 2149



Office and Factory in Cikampek

Bukit Indah Industrial Park, Sektor IA
Blok J-L, Cikampek 41373
West Java, Indonesia
Phone : (62-264) 351 711 (hunting)
Facs : (62-264) 351 710

COMPANY PROFILE

2. The Company's Brief History**A. The Establishment**

The Company is a Foreign Investment Company (PMA) that was established based on Notarial Deed No.4, dated October 7, 1971, and No. 9 dated January 6, 1972 under the name of PT Asahimas Flat Glass Co., Ltd. Both Notarial Deeds have been passed before Koerniatini Karim, Notary in Jakarta, Indonesia and approved by the Minister of Justice of the Republic of Indonesia by virtue of Decree No.J.A.5/5/19 dated January 17, 1972 and published in the State Gazette No. 18 dated March 3, 1972 and its Supplement No. 83/1972

B. Amendment to the Articles of Association

The Company's Articles of Association have been amended several times due to the following matters:

The change of the Company's name from PT Asahimas Flat Glass Co. Ltd.Tbk., to become PT Asahimas Flat Glass Tbk, as set forth in Notarial Deed No. 73 dated June 26, 1998 passed before Amrul Partomuan Pohan SH, LL.M, Notary in Jakarta and approved by the Minister of Justice of the Republic of Indonesia by virtue of Decree No. C2 12065. HT.01.04.TH.98 dated August 25, 1998 and was published in the State Gazette No. 6510 dated November 24, 1998 and its Supplement No. 94/1998.

The expansion of the Company's business activity in the glass industry and export import, as set forth in Notary Deed No. 54 dated May 28, 2003 executed before Amrul Partomuan Pohan SH, LL.M, Notary in Jakarta, and was approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. C-14423.HT.01.04.TH.2003 dated June 24, 2003 and was published in the State Gazette No. 7532 dated August 26, 2003 and its supplement No. 68/2003.

The Company's Articles of Association have been adjusted to Law No. 40/2007 regarding Limited Liability Companies as set forth in Notarial Deed No. 1, dated July 1, 2008 passed before Dr. Amrul Partomuan Pohan SH, LL.M, notary in Jakarta and approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU 41881.AH.01.02 year 2008 dated July 17, 2008, published in the State Gazette No. 84 dated October 17, 2008 and its supplement No. 20228/2008.

The Company's Articles of Association have been adjusted to Bapepam & LK Regulation No. IX.J.1 concerning Main Substances of Articles of Association

of the Company Performing Public Offering of Equity Security and Publicly Listed Company as set forth in Notarial Deed No. 19, dated February 27, 2009 passed before Dr. Amrul Partomuan Pohan SH, LL.M, notary public in Jakarta and approved by the Minister of Justice and Human Rights of the Republic of Indonesia by virtue of Decree No. AHU-AH.01.10.02127 Year 2009 dated March 19, 2009, published in the State Gazette No. 36/2009 and its supplement No. 317/2009.

The latest amendment of the Company's Articles of Association as set forth in Notarial Deed no. 315 dated 31 May 2013 by Dr. Irawan Soerodjo SH. MSi. regarding the editorial adjustment of Article 3 of the Articles of Association with Bapepam & LK Regulation No IX.J.1 concerning Main Substances of Articles of Association of the Company Performing Public Offering of Equity Security and Publicly Listed Company and the Minister of Manpower and Transmigration Regulation No. 19 Year 2012. This deed has been approved by Minister of Law and Human Rights No. AHU-0080232.AH.01.09. 2013 dated August 27, 2013 published in the State Gazette no No. 77 dated September 24, 2013 and its Supplement No. 118312

C. Change of Status to become Publicly Listed Company

Based on the Statement Letter of the Chairman of Capital Market Supervisory Agency ("Bapepam") No. S-1323/PM/1995 dated October 18, 1995, the Company initiated public offering of 86,000,000 shares and since December 18, 2000 all of the Company's shares have been listed on Bursa Efek Jakarta (now Bursa Efek Indonesia).

3. The Company's Business Activities and Products

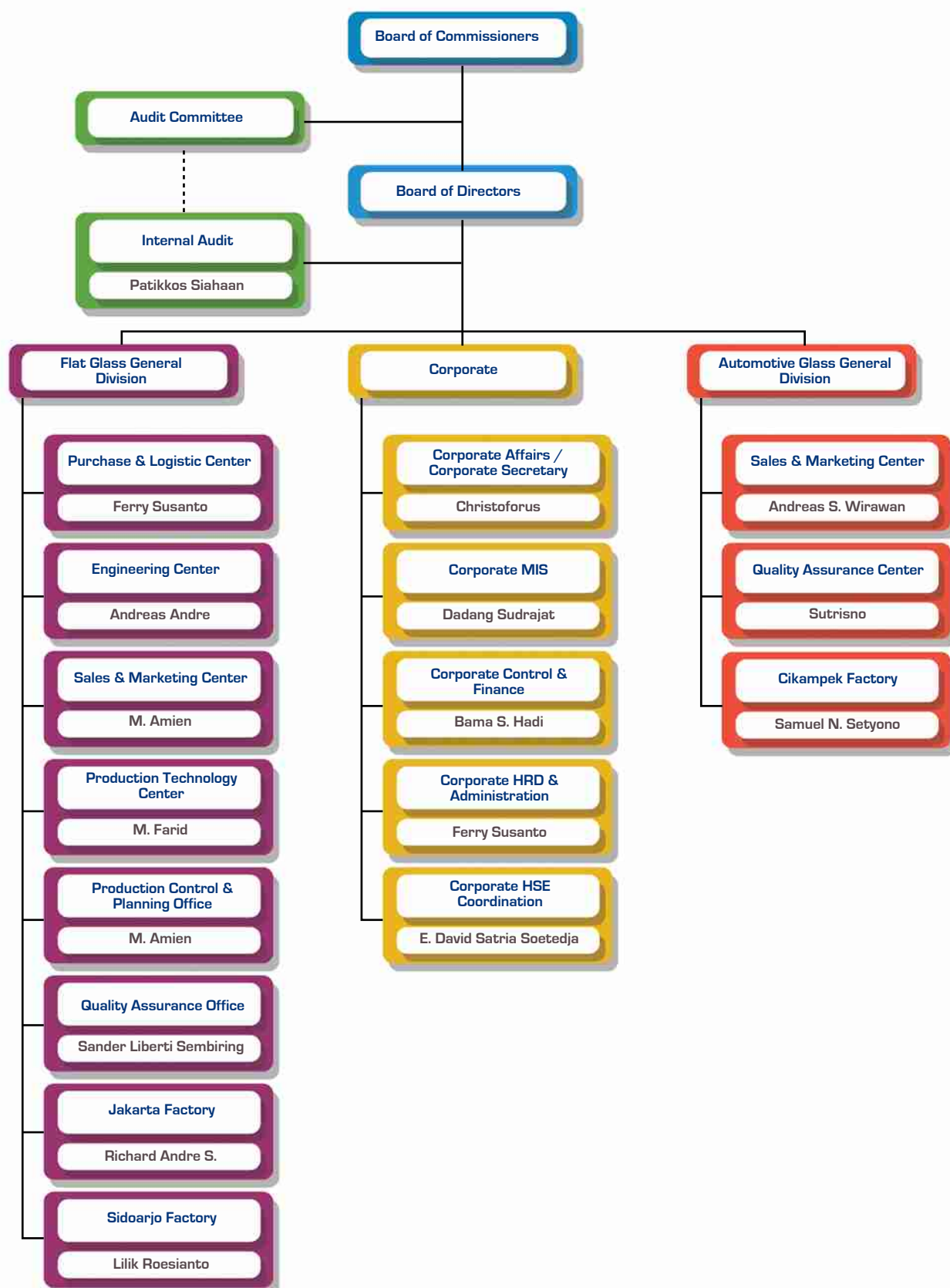
Based on its Articles of Association, the Company's intention and objectives are to establish and run glass industry as well as export-import and quality certification of glass.

The Company's products are divided into 2 categories:

- Flat Glass including Mirror Glass
- Safety Glass including Automotive Glass

COMPANY PROFILE

4. The Company's Organizational Structure



COMPANY PROFILE

5. Mission and Vision

Mission

To build the world a
better place for
living

Vision

To become a
respectable
manufacturer and
global supplier of
glass and its
related products

The Company's Value

1. Pioneering Spirit
2. Honesty and Sincerity
3. Cooperation Spirit
4. Creative Thinking
5. Responsible

6. Board of Commissioners and Board of Directors

Composition of the Company's BOC and BOD members as stated in the Notarial Deed of Dr. Irawan Soerodjo SH. MSi. No. 503 dated June 20, 2014 and No. 52 dated August 11, 2014, is as follows :

Board of Commissioners

President Commissioner	TAN PEI LING
Vice President Commissioner	KIMIKAZU ICHIKAWA
Commissioner	ANDI PURNOMO
Commissioner	TAKEO TAKEI
Independent Commissioner	BENYAMIN SUBRATA
Independent Commissioner	HIDEYA TANAKA

Board of Directors

President Director	MAMPEI CHIYODA
Vice President Director	TJAHJANA SETIADHI
Director	NAOMASA TANIGUCHI
Director	MITSUHIRO YOSHIKADO
Director	YOSHIKI INOUE
Director	PRASETYO AJI
Director	E. DAVID SATRIA SOETEDJA
Director	YASUSHI KAWAMOTO
Director	TJIO FERRY SUSANTO
Director	TATSUO SUGIYAMA
Independent Director	RUSLI PRANADI

7. Board of Directors Appointment in 2014

Tatsuo Sugiyama, Director

Started his career at Asahi Glass Co., Ltd., Japan in 1986 and was appointed as Director of the Company pursuant to the AGMS resolution of June 20, 2014 to replace Hiroaki Aimu.

Rusli Pranadi, Independent Director

Started his career in the Company in 1981 and was appointed as Director of the Company since the AGMS on June 24, 2011 and designated as Independent Director since June 20, 2014

Naomasa Taniguchi, Director

Started his career at Asahi Glass Co., Ltd. in 1988 and was appointed as Director of the Company pursuant to resolution of the AGMS dated June 20, 2014 and effective on August 1, 2014 to replace Takashi Hirotsu.

COMPANY PROFILE

8. Board of Commissioners' Profile

Tan Pei Ling, President Commissioner

Indonesian citizen, born in Jakarta in 1957. Graduated from the University of Portland, Oregon, USA and earned Bachelor of Business Administration in 1979. Started his career at PT Rodamas in 1979. Served as the Company's Commissioner from 1989 to 2008.

First appointed as President Commissioner based on resolution of the AGMS held on June 6, 2008 replacing Tan Siong Kie. He is affiliated with the Company's shareholder by serving as Commissioner of PT Rodamas, one of the Company's major shareholders.

Kimikazu Ichikawa, Vice President Commissioner

Japanese citizen, born in Japan in 1958. Graduated from Faculty of Political Science and Economics, Waseda University. Has been joining Asahi Glass Co., Ltd., since 1981 up to the present

He was first appointed as Vice President Commissioner based on the resolution of the AGMS held on June, 25 2010 to replace Marehisa Ishiko. He is affiliated with the Company's shareholder by becoming an employee of Asahi Glass Co., Ltd., Japan, one of the Company's major shareholders.

Andi Purnomo, Commissioner

Indonesian citizen, born in Semarang in 1945. Graduated from the Faculty of Process Engineering at Stuttgart University of Germany in 1977. Joined the Company as Director in 1991 and Vice President Director in 2005.

His first appointment as Commissioner was based on resolution of the AGMS held on June 26, 2009 to replace Margono Tanuwijaya Djojosumarto. He is not affiliated with members of the Board of Directors, the Board of Commissioners, as well as shareholders.

Takeo Takei, Commissioner

Japanese citizen, born in Tokyo, Japan in 1960. Graduated from the Faculty of Economics of Hitotsubashi University in 1984 and earned his Master of Business Administration from the University of Michigan Ann Arbor in 2001. Has been joining with AGC since 1984 up to the present

He was first appointed as Commissioner based on resolution of the AGMS held on June 22, 2012 to replace Masahiro Takeda. He is affiliated with the Company's shareholder by serving as employee of Asahi Glass Co., Ltd., Japan, one of the Company's major shareholders.

Benyamin Subrata, Independent Commissioner

Indonesian citizen, born in Jakarta in 1958. Graduated from the Faculty of Mechanical Engineering at the University of Sussex, England in 1980. Joined the Gunung Sewu Group in 1983 to handle construction, property, financial, retailing, manufacturing, and mining and electricity businesses. Currently, he serves in several companies including as President Commissioner of PT Puri Usaha Kencana and PT Puri Kencana Energy, as well as Commissioner of PT Intidaya Prima Kencana.

He was first appointed as the Company's Independent Commissioner based on resolution of the AGMS held on November 9, 2001. He is not affiliated with the members of the Board of Directors, the Board of Commissioners, and shareholders

Hideya Tanaka, Independent Commissioner

Japanese citizen, born in Chiba, Japan in 1942. Graduated from the Faculty of Mechanical Engineering at Nagoya Institute of Technology in 1965. Currently, he also serves as President Director of PT Panel Bakti Sinarindo.

He was first appointed as Independent Commissioner based on resolution of the AGMS held on June 25, 2010 to replace Hideo Sakamoto. He is not affiliated with the members of the Board of Directors, the Board of Commissioners, as well as shareholders.

Training Programs for Members of the Board of Commissioners

During 2014, members of the Board of Commissioners have attended a number of seminars, including:

In-House training on "Overview of ASEAN CG Scorecard, themed "Enhancing Corporate Governance (CG) Disclosure Policy and Practice Based on ASEAN CG Scorecard" in cooperation with the Indonesian Institute for Corporate Directorship (IICD).

This full-day activity was carried on September 30, 2014. This event was expected to give an understanding to the members of the Board of Directors of the importance of corporate governance practices that will add value to the Company in the eyes of the stakeholders.

COMPANY PROFILE

9. Board of Directors' Profile

Mampei Chiyoda, President Director

Japanese citizen, born in Kyoto, Japan in 1964. Graduated from the Faculty of Economic, Tohoku University in 1986. Joined Asahi Glass Co., Ltd. in 1986 to continue up to the present.

He was first appointed as President Director based on resolution of the AGMS held on May, 31, 2013 to replace Masato Oe. He is affiliated with the Company's shareholder by serving as employee of Asahi Glass Co., Ltd., Japan, one of the Company's major shareholders.

As President Director, he is responsible for leading and coordinating the activities and tasks of members of the Board of Directors in general as well as acting as Chief Executive Officer (CEO).

Tjahjana Setiadhi, Vice President Director

Indonesian citizen, born in Cirebon in 1952. Graduated from the Faculty of Physical Engineering, Institut Teknologi Bandung (ITB). Joined the Company in 1976, and served as Director of the Company from 1997 to 2010.

He was first appointed as Vice President Director based on resolution of the AGMS held on June 25, 2010 to replace Samuel Rumbajan. He is not affiliated with the members of the Board of Directors, the Board of Commissioners, and shareholders.

As Vice President Director he is responsible for assisting the management of activities and duties of members of the Board of Directors in general and acting as Chief Administrative Officer (CAO).

Naomasa Taniguchi, Director

Japanese citizen, born in Shiga, Japan in 1963. He completed his education at the School of Engineering, Kyoto University in Japan in 1988. Joined with Asahi Glass Co., Ltd., Japan in 1988 until present.

He was first appointed as the Company's Director based on resolution of the AGMS held on June 20, 2014 to replace Takashi Hirotsu. He is affiliated with the Company's shareholder by serving as employee of Asahi Glass Co., Ltd., Japan, one of the major shareholders of the Company.

As Director, he is responsible for managing and overseeing the activities of the Automotive Glass Business Unit located in Cikampek.

Mitsuhiro Yoshikado, Director

Japanese citizen, born in Kochi, Japan in 1961. Graduated from Kochi National College of Technology in 1982. Joined with Asahi Glass Co., Ltd., Japan in 1982 up to the present.

He was first appointed as Director based on resolution of the AGMS held on May 31, 2013 to replace Mampei Chiyoda. He is affiliated with the Company's shareholder by serving as employee of Asahi Glass Co., Ltd., Japan, one of the major shareholders of the Company.

As Director, he is responsible for managing and overseeing the Company activities in Sales & Marketing of Flat Glass product.

Yoshiki Inoue, Director

Japanese citizen, born in Hyogo, Japan in 1961. Graduated from the University of Tokyo Graduate School in 1987. Joined Asahi Glass Co., Ltd., in 1987 up to the present.

He was first appointed as Director based on resolution of the AGMS held on June 25, 2010 to replace Sadayoshi Shinotsuka. He is affiliated with the Company's shareholder by serving as employee of Asahi Glass Co., Ltd., Japan, one of the major shareholders of the Company.

As Director, he is responsible for managing and overseeing the engineering activities of Flat Glass Business Unit in Jakarta.

Prasetyo Aji, Director

Indonesian citizen, born in Rembang, Central Java in 1960. Graduated from Chemical Engineering Department at Institut Sepuluh November (ITS), Surabaya in 1985. Joined the Company since 1986 up to the present.

He was first appointed as Director based on resolution of the AGMS held on June 3, 2005 to replace Soleh Dagusthani. He is not affiliated with the members of the Board of Directors member of the Board of Commissioners, and shareholders.

As Director, he is responsible for managing and overseeing production activities of the Automotive Glass Business Unit in Cikampek and Quality Assurance Office.

COMPANY PROFILE

E. David Satria Soetedja, Director

Indonesian citizen, born in Jakarta in 1959. Graduated from Faculty of Mechanical Engineering, Universitas Trisakti in 1985. Joined the Company in 1985 up to the present.

He was first appointed as Director based on resolution of the AGMS held on June 25, 2010. He is not affiliated with the members of the Board of Directors, the Board of Commissioners, and shareholders.

As Director, he is responsible for managing and overseeing production activities of Flat Glass Business Unit located in Jakarta and Corporate Health Safety Environment.

Yasushi Kawamoto, Director

Japanese citizen, born in Niigata, Japan in 1963. Graduated from Keio University in 1986. Joined Asahi Glass Co., Ltd., since 1986 up to the present

He was first appointed as Director based on resolution of the AGMS held on June 24, 2011. He is affiliated with the Company's shareholder by serving as employee of Asahi Glass Co., Ltd., Japan, one of the major shareholders of the Company.

As Director, he is responsible for managing and overseeing the Company's financial activities.

Tjio Ferry Susanto, Director

Indonesian citizen, born in Jombang in 1959. Graduated from Universitas Kristen Petra. He joined the Company in 1985 up to the present.

He was first appointed as Director based on resolution of the AGMS held on June 24, 2011. He is not affiliated with the members of the Board of Directors, the Board of Commissioners, and shareholders.

As Director, he is responsible for managing and overseeing production activities of the Flat Glass Business Unit located in Sidoarjo and Corporate Administration & Purchase Logistic Center.

Tatsuo Sugiyama, Director

Japanese citizen, born in Japan in 1962. Graduated from the Nagoya University in 1986 and earned Master Course of Chemical Engineering. Joined Asahi Glass Co., Ltd., Japan in 1986 up to the present.

He was first appointed as Director based on resolution of the AGMS held on June 20, 2014 to replace Hiroaki Aimu. He is affiliated with the Company's shareholders by serving as employee of Asahi Glass Co., Ltd., Japan, one of the major shareholders of the Company.

As Director, he is responsible for bridging the interests of the Company's ultimate shareholder, Asahi Glass Co., Ltd, with the Company.

Rusli Pranadi, Independent Director

Indonesian citizen, born in Jakarta in 1958. Graduated from College of Economic Science majoring in Accounting in 1993. Graduated from State Examination of Accountancy Profession in 1995 and gain the State Registered Accountant number D-14.772. Joined the company in 1981 up to the present

He was first appointed as Director based on resolution on the AGMS held on June 24, 2011 and as an Independent Director by resolution of the AGMS held on June 20, 2014. He is not affiliated with the members of the Board of Directors, the Board of Commissioners and shareholders.

As Independent Director, he is responsible for managing and overseeing Corporate Affairs activities.

Training Program for Member of BOD

During 2014, members of the Board of Directors have attended several seminars, including:

In-House training on "Overview of ASEAN CG Scorecard, themed "Enhancing Corporate Governance (CG) Disclosure Policy and Practice Based on ASEAN CG Scorecard" in cooperation with the Indonesian Institute for Corporate Directorship (IICD).

This full-day activity was carried on September 30, 2014. This event aimed to give an understanding to the members of the Board of Directors of the importance of corporate governance practices to create the Company's added value in the eyes of the stakeholders.

COMPANY PROFILE

10. Changes in the Composition of Board of Commissioners and Board of Directors after the Reporting Period

Up to the end of the financial year and deadline of the 2014 Annual Report submission, there was no change in the composition of the Company's Board of Commissioners and / or Board of Directors.

11. Human Resources and Description of its Development

In line with the Company's vision "To become a respectable manufacturer and global supplier of glass and its related products ", the Company should have human resources (HR) that are competent, qualified and in accordance with its business needs.

The Company believes that human resources constitute main asset in supporting its business success, as reflected in the manual business policy: "Employees are the Source of the Company's Strength"

As the Company's assets, employees must be able to uphold the values that have been fostered by the founders of the Company, namely: The Pioneering Spirit, Honesty and Sincerity, The Spirit of Cooperation, Creative Thinking and Be Responsible. The Company believes that implementation of the noble values will generate

reliable human resources and produce high quality products and services in realizing customer satisfaction.

Competency Development

In realizing those expectations, the Company through Monozukuri Training Center (TMC) under the Corporate HR and Administration has arranged and implemented an integrated and sustainable human resource development program through a number of activities that have been arranged in the syllabus materials made by TMC, which consisting of continuous coaching, training and development programs related to ability, knowledge and leadership. Such activities are expected to improve human resource capabilities and prepare the Company's future leaders.

In 2014, the Company has conducted several human resource development programs, among others:

1. Performing Group Improvement Activities (GIA) as a tool to achieve Key Performance Indicator (KPI) for the employees. This event was attended by all employees. GIA is divided into three (3) activities, namely:
 - (i) Kaizen Theme Activity
 - (ii) Innovation Theme Activity
 - (iii) Asahimas Improvement System



President Director Mampei Chiyoda cut the tumpeng in the New Year 2015 celebration

COMPANY PROFILE



The Company's Employees were having lunch together in the New Year 2015 celebration

Several groups were selected to represent the Company to participate in the Kaizen Convention activities in several automotive companies in Indonesia. In addition, the Company also sent representatives to participate in the Kaizen competition in Japan, which was attended by all representatives of the AGC Kaizen Group of several countries.

2. Conducting Best Practice training on an ongoing basis in the Company's locations, guided by experienced staff both local and expatriate. To support the training, the Company has in place Skill Simulator facilities related to the production and the supporting equipment, to facilitate the employees in the learning process.
3. Continuous trainings starting from Freshmen Orientation including Basic Safety Training, Basic Discipline Training, Training D40 (Discipline up 40 Hours), Genba Business Outline, Basic Technical Training, On the Job Training and Project Assignment intended for new employees at all of the Company's factories.
4. Participating in trainings, workshops and seminars both domestic and abroad such as discussion on basic management, communication, financial, supply chain management, negotiation skills, quality management, human resources and many more.
5. To increase safety awareness of all employees, the Company has developed a simulator such as Safety Hazard Simulator, Safety Patrol Simulator for line managers. The training given in 2014 was the second cycle. The Company also regularly sends its employees to Japan for the Safety Key Person Training organized by AGC Japan.

This training is valuable for employees as it is useful not only in the daily work but also in their daily lives. The Company also provides training to deal with emergencies such as fire, earthquake, tsunami, and others.

6. Every year, the Company continues to conduct Leadership Training at every leadership level in the Company. This activity aims to prepare cadres of Company's future leaders through activities such as Team Building, Outbound and Leadership Training.
7. Providing places of worship and support religious activities in the Company to build the employees' character and personality.
8. The Company also pays attention to the employees who are entering their retirement age by giving independent business training and after-service training. The trainings aim to equip those employees with adequate preparations both mentally and skill.

All the above activities are carried out in all factories owned by the Company in Jakarta, Sidoarjo and Cikampek. The Company believes that a harmonious relationship between the Company and its employees is one of the major factors in favor of the Company's business progress. Up to December 31, 2014, the number of permanent employees of the Company was 2,972 consisting of both permanent and contract-based employees.

COMPANY PROFILE

12. Shareholder Information and Share Ownership Percentage

Shareholders with 5% ownership or above as of December 31, 2014

No.	Name	Total shares	Percentage
1	Asahi Glass Co.,Ltd., Japan	190,359,000	43.86
2	PT Rodamas, Indonesia	177,358,500	40.87

Share Ownership of Members of the Board of Directors and the Board of Commissioners as of December 31, 2014

As of December 31, 2014 there was no Board of commissioners member own company's share, while Mr. Mitsuhiro Yoshikado as a member of Board of Directors own 20,000 company's shares or 0.004% of Total issued shares.

Group Share Ownership Community With each Share Ownership Less Than 5%

On December 31, 2014, the number of public shareholders with less than 5% shareholding was 727 with a total percentage of 15.27% comprising of legal entities and individuals both domestic and abroad.

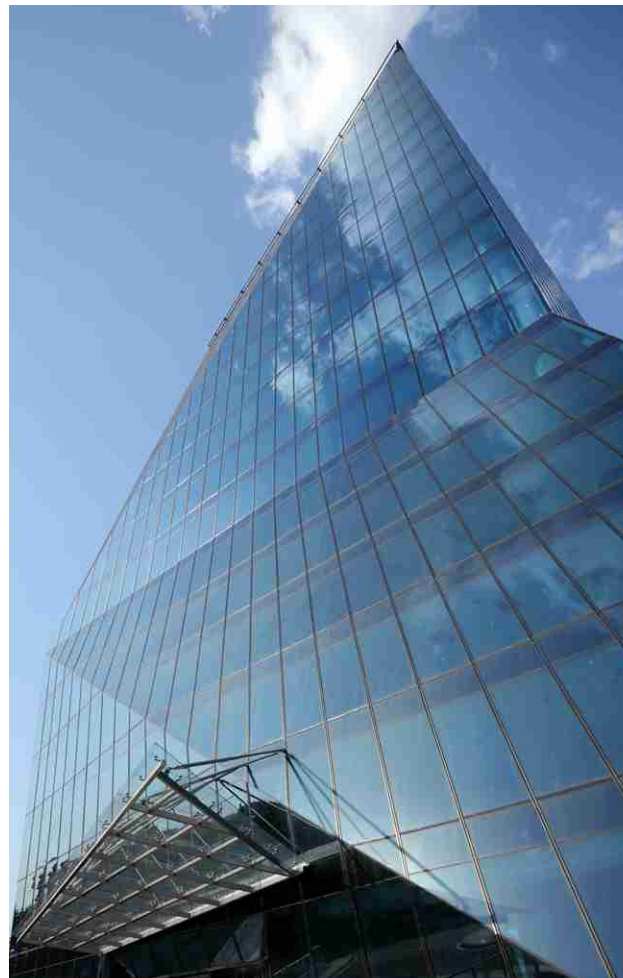
13. Information on Major Shareholder and Controlling Shareholder

1. Asahi Glass Co., Ltd. ("AGC")

AGC, the owner of 43.86% shares in the Company, is domiciled in 1-5-1 Marunouchi, Chiyoda-ku, Tokyo 100-8405 Japan. AGC is a public company in Japan, which was listed on the Tokyo Stock Exchange and Osaka Stock Exchange. Established in 1907, the Company has evolved into the most prominent multinational glass producer in the world market for building glass, automotive glass, display glass and other related products. At present, aside from glass industry, AGC Group also engages in fluorine chemical, electronics and energy development industries. AGC Group has global networks and affiliations spreading across more than 30 countries

2. PT Rodamas

PT Rodamas, the owner of 40.87% shares in the Company, is domiciled on Jalan Let. Jend. S. Parman Kav 32-34, Slipi, Jakarta 11480, Indonesia. Established in 1955, PT Rodamas engages in various lines of business in Indonesia with a focus on the manufacturing industry and the distribution of industrial and consumer products. Rodamas Group controls a vast and important marketing network spreading all over the country and covering various fields such as consumer products, building materials, chemical products, packaging and glass cutter.



COMPANY PROFILE

14. Company Structure up to Ultimate Shareholder as of December 31, 2014



COMPANY PROFILE

15. Subsidiary Company

PT Auto Glass Indonesia

Head Office: Jl. Danau Sunter Utara Blok J-12, No. 78 dan 79, Sunter Agung, Jakarta Utara

Phone: (62-21) 65 303 300 Facs: (62-21) 651 0018 E-mail: autoglass-jkt1@cbn.net.id

Branch Office : Jl. Ciputat Raya No.9, Kebayoran Lama, Jakarta Selatan

Phone: (62-21) 750 0911, Facs: (62-21) 765 2134

Business Field

Replacement and repair services for safety glass of motor vehicles

Employees

14 persons (as of December 31, 2014)

Shareholders	Number of Shares	Issued and Fully Paid Up Capital		
		Nominal Value per share (Rp)	Amount (Rp)	%
PT Asahimas Flat Glass Tbk	1,999	1,000,000	1,999,000,000	99.95
Samuel Nugroho Setyono	1	1,000,000	1,000,000	0.05
TOTAL	2,000		2,000,000,000	100

16. Chronology of Share Listing and Changes of Number of Shares

Shareholders	Initial Public Offering in 1995		31 December 2014	
	Number of shares	Nominal value (Rp)	Number of shares	Nominal value (Rp)
Asahi Glass Co.,Ltd., Japan	174,000,000	87,000,000,000	190,359,000	95,179,500,000
PT Rodamas, Indonesia	174,000,000	87,000,000,000	177,358,500	88,679,250,000
Cooperatives	-	-	1,374,000	687,000,000
Public	86,000,000	43,000,000,000	64,908,500	32,454,250,000
TOTAL	434,000,000	217,000,000,000	434,000,000	217,000,000,000

Pursuant to the statement of the Chairman of the Capital Market Supervisory Agency ("Bapepam") No. S-1323 / PM / 1995 dated October 18, 1995, the Company offered 86 million shares or 19.82% listed on the Jakarta Stock Exchange and Surabaya Stock

Exchange. However, on November 1, 1999 the Company delisted its shares out of the Surabaya Stock Exchange. At present, the Company's shares are only listed on the Indonesia Stock Exchange.

17. Capital Market Supporting Institutions and Professions

- **Public Accountants Firm**
KPMG Siddharta Widjaja & Rekan
Wisma GKBI Lantai 33
Jl. Jend. Sudirman Kav. 28,
Jakarta 10210, Indonesia
phone: (62-21) 574 1777
Facs : (62-21) 574 2777
- **Share Registrar**
PT Datindo Entrycom
Puri Datindo
Jl. Jend. Sudirman Kav. 34-35
Jakarta 10220, Indonesia
phone : (62-21) 570 9009
Facs : (62-21) 570 9026
- **Notary**
Dr. Irawan Soerodjo, SH, MSi
Jl. K.H. Zainul Arifin No. 2
Komplek Ketapang Indah
Blok B-2 No. 4-5
Jakarta 11140
Phone : (62-21) 6301511
Facs : (62-21) 6337851

COMPANY PROFILE



Independent Accountants

Pursuant to the resolution of the AGMS held on June 20, 2014 and the Audit Committee's recommendation, the Company has agreed to appoint Public Accountants Firm Siddharta Widjaja and Associates, a member firm of KPMG International, to conduct the audit of the Company's Financial Statements for the year 2014. The total costs incurred for the Audit of the Company's 2014 Financial Statements was USD 96,600.

The Public Accountants Firm (KAP) has completed its task independently according to professional standards of public accountants, employment agreements and the predefined scope of audit. The KAP did not provide other consulting services to the Company. The Accountant who signed the Independent Auditors' Report for Financial Year 2014 is Mr.Chandra Hartono, SE, MM, CPA.

18. Awards and Certifications

Flat Glass Factory - Jakarta

1. In March 2014, received "Accident Free Year Award 2014" from the AGC Japan.
2. In December 2014, received "PROPER Blue" Award from the Indonesian Ministry of Environment

Flat Glass Factory - Sidoarjo

1. On April 23, 2014 received Zero Accident Award from the Governor of East Java.
2. In April 2014, received "Rocket A2 After Cold Start Repair" Award from AGC Japan/ Asia Pacific Division General Managers.
3. On December 10, 2014 received an award as the "Exemplary Street Lighting Taxpayer 2014" from Regent of Sidoarjo.
4. In December 2014 received "PROPER Blue" Award from the Indonesian Ministry of Environment

Automotive Glass Factory - Cikampek

1. In March 2014, received "Responding to Labor Law Change" Award from AGC Japan.
2. In March 2014, received "Accident Free Year Award 2014" Award from AGC Japan.
3. In May 2014, received "Excellent Occupational Health and Safety Award" from AGC Japan.
4. In May 2014, received "Excellent Occupational Health and Safety Management Activity Award" from Japan AGC.
5. In December 2014, received "PROPER Blue" Award from the Indonesian Ministry of Environment.



Flat Glass Factory in Sidoarjo

Lilik Roesianto, as Flat Glass Factory Manager in Sidoarjo, received Zero Accident Award from the Governor of East Java Province.



MANAGEMENT'S DISCUSSION AND ANALYSIS

Operational Review By Business Segment

Flat Glass

In 2014, flat glass sales volume increased by 4% compared to the previous year, to become 505 thousand tons. The increase was generated from a rise in domestic sales volume and export sales volume of 2% and 6% respectively.

Net Sales grew by Rp 302 billion or by 14% compared to 2013. The growth was attributable to the domestic sales and export sales that were up 10% and 19% respectively compared to 2013.

Despite the slightly slowing economy in 2014, the flat glass growth kept increasing both on export and import markets. The growth of construction sector still increased, which pushed the demand for the Company's Flat Glass. The demand for the Company's flat glass keeps rising in major cities in Indonesia.

The Company's export market also continues to grow, particularly in Asia markets where the economies are still positive.

In general, the performance of the Company's Flat Glass Business Unit in 2014 recorded an operating profit of Rp 387 billion or grew by Rp 81 billion compared to 2013 amounting to Rp 306 billion. This reflects that operating profit growth of the Company's flat glass sales was good enough with an increase by 26% compared to 2013.

The Company's flat glass factories are located in Ancol, Jakarta and Sidoarjo, East Java with total capacity production of 570,000 tons per year. The capacity will be adjusted following the economy condition and flat glass consumption growth, particularly in domestic.

In early 2015, the Company will start to build a new flat glass factory in Cikampek Karawang West Java with production capacity 210,000 ton per year and investment value of 154.9 million. With the investment, it is expected that domestic and foreign market demands for the Company's environmentally friendly flat glass products can be catered.

The Company's flat glass Products are used partly as glass application on buildings, interior and as raw materials for further processed glass and automotive glass.

Automotive Glass

In 2014, the automotive glass sales volume was 51,824 tons or increased by 4,160 tons (9%) compared to 2013. This rise was from sales volume in domestic and export market which increased by 3,522 tons and 638 tons or rose by 8% and 17% respectively. The increase in domestic sale volume was in line with the increasing demand for automotive glass in the country.

Domestic car sales slightly dropped in 2014 compared to 2013. Car sales in 2014 amounted to 1,208,020 units or fell by 21,881 units compared with last year's



MANAGEMENT'S DISCUSSION AND ANALYSIS

1,229,901 units. However, demand for the Company's automotive glass increased over the previous year. This was mainly due to the increasing number of cars assembled in the country using the Company's flat glass products.

As for the increase in export sales volume was contributed by the rising demand for automotive glass and increasing CBU exports from several automotive manufacturers particularly in ASEAN countries.

The sales value rose by Rp 154 billion or an increase by 16% compared to 2013. The growth was derived from domestic sales and export sales which grew by 13% and 37% respectively compared to 2013. The rise of sales was in line with the increase in automotive glass sales domestically and in foreign countries. In addition to that, the increase of USD exchange rate against Rupiah positively contributed to the Company's export sales.

In 2014, cost of sales of automotive glass business unit rose by Rp105 billion or by 14% compared to 2013. This increase was caused by the rising costs of electricity basic tariff and import raw material prices resulting from weakening rupiah against USD. The rise of cost of sales throughout 2014 can be balanced with an increase in net sales of Rp.1.14 trillion or a growth of Rp. 154 billion (16%) compared to the previous year.

In 2014, some manufacturers have launched new products which significantly gave positive impacts on the demand for the Company's automotive glass. The Company has also continuously developed other models of automotive glass to cater new car models launched in 2014, among others: Honda HRV, Toyota New Yaris, Low Cost Green Car (LCGC) cars such as Datsun Go and many more. In 2014, the Company continued to introduce High End automotive glass technology such as UV Cut glass, IR Cut glass, acoustic glass and water repellent glass. For 2015, the Company will also continue to introduce those products in order to attract the interests of automotive producers.

The Company's automotive glass factory located in Cikampek, West Java, produces tempered glass and laminated glass with the current total capacity of 5,000,000 m² per year or equal to the use of glass for 1.5 million car units, which was almost the maximum total capacity and the Company will always adjust its capacity in line with the growth of car sales in the coming years in order to support the growth of national automotive industry.

Financial Performance Analysis

In 2014, the Company recorded net sales of Rp 3.67 trillion or a growth by Rp 456 billion or 14% compared to 2013 which was Rp 3.22 trillion. The increase was driven by the rise of the Company's domestic sales in 2014 amounting to Rp 2.38 trillion or a rise of Rp 220 billion compared to 2013 which recorded the domestic sales of Rp 2.16 trillion. The increase in domestic market was mainly driven by increasing demand for flat glass and automotive glass in the country by 10% and 13% respectively.

The Company's export sales also increased to Rp 1.30 trillion or growing by Rp 236 billion or 22% compared to 2013 by recording a figure of Rp 1.06 trillion. The increase in export sales was from the rise of flat glass and automotive glass export sales by 19% and 37% respectively. Stronger exchange rates of USD against Rupiah also contributed positively to the selling price of the Company's export products.

In 2014, the Company recorded operating expenses of Rp 350 billion or growing by Rp 51 billion compared to 2013 which amounted to Rp 299 billion. Meanwhile, the Company's cost of sales in 2014 was recorded at Rp 2.77 trillion or a rise of Rp278 billion compared to 2013 which was Rp 2.49 trillion.

The increase in cost of sales in 2014 by 11% could be covered with the increase in the 2014 net sales by 14% compared to 2013. The Company's gross profit margin rose by 2% or amounted to 25% in 2014.

The increase in operating expenses in 2014 was 51 billion or 17% compared to 2013, which was mainly caused by the increase in cost of sales by Rp 40 billion or 13% compared to the previous year. However, the Company's total operating profit rose to become Rp 556 billion or increasing by 29% compared to 2013. The Company's operating profit margin also increased to become 15% or by 2% compared to 2013.

In total, the Company's net profit in 2014 rose by 36%. The Company recorded net profit of Rp 459 billion or growing by Rp 120 billion compared to 2013 which recorded at Rp 338 billion.

As of December 31, 2014, total assets were recorded Rp 3.92 trillion or up Rp 379 billion or 11% compared to 2013.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The rise was mainly contributed by current assets which increased by Rp 284 billion and non-current assets which rose by Rp 95 billion. The current asset growth was mainly from the cash growth of Rp 246 billion and inventories growth of Rp 56 billion. The growth was mainly due to the Company's increased sales in 2014. Meanwhile, the increase in non current assets was primarily due to the growth of fixed assets of Rp 53 billion and other non current assets of Rp 40 billion as well as deferred tax assets of Rp 2 billion.

The Company's total liability as of December 31, 2014 amounted to Rp 734 billion or decreasing by Rp 45 billion (6%) compared to the same position in 2013. The decrease was primarily caused by a drop in current liabilities by Rp 76 billion. The drop in current liability was mainly attributable to decreases in trade payables by Rp 36 billion, income tax payable by Rp 20 billion and other current liabilities by Rp 31 billion. While non-current liability recorded a rise of Rp 31 billion from the Employee Benefits Obligation.

The Company's total equity as of December 31, 2014 amounted to Rp 3.18 trillion or increased by Rp 424 billion (15%) compared to the December 31, 2013 position. The increase was due to the rise of retained earnings as an accumulation from the achieved profit attributable to owner of the parent entity in the previous year.

The Company's Cash and Cash Equivalents by end 2014 rose by Rp 246 billion or by 29% compared to 2013. This rise was primarily due to increased net profit resulted from interest received of Rp 41 billion, net cash from operating activity of Rp 523 billion and land held for sale of Rp 29 billion.

Solvency

As of December 31, 2014, the Company recorded total current assets of Rp 2.26 trillion while total current liability amounted to Rp 398 billion. This shows that the Company's ability to pay its current liabilities was very good, reflected from the current ratio of 5.7x. Cash and cash equivalents were recorded at Rp 1.11 trillion, exceeding the Company's total liabilities of Rp 734 billion. Since 2008 up to date, the Company has recorded for not having any Bank loans, showing that the Company's cash was quite adequate to finance operating expenses and investing activities conducted by the Company.

Collectibility Accounts Receivable

At the end of 2014, the Company's ability in collecting accounts receivable (collecting period) was relatively stable. The management has evaluated the collectability of each trade receivables balance and decided that there was no provision for impairment required.

Capital Structure and Management Policy on Capital Structure

Description	2014 (Rp million)	Total Assets (%)	2013 (Rp million)	Total Assets (%)
Current Liability	398,238	10	473,960	13
Non current Liability	335,511	9	304,706	9
Total Liability	733,749	19	778,666	22
Total Equity	3,184,642	81	2,760,727	78
Total Aset	3,918,391	100	3,539,393	100

In 2014, the Company's liability ratio dan equity ratio were 19% and 81% respectively. The majority of total liability in 2014 consisted of trade payables and Employee Benefits Obligation. In 2014, the Company's total liability dropped by Rp 45 billion compared to 2013 due to the decrease in trade payables, income tax payable, and other current liabilities.

The Company has decided capital structure policy by always maintaining Debt-to-Equity Ratio (DER) below 75%. The Company's DER as of December 31, 2014 was 23%. This shows that the Company's capital structure was strong enough.

Material Binding for Capital Goods Investment

In 2014, the Company had material commitment with some vendors with regard to its plan to build flat glass factory with a total capacity of 210,000 tons per year and investment value of USD 154.9 million in Cikampek, Karawang, West Java. The factory construction will commence in early 2015 and is estimated to complete in the second semester of 2016.

As sources of funds for the investment, the Company has planned to use its internal cash, bank loans and/or loans from other finance institutions in USD currency. In order to mitigate risk of the related foreign currency position, the Company has time deposit in USD currency. The Company also receives revenues in foreign currency from export sales which are considered sufficient to finance import expenses and its needs of foreign currencies.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Material Information and Facts After the Reporting Period

There was no material information and facts occurring after the reporting period of financial year 2014.

Business Prospects

Entering 2015, the Company may face challenges that may be tougher than fiscal year 2014. The US Fed's plan to increase interest rate has made short term investments in the country go the other way around. This of course will give pressure on the decreased Rupiah exchange rate against USD that predictably continues in 2015. High dependency on imports will significantly influence the economy in the country and decrease society purchasing power. Besides, Indonesia's decreasing export commodities due to unrecovered global economy have also slowed down economy movement particularly of the communities in suburb areas. This can be seen on the decline of property and automotive sales over the previous year.

However, given the 2015 economic growth targeted by the government at 5.6% and inflation assumption at around 4.4%, Indonesia will remain attractive in the eyes of investors. The new government formation will encourage the ease of doing investment, such as One Stop Service in BKPM, which further will make Indonesia's investment more competitive in ASEAN countries.

Although the economic slowdown still hits in the early 2015, the Company hopes that its business will continuously grow. The economy growth declared by the new government is expected to be achieved so that the targeted acceleration of many infrastructure development projects can be realized in 2015.

The energy policy performed by the government, particularly on reducing subsidized fuel at the end of 2014, hopefully can be diverted into infrastructure development which will absorb labors and increase GDP of Indonesian people. The target of lower inflation in 2015 than in the previous year is expected to be followed by banking sector by cutting down loan interest rate of property and automotive financing.

The Company will always make innovations on its flat glass and automotive glass products. The Company hopes the growth of its environmental friendly glass product will get better in 2015. Many projects to be executed in 2015 will use environmental friendly glass products, such as multi-storey buildings, airports and others.

In export market, the Company continues making penetration to improve its sales, and keeps trying to expand its main markets, particularly in ASEAN and Oceania areas by selling high quality products with added value. By doing so, it is expected that the growth will be better than in 2014.

As for automotive glass business unit prospect, although the Indonesian Association of Automotive Industry (GAIKINDO) only targets domestic sales of automotive by 1.2 million units, the Company expects that demand for its automotive glass will continue to grow in 2015. In fact, the growth of automotive industry in the country was still good in 2014, indicated by the increase in CBU export of 18% compared to 2013. Although car sales in domestic markets decreased in 2014, the Company's automotive glass sales kept increasing compared to 2013.

Low Cost Green Car (LCGC) products from automotive manufacturers also gave good contribution to the Company's sales in 2014 and are expected to remain growing in 2015. The Company's environmentally friendly automotive glass products are used by LCGC which is famous for its energy savings and low price. It is expected that the Company sales trend will keep increasing along with the growing capacity of car producers in the country and new types of cars to be launched in 2015.

With more than 250 million people and steady positive economy growth, hopefully Indonesia can be a base of automotive production in ASEAN replacing Thailand. To cope with that, the Company continues to increase its productivity and make innovation in order to cater demands and keep abreast of new designs of automotive glass. The Company also always gives competitive prices in increasingly competitive automotive industry in the country. Production capacity of the Company's automotive glass products will continue to be adjusted to meet the upward trend of car sales in the coming years.

In export market, the Company continuously strives to enhance the marketing of its automotive glass products to ASEAN market, particularly Malaysia, Singapore and Vietnam. The automotive glass export sales in 2014 grew by 38% compared to 2013. This improvement was due to a hike in demand particularly from ASEAN countries, China, Japan and the USA. The Company hopes the global economy condition will immediately recover and get better in order to provide opportunity for the Company to increase demand for its automotive glass products in export markets.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Comparison Between Projection at the Beginning of Financial Year with the Achieved Results

By the end of 2014, the Company successfully achieved the sales target projected in the beginning of year. The Company successfully recorded net sales of Rp3.67 trillion or increasing by 14% compared with the sales in 2013 of Rp3.22 trillion. The increase in sales exceeded the target set by the Company in early 2014.

The Company's Targets in 2015

The Company's business projection in 2015 is designed based on assumption that the country will manage to achieve the economic growth of 5.6%. The Company expects the growth will be followed by increases in construction and automotive sectors that are the main consumers of the Company's products, which will give contribution to the increasing sales of the Company's products in the range of 7%-10%. The Company's profit is projected to grow below the percentage of sales increase due to the continuing increase in energy costs particularly electricity and labor costs which cannot be covered fully by the sales increase.

Marketing

The Company's products are quite well known by Indonesian people because the Company has marketed its products nationally since 1973. The Company started to penetrate in export markets in 1984. Until now, the Company products have been used and enjoyed by the society in the country and overseas.

Flat glass marketing in domestic markets is done by PT Rodamas, which has established strong distribution networking since 1950s. Having distribution networking in major cities in Indonesia, the Company products can be distributed and used by public in domestic markets.

Meanwhile, the marketing for exports is conducted by an agent in Singapore, namely AGC Flat Glass Asia Pacific Pte., Ltd., (AFAP) and Rodamas Marketing Pte. Ltd. However, for the rightsizing of operating business in export markets, on July 1, 2014 AFAP has transferred its business to AGC Asia Pacific Pte., Ltd. (AAP) and by the end of 2014, Rodamas Marketing Pte., Ltd., also transferred its business to AAP. As a consequence, the marketing activity for export markets is only carried out by AAP as a single entity. By global market networking owned by the agent, the Company's products have penetrated globally.

For flat glass products in 2014, the Company performed a number of marketing activities, such as introducing new products through seminars and architecture glass exhibitions in some major cities in Indonesia. The Company

in cooperation with AGC Asia Pacific Pte., Ltd (AAP) collaborated with Green Building Council Indonesia (GBCI) performed seminar on Innovative Solutions for Sustainable Building and Construction on September 18, 2014 in Pullman Hotel, Central Park, Jakarta. In this exhibition, the Company in cooperation with AAP introduced exterior and interior glass products.

To support sales of its products, particularly for project segment, the Company regularly conducts seminars and gatherings in major cities in Indonesia with architects, consultant and building developers as target participants. This activity were expected to raise awareness of use energy-savings glass to support green building program.

While automotive glass marketing for the OEM market in the Country is addressed to the Holders of Single Agent Brand as car manufacturers in Indonesia, such as Astra Daihatsu Motor, Toyota Motor Manufacturing Indonesia, Kramayudha Tiga Berlian, Honda Prospect Motor, Hino Motors Manufacturing Indonesia, Nissan Motor Indonesia, Suzuki Indomobil Motor, Isuzu Astra Motor Indonesia, General Motors Indonesia and others. While the marketing for Auto Glass Replacement (ARG) market is conducted through network of spare part Division of each holder of single agent brand as well as through dealers and sub-dealers networks spread across Indonesia.

Dividend Policy

Based on the resolution of Annual GMS held on May 31, 2013, it was determined that the dividend payment policy from the year book 2013 and afterwards was at a maximum of 35% of Net Profit after Tax. The amount of dividends to be distributed also depends on the Company's profits in the current fiscal year, by taking into account the Company's level of soundness and future plans and without prejudicing the rights of the Company's General Meeting of Shareholders to determine otherwise in accordance with the provisions of the Articles of Association.

Dividend Payment

In the Company's Annual GMS dated on June 20, 2014, the shareholders have approved the payment of cash dividends of Rp 34,720,000,000 or 10.26% of the Company's total net profit for the fiscal year 2013. Each holder received cash dividend of Rp 80 per share. The cash dividend was paid to shareholders on July 24, 2014.

As for the financial year 2012, based on the resolution of the annual GMS held on May 31, 2013, on July 15, 2013 the Company paid cash dividend to shareholders amounting to Rp 34,720,000,000 or 10.02% of the total net income for the fiscal year 2012. Each shareholder obtained cash dividends of Rp 80 per share.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Realization of the Use of Proceeds from the IPO

The Company listed its shares on the Jakarta Stock Exchange (now BEI) and Surabaya Stock Exchange on October 18, 1995 by offering 86,000,000 shares or 19.82%. Net amount of proceeds of Rp 210 billion received by the Company from the IPO was already used to finance the construction of A2 Furnace in Sidoarjo and Automotive Glass Factory in Cikampek, which have been completed in 1997. Reports on the realization of the Use of Proceeds were already reported by the Company to OJK (formerly Bapepam).

Material Information on Investment, Expansion, Divestment, Acquisition or Loans/Capital Restructuring

In 2014, the Company planned to build a flat glass factory with a total production capacity of 210,000 tons per year with investment value of USD 154.9 million.

In connection to that, on September 1, 2014, the Company and Asahi Glass Co., Ltd., Japan had signed the Agreement on the Execution of Flat Glass Factory Development with a total capacity of 210,000 tons / year.

All the Company's glass manufacturing facility use the technology of Asahi Glass Co., Ltd., Japan, which is the Company's shareholder who owns 43.86% of the total shares issued by the Company. Thus, the contractor of the glass factory construction in Cikampek, West Java, will be appointed by the business group of Asahi Glass Co., Ltd., Japan, with the details as follows:

- a) USD 75.2 million investment related to contractors and suppliers for the procurement of equipment and the machinery will be determined by Asahi Glass Co., Ltd., Japan in terms of glass industry technology to be implemented in the construction of the glass factory in Cikampek, West Java.
- b) USD 79.7 million investment will be carried out by contractor appointed from the unaffiliated party with a tender process based on the specifications approved by the Company and Asahi Glass Co., Ltd., Japan.

The consideration and reason for the Company's transaction of glass factory construction in Cikampek, West Java, with Asahi Glass Co., Ltd., Japan (AGC), an affiliated party, is due to the fact that the technology being used at present is also AGC technology. If the Company's glass factory development is constructed by other party, then the Company should previously learn the glass factory technology and specifications, which then will become ineffective and

inefficient in terms of the times taken for factory construction until the commencement of factory operation. In addition, the technology purchased from AGC is a proprietary technology met with the product specifications that will be produced by Company.

Referring to point 1 letter c point 2) of Regulation No IX.E.1 the Attachment of Decision of Bapepam-LK Chairman No. Kep. 412/BL/2009 dated November 25, 2009 on Affiliated Transactions and Conflicts of Interest of Certain Transactions (hereinafter referred to as Regulation IX.E.1), implementation of the glass factory construction on a land owned by the Company is included in the definition of the transaction referred to Regulation IX.E.1.

Considering that Asahi Glass Co., Ltd., Japan is the Company's major shareholder who owns 43.86% of the total shares issued by the Company, the transaction of flat glass factory construction in Cikampek, West Java, is deemed as affiliated transaction as defined in Regulation IX.E.1. Therefore the Company had performed the following accordingly:

1. Appointing KJPP Ihot Dollar & Raymond as an independent party for assessing the fairness (fairness opinion) on the transactions between the Company and Asahi Glass Co., Ltd., Japan regarding to the implementation of flat glass factory construction in Cikampek, West Java, and in Report No. ID&R/PK/220814.01 dated August 22, 2014, the transaction is stated as fair to be implemented by the Company.
2. Announcing the related information transparency on September 3, 2014, which is two (2) working days after the signing date of the Agreement on Flat Glass factory Construction Implementation with a capacity of 210,000 tons/year between the Company and Asahi Glass Co., Ltd., Japan.

Changes in Laws and Regulations

During 2014, there was no change in regulations that significantly influenced the Company and its financial statements.

Changes of Accounting Policy

In 2014, there was no change in accounting policy caused by the implementation of some of the Statement of Financial Accounting Standards (SFAS) that could have a material impact on the values of the Company's financial statements.

CORPORATE GOVERNANCE

The Company is committed to the embodiment of Good Corporate Governance ("GCG") principles as part of its corporate culture that will always be maintained, preserved and improved in order to achieve the Company's vision, mission and values. As a public company, the Company is committed to always implementing GCG and applying its policies and procedures based on best practices.

Basically, the Company's policies so far have been directed to ensure that the Company has been working for the interests of its stakeholders. The Company has established corporate governance guidelines that regulate key aspects and aims to, among others, encourage and improve the Company's management in a professional, transparent and efficient manner, and to empower the function of and increase the independence of the Company's organs.

In each decision making and action process, the Company's organ must at all time observe on high moral values and comply with applicable laws and regulations, awareness and corporate social responsibility for its stakeholders and the environment as well as the Company's strong competitiveness nationally and internationally. By upholding a commitment to carry out GCG, the Company also consider the interests of concerned stakeholders.

The Company is fully committed to continuously improving and implementing the principles of good corporate governance consisting of Transparency, Accountability, Responsibility, Independency and Fairness that are already a guideline for the Company to run its business. To implement the principles of good corporate governance practices means applying the disclosure of information timely and accurately, equal treatment of all stakeholders, the clarity of the functions and responsibilities of the organs of the Company, responsibility to the community, the Company's professional management without pressure from certain parties and compliance to the prevailing law & regulation.

With the continued implementation of GCG, it is expected that the interests of all stakeholders can be well protected and the Company's added value can be created.

Board of Commissioners

Implementation of the Board of Commissioners' duties is under the provisions of the Articles of Association. The Board of Commissioners supervises and advises the Board of Directors in respect to the policy for managing the Company as well as doing other things as specified in the Articles of Association or as specified from time to time by the GMS. In 2014 the Board of Commissioners has done its duties by doing activities including among others:

1. On February 21, 2014, granted approval for the action taken by the Board of Directors in respect of obtaining

a bank guarantee facility from the Bank of Tokyo-Mitsubishi UFJ Ltd., Jakarta branch of Rp 350 billion with regard to the Company's business transactions.

2. On February 27, 2014, unanimously approved the action taken by the Board of Directors with regard to the procurement of a land plot of 2,828 m2 of PT Harapan Anang Bakri & Sons, located in the Karawang Industrial Estate (KIIC), Teluk Jambe Timur Sub District, Karawang Regency, West Java Province, Indonesia.
3. On May 14, 2014, granted approval to the Board of Directors in respect of the Company's performance report on the following matters:
 - a) Discussion of Agenda of GMS to be held on June 20, 2014;
 - b) Report on the performance results of the first quarter of 2014;
 - c) Description of flat glass and automotive glass business units;
 - d) Report on Investment in automotive glass factory
4. On July 7, 2014, approved the investment proposed by the Board of Directors in respect of the construction of 1 (one) Flat Glass Line and its supporting facilities on an area of ± 68 Ha located in Kalihurip, Tamelang and Purwasari Villages, Cikampek Sub District, Karawang Regency, West Java Province, at a cost of approximately USD 154.9 million.
5. On October 8, 2014, the Board of Commissioner implemented the authority delegated by the GMS to appoint Public Accountants Firm "Siddharta Widjaja & Associates" to audit the Company's books of financial year 2014 and determine the audit fee of USD 96,600.
6. On December 16, 2014, approved the Business plan and Budget for the year 2015 including Corporate Social Responsibility activities for the year 2015 compiled and proposed by the Board of Directors.

The complete composition of the Board of Commissioners based on the resolutions of the Company's GMS held on June 20, 2014, for the term of office until the closing of Annual GMS in 2016 are as follows:

President Commissioner	TAN PEI LING
Vice President Commissioner	KIMIKAZU ICHIKAWA
Commissioner	ANDI PURNOMO
Commissioner	TAKEO TAKEI
Independent Commissioner	BENYAMIN SUBRATA
Independent Commissioner	HIDEYA TANAKA

CORPORATE GOVERNANCE

Procedure and Determination of the Board of Commissioners' Remuneration

On June 20, 2014, the Company's Annual GMS granted authority to the Board of Commissioners to determine the salary and/or benefits for members of the Board of Commissioners and the Board of Directors. Based on input from the Company's Nomination and Remuneration Committee on July 7, 2014 proposing that the amount of salary and/or benefits to be received by all members of the Board of Directors and the Board of Commissioners in 2014 will be the same with those in 2013, so that the Board of Commissioners Decision No. 006/ AMFG.COM/VI-2013 dated June 3, 2013 regarding the salary and/or benefits for all members of the Board of Directors, shall also be applied for the year 2014. During 2014, the salary and/or benefits received by all members of the Board of Commissioners was Rp 2,908 million.

Board of Commissioners Meetings

The procedures for the Board of Commissioners Meetings are set out in Article 18 of the Company's Articles of Association. The Board of Commissioners meeting can be done at any time, provided that:

- if deemed necessary by one or more members of the Board of Commissioners;
- upon written request of one or more members of the Board of Commissioners; or
- upon written request of 1 (one) or more shareholders who represent 1/10 (one-tenth) or more of the total shares with voting rights.

In 2014, members of the Board of Commissioners held 2 (two) meetings taking place on May 14, 2014 and December 16, 2014. The meetings were attended by all members of the Board of Commissioners.

Name and title	14 May	16 Dec
1 Tan Pei Ling, President Commissioner	●	●
2 Kimikazu Ichikawa, Vice President Commissioner	●	●
3 Andi Purnomo, Commissioner	●	●
4 Takeo Takei, Commissioner	●	●
5 Benyamin Subrata, Independent Commissioner	●	●
6 Hideya Tanaka, Independent Commissioner	●	●

● Attended X Absent

Board of Directors

Scope of Work and Responsibilities of the Board of Directors

Board of Directors is the Company's organ in charge and responsible to execute its management function in accordance with the Company's goals and objectives.

Segregation of duties and authorities of each member of the Board of Directors shall be determined by decisions of the Board of Directors meeting. Based on the Board of Directors Meeting held on June 25, 2014 and

August 1, 2014 the tasks and authorities of each member of the Board of Directors are as listed below:

- President Director is responsible for directing and coordinating the activities and tasks of the members of the Board of Directors in general including as Chief Executive Officer (CEO).
- Vice President Director is responsible for:
 - Assisting the CEO and tasks of member of the Board of Directors in general;
 - General Corporate Director and responsible for managing and coordinating all activities as well as Chief Administrative Officer (CAO) Director and for improving activities in Monozukuri and Hitozukuri.
- Director of Automotive Glass Business Unit is responsible for managing and supervising the operations of Automotive Glass Business Unit, serving as Chief Technology Officer (CTO) and Marketing of Automotive Glass.
- Director of Flat Glass Business Unit is responsible for managing and supervising the operations of Flat Glass Business Unit and Marketing of Flat Glass.
- Director of Flat Glass Production of Sidoarjo Factory is responsible for assisting the management and supervising the activities of flat glass units in Sidoarjo and Special Projects in Sidoarjo.
- Director of Automotive Glass Production is responsible for assisting the management and supervising Automotive Glass Business Unit and Quality Assurance Office.
- Director of Flat Glass Production of Jakarta Factory is responsible for assisting the management and supervising the operation of Flat Glass Business Unit in Jakarta and Corporate Health and Safety Environment.
- Director of Finance is responsible for acting as Corporate Control & Finance, Chief Financial Officer (CFO) and Corporate MIS.
- Director of Administration is responsible for managing and supervising the operations of Human Resources, Corporate Administration, Purchase and Logistics Center.
- Independent Director is responsible for facilitating and supervising activities carried out by Corporate Affairs.
- Non-Executive Director is responsible for liaising the interests of majority shareholders and the Company.

The Board of Directors is entitled to represent the Company inside and outside the court on all matters and in any event, bind the Company with the other parties and other parties with the Company, as well as take all actions, both concerning the management and the ownership, but with restrictions that to:

- borrow money on behalf of the Company;
- lend money, except to the Company's employees;

CORPORATE GOVERNANCE

- c. bind the Company as surety;
- d. burdensome encumbrance or mortgage or otherwise encumber the Company's fixed goods;
- e. invest the capital in other companies without prejudicing permission of the authorities;
- f. acquire or transfer fixed goods or rights on a company;

should be done upon written approval of the Board of Commissioners or the related deed should also be signed by the Board of Commissioners.

The Board of Directors shall request GMS approval to transfer the wealth of the Company or to place the Company's assets as security, which is more than 50% of Company's total net assets in one or more transactions, whether related to each other or not. To run a legal act in the form of a transaction that contains a conflict of personal economic interests of members of the Board of Directors, Board of commissioners or shareholders, with economic interest of the Company, the Board of Directors requires the approval of GMS by the majority affirmative vote of shareholders who do not have a conflict of interest

Procedures and Determination of Remuneration for Members of The Board of Directors with the Company's Performance

On June 20, 2014, AGMS delegated its authority to determine the amount of salary and/or benefits to be received by the Board of Directors and the Board of Commissioners. Based on inputs from Nomination and Remuneration Committee on July 7, 2014 proposing that the amount of salary and/or benefits to be received by the Board of Directors in 2014 shall be the same with those in 2013, thus the Board of Commissioners Decision No 006/AMFG.COM/VI-2013 dated June 3, 2013 regarding salary and/or benefits for all members of the Board of Directors shall also be applied for the year 2014. During 2014, salary and/or benefits received by all members of the Board of Directors amounted to Rp 25,115 million.

In determining the salary and/or benefits of all members of the Company's Board of Directors, the Board of Commissioners always takes into account of many factors, amongst which are Key Performance Indicator (KPI) achievement and level of the Company's soundness. The Company's good performance will also provide added value to the Board of Directors's performance appraisal.

Board of Directors Meetings

The procedure to implement the Board of Directors Meetings is set out in Article 15 of the Company's Articles of Association, which regulates that the Board of Directors meeting can be held at any time, provided that:

- a. if deemed necessary by one or more members of the Board of Directors;
- b. upon written request of one or more members of the Board of Commissioners; or

- c. upon written request of 1 (one) or more shareholders who represent 1/10 (one-tenth) or more of the total shares with voting rights.

The Board of Directors holds routine meetings, at least once a month and always meet the required quorum pursuant to the Company's Article of Association with attendance as follows:

Period January 2014 - May 2014					
Name and Title	Jan	Feb	Mar	Apr	May
1 Mampei Chiyoda, President Director	●	●	●	●	●
2 Tjahjana Setiadhi, Vice President Director	●	●	●	●	●
3 Takashi Hirotsu, Director	●	●	●	●	X
4 Mitsuhiro Yoshikado, Director	●	●	●	●	●
5 Yoshiki Inoue, Director	●	●	●	●	●
6 Prasetyo Aji, Director	●	●	●	●	●
7 Emanuel David Satria Soetedja, Director	●	●	●	●	●
8 Yasushi Kawamoto, Director	●	●	●	●	●
9 Rusli Pranadi, Director	●	●	●	●	●
10 Tjio Ferry Susanto, Director	●	●	●	●	●
11 Hiroaki Aimu, Director	●	●	X	●	●

b. Period June 2014 - July 2014		
Name and Title	Jun	Jul
1 Mampei Chiyoda, President Director	●	●
2 Tjahjana Setiadhi, Vice President Director	●	●
3 Takashi Hirotsu, Director	●	●
4 Mitsuhiro Yoshikado, Director	●	●
5 Yoshiki Inoue, Director	●	●
6 Prasetyo Aji, Director	●	●
7 Emanuel David Satria Soetedja, Director	●	●
8 Yasushi Kawamoto, Director	●	●
9 Tjio Ferry Susanto, Director	●	●
10 Tatsuo Sugiyama, Director	●	●
11 Rusli Pranadi, Independent Director	●	●

c. Period August 2014 - December 2014					
Name and Title	Aug	Sep	Oct	Nov	Dec
1 Mampei Chiyoda, President Director	●	●	●	●	●
2 Tjahjana Setiadhi, Vice President Director	●	●	●	●	●
3 Naomasa Taniguchi, Director	●	●	●	●	●
4 Mitsuhiro Yoshikado, Director	●	●	●	●	●
5 Yoshiki Inoue, Director	●	●	●	●	●
6 Prasetyo Aji, Director	●	●	●	●	●
7 Emanuel David Satria Soetedja, Director	●	●	X	X	●
8 Yasushi Kawamoto, Director	●	●	●	●	●
9 Tjio Ferry Susanto, Director	●	●	●	●	●
10 Tatsuo Sugiyama, Director	●	●	●	●	●
11 Rusli Pranadi, Independent Director	●	●	●	●	●

● Attended X Absent

In addition to the above meetings, the Board of Directors also attended joint meetings with the Board of Commissioners held on May 14, 2014 and December 16, 2014.

- c. To provide power and authority to the Board of Directors, with substitution rights, to pour the above resolutions on the composition of the Board of Commissioners and the Board of Directors in notarial deeds either after the close of the Meeting or during or after the effective resignation and or appointment of members of the Board of Directors pursuant to the said resolutions, and subsequently notify the authorities, and perform all and every acts required in connection with the resolutions in accordance with laws and regulations in force.

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5. a. To give authority to the Board of Commissioners to determine the amount of salary and benefits for members of the Board of Directors.
- b. To determine the amount of salary and / or benefits for all members of the Board of Commissioners, including the Independent Commissioner in USD not exceeding the amount of USD 750,000 (one year) and authorize the Board of Commissioners to determine the amount of honorarium and/or salary for each member of the Board of Commissioners.

The Company has realized all the AGMS resolutions in 2014.

Audit Committee

To support the implementation of Good Corporate Governance (GCG), the Board of Commissioners established the Audit Committee in 2001, whose term of office is not longer than the term of office of members of the Board of Commissioners as stipulated in the Company's Articles of Association and can be reappointed for only 1 (one) next period. The Audit Committee consists of four (4) members, including Independent Commissioner who also acts as Chairman, and three (3) members of independent outsiders. In accordance with Bapepam-LK No. IX.I.5 year 2012, all members of the Audit Committee have no affiliation with the Board of Commissioners, members of the Board of Directors, or the shareholders of the Company.

The final composition of the Audit Committee based on the Board of Commissioners Decision No.001/ AMFG.COM/V-2013 dated May 31, 2013 is as follows:

1. Benjamin Subrata (Chairman)

Benjamin Subrata serves concurrently as the Company's Independent Commissioner and Chairman of the Audit Committee. He completed his education in Mechanical Engineering in Sussex University, England. For more than 30 years, he has been actively handling and managing business in construction, property, insurance, retail, industry, mining and electric power. He has been serving as Chairman of the Audit Committee for 2 (two) periods: 2010- 2013 period and 2013 - 2016. At present he also serves as Commissioner and Director of several companies that are not affiliated with the Company.

2. Dr. A. Partomuan Pohan, SH. LL.M (Member)

Dr. A. Partomuan Pohan, SH. LL.M is a graduate from the Faculty of Law of Universitas Sriwijaya (Bachelor's degree), University of Washington, Seattle-USA (Master's degree) and Universitas Airlangga (Doctorate degree). From 1974 to October 2011, he led the office of Notary Public and Land Deed Officer (PPAT) "Dr. A. Partomuan Pohan, SH. LL.M". He is still active as Chairman of the Foundation Centre of the Company Law and Notary (YPPHPN), member of the Board of Experts of Indonesian

Listed Companies Association (AEI), and Secretary of Indonesian Institute of Commissioners & Directors (LKDI) and Lecturer in Master of Notary in Universitas Indonesia.

3. Ir. Susanto (Member)

Ir. Susanto has an educational background in Electrical Engineering from Universitas Trisakti, Jakarta, and has worked with the Company since 1972, most recently served as Director from 1996 to 2006. He has been serving as Member of the Audit Committee for 2 (two) periods: 2010 - 2013 and 2013-2016.

4. Drs. Hariawan Pribadi (Member)

Hariawan Pribadi is a graduate from the Faculty of Economics, Department of Accounting of Universitas Gadjah Mada. He has a background in Accounting and Finance. From 1971 to 1976 he worked in the Directorate General of State Finances. From 1976 to 1988 he served as Partner in Public Accountants Firm Hanadi Rahardja and co-member firm at Grant Thornton International and from 1988 to 1998 as Executive Partner at Public Accountants Firm Hanadi Sudjendro & Partners - member firm of KPMG. From 1998 to 2002 as Executive Partner at Public Accountants Public Firm Hanadi, Sarwoko & Sanjaja - member firm of Ernst & Young Global and from 2002 to 2004 as Advisory Board at Public Accountants Firm Prasetyo, Sarwoko & Sandjaja - member firm of Ernst & Young Global. He serves as Member of the Audit Committee for 2013-2016 period.

Duties of Audit Committee

The Audit Committee task is to assist the Board of Commissioners in performing supervisory functions that should be performed in accordance with the duties and responsibilities specified in the Audit Committee Charter as follows:

1. To review the financial information that will be issued by the Company to the public and/or authorities, among others, Financial Statements, Financial Projections and other statements relating to the Company's financial information.
2. To review the Company's compliance with laws and regulations related to the Company's activities.
3. To provide independent opinion in the event of disagreements between management and the accountants on the service rendered.
4. To provide recommendations to the Board of Commissioners on the appointment of accountants that are based on independence, scope of assignment and audit services fee.

CORPORATE GOVERNANCE

5. To review the implementation of investigation by the Corporate Internal Audit.
6. To review complaints related to accounting and financial reporting processes of the Company.
7. To review and report to the Board of Commissioners on complaints related to the Company.
8. In performing its duties, the Audit Committee keep the confidentiality of the Company's documents, data and information.

Policy on Audit Committee Meeting

In accordance with the Audit Committee Charter, the Audit Committee convenes meeting at least four (4) times a year. Throughout 2014, the Audit Committee convened 14 (fourteen) meetings with the attendance level as follows:

Name	Position	No. of Meetings attended
Benjamin Subrata	Chairman	9
Dr. A. Partomuan Pohan, SH, LL.M	Member	12
Ir. Susanto	Member	13
Drs. Hariawan Pribadi	Member	13

The agenda of Audit Committee meetings in 2014 is as follows:

1. Review the Company's business plan of for year 2014 made by the Board of Directors.
2. Review the Company's Financial Statements as of December 31, 2013 along with the Company's Corporate Control & Finance and External Auditor.
3. Review the results of audit activities conducted by the Company's Corporate Internal Audit during 2013.
4. Review the plan and realization of sales of the Company's assets.
5. Review the Fairness Opinion by Public Appraisal Service Office on investment transactions plan that will be carried out by the Company.
6. Review the Policy on Disclosure of Information on the Company's investment transactions plan that would be reported to OJK.
7. Review several regulations issued by the Indonesia's Stock Exchange (IDX) in 2014.
8. Communicating directly with the Company's Maintenance Division Manager as the implementation of Audit Committee Charter related to the Authorities of Audit Committee.
9. Having the explanation of the Company's Corporate Affairs and provide advice with regard to the Roadmap of ASEAN Corporate Governance Scorecard and discuss drafts of OJK regulations.

10. Review the Management Letter from the External Auditor and monitoring of the follow-up of corrective actions taken by the Company.

11. Review the Company's business results in 2014.

In performing its supervisory duties, the Audit Committee coordinates with Corporate Internal Audit. The Audit Committee provides monthly reports containing in minutes of meetings to the Board of Commissioners, among others:

1. The Company's management in 2014 has adhered to the provisions of prevailing laws and regulations.
2. The Company's financial statements of the financial year ending December 31, 2014, has been made in accordance with Statement of Financial Accounting Standards (SFAS) and Bapepam-LK Regulation No. VIII.G.7 in respect of Financial Statement Presentation and Decision No. KEP-347/BL/2012 concerning amendments to Regulation No. VIII.G.7.
3. The Company's financial statements for the financial year ending December 31, 2013, which have been audited by Public Accountants Firm Siddharta & Widjaja, member of KPMG International, based on the Auditing Standards established by the Indonesian Public Accountant Institute with an unqualified opinion.
4. Internal control system has functioned effectively

Other Committees**1. Compliance Committee**

This Committee was established by the Board of Commissioners on July 6, 2005. The latest membership is based on the Board of Commissioners Decision dated May 31, 2013, with term of office until the closing of the AGMS in 2016, with composition as follows:

- Mampei Chiyoda
- Tjahjana Setiadhi
- Yasushi Kawamoto
- Rusli Pranadi
- Tjio Ferry Susanto

This committee is responsible for the implementation of the Company's compliance with the applicable laws and regulations, including internal regulations existing in the Company.

In 2014, the Compliance Committee has held 2 (two) meetings, which were dated March 18, 2014 and December 11, 2014 to discuss various issues related to the Company's compliance in carrying out its operation with 100% attendance. The important decisions produced by this Committee among others:

CORPORATE GOVERNANCE

- a. Evaluation on implementation of compliance regulatory policies both on capital market regulation and Company internal regulations.
- b. Evaluation of reports on breaches conducted by employees in 2014 and suggestions to improve the procedure to impose sanctions for breaches.
- c. Advice to request each manager to report the level of breaches (if any) and corrective actions taken on each section and make immediate report to the monthly meeting.

2. Nomination and Remuneration Committee

Composition of the Nomination and Remuneration Committee based on the the Board of Commissioners Decision dated May 31, 2013, with term of office up to the closing of the AGMS in 2016 is as follows:

- Tan Pei Ling
- Andi Purnomo
- Benjamin Subrata

This committee is responsible for the system and compensation structures that is applied in the Company. In 2014, the Committee convened in 1 (one) meeting held on July 7, 2014 with 100% attendance rate. The important decisions produced by this committee comprised, among others, recommendations for changes of the Board of Directors and Board of Commissioners and arrangement of remuneration policy for each member of the Board of Commissioners and Board of Directors.

3. Risk Management and Insurance Committee

Composition of the committee based on the Board of Commissioners Decision dated May 31, 2013, with term of service until the closing of the AGMS in 2016 is as follows:

- Mampei Chiyoda
- Tjahjana Setiadhi
- Takashi Hirotsu
- Mitsuhiro Yoshikado
- Prasetyo Aji
- E. David Satria Soetedja
- Yasushi Kawamoto
- Rusli Pranadi
- Tjio Ferry Susanto

This Committee convened 1 (one) meeting on August 19, 2014 with 100% attendance rate. The meeting discussed progress report and next actions to be taken in 2014 as well as segregation of duties of the Committee members to prepare strategic policies and control risk the Company may encounter, such as Operational, Financial, Legal, and Hazard Risks. The Committee also provides advice and recommendations to the Board of Commissioners with regard to the risk of the Company's assets and wealth that need to be insured.

4. Executive Committee

Composition of this Committee based on the Board of Commissioners Decision dated May 31, 2013, with term of office until the closing of the AGMS in 2016 is as follows:

- Tan Pei Ling
- Andi Purnomo
- Mampei Chiyoda
- Tjahjana Setiadhi
- Takashi Hirotsu
- Mitsuhiro Yoshikado
- Yasushi Kawamoto
- Rusli Pranadi

This committee is responsible for analyzing every decision taken by the Board of Directors. The Committee also provides advice in a professional manner regarding business policy and controls the effectiveness of the Company's business strategies. In 2014, this committee convened 2 (two) meetings dated May 14, 2014 and December 16, 2014.

The activities conducted by the Committee include:

- a. Conducting discussions on the reviews of operating results of 1st Quarter year 2014 and constraints encountered by the Company and how to overcome them; and
- b. Conducting discussions on operating results of 3rd Quarter year 2014 and evaluate the business plan and budget for 2015.

Corporate Secretary

The Board of Directors appointed Christoforus as Corporate Secretary by virtue of the Board of Directors Meeting Decision No. 002 / AMFG-BOD / 04-2014 dated April 30, 2014. The appointment was already reported to OJK and BEI (IDX)

and other capital market supporting institutions on May 13, 2014, which became effective on May 20, 2014.

He is an alumnus of Tarumanagara University majoring in Management graduating in 1995, and joined the Company in 1999. Prior to becoming Corporate Secretary, he has occupied various positions in the Company most recently as Assistant Center Manager in the Purchasing and Logistics.



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Corporate Secretary is appointed by the Board of Directors and responsible to the Board of Directors. Any information submitted by the Corporate Secretary to the public is considered official information of the Company.

In general, duties of the Corporate Secretary are:

1. To keep abreast of developments in capital market particularly on prevailing law & regulation in the capital market;
2. To provide inputs to the Board of Directors and the Board of Commissioners on compliance to prevailing laws & regulation in the capital market;
3. To assist the Board of Directors and the Board of Commissioners in the implementation of corporate governance including:
 - a. disclosure of information to the public, including the availability of information in the Company's website;
 - b. submission of reports to OJK in a timely manner;
 - c. holding and documentation of the General Meeting of Shareholders;
 - d. holding and documentation of the Board of Directors meetings and/or the Board of Commissioners meetings; and
 - e. implementation of the Company's orientation program for the Board of Directors and/or the Board of Commissioners.
4. To act as a liaison officer between the Company and the shareholders, OJK, and other stakeholders.

In order to improve knowledge and understanding in order to support the performance of his duties, Corporate Secretary has attended several trainings and activities associated

with the capital market, such as the Roadmap of ASEAN Corporate Governance Scorecard, dissemination of regulations held by OJK, IDX and AEI and regularly attends the seminars conducted by the Indonesian Corporate Secretary Association (ICSA).

Throughout 2014, the Company has submitted the required reports in a timely manner to OJK and IDX, performed report on information disclosure associated with the investments made by the Company and held General Meeting of Shareholders and Public Expose in accordance with the statutory provisions.

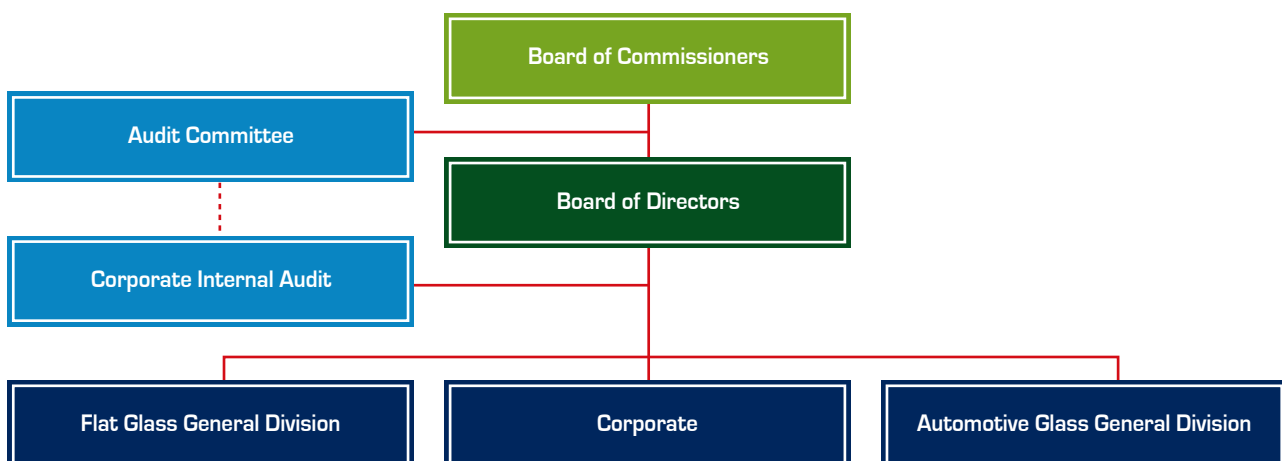
Corporate Internal Audit

Supervision and Internal Control

The Company's Corporate Internal Audit was established on June 21, 2009. Head of Corporate Internal Audit is Patikkos Siahaan, in accordance with the Board of Directors Decision No. 002/AMFG-BOD / 05-2013 dated May 29 2013. Previously, the Company's internal control function was named Internal Control Group and formed in 2000.

Structure and Position of Corporate Internal Audit

The Company's internal supervision and control are evaluated by Corporate Internal Audit chaired by Head of Corporate Internal Audit, who reports directly to President Director and Vice President Director of the Company.



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Profile of Head of Corporate Internal Audit

Patikkos Siahaan, has been serving as the Company's Head of Corporate Internal Audit since June 1, 2013. He earned his Bachelor of Accounting from Sekolah Tinggi Ekonomi Indonesia in 1995 and passed his State exam in Accounting with No.

(D-16 317) in 1996, certified Qualified Internal Auditor (QIA) in 2012 as well as the Certification of Chartered Accountant (CA) in 2013. In addition to the above, he had also served as Finance & Accounting Manager at the Company's factory in Cikampek.

Number and Competency of Corporate Internal Audit Employees

In late December 2014, the Company's Corporate Internal Audit had 3 (three) members, including 1 (one) Head of Corporate Internal Audit.

To improve competencies and capabilities of Corporate Internal Audit personnel, the Company included members of the Corporate Internal Audit in the certification program for Qualified Internal Auditor (QIA) held by the Internal Audit Education Foundation "YPIA".

Corporate Internal Audit Charter

In accordance with Regulation No. IX.1.7 the Attachment of Bapepam and LK Chairman Decision No. KEP-496/BL/2008 regarding the Establishment and Guidelines for Internal Audit Charter, President and Vice President Director of the Company have set forth Internal Audit Charter on 10 November 2009 as the details of the vision and mission as well as the functions, duties and responsibilities, authority and scope of work of the Company's Corporate Internal Audit.

Duties and Responsibilities In accordance with Corporate Internal Audit Charter

Corporate Internal Audit task is to provide assurance and independent and objective consultation in order to increase the Company's added value and improve the Company's operations by examining, evaluating, giving advice for improvements and increase the effectiveness of risk management control and Good Corporate Governance as stipulated in the Corporate Internal Audit Charter, which regulates the duties and responsibilities of the Corporate Internal Audit as follows:

1. Prepare and implement annual work plan of Internal Audit;
2. Examine and evaluate the implementation of internal control and risk management system in accordance with the Company's policies;

3. Examine and assess the efficiency and effectiveness in finance, accounting, operations, human resources, marketing and information technology and all other aspects of the Company's activities.
4. Provide advice for improvements and objective information regarding the activities at all management levels.
5. Prepare audit reports and submit the reports to President Director and Vice President Director as well as the Board of Commissioners.
6. Monitor, analyze and report to the President Director and Vice President Director of the Company the implementation of follow-up of the suggested actions for improvements;
7. Work closely with the Audit Committee.
8. Develop programs to evaluate the quality of internal audit activities performed by Corporate Internal Audit.
9. Conduct special examination if necessary.

Corporate Internal Audit activities in 2014

Corporate Internal Audit has carried out audits in accordance with the Annual Audit Plan (AABP), among others:

Audit Subject	Period
General Purchase in Jakarta's FGGD Factory	January - February
Cash Management in PT Auto Glass Indonesia (Subsidiary)	March - April
Non Performing Assets	May - June
Petty Cash in 3 Factories of the Company	July
General Purchasing at Factory FGGD Sidoarjo	July - August
General Purchasing in Cikampek's AGGD Factory	September - November
Spare parts Inventory in Cikampek's AGGD Factory	November - December

Internal Control System

Financial and Operational Control

An effective Internal Control System ("SPI") is an important component for the Company, which makes it a foundation of a healthy and safe operation. SPI assists the Company in terms of control mechanism such as assets maintainance, prevention of impact of loss, and compliance with legislation. The Company has formed SPI that is effective to assist the Company in obtaining reliable financial information, to enhance the Company's compliance with the applicable laws and regulations, as well as mitigate the risks of financial and operational losses, irregularities and breaches of prudential aspects.

Evaluation of Internal Control System Effectiveness

To evaluate the effectiveness of SPI, the Company has established Corporate Internal Audit (CIA) which serves as Internal Audit Unit. Result of CIA evaluation becomes one of the basis for the Management to evaluate SPI effectiveness and determine improvement and enhancement of systems

CORPORATE GOVERNANCE

or policies that allow management to more effectively run operational activities in accordance with Good Corporate Governance.

Risk Management System

The Company's Risk Management System

Risk management system is an important part in good corporate governance, which needs a strong commitment manifested by the Board of Directors through risk management governance. At present, the Company already has in place the infrastructure to govern risk management and other supporting elements.

Types of Risks and The Management

The Company's Risk Management and Insurance Committee has classified four (4) categories of risks in the Company's business, as follows:

1. Operational Risk

Operational risk includes management of the risks related to:

- Availability of labors
- Availability of raw materials and energy
- Quality of relationships with the community living surrounding the factories. The Company has undertaken operational risk management by performing the following actions:
 - Rearrange the activities related to the Company's main activities.
 - Make efficient use of energy and raw materials.
 - Improve the quality of a harmonious relationship with the local community through community development programs.
 - Conduct a comparative study to other companies with respect to operational activities.

2. Financial Risk

The Company classifies financial risk to include fluctuations in foreign currency exchange rates, changes in laws and regulations related to finance, risk of a breach in taxation and commitment in implementing Capital Market regulations.

To minimize financial risk, the Company continues to increase export sales, so that the Company's revenues in foreign currency can be protected naturally (Natural Hedging). For working capital purposes, the Company has also secured credit facility from Bank that can be used by the Company when required. The Company also always keep abreast of the development of the laws related to finance in order to overcome financial risks that may emerge.

3. Legal Risks

To manage legal risk, the Company always ensure that any business activity are in compliance with applicable laws and regulations both domestically and internationally.

The Company continues to conduct regular evaluation on the level of its compliance in running its business. The Company has an experienced personnel in the field of law and established cooperation with some legal counsels. The Company also conducts education and training for management and employees regarding legal knowledge and disseminates new regulations related to the Company's business activities.

4. Hazard Risk

Hazard Risk may occur at any time and the Company believes that special attention to this matter is necessary.

Such risk includes occupational health and safety, environmental and natural disasters. To overcome these, in 2014 the Company undertook several efforts, among others:

- a. Carrying out dissemination and trainings on occupational health and safety intensively and sustainably.
- b. Conducting health education and regular medical checks as well as blood donors.
- c. Establishing a standardized measurement system for analyzing waste and disposal proceeds.
- d. Forming Emergency Responses Team (ERT) and simulating emergency trainings related to the tsunami and earthquake.

Risk Management Governance Evaluation

Risk Management and Insurance Committee together with the Board of Directors perform an evaluation to risk management governance based on results of the audit that has been done. Results of this evaluation are informed to related divisions for follow up and correction.

Important Case

Throughout 2014, the Company does not confront any critical material case that involves members of the Board of Commissioners, the Board of Directors and Employees which may affect the Company's condition.

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Administrative Sanctions

During financial year 2014, there was no administrative sanction imposed to the Company, the Board of Commissioners and the Board of Directors, either by capital market authorities and other authorities

Code of Conduct and Corporate Culture

The Company has in place Code of Conduct since 2002. The values contained therein have been increasingly growing. As part of AGC Group, the Company has also adopted AGC Group's global principles since 2008. The Code of Conduct has been enhanced at the end of 2012.

Principles of Code of Conduct

The principles contained in the Company's Code of Conduct are as follows:

1. Foundations for Compliance.
2. Fair Competition and Antitrust.
3. Workplace Health and Safety
4. Environment
5. Respect for People
6. Quality and Safety of Products and Services
7. Reports and Records
8. Insider Trading
9. Company and Third-Party Assets and Confidential Information
10. Conflict of Interest
11. Gifts and Entertainment
12. Relations with Government Officials and Politicians
13. International Trade Control
14. Confrontation With the Anti-Social Power
15. Audit System

Principles of Corporate Culture

In carrying out all activities both in business activities as well as in behaving, the Company has always underlined the values that have been embedded by the Company's founders, namely:

1. Pioneering Spirit
2. Honesty and Sincerity
3. Cooperation Spirit
4. Creative Thinking
5. Responsible

These values have become part of all employees and management in carrying out its activities.

Dissemination and Enforcement of Code of Conduct

The Company continues to disseminate its Code of Conduct through communication media owned by the Company. The dissemination is expected to increase the employees' awareness of the values prevailing in the Company. Members of the Board of Commissioners, the Board of Directors and Employees who violate the Code of Conduct will be given sanctions in accordance with the prevailing laws and applicable company regulations.

Enforcement of Code of Conduct

The Company's Code of Conduct applies to all employees, the Board of Directors and the Board of Commissioners. Every year, all employees, Directors and Commissioners always renew their commitment to adhering to the Code of Conduct by signing the Personal Certificate stating that they have understood contents of the Code of Conduct and are committed to adhering to it.

Share Ownership Program

The Company has no stock ownership program for employees and/or management.



CORPORATE GOVERNANCE



In House training themed "Overview of ASEAN Corporate Governance Scorecard " in collaboration with Indonesian Institute for Corporate Directorship (IICD)

Whistleblowing System

In order to support the implementation of Good Corporate Governance, the Company has provided Whistleblowing System or commonly known as Complaints Service. This service is addressed to the employees and stakeholders of the Company in order to participate in improving supervisory function on the breaches that may occur in the Company.

How to Report a Violation

The Company has provided facilities to report any breach and irregularities that may be detrimental to the Company through several means, among others:

- SMS: 0815 898 9999
- Email: pengaduan@amfg.co.id
- Facsimile: (021) 6983 7578
- Written correspondence to the Company's address

Protection to the Informant

Each stakeholder is most welcome to make reports of irregularities that occurred in the Company. The Company provides protection to those who report the occurrence of irregularities and breaches. Information submitted to the Complaints Service must be accountable to avoid any slander on the defendant.

Handling of Complaints and The Party Managing the Complaints

For each information and report from employees or stakeholders, the Company has established a Compliance Team responsible for handling and managing the submitted information and reports. Compliance Team will act in accordance with the Company's Helpline Services. Standard Operation Procedure (SOP). Compliance Team will attempt to investigate all reports received equitably and thoroughly and will take appropriate actions. Results of these investigations will be submitted to the Compliance Committee and also the informant (whistleblower) who provides such information

Results From Report Handling

During 2014, the Company received some information and reports submitted through the Helpline Services. The Company has followed up the reports and performed the necessary correction actions. However, the Company believes that the use of these facilities still need to be improved.

The Company will continue to disseminate this helpline services.

CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT

From the beginning in 1971 as a flat glass factory in Ancol using fourcoults technology, the Company has been growing for more than 43 years with the Indonesian nation. Now, the technology is already replaced with the float technology to produce many products in the Company's business. Therefore, influences of the Company's line of business activities have spreaded throughout the archipelago. With such big influence, the Company carries on a big responsibility as well. The Company has understood dynamics of the economy, society and the environment, which makes us believe that the Company's success is related to the strength of Indonesia.

The Company acknowledges the importance of giving and sharing, not only to improve its reputation, but also to help us continue growing, developing, and providing sustainable benefits to the stakeholders. For us, the Company's social responsibility is inseparable from the Company's business.

Many years ago, the Company has embarked on an effort to provide social contribution to society. This effort is already performed by the Company long before the issue of Corporate Social Responsibility (CSR) requirement and implementation guidelines. Therefore, CSR has been an integral part of the Company's business implementation. Every aspect of business is conducted with responsibility in order to create positive impacts on society. The Company believes, when all elements of society including the business community are serious about increasing the positive impact of each activity, then the world would be more beautiful.

In carrying out CSR activities, the Company has set forth CSR policies that become the guideline of CSR implementation activities across the Company's factories that are located in Jakarta, Sidoarjo and Cikampek, namely:

1. Support for the next generation

Supporting the development of the young generation as a generation that has a future and help them pursue their future aspirations.

2. Harmonious living with the surrounding communities

Establishing a harmonious relationship and cooperation with the surrounding communities and empower communities in a sustainable manner.

3. Environment Conservation

Preserving the environment and contributing in tackling environmental issues and producing products that are environmentally friendly.

Expenses of CSR Activities

In accordance with prevailing law & regulation that a budget plan should be prepared for CSR activity to be conducted and the budget plan should be approved by the Board of Commissioners in order to make these programs run smoothly, then throughout 2014, the Company has incurred approximately Rp1 billion, or nearly equal to the costs incurred for the Company's CSR activities in 2013.

Environmental Responsibility

In line with the Company's mission of "To build the world a better place for living", the Company is obliged to take part in preserving the environment. To that end, the Company places its commitment to living environment and social environment as the main thing and inseparable from its operating activities. To that end, the Company completes operations with the document of environment management pursuant to the governing regulations such as Environmental Impact Assessment (EIA/AMDAL/ANDAL) Document as well as Environmental Management Efforts - Environmental Monitoring Efforts Document (UKL-UPL). The aim is to estimate the impact resulted from operations, to evaluate and seek appropriate solutions to overcome. Thus, the activities implementors have guidelines to manage the environmental impact at every location of the Company's operations.

In addition, to show the role of the Company as a responsible citizen in creating a better living environment, the Company has five principal for environmental policies as guidelines in conducting their business activities, namely:

1. Continuous improvement based on an integrated Environmental Management System (EMS/SML).
2. Comply with environmental regulations and requirements.
3. Perform measures to mitigate environmental impacts and prevent pollution.
4. Develop products, technologies, services and facilities that are environmentally friendly.
5. Communicate actively on environmental activities with stakeholders.

In accordance with the Company's business policy for the Environment in 2014, namely "Sustainable Contribution to the Earth through Activities that are Environmentally Friendly (Green Activities)".

Green Activities by the Company are translated with the term 3G: Green Factory, Green Operation and Green Product. Elaboration of the 3G concept by the Company is as follows:

GREEN FACTORY

It has become the Company's commitment to apply the concept of Green Factory in the entire factory environment. To support the creation of an environmentally friendly factory, the embodiment of Green Factory is reflected directly in the environment surrounding the Company's factory where many trees and ornamental plants are planted there to give a beautiful scene. The trees were planted by employees and their families in 2010; the growing of the trees has been continuously monitored. In addition, in the water channels within the Company's environment, there are also several species of fish that can be seen with naked eye as means of water quality monitoring.

CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT



Planting of 1,000 mangrove trees in the Mangrove Eco Tourism area, Pantai Indah Kapuk, North Jakarta

Healthy and fresh condition of the fish in the water channels indicates that the water in the channels do not contain harmful chemicals. Factory and office also have quite good air and sunlight circulation. Some indoor and outdoor lightings already use LED so that they will be more efficient and durable.

In addition to tree planting in the factory environment, the Company's factory located in Jakarta with government agencies and surrounding community also planted fruit trees, located not far from the Company's Jakarta factory. Currently, fruit trees produce fruit that has been used by local people.

In the 2013-2014 PROPER assessment, the Company's factories in Jakarta, Cikampek, and Sidoarjo were awarded BLUE PROPER from the Ministry of Environment, indicating the compliance of the three factories with the applicable environmental regulations and management.

GREEN OPERATION

In the running of factory operations, every employee is required to innovate and think creatively to produce competitiveness and continuity of the Company's environmentally friendly business.

To support Green Operation concept, the Company uses Natural Gas (NG) in the running of flat glass factory operation. By using NG, the emission will be cleaner and friendlier to the environment compared to using fuel oil. The Company also seeks to reduce CO₂ emission unit in several ways, among others by:

1. Reducing fuel consumption
2. Enlarging cullet ratio
3. Increasing efficiency in the delivery process
4. Increasing productivity, and
5. Reducing utility
6. Using environmentally friendly materials

The Company's activities related to Green Operation, namely Recycling Program include among others:

Waste Management

Application of 3R or Reuse, Reduce, and Recycle is still the best way to manage and handle waste both in industry and society. In waste management, the Company also adopts the 3R program. Reuse means reusing waste that still can be used for the same function or other functions. Reduce means reducing everything that will result in garbage, such as replacing wood box packing material into iron pallets, which can be used again after the delivery. Recycle means recycling waste into new products that are useful, such as reusing cullets from the production process into raw materials. Implementation of the 3R program in the Company's waste management activities will provide benefits because the waste that has been sorted will be easier to be processed and distributed to manufacture useful products.

CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT

In waste management, the Company has carried out several activities, among others:

1. Provide trash cans on each workspace and open space with three categories: Non-B3 (non-hazardous and non-toxic waste) bins, metal bins and B3 (hazardous and toxic waste) bins.
2. Provide Temporary Storage Place of B3 waste from production processes that had permission from BPLHD. Furthermore, this waste is transported by a company that has a license (manifest) from the Ministry of Environment and Forestry to be transported, processed and managed.
3. The Company in cooperation with the communities around the factories to recycle paper waste to be reprocessed into useful products and recycle waste of dried leaves to be processed into compost.

Water Management

To reduce the usage of PAM water in its operations, the Company's factory in Jakarta has made recycling process of waste water from the equipment cooling process and glass washing by mixing the waste water with sea water used as raw material, to be reprocessed into fresh water by using "Reverse Osmosis / RO" technology. The RO process produces clean water that can be reused as equipment cooling water and glass washing in the course of production process.

During 2014, from the RO process, the Company's flat glass factory in Jakarta produced 374,743 M3 recycled water and 279,073 M3 recycled water in 2013, or in other words, an increase in the use of recycled water. The use of recycled water can reduce consumption of PAM water by 59%, increasing quite highly compared with 30% in 2012. This shows that there has been an increase in the quantity of water processed with RO management process in 2013 and 2014.

As for wastewater treatment, the Company's flat glass factories in Jakarta and Sidoarjo are already equipped with Wastewater Management Installation facilities (IPAL). At the IPAL, wastewater is processed through various processes to eliminate or reduce contaminants (pollutants) contained in the waste so it does not exceed the quality standards. The Company also regularly conducts laboratory testing and reporting of wastewater to the Environmental Management Agency (BPLHD) and the Ministry of Environment and Forestry (KLH). For the Company's automotive glass factory located in Cikampek, waste water management is done through the IPAL owned by Bukit Indah Industrial Park, and the results are also reported regularly to the local BPLHD and KLH.

To indicate that the quality of waste water from the Company's operations does not exceed the quality standards, quality of the water is checked on a regular basis in BPLHD. In addition, the Company's Health Safety & Environment (HSE) and QC laboratories routinely check the water quality in the laboratories owned by the Company.

Energy Saving Campaign

In addition to recycling and water management, the Company also carries out energy-saving campaign to encourage the culture of electricity, water and paper saving by placing stickers and banners on related objects both inside and outside the rooms of the factory premises.

Certifications in Environmental Affairs and Quality Management

In carrying out its mission of "To build the world a better place for living" that is aligned with one of its CSR policy of "Preserving the Environment", the Company continues to raise awareness of the environment by adhering to international standards for Environmental Management System (EMS/SML).

One of the systems that can be used in achieving EMS implementation is ISO 14001: 2004. With this system, the Company can ensure that the process carried out and the products have met the commitment to the environment, particularly compliance with the regulations in the field of environment, pollution prevention and commitment to continuous improvement.

The Company's factories in Jakarta, Sidoarjo and Cikampek have obtained environmental certifications such as ISO 14001: 2004 since 2005, with the last audit on this ISO 14001: 2004 certification was done in April 2014 by DNV Malaysia, an internationally recognized independent agency of ISO audit.

The Company realizes the importance of the environmental management system in the implementation of its business activities. To enhance SML practices, the Company has determined ISO 14001: 2004 as mandatory training for all employees. To continuously improve its SML, the Company requires all employees to pay attention to several issues in the ISO 14001 policy, namely:

1. Employees must know the environmental policy.
2. Employees must know the environmental programs in their respective Departments.
3. Employees must obey the rules/ procedures related to the environment.
4. Employee must deliver inputs or ideas regarding environmental improvement in their respective working places.
5. Employees must participate in the environmental audit conducted on a regular basis.
6. Employees must strive to prevent pollution of the environment in their respective working places.

CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT

GREEN PRODUCT

Today the market and consumer demands for products that are environmentally friendly ("Green Product") continues to increase. In response to that, the Company continuously create Green Products. Green Product is defined as a product that must conform with the environmentally friendly requirements. Nowadays, consumers already have a heightened awareness in the use of Green Products that are free of chemical elements that can harm health and the environment.

In line with such the understanding, the Company has launched Green Products of flat glass under the brand "Sunergy". Sunergy glass has several advantages: environmentally friendly and energy efficient. This type of glass has a low light reflection and energy efficient because of the double coating on the glass surface that makes hot air from the outside coming into the room can be minimized so that the electrical energy for the air conditioner (AC) can be saved. In addition, the Company has also introduced "Lacobel" brand for interior glass. Lacobel is an interior glass with a variety of color selection and high reflection. Paint colors used by Lacobel contain no heavy metals nor chemicals that can damage the environment.

The Company has pioneered the first eco-friendly glass products in the country, which are mirror glass products branded "Miralux" and "Dantalux", copperless interior glass products that are more resistant to corrosion. These products are different from the existing products in the market, especially in the country. The Company expects that its environmentally friendly products can cater the trend of consumer demand for Green Products in line with government policy that has begun to introduce Green Building and Green Architecture concepts in construction and property industry.

The Company in cooperation with the Green Building Council Indonesia (GBCI), an independent and non-profit institution fully committed to community education in applying environmental best practices and facilitate the sustainable transformation of the global building industry, conducts seminars and trainings for stakeholders including professional in the field of construction service, building and property industry businesses as well as community who care about the environment, on the Company's products that are environmentally friendly in terms of raw materials, production processes and production results.

Employment Practices

It is undeniable that reliable Human Resources have become one of the main determinants of the Company's success to date. Managing nearly 3,000 employees is certainly a challenge for the Company. However, with a high commitment from all levels of employees with the philosophy of "We are in the same boat, we

are AMG", the Company believes the quality of human resources can continue to be improved and contributed positively to the Company's business activities.

The Company integrates human resources strategy with business planning and organizational leadership that are backed with measures to strengthen the Company in gaining the best employees/talents and performance-based culture application, process of developing cadres of future leaders, in creating a strong engagement with employees and maintaining close industrial relations, in which all are embraced by a strong corporate culture.

To maintain a harmony in the fast growing environmental and organizational changes in the face of competition at the global level, the Company has strengthened its commitment to consistency and continuity of various programs implementation to improve the quality of its human resources. Leadership competency development program, from the early stage, is designed with comprehensive and tiered considerations, ranging from basic competence mastery, managerial capability mastery and leadership with a varied range of development tools that include training programs, mentoring, rotation, career development, leadership coaching and feedback sessions, and is reinforced with the Company's corporate culture content. The various processes of human resource capacity development are intended to produce leaders who are groomed from within balanced personal character, in terms of knowledge, experience and competency.

In carrying out Employment Practices, the Company always adheres to the Employment Law and its implementing regulations. The rights and obligations of the Company's employees are stipulated in the Collective Labour Agreement (CLA/PKB) between the Company and its Labor Unions. The CLA has a time limit and is always updated by the Labor Unions and the Company and approved by the Director General of Industrial Relations and Labor Social Security. A harmonious relationship between the Company and the Labor Unions is also improved by implanting the principle of partnership relationships, maturity and mutual trust.

The Company in conducting its business activities, continuously meets the applicable rules and regulations related to employment, which are provided in its Company Rules and CLA that among others contains the provisions for not employing under age children, providing wages above the minimum wage in accordance with the minimum wage of province/city/county in every region of the Company's business and treating all employees equally regardless of their ethnicity, race, religion, class or gender, and physical condition. Every year, the Company always evaluates the level of increase in minimum wage to be adjusted to current economic conditions.

CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT

In addition to the evaluation, the Company also provides a form of recognition to employees by giving fair promotion to good achievers. Each year, the Company routinely presents Employee Model awards to the selected employees and Monthly Incentive rewards to the employees based on their best performance.

In addition to the monetary rewards in the form of salary, the Company's employees are also entitled to various facilities and services that make their lives more prosperous and developing. All employees still get health facility for eye care, hospital inpatient and outpatient. In addition, the Company provides life skills provision to ensure the well-being of employees after retirement.

Occupational Health and Safety

The Company is highly committed and aware of the importance of complying with the applicable Laws and Regulations including those which related to occupational safety and health, environmental protection. The Company has in place the Basic Rules Manual of Occupational Health and Safety that applies to all employees and management of the Company. The manual is intended to make every employee understand and practice the basic rules of occupational safety and health properly in order to prevent occupational injury. The Company also has in place a slogan on Occupational Safety and Health Practice (K3), namely: "No production without assurance of safety". While the Company's K3 policy is as follows:

1. Improving the ability of Risk Assessment to promote the use of effective SMK3,
2. Continuing the safety activity tradition by not making it a routine activity that is repetitive,
3. Treating subordinates as family members and ensure their occupational safety. Developing basic principles of safety of equipment and continuously improving the working environment,
4. Conducting K3 as part of production activities by providing necessary support for line management,
5. Complying with all legislation and requirements related to K3,
6. Mobilizing proactive participation of employees in all K3 activities through open, honest and fair interaction and communication in the workplace.

To support the policy, in 2014, the Company conducted several activities, among others:

"Safety First" Campaign

"Safety is Basic" has become a culture in the Company. In carrying out its activities, the Company always puts safety and security in the first place, meaning that there will be no production if there is no guarantee of security and safety. To increase employee awareness of the importance

of workplace safety, the Company constantly makes reminders on the importance of safety in every activity. The appeal of safety is delivered through bulletin boards, running text, morning and afternoon meetings, mandatory trainings for all employees through Safety Simulator and other means of communication.

Before commencing work, the Company's employees always do "Kiken Yochi" (hazard prediction) and Tool Box Meeting (TBM) by carrying out an examination of the work environment. Although the Company has made efforts to eliminate workplace accidents, in 2014, there was still fairly serious accident suffered by the Company's business partners taking place in Sidoarjo.

Emergency Condition Simulation

In 2014, the Company has conducted a series of simulations to anticipate the occurrence of natural disasters and emergencies, such as floods, earthquakes, leaks of Heavy Oil, SO₂ and fire. The purpose of the simulation is to train each employee in the face of natural disasters and emergencies, as well as to evaluate the facilities and communication systems in emergency situations.

The simulations were carried out by making several scenarios such as a fire in the Company's building, how is the system evacuation through emergency doors toward the meeting point, how much time taken to evacuate all employees in the work site to the meeting point. This simulation is needed so that when disaster really strikes, it is expected that all employees already have enough knowledge to protect themselves and their environment.

Safety Patrol

To ensure safe conditions in the work environment and that every employee carry out security and safety procedures, every day, heads of all sections are required to conduct patrol. In addition, Safety & 5S Patrol must also be conducted by the management each month at different locations. Furthermore, a report should be made and evaluation of the findings in the field should be followed up and coordinated with HSE section and related sections.

In addition to Safety Patrol conducted internally, Safety Assessment is also carried out by external parties, in particular to the Company's factory in Cikampek, where Safety Assessment is carried out by the Company's customers. In 2014, the Company was nominated as one of the candidates for award from external parties (Astra International & TMMIN) as companies that have a good performance in Occupational Health and Safety practices.

CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT



The Company's employees and their families conducted Eco Fun Bike

Occupational Health and Safety Management System (SMK3)

The Company's business in Jakarta has been cooperating with Sucofindo, an independent external auditor, to perform a pre-eliminary audit on the implementation of occupational health and safety aiming to ensure that the Company's Occupational Health and Safety Management System has been going well in accordance with the set stipulations. As results of this activity, the Company is required to make improvements and development in several parts in order to get maximum ratings. As a form of appreciation, the Company obtains SMK3 certification from the Ministry of Labor.

Health For Employees

To actualize its concern for the health of all employees, the Company actively takes preventive measures against things can be detrimental to the health of employees. The Company has been cooperating with several hospitals to provide counseling and seminars on a regular basis about the diseases that often occur in the community.

Every year, the Company also regularly conducts health checks for all employees such as X-rays, urine test, blood test, blood pressure test and others. The Company also provides Polyclinic along with doctors and paramedics at each location of its factory. The facility is intended to provide the employee with a quick services either in normal or emergency conditions.

To maintain health and fitness, once a week the Company's employees play sports, especially badminton, tennis courts, indoor soccer and morning gymnastics guided by aerobic instructors. The Company also has registered its employees in BPJS Ketenagakerjaan which provides among others accident insurance, death insurance and old age insurance.

Social Development and Community Empowerment

Empowering individuals or community groups in the communities by providing skills is one of the Company's ways to develop and empower communities to become more self-sufficient. Therefore, the Company has been doing community development activities, which include:

Scholarship Program

One of the Company's active roles to improve quality and educational facilities for the communities is by periodically providing direct assistance to the world of education. The assistance is given in the form of scholarships and school equipment for early childhood and elementary school levels around the Company's factories in Sidoarjo and Cikampek. In addition, since 1985 to date, every month the Company helps the distribution of scholarships granted by the "Yayasan Asahi Glass Indonesia (YAGI)" for the senior high school level (SMK 56 Jakarta) and several universities in Indonesia (Universitas Indonesia (UI), Institut Teknologi Bandung (ITB) and Institut Teknologi Surabaya (ITS)).

CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT



YAGI Scholarship distribution to universities and senior high schools.

YAGI is a foundation which is a non-profit organization whose purpose is providing scholarships for students who are good achievers and selected. YAGI was founded on July 5, 1983 by Asahi Glass Co., Ltd., Japan and PT Asahimas Flat Glass Tbk. Since its establishment until now, YAGI has been providing regular assistance every year devoted to students of high school level and universities.

In 2014, YAGI provided scholarships to 40 students of SMK 56 Jakarta and 54 students from several universities in Indonesia (UI, ITB and ITS). The amount of aid granted in 2014 was Rp 220 million.

Education for children is a major thing for the future of the next generation. Therefore, we must pay attention to them. With regard to that, in the Ramadhan month in 2014, the Company in cooperation with Pustaka Lebah held storytelling and donations of books for early childhood education and fasting together for citizens in Tamelang and Purwasari Villages, Cikampek. These activities received a very high enthusiasm of the citizens, given the storytelling activities are increasingly scarce, along with the advances in technology that exists today. Hopefully, the books provided by the Company can be useful for early childhood children as the future generation.



Presentation of donations to the communities by representatives of the Company's flat glass factory in Sidoarjo.

CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT



Giving of donations for education to students of Elementary Schools in Sidoarjo.

Along with the increasing public demand for improving nutrition particularly by consuming freshwater fish, especially catfish, in 2014, the Company continued to develop catfish farming program that has been run by the communities surrounding the Company's factory in Sidoarjo. This can be seen with the addition of a new pool for residents around the Company's factory.. The Company sees a quite good potential for catfish farming in the community that can continue to grow. The catfish farming assistance provided by the Company is in the form of land clearing and leveling, irrigation, making of catfish ponds and feed warehouses, training and maintenance, providing seedlings composed of python and sangkuriang types and setting the marketing targets. The Company in cooperation with the Food Security Agency of Sidoarjo Regency periodically provides guidance for the cultivation for the farmers. The Company expects that the community can take advantage of unused lands in their environment so that there will be new catfish ponds which would increase the community's incomes.

Brick Making

Property development growth in most of Cikampek areas and surroundings makes the need for building materials has been increasing. The good opportunity is captured by some of the residents in the Purwasari Village to develop a brick-making business. The Company provides assistance for place renovation and electric machines for the brick-making. The Company also provides a simple bookkeeping training to facilitate the administration of their business activities recording.

The Company expects this brick making business can continue to thrive in the community so that it can absorb more labors, and hope the results can be improved, which would certainly impact on the community's incomes.

Mushroom Cultivation

Along with increased insight and awareness of healthy food, the Company has been cooperating with a group of Mushroom farmers. Mushroom is one of well-known fungus people like to eat and cultivated by farmers. There is no doubt that prospect of mushroom cultivation is very good, even up to date, local markets still do not have enough stock

of mushroom. Seeing the potential market and interest of the community surrounding its factory in Cikampek, the Company gave assistance to the community in developing mushroom cultivation. The Assistance provided the Company is in arranging a building as a place for mushroom cultivation. The Company also provides the materials used for mushroom breeding process. As a result mushroom harvest has been already underway and the Company also notices that the yields are quite good. The Company expects that there will be new mushroom nursery-breeding for the community, especially around the Company's factory so as to assist government programs in terms of alleviation of unemployment as well as increase local community incomes.

Cake Making Training Program

The Company in collaboration with members of Family Welfare Programme (PKK) around the Company's factory in Sidoarjo held cake making training program. The residents were taught how to make a cake with good quality, taste, appearance and cleanliness and calculate basic price for the cake. This program is intended to increase local community incomes.

Mangrove Tree Planting and Eco Fun Bike

People's consciousness to preserve the environment has been increasing. In pursue of the sustainability of human life and other creatures' life on earth, a strong effort to preserve the nature is a must. For that reason, to celebrate the World Tree Day falling on November 21, on November 22, 2014, the Company in collaboration with the automotive community of Chevrolet Spin Indonesia (CSI) carried out the planting of 1,000 mangrove trees in the Mangrove Eco Tourism area, Kapuk, North Jakarta. Before planting mangrove trees, the Company and its employees and family held a fun bike activity covering approximately 15 kilometers distance. By doing both activities, the Company expects more sustainable world for the legacy of our children and grandchildren.

CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT



The Company's CSR activities for local communities surrounding the Company's factories in Jakarta, Sidoarjo and Cikampek.

Other Social Aids Programs

Social assistance provided by the Company not only covers empowerment programs, but also the Company's social contributions to the community surrounding its operational areas and the community at large. This social assistance includes, among others, glass donation for places of worship, money donations for religious activities such as Religious Festivals, donations for orphans, donation for independence day activities, for flood victims, holding of routine blood donors and others.

The Company's Product Liability

The issue of Law No. 8 of 1999 on Consumer Protection provides certainty to consumers on the quality, quantity, and safety of goods and/or services acquired on the market so the consumers feel comfortable and safe in using the goods or services obtained. The Company as glass manufacturer pays a great attention to quality standards of its products.

The Company strives to control the quality of its products in order to meet existing quality standards in order to avoid losses that must be borne by the consumers both in terms of health and safety.

To maintain consistency of quality standards of its products, the Company has obtained ISO 9001: 2008, an international standard to establish policy and quality objectives of products either goods or services, in order adjust the quality of these products in accordance with customer requirements or other requirements, and the appropriate quality standards established by the Company supported by a Laboratory equipped with ISO 17025 certification.

The Company's factories in Jakarta and Sidoarjo obtained ISO 9001: 2008 certification since 1996 and has always conducted annual audit by an internationally recognized independent agency. This ISO 9001: 2008 audit was carried out in the Company's flat glass factory in

CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT

Jakarta on September 18-19 2014, while for flat glass factory in Sidoarjo was held on September 16-17, 2014. The audit was performed by Buerau Veritas Certification Indonesia, an international independent agency for ISO certification. By implementing ISO 9001:2008, it is expected that customers' trust on the guarantee and quality of the Company's products will continue to increase, so as to enhance the Company's positive image. In addition to controlling its product quality standards, the company also provides product information to consumers appropriately and wisely. The information presented include three things, namely:

1. Technical Support

Provide information about the technical data of the Company's glass and its application on building so that the consumers can determine type of glass they need.

2. Product Information

Provide information about the types of glass produced by the Company, so that consumers can have a picture to choose the glass in accordance with their needs.

3. Product Availability

Provide information on product availability and recommend contacts of distributors/dealers that fit the type of glass desired.

Facility, Number and Handling of Customer Complaints

To handle complaints and inquiries from consumers regarding the Company's products, the Company provides a means of electronic mail (marketing email), internet-based IT Claim system and a website that can be used by consumers. The Company also provides Direct Line Marketing to consumers, so that they can interact directly to find out the Company's products, in terms of technical data, distributor info and other information. With the direct interaction, the Company seeks to strengthen its relationship with consumers and customers so that the Company can directly provide a response to the aspirations and expectations of consumers. The service aims to increase customer satisfaction with the Company's products.

With this facility, the Company can obtain information from consumers about complaints, questions, suggestions/feedback and level of satisfaction with the services provided by the Company.



**STATEMENT OF
THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS
ON THE RESPONSIBILITY
FOR THE 2014 ANNUAL REPORT OF
PT ASAHIMAS FLAT GLASS TBK**

We the undersigned below declare that all information in the 2014 Annual Report of PT. Asahimas Flat Glass Tbk is presented in a complete and correct manner and we are fully responsible for the accuracy of the content of this Annual Report.

This statement is made truthfully.

Jakarta, April 1, 2015

BOARD OF COMMISSIONERS


TAN PELLING
 President Commissioner


KIMIKAZU ICHIKAWA
 Vice President Commissioner


ANDI PURNOMO
 Commissioner


TAKEO TAKEI
 Commissioner


BENYAMIN SUBRATA
 Independent Commissioner


HIDEYA TANAKA
 Independent Commissioner

BOARD OF DIRECTORS


MAMPEI CHiyODA
 President Director


TJAHJANA SETIADHI
 Vice President Director


NAOMASA TANIGUCHI
 Director


MITSUHIRO YOSHIKADO
 Director


YOSHIKI INOUE
 Director


PRASETYO AJI
 Director


E. DAVID SATRIA SOETEDJA
 Director


YASUSHI KAWAMOTO
 Director


TJIO FERRY SUSANTO
 Director


TATSUO SUGIYAMA
 Director


RUSLI PRANADI
 Independent Director

PT ASAHIMAS FLAT GLASS Tbk

LAPORAN KEUANGAN/*FINANCIAL STATEMENTS*

**TAHUN YANG BERAKHIR PADA 31 DECEMBER 2014 DAN 2013/
*YEARS ENDED 31 DECEMBER 2014 AND 2013***

PT ASAHIMAS FLAT GLASS Tbk

LAPORAN KEUANGAN/FINANCIAL STATEMENTS

TAHUN YANG BERAKHIR PADA 31 DESEMBER 2014 DAN 2013/YEARS ENDED 31 DECEMBER 2014 AND 2013

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AGC Group

PT ASAHIMAS FLAT GLASS Tbk

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FAX : (62-21) - 6904128 (GENERAL) ; 6900470 (EXPORT) ; 6918709 (PROJECT & MARKETING),
6911928 (DOMESTIC) ; 6900716 (SAFETY GLASS SALES)

**PERNYATAAN DIREKSI TENTANG
TANGGUNG JAWAB ATAS
LAPORAN KEUANGAN
TAHUN YANG BERAKHIR PADA
31 DESEMBER 2014 DAN 2013
PT ASAHIMAS FLAT GLASS Tbk ("PERSEROAN")**

**THE DIRECTORS' STATEMENT
OF RESPONSIBILITY
FOR THE FINANCIAL STATEMENTS
YEARS ENDED
31 DECEMBER 2014 AND 2013
PT ASAHIMAS FLAT GLASS Tbk (THE "COMPANY")**

Kami, yang bertanda-tangan di bawah ini:

We, the undersigned:

1. Nama : Mampei Chiyoda
Alamat Kantor : Jl. Ancol IX/5, Ancol Barat
Jakarta 14430
Alamat Domisili/
sesuai KTP atau
Kartu Identitas
Lain : Apartemen The Peak Tower
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Telepon Kantor : (021) 6904041
Jabatan : Presiden Direktur
2. Nama : Yasushi Kawamoto
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Jabatan : Direktur Keuangan

1. Name : Mampei Chiyoda
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Domicile as stated
in ID Card : Apartment The Peak Tower
Regal, Jl. Setiabudi Raya
No. 9, Jakarta
Office Telephone : (021) 6904041
Function : President Director
2. Name : Yasushi Kawamoto
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Domicile as stated
in ID Card : Apartment Casablanca,
Jl. Casablanca Kav. 12,
South Jakarta
Office Telephone : (021) 6904041
Function : Finance Director

menyatakan bahwa:

declare that:

1. Kami bertanggung jawab atas penyusunan dan penyajian laporan keuangan Perseroan;
2. Laporan keuangan telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia;
3. a. Pengungkapan yang telah kami buat dalam laporan keuangan adalah lengkap dan akurat;
b. Laporan keuangan tidak mengandung informasi atau fakta yang tidak benar, dan kami tidak menghilangkan informasi atau fakta yang material terhadap laporan keuangan;
4. Kami bertanggung jawab atas pengendalian intern Perseroan.

1. We are responsible for the preparation and presentation of the financial statements of the Company;
2. The financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards;
3. a. The disclosures we have made in the financial statements are complete and accurate;
b. The financial statements do not contain misleading information or facts, and we have not omitted any information or facts that would be material to the financial statements;
4. We are responsible for the internal control of the Company.

Demikian pernyataan ini dibuat dengan sebenarnya.

This statement letter is made truthfully.

Jakarta, 25 Maret 2015

Jakarta, 25 March 2015



Mampey Chiyoda
Presiden Direktur/
President Director

Yasushi Kawamoto
Yasushi Kawamoto
Direktur Keuangan/
Finance Director

CIKAMPEK FACTORY : • BUKIT INDAH INDUSTRIAL PARK, SEKTOR IA, BLOK J-L, CIKAMPEK, JAWA BARAT, INDONESIA
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Siddharta Widjaja & Rekan Registered Public Accountants

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Laporan Auditor Independen

Independent Auditors' Report

No.: L.14 - 4324 - 15/III.25.001

No.: L.14 - 4324 - 15/III.25.001

Para Pemegang Saham,
Dewan Komisaris dan Direksi
PT Asahimas Flat Glass Tbk:

The Shareholders,
Boards of Commissioners and Directors
PT Asahimas Flat Glass Tbk:

Kami telah mengaudit laporan keuangan PT Asahimas Flat Glass Tbk terlampir, yang terdiri dari laporan posisi keuangan tanggal 31 Desember 2014, serta laporan laba rugi komprehensif, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal tersebut, dan suatu ikhtisar kebijakan akuntansi signifikan dan informasi penjelasan lainnya.

We have audited the accompanying financial statements of PT Asahimas Flat Glass Tbk, which comprise the statement of financial position as of 31 December 2014, and the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Tanggung jawab manajemen atas laporan keuangan

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Tanggung jawab auditor

Tanggung jawab kami adalah untuk menyatakan suatu opini atas laporan keuangan tersebut berdasarkan audit kami. Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami untuk mematuhi ketentuan etika serta merencanakan dan melaksanakan audit untuk memperoleh keyakinan memadai tentang apakah laporan keuangan tersebut bebas dari kesalahan penyajian material.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Suatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit tentang angka-angka dan pengungkapan dalam laporan keuangan. Prosedur yang dipilih bergantung pada pertimbangan auditor, termasuk penilaian atas risiko kesalahan penyajian material dalam laporan keuangan, baik yang disebabkan oleh kecurangan maupun kesalahan. Dalam melakukan penilaian risiko tersebut, auditor mempertimbangkan pengendalian internal yang relevan dengan penyusunan dan penyajian wajar laporan keuangan entitas untuk merancang prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektifitasan pengendalian internal entitas. Suatu audit juga mencakup pengevaluasian atas ketepatan kebijakan akuntansi yang digunakan dan kewajaran estimasi akuntansi yang dibuat oleh manajemen, serta pengevaluasian atas penyajian laporan keuangan secara keseluruhan.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

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



Opini

Menurut opini kami, laporan keuangan terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan PT Asahimas Flat Glass Tbk tanggal 31 Desember 2014, serta kinerja keuangan dan arus kasnya untuk tahun yang berakhir pada tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PT Asahimas Flat Glass Tbk as of 31 December 2014, and its financial performance and its cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Kantor Akuntan Publik/*Registered Public Accountants*
Siddharta Widjaja & Rekan

Chandra Hartono, S.E., M.M., CPA
Izin Akuntan Publik No. AP. 0855/*Public Accountant License No. AP. 0855*

Jakarta, 25 Maret 2015

Jakarta, 25 March 2015

PT ASAHIMAS FLAT GLASS Tbk

LAPORAN POSISI KEUANGAN/STATEMENT OF FINANCIAL POSITION
31 DESEMBER 2014 DAN 2013/31 DECEMBER 2014 AND 2013

Dalam jutaan Rupiah	Catatan/ Notes	31 Desember/31 December		In millions of Rupiah
		2014	2013	
ASET				ASSETS
<u>ASET LANCAR</u>				<u>CURRENT ASSETS</u>
Kas dan setara kas	4	1.107.411	861.619	Cash and cash equivalents
Piutang usaha:	5			Trade receivables:
Pihak ketiga		90.882	138.778	Unrelated parties
Pihak berelasi		263.424	239.564	Related parties
Piutang lain-lain	6	29.511	22.104	Other receivables
Persediaan	7	745.048	689.093	Inventories
Pajak dibayar dimuka	21a	12.691	4.686	Prepaid taxes
Pembayaran dimuka lainnya	8	14.761	15.661	Other prepayments
Tanah yang dimiliki untuk dijual	10	-	8.611	Land held for sale
TOTAL ASET LANCAR		2.263.728	1.980.116	TOTAL CURRENT ASSETS
<u>ASET TIDAK LANCAR</u>				<u>NON-CURRENT ASSETS</u>
Aset pajak tangguhan, bersih	21g	52.220	50.154	Deferred tax assets, net
Investasi pada metode ekuitas	3b	1.575	1.575	Equity-accounted investment
Aset tetap, bersih	10	1.530.836	1.478.147	Fixed assets, net
Aset tidak lancar lain-lain, bersih	9	70.032	29.401	Other non-current assets, net
TOTAL ASET TIDAK LANCAR		1.654.663	1.559.277	TOTAL NON-CURRENT ASSETS
TOTAL ASET		3.918.391	3.539.393	TOTAL ASSETS

Lihat Catatan atas Laporan Keuangan yang merupakan bagian tak terpisahkan dari laporan keuangan.

See Notes to the Financial Statements, which form an integral part of these financial statements.

PT ASAHIMAS FLAT GLASS Tbk

LAPORAN POSISI KEUANGAN (Lanjutan)/STATEMENT OF FINANCIAL POSITION (Continued)
31 DESEMBER 2014 DAN 2013/31 DECEMBER 2014 AND 2013

Dalam jutaan Rupiah	Catatan/ Notes	31 Desember/31 December		In millions of Rupiah
		2014	2013	
LIABILITAS DAN EKUITAS				LIABILITIES AND EQUITY
<u>LIABILITAS JANGKA PENDEK</u>				<u>CURRENT LIABILITIES</u>
Utang usaha:	11			Trade payables:
Pihak ketiga		219.459	228.484	Unrelated parties
Pihak berelasi		26.087	53.016	Related parties
Utang pajak penghasilan	21c	15.190	35.657	Income tax payable
Utang pajak lainnya	21b	10.265	5.991	Other taxes payable
Beban akrual	12	101.106	93.349	Accrued expenses
Liabilitas jangka pendek lainnya	13	26.131	57.463	Other current liabilities
TOTAL LIABILITAS JANGKA PENDEK		398.238	473.960	TOTAL CURRENT LIABILITIES
<u>LIABILITAS JANGKA PANJANG</u>				<u>NON-CURRENT LIABILITY</u>
Liabilitas imbalan kerja	14	335.511	304.706	Employee benefits obligation
TOTAL LIABILITAS		733.749	778.666	TOTAL LIABILITIES
<u>EKUITAS</u>				<u>EQUITY</u>
Modal saham, nilai nominal 500 Rupiah per saham:				Share capital, par value of 500 Rupiah per share:
Modal dasar:				Authorized capital:
600.000.000 saham				600,000,000 shares
Modal ditempatkan dan disetor penuh:				Issued and paid-up capital:
434.000.000 saham	15	217.000	217.000	434,000,000 shares
Tambahan modal disetor	16	165.083	165.083	Additional paid-in capital
Saldo laba:				Retained earnings:
Dicadangkan	24	74.500	71.000	Appropriated
Tidak dicadangkan		2.728.059	2.307.644	Unappropriated
TOTAL EKUITAS		3.184.642	2.760.727	TOTAL EQUITY
TOTAL LIABILITAS DAN EKUITAS		3.918.391	3.539.393	TOTAL LIABILITIES AND EQUITY

Lihat Catatan atas Laporan Keuangan yang merupakan bagian tak terpisahkan dari laporan keuangan.

See Notes to the Financial Statements, which form an integral part of these financial statements.

PT ASAHIMAS FLAT GLASS Tbk

LAPORAN LABA RUGI KOMPREHENSIF/STATEMENT OF COMPREHENSIVE INCOME
TAHUN YANG BERAKHIR PADA 31 DESEMBER 2014 DAN 2013/
YEARS ENDED 31 DECEMBER 2014 AND 2013

<u>Dalam jutaan Rupiah</u>	<u>Catatan/ Notes</u>	<u>2014</u>	<u>2013</u>	<u>In millions of Rupiah</u>
Penjualan bersih	17	3.672.186	3.216.480	Net sales
Beban pokok penjualan	18	(2.766.551)	(2.488.570)	Cost of sales
LABA BRUTO		905.635	727.910	GROSS PROFIT
Beban penjualan	19	(338.976)	(298.992)	Selling expenses
Beban umum dan administrasi	20	(43.652)	(44.264)	General and administrative expenses
Pendapatan lainnya, bersih		32.631	44.721	Miscellaneous income, net
		(349.997)	(298.535)	
LABA USAHA		555.638	429.375	OPERATING PROFIT
Pendapatan keuangan	3q	42.169	21.378	Finance income
LABA SEBELUM PAJAK PENGHASILAN		597.807	450.753	PROFIT BEFORE INCOME TAX
(Beban) penghasilan pajak:	21d			Income tax (expense) benefit:
Pajak kini		(141.238)	(117.318)	Current
Pajak tangguhan		2.066	4.923	Deferred
		(139.172)	(112.395)	
LABA TAHUN BERJALAN		458.635	338.358	PROFIT FOR THE YEAR
PENDAPATAN KOMPREHENSIF LAIN		-	-	OTHER COMPREHENSIVE INCOME
TOTAL PENDAPATAN KOMPREHENSIF TAHUN BERJALAN		458.635	338.358	TOTAL COMPREHENSIVE INCOME FOR THE YEAR
Laba per saham (dalam Rupiah)	22	Rp 1.057	Rp 780	Earnings per share (in Rupiah)

Lihat Catatan atas Laporan Keuangan yang merupakan bagian tak terpisahkan dari laporan keuangan.

See Notes to the Financial Statements, which form an integral part of these financial statements.

PT ASAHIMAS FLAT GLASS Tbk

LAPORAN PERUBAHAN EKUITAS/STATEMENT OF CHANGES IN EQUITY
TAHUN YANG BERAKHIR PADA 31 DESEMBER 2014 DAN 2013/
YEARS ENDED 31 DECEMBER 2014 AND 2013

Dalam jutaan Rupiah	Catatan/ Notes	Modal saham/ Share capital	Tambahan modal disetor/Additional paid-in capital	Saldo laba/Retained earnings		Total ekuitas/ Total equity	In millions of Rupiah
				Dicadangkan/ Appropriated	Tidak dicadangkan/ Unappropriated		
Saldo 31 Desember 2012		217.000	165.083	67.500	2.007.506	2.457.089	Balance as of 31 December 2012
Dividen kas	23	-	-	-	(34.720)	(34.720)	Cash dividends
Pencadangan cadangan wajib	24	-	-	3.500	(3.500)	-	Appropriation of retained earnings for statutory reserves
Total pendapatan komprehensif tahun berjalan		-	-	-	338.358	338.358	Total comprehensive income for the year
Saldo 31 Desember 2013		217.000	165.083	71.000	2.307.644	2.760.727	Balance as of 31 December 2013
Dividen kas	23	-	-	-	(34.720)	(34.720)	Cash dividends
Pencadangan cadangan wajib	24	-	-	3.500	(3.500)	-	Appropriation of retained earnings for statutory reserves
Total pendapatan komprehensif tahun berjalan		-	-	-	458.635	458.635	Total comprehensive income for the year
Saldo 31 Desember 2014		217.000	165.083	74.500	2.728.059	3.184.642	Balance as of 31 December 2014

Lihat Catatan atas Laporan Keuangan yang merupakan bagian tak terpisahkan dari laporan keuangan.

See Notes to the Financial Statements, which form an integral part of these financial statements.

PT ASAHIMAS FLAT GLASS Tbk

LAPORAN ARUS KAS/STATEMENT OF CASH FLOWS
TAHUN YANG BERAKHIR PADA 31 DESEMBER 2014 DAN 2013/
YEARS ENDED 31 DECEMBER 2014 AND 2013

<u>Dalam jutaan Rupiah</u>	<u>Catatan/ Notes</u>	<u>2014</u>	<u>2013</u>	<u>In millions of Rupiah</u>
ARUS KAS DARI AKTIVITAS OPERASI:				CASH FLOWS FROM OPERATING ACTIVITIES:
Penerimaan kas dari pelanggan		3.694.422	3.127.029	Cash received from customers
Pembayaran kas kepada pemasok		(2.373.919)	(2.009.004)	Cash paid to suppliers
Pembayaran kas untuk kompensasi karyawan		(451.008)	(407.579)	Cash paid for employees' compensation
Pembayaran kas untuk aktivitas operasi lainnya		(184.581)	(76.434)	Cash paid for other operating activities
		<u>684.914</u>	<u>634.012</u>	
Penerimaan bunga		41.041	20.983	Interest received
Pembayaran pajak penghasilan		(161.705)	(103.124)	Income tax paid
Kas bersih yang dihasilkan dari aktivitas operasi		<u>564.250</u>	<u>551.871</u>	Net cash provided by operating activities
ARUS KAS DARI AKTIVITAS INVESTASI:				CASH FLOWS FROM INVESTING ACTIVITIES:
Perolehan aset tetap	10	(312.259)	(337.027)	Acquisition of fixed assets
Perolehan aset tak berwujud		(5.092)	-	Acquisition of intangible assets
Hasil penjualan aset tetap		828	7.813	Proceeds from sale of fixed assets
Hasil penjualan tanah yang dimiliki untuk dijual	10	29.110	-	Proceeds from sale of land held for sale
Kas bersih yang digunakan untuk aktivitas investasi		<u>(287.413)</u>	<u>(329.214)</u>	Net cash used in investing activities
ARUS KAS DARI AKTIVITAS PENDANAAN:				CASH FLOWS FROM FINANCING ACTIVITY:
Pembayaran dividen kepada pemegang saham/Kas bersih yang digunakan untuk aktivitas pendanaan	23	<u>(34.720)</u>	<u>(34.720)</u>	Dividends paid to shareholders/Net cash used in financing activity
Pengaruh nilai tukar atas kas dan setara kas		<u>3.675</u>	<u>25.661</u>	Effect of foreign currency translation on cash and cash equivalents
Kenaikan bersih kas dan setara kas		245.792	213.598	Net increase in cash and cash equivalents
Kas dan setara kas, awal tahun		861.619	648.021	Cash and cash equivalents, beginning of year
Kas dan setara kas, akhir tahun		<u>1.107.411</u>	<u>861.619</u>	Cash and cash equivalents, end of year

Lihat Catatan atas Laporan Keuangan yang merupakan bagian tak terpisahkan dari laporan keuangan.

See Notes to the Financial Statements, which form an integral part of these financial statements.

PT ASAHIMAS FLAT GLASS Tbk

CATATAN ATAS LAPORAN KEUANGAN/NOTES TO THE FINANCIAL STATEMENTS
TAHUN YANG BERAKHIR PADA 31 DESEMBER 2014 DAN 2013/
YEARS ENDED 31 DECEMBER 2014 AND 2013

1. UMUM

1. GENERAL

a. Pendirian Perseroan

Perseroan didirikan dalam rangka penanaman modal asing berdasarkan Undang-Undang No. 1 tahun 1967 jo. Undang-Undang No. 11 tahun 1970, dengan akta notaris Koerniatini Karim tanggal 7 Oktober 1971 No. 4, diubah dengan akta notaris yang sama tanggal 6 Januari 1972 No. 9; akta-akta ini disetujui oleh Menteri Kehakiman dengan No. J.A.5/5/19 tanggal 17 Januari 1972. Perubahan nama Perseroan dari PT Asahimas Flat Glass Co., Ltd. menjadi PT Asahimas Flat Glass Tbk dilakukan dengan akta notaris Amrul Partomuan Pohan, S.H., LL.M tanggal 26 Juni 1998 No. 73; akta ini disetujui oleh Menteri Kehakiman dengan No. C2-12065 HT.01.04.Th.1998 tanggal 25 Agustus 1998 dan diumumkan dalam Tambahan No. 6509 (untuk menyesuaikan dengan Undang-Undang Perseroan Terbatas No. 1 tahun 1995) dan Tambahan No. 6510 (untuk perubahan nama Perseroan) pada Berita Negara No. 94 tanggal 24 Nopember 1998.

Anggaran dasar Perseroan telah mengalami beberapa kali perubahan. Perubahan terakhir dengan akta notaris Dr. Irawan Soerodjo, SH, MSi tanggal 31 Mei 2013 No. 315 mengenai penyesuaian redaksional pasal 3 Anggaran Dasar Perseroan sesuai dengan Peraturan Badan Pengawas Pasar Modal dan Lembaga Keuangan ("Bapepam-LK") mengenai Pokok-Pokok Anggaran Dasar Perseroan yang melakukan Penawaran Umum Efek Bersifat Ekuitas dan Perusahaan Publik; akta ini telah diberitahukan kepada Menteri Hukum dan Hak Asasi Manusia dengan No. AHU-0080232.AH.01.09.Tahun 2013 tanggal 27 Agustus 2013 dan diumumkan dalam Tambahan Berita Negara No. 77 tanggal 24 September 2013.

Sesuai dengan pasal 3 Anggaran Dasarnya, Perseroan bergerak dalam bidang industri kaca, ekspor dan impor, dan jasa sertifikasi mutu berbagai jenis produk kaca serta kegiatan lain yang berkaitan dengan usaha tersebut. Operasi komersial Perseroan dimulai pada bulan April 1973.

Perseroan berdomisili di Indonesia dengan Kantor Pusat di Jl. Ancol IX/5, Ancol Barat, Jakarta Utara. Pabrik Perseroan berlokasi di Kawasan Industri Ancol, Jakarta Utara; di Bukit Indah Industrial Park, Cikampek; dan di Tanjung Sari, Sidoarjo, Jawa Timur.

a. The Company's establishment

The Company was established within the framework of Law No. 1 of 1967 and Law No. 11 of 1970 on foreign capital investment by deed of notary public Koerniatini Karim dated 7 October 1971 No. 4, as amended by deed of the same notary dated 6 January 1972 No. 9; these deeds were approved by the Minister of Justice under No. J.A.5/5/19 dated 17 January 1972. The Company's name changed from PT Asahimas Flat Glass Co., Ltd. to PT Asahimas Flat Glass Tbk by deed of notary public Amrul Partomuan Pohan, S.H., LL.M dated 26 June 1998 No. 73; this deed was approved by the Minister of Justice under No. C2-12065 HT.01.04.Th.1998, on 25 August 1998, as published in Supplement No. 6509 (to comply with the Corporate Law No. 1 of 1995) and Supplement No. 6510 (concerning the change of the Company's name) to State Gazette No. 94 on 24 November 1998.

Several amendments have been made to the Company's Articles of Association. The latest amendment was effected by deed of notary public Dr. Irawan Soerodjo, SH, MSi dated 31 May 2013 No. 315 regarding revision on the article 3 of the Company's Articles of Association to be inline with the Indonesian Capital Market and Financial Institutions Supervisory Agency ("Bapepam-LK") regulation No. IX.J.1. pertaining to the Articles of Association of Companies conducting Public Offerings and Public Companies; this deed has been filed with the Minister of Law and Human Rights under No. AHU-0080232.AH.01.09.Tahun 2013 on 27 August 2013, as published in Supplement to State Gazette No. 77 on 24 September 2013.

In accordance with article 3 of its Articles of Association, the Company is engaged in the glass industry, export and import, quality certification service for glass products and other activities related to the aforementioned businesses. The Company's commercial operations commenced in April 1973.

The Company is domiciled in Indonesia and its Head Office is at Jl. Ancol IX/5, West Ancol, North Jakarta. Plants are located at Kawasan Industri Ancol, North Jakarta; at Bukit Indah Industrial Park, Cikampek; and at Tanjung Sari, Sidoarjo, East Java.

PT ASAHIMAS FLAT GLASS Tbk

CATATAN ATAS LAPORAN KEUANGAN (Lanjutan)/NOTES TO THE FINANCIAL STATEMENTS (Continued)
TAHUN YANG BERAKHIR PADA 31 DESEMBER 2014 DAN 2013/
YEARS ENDED 31 DECEMBER 2014 AND 2013

1. UMUM (Lanjutan)

1. GENERAL (Continued)

b. Penawaran umum efek Perseroan

Sesuai dengan surat Ketua Badan Pengawas Pasar Modal ("Bapepam"), No. S-1323/PM/1995 tanggal 18 Oktober 1995 mengenai "Pemberitahuan Efektifnya Pernyataan Pendaftaran", pada tahun 2000 Perseroan telah melakukan penawaran umum kepada masyarakat melalui pasar modal di PT Bursa Efek Jakarta (selanjutnya berubah nama menjadi PT Bursa Efek Indonesia), sejumlah 86.000.000 saham dengan nilai nominal Rp 500 per saham. Sejak tanggal 18 Desember 2000, saham Perseroan yang beredar telah tercatat.

b. The Company's public offering

In accordance with the letter from the Chairman of the Capital Market Supervisory Agency ("Bapepam"), No. S-1323/PM/1995 dated 18 October 1995 titled "Notification that the Registration Statement becomes Effective", in 2000 the Company had a public offering through the capital market at PT Bursa Efek Jakarta (subsequently named PT Bursa Efek Indonesia), of 86,000,000 shares with a par value of Rp 500 per share. Since 18 December 2000, the Company's issued shares have been listed.

c. Informasi mengenai karyawan, dewan komisaris, direksi dan komite audit

Susunan dewan komisaris, direksi perseroan dan komite audit pada tanggal 31 Desember 2014 dan 2013 adalah sebagai berikut:

c. Information about employees, boards of commissioners, directors and the audit committee

The members of the Company's boards of commissioners, directors and audit committee as of 31 December 2014 and 2013 were as follows:

	2014	2013	
<u>Dewan Komisaris</u>			<u>Board of Commissioners</u>
Presiden Komisaris	Tn./Mr. Tan Pei Ling	Tn./Mr. Tan Pei Ling	President Commissioner
Wakil Presiden			Vice President
Komisaris	Tn./Mr. Kimikazu Ichikawa	Tn./Mr. Kimikazu Ichikawa	Commissioner
Komisaris-komisaris	Tn./Mr. Andi Purnomo	Tn./Mr. Andi Purnomo	Commissioners
	Tn./Mr. Takeo Takei	Tn./Mr. Takeo Takei	
Komisaris Independen	Tn./Mr. Benyamin Subrata	Tn./Mr. Benyamin Subrata	Independent Commissioners
	Tn./Mr. Hideya Tanaka	Tn./Mr. Hideya Tanaka	
<u>Direksi</u>			<u>Directors</u>
Presiden Direktur	Tn./Mr. Mampei Chiyoda	Tn./Mr. Mampei Chiyoda	President Director
Wakil Presiden Direktur	Tn./Mr. Tjahjana Setiadhi	Tn./Mr. Tjahjana Setiadhi	Vice President Director
Direktur-direktur	Tn./Mr. Naomasa Taniguchi	Tn./Mr. Takashi Hirotsu	Directors
	Tn./Mr. Mitsuhiro Yoshikado	Tn./Mr. Mitsuhiro Yoshikado	
	Tn./Mr. Yoshiki Inoue	Tn./Mr. Yoshiki Inoue	
	Tn./Mr. Prasetyo Aji	Tn./Mr. Prasetyo Aji	
	Tn./Mr. Emanuel David	Tn./Mr. Emanuel David	
	Satria Soetedja	Satria Soetedja	
	Tn./Mr. Yasushi Kawamoto	Tn./Mr. Yasushi Kawamoto	
	Tn./Mr. Tjio Ferry Susanto	Tn./Mr. Tjio Ferry Susanto	
	Tn./Mr. Tatsuo Sugiyama	Tn./Mr. Hiroaki Aimu	
Direktur independen	Tn./Mr. Rusli Pranadi	Tn./Mr. Rusli Pranadi	Independent Director

PT ASAHIMAS FLAT GLASS Tbk

CATATAN ATAS LAPORAN KEUANGAN (Lanjutan)/NOTES TO THE FINANCIAL STATEMENTS (Continued)
TAHUN YANG BERAKHIR PADA 31 DESEMBER 2014 DAN 2013/
YEARS ENDED 31 DECEMBER 2014 AND 2013

1. UMUM (Lanjutan)

1. GENERAL (Continued)

c. Informasi mengenai karyawan, dewan komisaris, direksi dan komite audit (Lanjutan)

c. Information about employees, boards of commissioners, directors and the audit committee (Continued)

	2014	2013	
<u>Komite Audit</u>			<u>Audit Committee</u>
Ketua Komite Audit	Tn./Mr. Benyamin Subrata	Tn./Mr. Benyamin Subrata	<i>Audit Committee Chairman</i>
Anggota Komite Audit	Tn./Mr. Dr. H. A. Partomuan Pohan, SH. LL.M Tn./Mr. Ir. Susanto Tn./Mr. Drs. Hariawan Pribadi	Tn./Mr. Dr. H. A. Partomuan Pohan, SH. LL.M Tn./Mr. Ir. Susanto Tn./Mr. Drs. Hariawan Pribadi	<i>Audit Committee members</i>
Per 31 Desember 2014 dan 2013, Perseroan mempekerjakan, masing-masing 2.805 dan 3.081 karyawan.		<i>As at 31 December 2014 and 2013, the Company had 2,805 and 3,081 employees, respectively.</i>	
d. Laporan keuangan telah disetujui untuk diterbitkan oleh Direksi pada tanggal 25 Maret 2015.			<i>d. The financial statements were approved for issuance by the Directors on 25 March 2015.</i>

2. DASAR PENYUSUNAN

2. BASIS OF PREPARATION

a. Pernyataan kepatuhan

Laporan keuangan Perseroan telah disusun sesuai dengan Standar Akuntansi Keuangan di Indonesia ("SAK") dan peraturan Bapepam-LK No. VIII.G.7 "Pedoman Penyajian Laporan Keuangan" sebagaimana diubah oleh Keputusan No. KEP-554/BL/2010 yang digantikan oleh Keputusan No. KEP-347/BL/2012 "Perubahan atas peraturan No. VIII.G.7".

a. Statement of compliance

The Company's financial statements have been prepared in accordance with Indonesian Financial Accounting Standards ("SAK") and the regulation imposed by Bapepam-LK i.e. regulation No. VIII.G.7 "Guidelines for the Preparation of Financial Statements" as amended by Decree No. KEP-554/BL/2010 which was replaced by Decree No. KEP-347/BL/2012 "Amendment to regulation No. VIII.G.7".

b. Laporan arus kas

Laporan arus kas menyajikan perubahan dalam kas dan setara kas dari aktivitas operasi, investasi dan pendanaan, dan disusun dengan metode langsung (*direct method*).

b. Statement of cash flows

The statement of cash flows presents the changes in cash and cash equivalents from operating, investing and financing activities, and is prepared using the direct method.

c. Dasar pengukuran

Laporan keuangan disusun atas dasar akrual dengan menggunakan konsep nilai historis, kecuali dinyatakan lain.

c. Basis of measurement

The financial statements are prepared on the accrual basis using the historical cost concept, unless otherwise stated.

d. Mata uang fungsional dan penyajian

Laporan keuangan disajikan dalam Rupiah, yang merupakan mata uang fungsional perusahaan.

d. Functional and presentation currency

The financial statements are presented in Rupiah, which is the Company's functional currency.

e. Penggunaan pertimbangan, estimasi dan asumsi

Penyusunan laporan keuangan Perseroan sesuai dengan SAK mengharuskan manajemen untuk membuat pertimbangan, estimasi dan asumsi yang mempengaruhi penerapan kebijakan akuntansi dan jumlah aset, liabilitas, pendapatan dan beban yang dilaporkan. Walaupun estimasi tersebut dibuat berdasarkan pengetahuan terbaik manajemen atas kejadian dan kegiatan saat ini, hasil aktual dapat berbeda dari estimasi tersebut.

e. Use of judgments, estimates and assumptions

The preparation of financial statements in conformity with SAK requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Although those estimates are based on management's best knowledge of current events and activities, actual results may differ from those estimates.

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2. DASAR PENYUSUNAN (Lanjutan)

2. BASIS OF PREPARATION (Continued)

**e. Penggunaan pertimbangan, estimasi dan asumsi
(Lanjutan)**

Estimasi dan asumsi yang digunakan ditelaah secara berkesinambungan. Revisi atas estimasi akuntansi diakui pada periode dimana estimasi tersebut direvisi dan juga pada periode mendatang yang terdampak oleh revisi tersebut.

Catatan 14, "Liabilitas Imbalan Kerja", mengungkapkan informasi mengenai ketidakpastian asumsi dan estimasi yang mungkin memiliki dampak signifikan pada laporan keuangan.

f. Standard dan revisi standar

Beberapa standar akuntansi baru/revisi telah diterbitkan namun belum berlaku efektif untuk tahun berakhir 31 Desember 2014, dan belum diterapkan dalam penyusunan laporan keuangan ini. Pernyataan Standar Akuntansi Keuangan ("PSAK") berikut ini, yang akan berlaku efektif mulai 1 Januari 2015, mungkin memiliki dampak signifikan pada laporan keuangan Perseroan, dan mungkin memerlukan penerapan retrospektif sesuai dengan PSAK No. 25, "Kebijakan Akuntansi, Perubahan Estimasi Akuntansi, dan Kesalahan:

- PSAK No. 24 (Revisi 2013), "Imbalan Kerja"

Sampai dengan tanggal penerbitan laporan keuangan ini, manajemen belum menentukan dampak dari penerapan retrospektif, jika ada, atas penerapan standar ini di masa yang akan datang terhadap posisi keuangan dan hasil usaha Perseroan.

**e. Use of judgments, estimates and assumptions
(Continued)**

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Note 14, "Employee Benefits Obligation", discloses information about the volatility of assumptions and estimation uncertainties which may significantly affect the related financial statement amounts.

f. Standards and amendments

Certain new/revised accounting standards and interpretations have been issued that are not yet effective for the year ended 31 December 2014, and have not been applied in preparing these financial statements. Among them, the following Statements of Financial Accounting Standards ("PSAK"), which will become effective starting 1 January 2015, may have a significant effect on the Company's future financial statements, and may require retrospective application under PSAK No. 25, "Accounting Policies, Changes in Accounting Estimates, and Errors".

- PSAK No. 24 (2013 Revision), "Employee Benefits"

As of the issuance of these financial statements, management has not determined the extent of the retrospective impact, if any, that the future adoption of these standards will have on the Company's financial position and operating results.

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3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING

Kebijakan-kebijakan akuntansi yang penting, yang diterapkan secara konsisten dalam penyusunan laporan keuangan untuk tahun yang berakhir 31 Desember 2014 dan 2013, adalah sebagai berikut:

a. Kas dan setara kas

Kas dan setara kas meliputi saldo kas, kas di bank dan deposito berjangka yang jatuh temponya tidak lebih dari tiga bulan sejak tanggal penempatannya.

b. Investasi pada metode ekuitas

Perseroan mempunyai satu anak perusahaan, PT Auto Glass Indonesia ("AGI"), dengan persentase kepemilikan sebesar 99,95%. AGI bergerak dalam bidang jasa perbaikan dan pemasangan kaca otomotif dan mulai beroperasi komersial sejak April 2001.

Karena jumlah aset, kewajiban, dan hasil operasi AGI dianggap tidak material terhadap laporan keuangan Perseroan, maka investasi tersebut disajikan sebagai investasi pada metode ekuitas dan tidak dikonsolidasi.

c. Pengakuan pendapatan dan beban

Pendapatan penjualan dibukukan pada saat pengiriman barang kepada pembeli, sesuai dengan syarat penjualannya.

Beban diakui pada saat terjadinya.

d. Penilaian persediaan

Persediaan dinilai berdasarkan biaya persediaan atau nilai bersih yang dapat direalisasi (*net realizable value*), mana yang lebih rendah. Biaya persediaan dihitung dengan metode rata-rata. Nilai bersih yang dapat direalisasi merupakan estimasi harga jual pada aktivitas normal Perseroan dikurangi biaya penyelesaian dan biaya lainnya yang diperlukan sampai barang siap dijual.

Biaya barang dalam pengolahan pada tanggal pelaporan termasuk biaya produksi rata-rata sesuai dengan estimasi tingkat penyelesaiannya, berdasarkan kapasitas operasi normal.

Penyisihan penurunan nilai persediaan ditetapkan berdasarkan penelaahan manajemen atas keadaan persediaan pada akhir tahun.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, applied consistently in the preparation of the financial statements for the years ended 31 December 2014 and 2013, were as follows:

a. Cash and cash equivalents

Cash and cash equivalent comprise cash on hand, cash in banks and short-term time deposits with maturities of not more than three months at the date of acquisition.

b. Equity-accounted investment

The Company has one subsidiary, PT Auto Glass Indonesia ("AGI"), with the percentage of ownership 99.95%. AGI is engaged in automotive glass repair and installation services. Its commercial operations started in April 2001.

AGI's assets, liabilities, and results of operations are not material relative to the Company's financial statements, therefore it is accounted for as an equity-method investee, and is not consolidated.

c. Revenue and expense recognition

Revenue from sales is recognized upon the delivery of products to customers, consistent with the terms of sale.

Expenses are recognized when incurred.

d. Inventory valuation

Inventories are valued at the lower of cost or net realizable value. Cost of inventories is computed using average method. Net realizable value is the estimated selling price in the ordinary course of business less completion costs and other costs necessary to make the goods saleable.

Cost of goods in the production process at the reporting date includes a share of production costs proportional to their estimated stage of completion, based on normal operating capacity.

Provision for decline in value of inventory is provided based on management's review of the inventory's status at year end.

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3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Aset tetap

Tanah yang diperoleh dengan sertifikat "Hak Guna Bangunan" dan "Hak Guna Bangunan di atas Hak Pengelolaan Lahan" diukur sebesar harga perolehan (termasuk biaya legal dan administrasi untuk memperoleh tanah) dan tidak diamortisasi.

Aset tetap selain tanah dinyatakan sebesar harga perolehan dikurangi akumulasi penyusutan.

Pada tahun 2014, manajemen memperbaharui taksiran masa manfaat atas beberapa aset tetap untuk produksi dengan mempertimbangkan saat manfaat ekonomi yang diterima dari aset tersebut. Perubahan taksiran ini diterapkan secara prospektif dimulai dari tahun 2014. Dampak dari perubahan ini tidak material terhadap hasil operasi Perseroan di tahun 2014.

Penyusutan aset tetap (diluar tanah) dihitung dengan metode garis lurus (*straight-line method*), berdasarkan taksiran masa manfaat atas aset sebagai berikut:

	2014
Bangunan dan sarana	10 & 30 tahun/years
Tungku peleburan	4 - 13 tahun/years
Lapisan tungku peleburan	4 tahun/years
Mesin dan peralatan	2 - 13 tahun/years
<i>Roller</i> untuk kaca berpola	3 tahun/years
Kendaraan bermotor	5 tahun/years
Perkakas, palet, perlengkapan dan perabot	2 - 8 tahun/years

f. Aset tak berwujud

Pembelian aset tak berwujud, yang terdiri dari lisensi piranti lunak komputer, mempunyai masa manfaat yang terbatas, dan diukur pada harga perolehannya dikurangi akumulasi amortisasi. Amortisasi diakui dalam laba rugi dengan metode garis lurus berdasarkan taksiran masa manfaat aset tak berwujud, amortisasi dihitung sepanjang taksiran masa manfaat 3 - 4 tahun.

g. Penurunan nilai aset non-keuangan

Nilai tercatat aset non-keuangan Perseroan ditelaah pada setiap tanggal pelaporan untuk menentukan apakah terdapat indikasi penurunan nilai. Jika terdapat indikasi tersebut maka nilai terpulihkan aset tersebut diestimasi.

e. Fixed assets

Land acquired under "Hak Guna Bangunan" and "Hak Guna Bangunan over Hak Pengelolaan Lahan" titles is measured at acquisition cost (include legal and administrative costs incurred in transactions to acquire the land) and is not amortized.

Fixed assets other than land are stated at cost less accumulated depreciation.

During 2014, management updated the estimated useful lives of certain production fixed assets having considered the timing of the economic benefits to be received from these assets. This change in estimate has been accounted for on a prospective basis starting in 2014. The impact of the change on the 2014 results of operations was immaterial.

Depreciation of fixed assets (excluding land) is applied on the straight-line method, over the estimated useful lives of the assets as follows:

	2013	
Bangunan dan sarana	10 & 30 tahun/years	<i>Buildings and structures</i>
Tungku peleburan	10 & 13 tahun/years	<i>Furnaces</i>
Lapisan tungku peleburan	4 tahun/years	<i>Furnace lining</i>
Mesin dan peralatan	4 - 13 tahun/years	<i>Machinery and equipment</i>
<i>Roller</i> untuk kaca berpola	3 tahun/years	<i>Figured glass rollers</i>
Kendaraan bermotor	5 tahun/years	<i>Motor vehicles</i>
Perkakas, palet, perlengkapan dan perabot	3 - 8 tahun/years	<i>Tools, pallets, furniture and fixtures</i>

f. Intangible assets

Purchased intangible assets, which comprise computer software licenses, have finite useful lives, and are measured at cost less accumulated amortization. Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of 3 - 4 years.

g. Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

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3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Penurunan nilai aset non-keuangan (Lanjutan)

Rugi penurunan nilai diakui jika nilai tercatat unit penghasil kas melebihi nilai terpulihkannya. Unit penghasil kas adalah kelompok terkecil aset yang dapat diidentifikasi dan menghasilkan arus kas yang sebagian besar independen dari aset lainnya. Rugi penurunan nilai diakui dalam laba rugi.

Nilai terpulihkan unit penghasil kas adalah nilai yang lebih tinggi antara nilai pakai dan nilai wajar dikurangi dengan biaya untuk menjual. Dalam menentukan nilai pakai, estimasi arus kas masa depan didiskontokan ke nilai sekarang dengan menggunakan tingkat diskonto sebelum pajak yang mencerminkan penilaian pasar kini atas nilai waktu uang dan risiko spesifik atas aset.

Rugi penurunan nilai yang diakui pada periode sebelumnya dievaluasi pada setiap tanggal pelaporan untuk indikasi apakah rugi penurunan nilai telah berkurang atau tidak ada lagi. Rugi penurunan nilai dipulihkan jika terjadi perubahan dalam estimasi yang digunakan untuk menentukan nilai terpulihkan. Rugi penurunan nilai dipulihkan sebatas nilai aset tercatat yang tidak melebihi nilai tercatat yang seharusnya diakui, setelah dikurangi depresiasi atau amortisasi, jika tidak ada rugi penurunan nilai yang telah diakui.

h. Aset tidak lancar yang dimiliki untuk dijual

Aset tidak lancar yang diklasifikasikan sebagai dimiliki untuk dijual jika jumlah tercatatnya akan dipulihkan terutama melalui transaksi penjualan daripada melalui pemakaian berlanjut. Sebelum klasifikasi awal aset tidak lancar sebagai dimiliki untuk dijual, jumlah tercatat aset diukur sesuai dengan kebijakan akuntansi Perseroan untuk aset sejenis dan kemudian aset tersebut diukur pada nilai yang lebih rendah antara jumlah tercatat dan nilai wajar setelah dikurangi biaya untuk menjual. Penurunan nilai atas aset diakui dalam laba atau rugi.

g. Impairment of non-financial assets (Continued)

An impairment loss is recognized if the carrying amount of a cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets. Impairment losses are recognized in profit or loss.

The recoverable amount of a cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

h. Non-current assets held for sale

Non-current assets that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the assets are remeasured in accordance with the Company's accounting policies for similar assets and subsequently the assets are measured at the lower of their carrying amount and fair value less costs to sell. The resulting impairment losses are immediately recognized in profit or loss.

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3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Instrumen keuangan

Aset keuangan Perseroan terdiri dari kas dan setara kas, piutang usaha dan piutang lain-lain, yang dikategorikan sebagai "Pinjaman yang diberikan dan piutang". Liabilitas keuangan Perseroan terdiri dari utang usaha, beban akrual dan liabilitas jangka pendek lainnya, yang dikategorikan sebagai "Liabilitas keuangan yang diukur pada biaya perolehan diamortisasi".

Pada saat pengakuan awal, aset keuangan diukur pada nilai wajar, ditambah biaya transaksi signifikan yang dapat diatribusikan secara langsung. Setelah pengukuran awal, aset keuangan tersebut dicatat sebesar biaya perolehan diamortisasi, setelah dikurangi penyisihan kerugian penurunan nilai, jika diperlukan. Biaya perolehan diamortisasi diukur dengan mendiskontokan jumlah aset menggunakan suku bunga efektif, kecuali efek diskonto tidak akan signifikan. Suku bunga efektif adalah suku bunga yang mendiskontokan arus kas masa depan yang diharapkan dengan nilai bersih tercatat, pada pengakuan awal. Efek bunga dari penerapan metode suku bunga efektif diakui dalam laba atau rugi.

Penyisihan penurunan nilai diakui untuk aset keuangan yang dikategorikan sebagai pinjaman yang diberikan dan piutang bila terdapat bukti objektif bahwa Perseroan tidak akan mampu memulihkan nilai tercatat sesuai dengan ketentuan awal dari instrumen tersebut. Jumlah kerugian penurunan nilai merupakan selisih antara nilai tercatat aset keuangan dan nilai sekarang dari estimasi arus kas yang didiskonto menggunakan suku bunga efektif awal. Perubahan penyisihan penurunan nilai diakui dalam laba atau rugi.

Pada saat pengakuan awal, liabilitas keuangan diukur pada nilai wajar, dikurangi biaya transaksi signifikan yang dapat diatribusikan secara langsung dan selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

Aset keuangan dan liabilitas keuangan dapat saling hapus dan nilai netonya disajikan dalam laporan posisi keuangan jikalau Perseroan memiliki hak yang berkekuatan hukum untuk melakukan saling hapus atas jumlah yang telah diakui dan ada niat untuk menyelesaikan secara neto, atau pada saat aset tersebut direalisasi dan liabilitas tersebut diselesaikan secara simultan.

i. Financial instruments

The Company's financial assets comprise cash and cash equivalents, trade receivables and other receivables, which are categorized as "Loans and receivables". Financial liabilities consist of trade payables, accrued expenses and other current liabilities, which are categorized as "Financial liabilities measured at amortized cost".

Financial assets are initially measured at fair value, plus any significant directly attributable transaction costs. Subsequent to initial measurement, they are carried at amortized cost, net of provision for impairment, if necessary. Amortized cost is measured by discounting the asset amounts using the effective interest rate, unless the effect of discounting would be insignificant. The effective interest rate is the rate that discounts expected future cash flows to the net carrying amount, on initial recognition. Interest effects from the application of the effective interest method are recognized in profit or loss.

An impairment provision is recognized for financial assets when there is objective evidence that the Company will not be able to recover their carrying amounts according to the original terms of the instrument. The amount of the impairment loss is the difference between the carrying amount of the financial asset and the present value of its estimated future cash flows discounted at the original effective interest rate. Changes in the impairment provision are recognized in profit or loss.

Financial liabilities are initially measured at fair value less any directly attributable transaction costs, and subsequently are measured at amortized cost using the effective interest method.

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when there is a legal right of offset and there is an intention to settle on a net basis, or when the asset is realized and the liability settled simultaneously.

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3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Beban ditangguhkan

Biaya legal dan administrasi yang dikeluarkan sehubungan dengan pengurusan perpanjangan hak atas tanah ditangguhkan pada aset tidak lancar lain-lain dan diamortisasi menggunakan basis garis lurus (*straight-line*) sepanjang masa kontraktual atau masa manfaat.

k. Penjabaran valuta asing

Transaksi dalam mata uang asing dijabarkan ke dalam mata uang fungsional perusahaan (Rupiah) dengan kurs tanggal transaksi. Aset dan liabilitas moneter dalam mata uang asing dijabarkan dalam mata uang fungsional dengan menggunakan kurs yang berlaku pada tanggal pelaporan.

Laba dan rugi kurs atas aset dan liabilitas moneter merupakan selisih antara biaya perolehan diamortisasi pada awal periode, disesuaikan dengan suku bunga efektif dan pembayaran selama periode berjalan, dan biaya perolehan diamortisasi dalam mata uang asing, yang dijabarkan dengan menggunakan kurs pada tanggal pelaporan.

Keuntungan dan kerugian mata uang asing atas aset dan liabilitas finansial yang dihasilkan dari aktivitas operasi disajikan sebagai pendapatan dan beban sebagai bagian dari aktivitas operasi.

l. Pajak penghasilan

Pajak penghasilan terdiri dari pajak kini dan pajak tangguhan. Pajak kini dan pajak tangguhan diakui dalam laba atau rugi kecuali jika pajak tersebut terkait dengan transaksi atau kejadian yang diakui secara langsung di ekuitas atau di pendapatan komprehensif lain.

Pajak kini adalah utang atau piutang pajak yang diharapkan atas penghasilan atau rugi kena pajak selama tahun berjalan, dengan menggunakan tarif pajak yang secara substantif berlaku pada saat tanggal pelaporan, dan penyesuaian terhadap utang pajak tahun-tahun sebelumnya.

j. Deferred charges

Legal and administrative costs incurred in connection with the renewal of land rights are deferred under other non-current assets and amortized on the straight-line basis over their contractual term or useful lives.

k. Foreign currency translation

Transactions in foreign currencies are translated into the Company's functional currency (Rupiah) at the rates of exchange prevailing at transaction date. Monetary assets and liabilities denominated in foreign currencies are retranslated to the functional currency at the exchange rate at the reporting date.

The foreign currency gain and loss on monetary items is the difference between amortized cost at the beginning of the period as adjusted for effective interest and payments during the period, and the amortized cost measured in foreign currency, as translated at the exchange rate at reporting date.

Foreign currency gains and losses on financial assets and liabilities that arise from operating activities are presented as income and expenses within results from operating activities.

l. Income tax

Income tax expense comprises current and deferred taxes. Current tax and deferred tax are recognized in profit or loss except to the extent that they relate to items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or refundable on taxable income or loss for the year, using tax rates substantively enacted as of the reporting date, and any adjustment to tax payable in respect of previous years.

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3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Pajak penghasilan (Lanjutan)

Pajak tangguhan diakui atas semua perbedaan temporer antara nilai tercatat aset dan liabilitas untuk tujuan pelaporan keuangan dan nilai yang digunakan untuk tujuan perpajakan. Pajak tangguhan ditentukan dengan menggunakan tarif pajak yang diharapkan untuk diterapkan terhadap perbedaan temporer pada saat pembalikan, berdasarkan peraturan yang telah berlaku atau secara substantif berlaku pada saat tanggal pelaporan keuangan.

Pajak final yang dibayarkan atas beberapa jenis pendapatan tidak dianggap sebagai pajak penghasilan jika pendapatan tersebut bukan berasal dari aktivitas utama yang menghasilkan pendapatan.

m. Laba per saham

Labar per saham dihitung dengan membagi laba tahun berjalan dengan jumlah rata-rata tertimbang saham beredar/ditempatkan dalam tahun yang bersangkutan.

n. Transaksi dengan pihak-pihak berelasi

Dalam laporan keuangan ini, istilah "pihak berelasi" digunakan sesuai dengan PSAK No. 7 (Revisi 2010), "Pengungkapan Pihak-Pihak Berelasi". Seluruh transaksi dan saldo yang signifikan dengan pihak-pihak berelasi diungkapkan dalam catatan terlampir.

o. Imbalan kerja

Liabilitas atas imbalan kerja dihitung sebesar nilai kini dari taksiran jumlah imbalan kerja di masa depan yang timbul dari jasa yang telah diberikan oleh karyawan pada masa kini dan masa lalu. Perhitungan dilakukan oleh aktuaris berkualifikasi dengan metode projected unit credit.

Perseroan menerapkan pendekatan batas koridor untuk mengakui keuntungan/kerugian aktuarial selama sisa masa kerja yang diharapkan dari karyawan.

l. Income tax (Continued)

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted as of the reporting date.

Final tax paid on certain types of income is not considered as income tax when such income is not from the primary revenue generating activities.

m. Earnings per share

Earnings per share is computed by dividing profit for the year by the weighted average of total outstanding/issued shares during the year.

n. Transactions with related parties

In these financial statements, the term "related party" is used in accordance with PSAK No. 7 (2010 Revision), "Related Parties Disclosures". All significant transactions and balances with related parties are disclosed in the following notes.

o. Employee benefits

The obligation for employee benefits is calculated at present value of estimated future benefits that the employees have earned in return for their services in the current and prior periods. The calculation is performed by a qualified actuary using the projected unit credit method.

The Company applies the corridor approach to recognize the actuarial gains or losses over the expected remaining working lives of employees.

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3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

p. Informasi segmen

Segmen operasi diidentifikasi berdasarkan jenis usaha (kaca lembaran dan kaca otomotif) dan segmen geografis (pasar lokal dan ekspor). Beban yang timbul akan dibebankan pada setiap segmen dimana terjadinya beban. Kebijakan akuntansi diterapkan secara konsisten di setiap segmen. Seluruh transaksi antar segmen dieliminasi.

q. Pendapatan keuangan

Pendapatan yang berasal dari aktivitas pendanaan yang tidak terkait dengan kegiatan utama Perseroan dicantumkan dalam laporan laba rugi komprehensif sebagai bagian dari "Pendapatan keuangan".

Pendapatan keuangan terdiri dari pendapatan bunga atas dana yang diinvestasikan.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p. Segment information

Operating segments are identified based on the nature of their business (flat glass and automotive glass) and geographical segments (domestic and export market). Expenses are charged to each segment wherein the expenses are incurred. The accounting policies are consistently applied within each segment. Inter-segment transactions are eliminated.

q. Finance income

Income derived from financing activities that does not arise from the Company's principal activities are reflected in the statement of comprehensive income as part of "Finance income".

Finance income comprises interest income on funds invested.

4. KAS DAN SETARA KAS

4. CASH AND CASH EQUIVALENTS

Dalam jutaan Rupiah	31 Desember/31 December		In millions of Rupiah
	2014	2013	
Kas:			Cash on hand:
Rupiah	850	678	Rupiah
Valuta asing	135	108	Foreign currencies
Total kas	985	786	Total cash on hand
Kas di bank*:			Cash in banks*:
Akun rupiah:			Rupiah accounts:
PT Bank Mandiri (Persero) Tbk	152	513	PT Bank Mandiri (Persero) Tbk
PT Bank Ganesha	583	504	PT Bank Ganesha
The Bank of Tokyo-Mitsubishi			The Bank of Tokyo-Mitsubishi
UFJ Ltd., cabang Jakarta	121	8.031	UFJ Ltd., Jakarta branch
PT Bank Negara Indonesia Tbk	204	77	PT Bank Negara Indonesia Tbk
Deutsche Bank AG, cabang			Deutsche Bank AG,
Jakarta	21	22	Jakarta branch
PT Bank Mizuho Indonesia	12	20	PT Bank Mizuho Indonesia
	1.093	9.167	

* Tidak ada bank yang merupakan pihak berelasi

* None of the banks are related parties

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4. KAS DAN SETARA KAS (Lanjutan)

4. CASH AND CASH EQUIVALENTS (Continued)

Dalam jutaan Rupiah	31 Desember/31 December		In millions of Rupiah
	2014	2013	
Akun valuta asing:			Foreign currency accounts:
Deutsche Bank AG, cabang Jakarta	13	17	Deutsche Bank AG, Jakarta branch
PT Bank Mizuho Indonesia	5	2.299	PT Bank Mizuho Indonesia
The Bank of Tokyo-Mitsubishi UFJ Ltd., cabang Jakarta	105	279	The Bank of Tokyo-Mitsubishi UFJ Ltd., Jakarta branch
	123	2.595	
Total kas di bank	1.216	11.762	Total cash in banks
Deposito berjangka di bank*:			Time deposits in banks*:
Akun rupiah:			Rupiah accounts:
The Bank of Tokyo-Mitsubishi UFJ Ltd., cabang Jakarta	349.575	259.900	The Bank of Tokyo-Mitsubishi UFJ Ltd., Jakarta branch
PT Bank Mizuho Indonesia	57.425	60.475	PT Bank Mizuho Indonesia
PT Bank Mandiri Tbk	295.000	200.000	PT Bank Mandiri Tbk
	702.000	520.375	
Akun valuta asing:			Foreign currency accounts:
The Bank of Tokyo-Mitsubishi UFJ Ltd., cabang Jakarta	206.844	240.813	The Bank of Tokyo-Mitsubishi UFJ Ltd., Jakarta branch
PT Bank Mizuho Indonesia	186.986	87.883	PT Bank Mizuho Indonesia
Deutsche Bank AG, cabang Jakarta	9.380	-	Deutsche Bank AG, Jakarta branch
	403.210	328.696	
Total deposito berjangka di bank*	1.105.210	849.071	Total time deposits in banks*
	1.107.411	861.619	
Deposito berjangka menghasilkan bunga pada tarif sebagai berikut:	2014	2013	Time deposits earned interest at the following rates:
Deposito rupiah	4,95% - 11,25%	2,80% - 10,00%	Deposits in rupiah
Deposito U.S. dolar	0,03% - 0,33%	0,04% - 0,32%	Deposits in U.S. dollar
Deposito Japan yen	0,005% - 0,030%	0,005% - 0,010%	Deposits in Japan yen

Perseroan tidak menjaminkan kas dan setara kas sebagai jaminan atas pinjaman.

The Company has not pledged its cash and cash equivalents as collateral for borrowings.

Lihat Catatan 26 untuk rincian saldo kas dan setara kas dalam valuta asing.

See Note 26 for details of cash and cash equivalents denominated in foreign currencies.

* Tidak ada bank yang merupakan pihak berelasi

* None of the banks are related parties

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5. PIUTANG USAHA

5. TRADE RECEIVABLES

Dalam jutaan Rupiah	31 Desember/31 December		In millions of Rupiah
	2014	2013	
Piutang usaha pada pihak ketiga	90.882	138.778	Trade receivables from unrelated parties
Piutang usaha pada pihak berelasi:			Trade receivables from related parties:
AGC Asia Pacific Pte., Ltd., Singapura (sebelumnya AGC Flat Glass Asia Pacific Pte., Ltd., Singapura)	132.109	118.504	AGC Asia Pacific Pte., Ltd., Singapore (previously AGC Flat Glass Asia Pacific Pte., Ltd., Singapore)
PT Rodamas, Indonesia	107.440	91.835	PT Rodamas, Indonesia
Asahi Glass Co., Ltd., Jepang	8.861	9.341	Asahi Glass Co., Ltd., Japan
AGC Automotive Philippines Inc.	6.377	5.629	AGC Automotive Philippines Inc.
Auto Glass Co., Ltd., Jepang	4.726	4.866	Auto Glass Co., Ltd., Japan
Rodamas Marketing Pte., Ltd., Singapura	-	5.877	Rodamas Marketing Pte., Ltd., Singapore
Asahi India Glass Ltd.	-	931	Asahi India Glass Ltd.
AGC Automotive Thailand Co., Ltd.	1.313	60	AGC Automotive Thailand Co., Ltd.
AGC Automotive China Co., Ltd.	2.247	2.092	AGC Automotive China Co., Ltd.
Pelanggan lainnya	351	429	Other customers
	263.424	239.564	
	354.306	378.342	
Rincian umur piutang usaha:			Aging analysis of trade receivables:
Pihak ketiga:			Unrelated parties:
Belum jatuh tempo	90.004	72.232	Not yet due
Lewat jatuh tempo:			Overdue:
1 - 30 hari	667	55.206	1 - 30 days
31 - 60 hari	21	5.789	31 - 60 days
61 - 90 hari	7	4.205	61 - 90 days
Lebih dari 90 hari	183	1.346	More than 90 days
	90.882	138.778	
Pihak berelasi:			Related parties:
Belum jatuh tempo	234.782	194.301	Not yet due
Lewat jatuh tempo:			Overdue:
1 - 30 hari	23.811	39.473	1 - 30 days
31 - 60 hari	2.235	1.936	31 - 60 days
61 - 90 hari	2.098	1.719	61 - 90 days
Lebih dari 90 hari	498	2.135	More than 90 days
	263.424	239.564	
Rincian piutang usaha dalam mata uang:			Trade receivables by currency type:
Rupiah	197.761	229.090	Rupiah
Valuta asing	156.545	149.252	Foreign currencies
	354.306	378.342	

Manajemen telah mengevaluasi kolektibilitas dari masing-masing saldo piutang usaha dan menetapkan bahwa seluruh saldo piutang usaha dapat tertagih, sehingga tidak ada penyisihan penurunan nilai yang diperlukan.

Management has evaluated the collectability of each trade receivable balance and has determined that all balances remain collectible, i.e. no provision for impairment is required.

Perseroan tidak menjaminkan piutang usahanya sebagai jaminan atas pinjaman.

The Company has not pledged its trade receivables as collateral for borrowings.

Lihat Catatan 26 untuk rincian saldo piutang usaha dalam valuta asing.

See Note 26 for details of trade receivables that are denominated in foreign currencies.

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6. PIUTANG LAIN-LAIN

6. OTHER RECEIVABLES

Dalam jutaan Rupiah	31 Desember/31 December		In millions of Rupiah
	2014	2013	
Piutang karyawan	11.310	7.091	Receivables from employees
Piutang pihak ketiga	6.449	8.192	Receivables from unrelated parties
Piutang pihak berelasi (Catatan 25)	2.154	1.113	Receivables from related parties (Note 25)
Lainya	9.598	5.708	Others
	<u>29.511</u>	<u>22.104</u>	

Manajemen telah mengevaluasi kolektibilitas dari semua piutang lain-lain dan menetapkan bahwa seluruh saldo piutang lain-lain dapat tertagih, sehingga penyisihan penurunan nilai tidak diperlukan.

Management has evaluated the collectability of all other receivables and has determined that all balances remain collectible, i.e. no provision for impairment is required.

7. PERSEDIAAN

7. INVENTORIES

Dalam jutaan Rupiah	31 Desember/31 December		In millions of Rupiah
	2014	2013	
Barang jadi	329.266	306.521	Finished goods
Barang dalam produksi	25.345	21.694	Goods in production
Bahan baku	139.077	147.112	Raw materials
Bahan pembantu	83.947	68.560	Supplementary materials
Suku cadang, keperluan pabrik dan perkakas	122.298	100.331	Spare parts, factory supplies and tools
	<u>699.933</u>	<u>644.218</u>	
Barang dalam perjalanan	45.115	44.875	Goods in transit
	<u>745.048</u>	<u>689.093</u>	

Manajemen telah mengevaluasi penurunan nilai persediaan dan menetapkan bahwa nilai realisasi bersih dari semua persediaan melebihi jumlah tercatat, sehingga tidak ada penurunan nilai persediaan.

Management has evaluated inventory items for impairment and has determined that the net realizable values of all inventory items exceed their carrying amounts, i.e. no impairment has occurred.

Per 31 Desember 2014, persediaan telah diasuransikan terhadap berbagai risiko kerugian dengan jumlah pertanggungan sebesar USD 55.094.524 (Rp 685.376 juta), yang menurut keyakinan manajemen cukup memadai untuk menutup kemungkinan kerugian yang timbul dari risiko-risiko tersebut.

As of 31 December 2014, inventories were insured against various risks for a total coverage of USD 55,094,524 (Rp 685,376 million), which in management's opinion is adequate to cover possible losses arising from such risks.

Perseroan tidak menjaminkan persediaannya sebagai jaminan atas pinjaman.

The Company has not pledged its inventories as collateral for borrowings.

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8. PEMBAYARAN DIMUKA LAINNYA

8. OTHER PREPAYMENTS

<u>Dalam jutaan Rupiah</u>	<u>31 Desember/31 December</u>		<u>In millions of Rupiah</u>
	<u>2014</u>	<u>2013</u>	
Uang muka pembelian persediaan	2.933	10.189	<i>Advances for inventory purchases</i>
Lainnya	11.828	5.472	<i>Others</i>
	<u>14.761</u>	<u>15.661</u>	

9. ASET TIDAK LANCAR LAIN-LAIN

9. OTHER NON-CURRENT ASSETS

<u>Dalam jutaan Rupiah</u>	<u>31 Desember/31 December</u>		<u>In millions of Rupiah</u>
	<u>2014</u>	<u>2013</u>	
Uang muka pembelian aset tetap	29.711	-	<i>Advances for fixed assets purchases</i>
Piutang karyawan	20.255	13.879	<i>Loans receivable from employees</i>
Beban ditangguhkan dan aset tak berwujud, setelah dikurangi akumulasi amortisasi sebesar Rp 16.217 juta pada tahun 2014 (2013: Rp 15.681 juta)	7.250	1.415	<i>Deferred charges and intangible asset, net of accumulated amortization of Rp 16,217 million in 2014 (2013: Rp 15,681 million)</i>
Lainnya	12.816	14.107	<i>Others</i>
	<u>70.032</u>	<u>29.401</u>	

10. ASET TETAP

10. FIXED ASSETS

	2014					
	Saldo/ <i>Balance</i> 1/1/2014	Penambahan/ <i>Additions</i>	Pelepasan/ <i>Disposals</i>	Reklasifikasi/ <i>Reclassifications</i>	Saldo/ <i>Balance</i> 31/12/2014	<i>In millions of Rupiah</i>
Dalam jutaan Rupiah						
HARGA PEROLEHAN						COST
Tanah	254.060	114.670	-	5.311	374.041	Land
Bangunan dan sarana	319.096	11.663	(3)	3.920	334.676	Buildings and structures
Tungku peleburan	522.142	-	-	-	522.142	Furnaces
Mesin dan peralatan	1.928.008	1.090	(1.346)	58.819	1.986.571	Machinery and equipment
Roller untuk kaca berpola	7.583	1.784	-	-	9.367	Figured glass rollers
Kendaraan bermotor	37.255	26	(2.393)	660	35.548	Motor vehicles
Perkakas, palet, perlengkapan dan perabot	329.452	35.503	(866)	20.170	384.259	Tools, pallets, furniture and fixtures
	3.397.596	164.736	(4.608)	88.880	3.646.604	
Aset dalam penyelesaian/instalasi						Assets under construction/ installation
	73.714	92.666	-	(88.880)	77.500	
	3.471.310	257.402	(4.608)	-	3.724.104	

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10. ASET TETAP (Lanjutan)

10. FIXED ASSETS (Continued)

Dalam jutaan Rupiah	2014				Saldo/ Balance 31/12/2014	In millions of Rupiah
	Saldo/ Balance 1/1/2014	Penambahan/ Additions	Pelepasan/ Disposals	Reklasifikasi/ Reclassifications		
AKUMULASI PENYUSUTAN						ACCUMULATED DEPRECIATION
Bangunan dan sarana	(171.866)	(11.499)	2	-	(183.363)	Buildings and structures
Tungku peleburan	(258.548)	(39.673)	-	-	(298.221)	Furnaces
Mesin dan peralatan	(1.269.491)	(98.431)	1.041	-	(1.366.881)	Machinery and equipment
Roller untuk kaca berpola	(5.354)	(1.815)	-	-	(7.169)	Figured glass rollers
Kendaraan bermotor	(32.125)	(2.314)	2.393	-	(32.046)	Motor vehicles
Perkakas, palet, perlengkapan dan perabot	(255.779)	(47.407)	794	-	(302.392)	Tools, pallets, furniture and fixtures
	(1.993.163)	(201.139)	4.230		(2.190.072)	
Penurunan nilai aset tetap	-	(3.196)	-	-	(3.196)	Provision for impairment
JUMLAH TERCATAT	1.478.147				1.530.836	CARRYING AMOUNT
Dalam jutaan Rupiah	2013				Saldo/ Balance 31/12/2013	In millions of Rupiah
	Saldo/ Balance 1/1/2013	Penambahan/ Additions	Pelepasan/ Disposals	Reklasifikasi/ Reclassifications		
HARGA PEROLEHAN						COST
Tanah	252.449	10.222	-	(8.611)	254.060	Land
Bangunan dan sarana	314.135	483	(5.161)	9.639	319.096	Buildings and structures
Tungku peleburan	504.223	-	(126.816)	144.735	522.142	Furnaces
Lapisan tungku peleburan	12.899	-	(12.899)	-	-	Furnace lining
Mesin dan peralatan	1.837.469	3.146	(36.420)	123.813	1.928.008	Machinery and equipment
Roller untuk kaca berpola	6.712	871	-	-	7.583	Figured glass rollers
Kendaraan bermotor	40.634	1.021	(4.400)	-	37.255	Motor vehicles
Perkakas, palet, perlengkapan dan perabot	280.627	32.403	(2.103)	18.525	329.452	Tools, pallets, furniture and fixtures
	3.249.148	48.146	(187.799)	288.101	3.397.596	
Aset dalam penyelesaian/instalasi	128.674	241.752	-	(296.712)	73.714	Assets under construction/ installation
	3.377.822	289.898	(187.799)	(8.611)	3.471.310	
AKUMULASI PENYUSUTAN						ACCUMULATED DEPRECIATION
Bangunan dan sarana	(163.068)	(11.215)	2.417	-	(171.866)	Buildings and structures
Tungku peleburan	(350.875)	(34.758)	127.085	-	(258.548)	Furnaces
Lapisan tungku peleburan	(11.587)	-	11.587	-	-	Furnace lining
Mesin dan peralatan	(1.213.955)	(89.424)	33.888	-	(1.269.491)	Machinery and equipment
Roller untuk kaca berpola	(3.198)	(2.156)	-	-	(5.354)	Figured glass rollers
Kendaraan bermotor	(33.761)	(2.752)	4.388	-	(32.125)	Motor vehicles
Perkakas, palet, perlengkapan dan perabot	(216.383)	(40.091)	695	-	(255.779)	Tools, pallets, furniture and fixtures
	(1.992.827)	(180.396)	180.060	-	(1.993.163)	
JUMLAH TERCATAT	1.384.995				1.478.147	

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10. ASET TETAP (Lanjutan)

10. FIXED ASSETS (Continued)

Dalam jutaan Rupiah	2014	2013	In millions of Rupiah
Penyusutan dibebankan pada:			Depreciation expense was charged to:
Beban pokok penjualan	191.267	171.889	Cost of sales
Beban penjualan	6.212	4.941	Selling expenses
Beban umum dan administrasi	3.660	3.566	General and administrative expenses
	<u>201.139</u>	<u>180.396</u>	

Selama tahun yang berakhir 31 Desember 2014 dan 2013, Perseroan telah melakukan pelepasan aset tetap sebagai berikut:

During the years ended 31 December 2014 and 2013, the Company disposed of certain fixed assets as summarized below:

Dalam jutaan Rupiah	2014	2013	In millions of Rupiah
Nilai buku	(378)	(7.739)	Net book value
Hasil penjualan bersih	828	7.813	Net proceeds
Laba penjualan aset tetap	<u>450</u>	<u>74</u>	Gain on sales of fixed assets

Pada tahun 2013, Perseroan melakukan perbaikan berkala pada tungku ("Cold Repair") di pabrik Sidoarjo, Jawa Timur, selama bulan Januari sampai dengan bulan April 2013. Biaya yang berhubungan langsung dengan "Cold Repair", sebesar Rp 216.563 juta, dikapitalisasi sebagai aset tetap.

In 2013, the Company conducted a periodic repair of the furnace ("Cold Repair") at the Sidoarjo plant in East Java, during January through April 2013. Expenditures directly related to the Cold Repair, amounting to Rp 216,563 million, were capitalized.

Aset dalam penyelesaian/instalasi terdiri dari:

Assets under construction/installation consist of:

Dalam jutaan Rupiah	2014	2013	In millions of Rupiah
Bangunan dan sarana	751	2.794	Buildings and structures
Mesin dan peralatan	67.966	53.040	Machinery and equipment
Perkakas, palet, perlengkapan dan perabot	8.783	17.880	Tools, pallets, furniture and fixtures
	<u>77.500</u>	<u>73.714</u>	

Aset dalam berbagai tahap penyelesaian/instalasi (20% - 95%) per 31 Desember 2014 (31 Desember 2013: 10% - 95%), diperkirakan akan selesai dan direklasifikasi ke masing-masing kelompok aset pada tahun 2015.

Assets under construction/installation, which were at various stages of completion (20% - 95%) as of 31 December 2014 (31 December 2013: 10% - 95%), are expected to be completed and reclassified into the related group of assets in 2015.

Selama tahun 2014, Perseroan memperoleh tambahan tanah seluas 2.828 meter persegi di Desa Sirnabaya, Kecamatan Telukjambe Timur, Karawang, Propinsi Jawa Barat, Indonesia. Sertifikat masih dalam proses.

During 2014, the Company acquired an additional parcel of land measuring 2,828 square meters located at Desa Sirnabaya, Kecamatan Telukjambe Timur, Karawang, Propinsi Jawa Barat, Indonesia. The issuance of title certificate is in progress.

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10. ASET TETAP (Lanjutan)

Pada tanggal 31 Desember 2014, Perseroan memiliki hak atas tanah seluas 1.780.702 meter persegi, dengan perincian sebagai berikut: (i) 1.762.577 meter persegi dimiliki Perseroan berdasarkan sertifikat "Hak Guna Bangunan" (HGB) dan "HGB di atas Hak Pengelolaan Lahan" (HGB di atas HPL), yang akan berakhir antara tahun 2022 dan 2044, dan umumnya dapat terus berlanjut, kecuali jika Pemerintah memutuskan untuk merubah peruntukan atas wilayah tersebut (ii) 7.430 meter persegi sedang dalam proses penyelesaian akte Peralihan Hak, dan (iii) 10.695 meter persegi sedang dalam proses perolehan sertifikat HGB atas tanah tersebut di Kantor Pertahanan.

Tanah seluas 790.834 meter persegi dan bangunan di atasnya dijaminkan kepada Asahi Glass Co., Ltd., Jepang (pemegang saham, Catatan 25d).

Per 31 Desember 2014, aset tetap kecuali tanah dan aset dalam penyelesaian/instalasi, telah diasuransikan terhadap berbagai risiko kerugian dengan nilai pertanggungan sebesar USD 325.313.970 (Rp 4.046.906 juta), yang menurut keyakinan manajemen cukup memadai untuk menutup kemungkinan kerugian yang timbul dari risiko-risiko tersebut.

Dalam tahun yang berakhir 31 Desember 2014 dan 2013, Perseroan melakukan pembelian aset tetap (termasuk aset dalam penyelesaian/instalasi) dari pihak berelasi, sebagai berikut:

<u>Dalam jutaan Rupiah</u>	<u>2014</u>
Asahi Glass Co., Ltd., Jepang	8.674
AGC Technology Solutions Co., Ltd., Jepang	12.138
AGC Automotive (Thailand) Co., Ltd., Thailand	690
PT Rodamas	69
	<u>21.571</u>

Per 31 Desember 2014 dan 2013, saldo sebesar Rp 4.937 juta dan Rp 30.083 juta belum dibayar untuk pembelian aset tetap tertentu.

Per 31 Desember 2014, total harga perolehan dari aset tetap yang telah disusutkan penuh dan masih digunakan adalah Rp 1.167.441 juta (2013: Rp 1.163.271 juta).

Pada tanggal 1 September 2014, Perseroan telah menandatangani perjanjian dengan Asahi Glass Co., Ltd., Jepang (pemegang saham) untuk pembangunan pabrik baru Perseroan yang terletak di Cikampek, Jawa Barat, Indonesia, yang dimulai pada akhir 2014, dan diperkirakan akan selesai pada pertengahan 2016. Total investasi diperkirakan sebesar USD 154.936.370, sesuai dengan Surat Keterbukaan Informasi kepada OJK dan BEI pada tanggal 3 September 2014. Perseroan akan membayar kepada Asahi Glass Co., Ltd., Jepang, biaya konsultan sebesar 6% dari biaya pembangunan.

10. FIXED ASSETS (Continued)

As of 31 December 2014, the Company owns land area of 1,780,702 square meters with the detail as follows: (i) 1,762,577 square meters own by the Company based on land title certificates of "Hak Guna Bangunan" (HGB) and "HGB on Hak Pengelolaan Lahan" (HGB on HPL). The rights granted upon the land (its land title) certificates will expire between 2022 and 2044, and are commonly expected to remain vested and extendable, barring a decision by the Government to rezone the area for other planning (ii) 7,430 square meters are in the process of completion of deed transfer of title upon side land, and (iii) 10,695 square meters are in the process of obtaining HGB land title certificate at the Land Office.

790,834 square meters of the land and the buildings thereon, are pledged to Asahi Glass Co., Ltd., Japan (shareholder, Note 25d).

As of 31 December 2014, fixed assets excluding land and assets under construction/installation, were insured against various risks for a total coverage of USD 325,313,970 (Rp 4,046,906 million), which in management's opinion is adequate to cover possible losses arising from such risks.

During the years ended 31 December 2014 and 2013, the Company purchased certain fixed assets (including assets under construction/installation) from related parties, as follows:

<u>2013</u>	<u>In millions of Rupiah</u>
34.215	Asahi Glass Co., Ltd., Japan
62.935	AGC Technology Solutions Co., Ltd., Japan
-	AGC Automotive (Thailand) Co., Ltd., Thailand
465	PT Rodamas
<u>97.615</u>	

As of 31 December 2014 and 2013, balances amounting to Rp 4,937 million and Rp 30,083 million remained unpaid for purchases of certain fixed assets.

At 31 December 2014, total cost of fully depreciated fixed assets which are still in use was Rp 1,167,441 million (2013: Rp 1,163,271 million).

On 1 September 2014, the Company entered into an agreement with Asahi Glass Co., Ltd., Japan (shareholder) for construction of the Company's new factory in Cikampek, West Java, Indonesia, that started in late 2014, and is expected to finish in mid 2016. The investment is estimated to be USD 154,936,370, which was declared in the Disclosure of Information to OJK and BEI on 3 September 2014. The Company will pay to Asahi Glass Co., Ltd., Japan, a consulting fee of 6% of the construction expenditure.

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10. ASET TETAP (Lanjutan)

Penurunan nilai aset tetap

Selama tahun 2014, Perseroan membentuk penyisihan penurunan nilai aset tetap sebesar Rp 3.196 juta, untuk mesin dan peralatan yang nilai tercatatnya melebihi estimasi jumlah terpulihkannya.

Tanah yang dimiliki untuk dijual

Sesuai dengan keputusan rapat Dewan Komisaris Perseroan tanggal 30 Oktober 2013, pada tanggal 31 Desember 2013, tanah seluas 120.786 meter persegi dengan nilai buku sebesar Rp 8.611 juta, yang terletak di Desa Tanjungsari, Kecamatan Taman, Sidoarjo, Propinsi Jawa Timur, Indonesia, disajikan sebagai tanah yang dimiliki untuk dijual. Di Juni 2014, tanah seluas 110.091 meter persegi telah dijual dan sisa seluas 10.695 meter persegi diklasifikasikan kembali sebagai aset tetap. Perseroan mencatat laba atas penjualan tanah sebesar Rp 20.499 juta.

10. FIXED ASSETS (Continued)

Fixed assets impairment

During 2014, the Company made a provision for impairment on fixed assets amounting to Rp 3,196 million, for machinery and equipment whose carrying amounts exceeded their recoverable amounts.

Land held for sale

Pursuant to resolution of the Company's Board of Commissioners on 30 October 2013, as of 31 December 2013, a parcel of land measuring 120,786 square meters and carrying amount of Rp 8,611 million, located at Desa Tanjungsari, Kecamatan Taman, Sidoarjo, East Java Province, Indonesia, was designated as Land Held for Sale. In June 2014, a total of 110,091 square meters was sold and the remaining 10,695 square meters was reclassified to fixed assets. The Company recognized a gain of Rp 20,499 million from this land sale.

11. UTANG USAHA

Utang usaha terutama berasal dari pembelian bahan baku/pembantu.

Trade payables are mainly originated from purchase of raw/supplementary materials.

Dalam jutaan Rupiah	31 Desember/31 December	
	2014	2013
Pihak ketiga	219.459	228.484
Pihak berelasi:		
AGC Asia Pacific Pte., Ltd., Singapura (sebelumnya AGC Flat Glass Asia Pacific Pte., Ltd., Singapura)	10.578	2.437
AGC Technology Solutions Co., Ltd., Jepang	6.099	8.573
AG Soda Corporation, Amerika	3.054	23.344
Asahi Glass Co., Ltd., Jepang	2.843	1.742
PT Saint Gobain Winter Diamas, Indonesia	1.239	2.194
AGC Automotive (Thailand) Co., Ltd., Thailand	1.398	13.143
AGC Technology Solutions Kunshan Co., Ltd	-	1.383
Pemasok lainnya	876	200
	26.087	53.016
	245.546	281.500
Rincian umur utang usaha:		
Pihak ketiga:		
Belum jatuh tempo	210.056	213.407
Lewat jatuh tempo:		
1 - 30 hari	8.667	14.131
31 - 60 hari	569	575
60 - 90 hari	105	132
Lebih dari 90 hari	62	239
	219.459	228.484

11. TRADE PAYABLES

In millions of Rupiah	
Unrelated parties	
Related parties:	
AGC Asia Pacific Pte., Ltd., Singapore (previously AGC Flat Glass Asia Pacific Pte., Ltd., Singapore)	
AGC Technology Solutions Co., Ltd., Japan	
AG Soda Corporation, America	
Asahi Glass Co., Ltd., Japan	
PT Saint Gobain Winter Diamas, Indonesia	
AGC Automotive (Thailand) Co., Ltd., Thailand	
AGC Technology Solutions Kunshan Co., Ltd	
Other suppliers	

Aging analysis of trade payables:
Unrelated parties:
Not yet due
Overdue:
1 - 30 days
31 - 60 days
60 - 90 days
More than 90 days

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11. UTANG USAHA (Lanjutan)

11. TRADE PAYABLES (Continued)

<u>Dalam jutaan Rupiah</u>	<u>31 Desember/31 December</u>		<u>In millions of Rupiah</u>
	<u>2014</u>	<u>2013</u>	
Pihak berelasi:			<i>Related parties:</i>
Belum jatuh tempo	25.742	52.670	<i>Not yet due</i>
Lewat jatuh tempo:			<i>Overdue:</i>
1 - 30 hari	345	321	<i>1 - 30 days</i>
Lebih dari 30 hari	-	25	<i>More than 30 days</i>
	<u>26.087</u>	<u>53.016</u>	
Rincian utang usaha dalam mata uang:			<i>Trade payables by currency type:</i>
Rupiah	128.736	124.567	<i>Rupiah</i>
Valuta asing	116.810	156.933	<i>Foreign currencies</i>
	<u>245.546</u>	<u>281.500</u>	

Lihat Catatan 26 untuk rincian saldo utang usaha dalam valuta asing.

See Note 26 for details of trade payables that are denominated in foreign currencies.

12. BEBAN AKRUAL

12. ACCRUED EXPENSES

<u>Dalam jutaan Rupiah</u>	<u>31 Desember/31 December</u>		<u>In millions of Rupiah</u>
	<u>2014</u>	<u>2013</u>	
Pengiriman dan pengangkutan	28.473	25.302	<i>Delivery and transportation</i>
Listrik, air, dan telepon	20.601	14.952	<i>Electricity, water, and telephone</i>
Royalti dan komisi penjualan (pihak berelasi, Catatan 25)	12.596	14.479	<i>Royalties and sales commissions (related parties, Note 25)</i>
Kompensasi karyawan	9.780	7.933	<i>Employees' compensation</i>
Perbaikan dan perlengkapan lain-lain	1.158	3.354	<i>Repair and sundry supplies</i>
Lainnya	28.498	27.329	<i>Miscellaneous</i>
	<u>101.106</u>	<u>93.349</u>	

Lihat Catatan 26 untuk rincian saldo beban akrual yang terhutang dalam valuta asing

See Note 26 for details of accruals for expenses that are payable in foreign currencies.

13. LIABILITAS JANGKA PENDEK LAINNYA

13. OTHER CURRENT LIABILITIES

<u>Dalam jutaan Rupiah</u>	<u>31 Desember/31 December</u>		<u>In millions of Rupiah</u>
	<u>2014</u>	<u>2013</u>	
Pembayaran diterima di muka dari pelanggan	12.650	14.451	<i>Advances received from customers</i>
Utang pembelian aset tetap	4.937	30.083	<i>Payables for fixed assets purchases</i>
Lainnya	8.544	12.929	<i>Miscellaneous</i>
	<u>26.131</u>	<u>57.463</u>	

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14. LIABILITAS IMBALAN KERJA

14. EMPLOYEE BENEFITS OBLIGATION

Sesuai dengan peraturan tentang Ketenagakerjaan di Indonesia, Perseroan wajib memberikan imbalan pasca-kerja karyawan pada saat pemutusan hubungan kerja atau pada saat karyawan pensiun. Imbalan kerja ini diberikan berdasarkan masa kerja dan kompensasi karyawan pada saat pemutusan hubungan kerja atau pensiun.

In accordance with Indonesian labor regulations, the Company is required to provide certain post-employment benefits to its employees when their employment is terminated or when they retire. These benefits are primarily based on years of service and the employees' compensation at termination or retirement.

Tabel berikut menyajikan liabilitas imbalan kerja yang tercatat di laporan posisi keuangan, mutasi liabilitas imbalan kerja, dan beban yang diakui dalam laporan laba rugi komprehensif untuk tahun yang berakhir 31 Desember 2014 dan 2013:

The following table summarizes the balance of the obligation for post-employment benefits as reflected in the statements of financial position, movement in the obligation during the year, and expense recognized in the statements of comprehensive income for the years ended 31 December 2014 and 2013:

Dalam jutaan Rupiah	2014	2013	In millions of Rupiah
Mutasi nilai kini kewajiban imbalan pasti			Movement in the present value of the defined benefit obligation
Nilai kini kewajiban imbalan pasti, saldo awal	393.871	412.508	Present value of defined benefit obligation, beginning of year
Beban jasa kini	30.324	29.222	Current service cost
Beban bunga	36.508	25.103	Interest cost
(Keuntungan) kerugian aktuarial	(18.838)	7.661	Actuarial (gains) losses
Imbalan yang dibayarkan	(43.562)	(35.701)	Benefits paid
Penyesuaian	179	36.513	Adjustment
Pengaruh perubahan asumsi	47.965	(81.435)	Effect of assumption changes
Nilai kini kewajiban imbalan pasti, saldo akhir	446.447	393.871	Present value of defined benefit obligation, end of year
Liabilitas imbalan kerja			Employee benefits obligation
Nilai kini kewajiban imbalan pasti	446.447	393.871	Present value of defined benefit obligation
Beban jasa masa lalu yang belum diakui, non-vested	(4.584)	(6.499)	Unrecognized past service cost, non vested
Kerugian aktuarial yang belum diakui	(106.352)	(82.666)	Unrecognized actuarial losses
Liabilitas imbalan kerja pada akhir tahun	335.511	304.706	Defined benefit obligation at year end
Biaya yang diakui di laba atau rugi			Expenses recognized in profit or loss
Beban jasa kini	30.324	29.222	Current service cost
Biaya bunga	36.508	25.103	Interest cost
Amortisasi dari:			Amortization of:
- Kerugian aktuarial	5.441	11.621	- Actuarial losses
- Beban jasa masa lalu, non-vested	1.915	2.252	- Past service cost, non-vested
Penyesuaian	179	36.513	Adjustment
Biaya yang diakui di laba atau rugi	74.367	104.711	Expense recognized in profit or loss
Dalam jutaan Rupiah	2014	2013	In millions of Rupiah
Beban imbalan kerja diakui pada akun:			The benefits expense is included in the following:
Beban pokok penjualan	63.265	90.361	Cost of sales
Beban penjualan	9.991	12.517	Selling expenses
Beban umum dan administrasi	1.111	1.833	General and administrative expenses
	74.367	104.711	

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14. LIABILITAS IMBALAN KERJA (Lanjutan)

14. EMPLOYEE BENEFITS OBLIGATION (Continued)

Dalam jutaan Rupiah	2014	2013	2012	2011	2010	In millions of Rupiah
Informasi historis						Historical information
Nilai kini kewajiban imbalan pasti	446.447	393.871	412.508	341.097	282.581	Present value of the defined benefit obligation
Penyesuaian yang timbul dari asumsi	(19.108)	(3.629)	(45.775)	(26.777)	(5.530)	Experience adjustments arising from assumptions

Asumsi utama yang digunakan oleh PT Dayamandiri Dharmakonsolindo (aktuaris berkualifikasi) dalam perhitungan aktuarial adalah sebagai berikut:

Principal assumptions used by PT Dayamandiri Dharmakonsolindo (qualified actuary) in the actuarial calculations were as follows:

31 Desember 2014:

31 December 2014:

Tingkat diskonto per tahun: 8,0% - 8,75%
Tingkat kenaikan gaji masa depan per tahun: 7% - 12%

*Discount rate per annum: 8.0% - 8.75%
Future salary increase rate per annum: 7% - 12%*

31 Desember 2013:

31 December 2013:

Tingkat diskonto per tahun: 8,4% - 8,9%
Tingkat kenaikan gaji masa depan per tahun:
10% - 20% di tahun 2014 dan 7% - 10,7% per tahun berikutnya.

*Discount rate per annum: 8.4% - 8.9%
Future salary increase rate per annum:
10% - 20% in 2014 and 7% - 10.7% per annum thereafter.*

Tingkat diskonto digunakan dalam menentukan nilai kini liabilitas imbalan kerja pada tanggal penilaian. Secara umum, tingkat diskonto berkorelasi dengan hasil imbal balik obligasi pemerintah dengan kualitas tinggi yang diperdagangkan di pasar modal aktif pada tanggal pelaporan.

The discount rate is used in determining the present value of the benefit obligation at valuation date. In general, the discount rate correlates with the yield on high quality government bonds that are traded in active capital markets at reporting date.

Asumsi tingkat kenaikan gaji di masa depan memproyeksikan liabilitas imbalan kerja mulai dari tanggal penilaian sampai dengan usia pensiun normal. Tingkat kenaikan gaji pada umumnya ditentukan dengan memperhitungkan penyesuaian inflasi terhadap tingkat upah dan bertambahnya masa kerja.

The future salary increase assumption projects the benefit obligation starting from the valuation date up to the normal retirement age. The salary increase rate is generally determined by applying inflation adjustments to pay scales and taking account of the length of service.

Di Februari 2015, Perseroan mulai membiayai dana pensiun melalui DPLK (Dana Pensiun Lembaga Keuangan) Manulife.

In February 2015, the Company began funding its pension plan under DPLK (Dana Pensiun Lembaga Keuangan) Manulife.

15. MODAL SAHAM

15. SHARE CAPITAL

Modal dasar Perseroan adalah sebesar Rp 300 milyar yang terbagi atas 600.000.000 saham dengan nilai nominal Rp 500 (dalam angka penuh) per saham dan telah ditempatkan dan disetor penuh sejumlah 434.000.000 saham.

The Company's authorized capital amounting to Rp 300 billion consists of 600,000,000 shares at par value of Rp 500 (in full amount) per share, of which 434,000,000 shares have been issued and fully paid-up.

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15. MODAL SAHAM (Lanjutan)

15. SHARE CAPITAL (Continued)

Susunan pemegang saham Perseroan adalah sebagai berikut:

The composition of the Company's shareholders was as follows:

31 Desember 2014

31 December 2014

Pemegang saham	Jumlah saham/ Number of shares	% kepemilikan/ % of ownership	Jumlah/Amount (dalam jutaan Rupiah/ In millions of Rupiah)	Shareholders
Asahi Glass Co., Ltd., Jepang	190.359.000	43,86%	95.180	Asahi Glass Co., Ltd., Japan
PT Rodamas, Indonesia	177.358.500	40,87%	88.679	PT Rodamas, Indonesia
Tn. Mitsuhiro Yoshikado (Direktur)	20.000	0,00%	10	Mr. Mitsuhiro Yoshikado (Director)
Lain-lain (masing-masing dengan kepemilikan kurang dari 5%)	66.262.500	15,27%	33.131	Others (each with ownership of less than 5%)
	<u>434.000.000</u>	<u>100,00%</u>	<u>217.000</u>	

31 Desember 2013

31 December 2013

Pemegang saham	Jumlah saham/ Number of shares	% kepemilikan/ % of ownership	Jumlah/Amount (dalam jutaan Rupiah/ In millions of Rupiah)	Shareholders
Asahi Glass Co., Ltd., Jepang	190.359.000	43,86%	95.180	Asahi Glass Co., Ltd., Japan
PT Rodamas, Indonesia	177.258.500	40,84%	88.629	PT Rodamas, Indonesia
Tn. Mitsuhiro Yoshikado (Direktur)	20.000	0,00%	10	Mr. Mitsuhiro Yoshikado (Director)
Lain-lain (masing-masing dengan kepemilikan kurang dari 5%)	66.362.500	15,30%	33.181	Others (each with ownership of less than 5%)
	<u>434.000.000</u>	<u>100,00%</u>	<u>217.000</u>	

16. TAMBAHAN MODAL DISETOR

16. ADDITIONAL PAID-IN CAPITAL

Akun ini merupakan agio saham dikurangi dengan biaya emisi saham sebagai berikut:

This account represents premium on share capital net of share issuance costs as follows:

Dalam jutaan Rupiah	31 Desember/31 December		In millions of Rupiah
	2014	2013	
Agio saham	167.700	167.700	Premium on share capital
Biaya emisi saham	(2.617)	(2.617)	Share issuance costs
	<u>165.083</u>	<u>165.083</u>	

Agio saham berasal dari selisih antara hasil penerimaan dari penawaran umum perdana 86.000.000 saham kepada masyarakat pada tahun 1995 dengan harga Rp 2.450 per saham dengan nilai nominalnya Rp 500 per saham.

Premium on share capital resulted from the difference between proceeds from the initial public offering of 86,000,000 shares in 1995 at a price of Rp 2,450 per share and the par value of the issued shares of Rp 500 per share.

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17. PENJUALAN BERSIH

17. NET SALES

Dalam jutaan Rupiah	2014	2013	In millions of Rupiah
Penjualan bersih (setelah dikurangi retur penjualan dan potongan penjualan):			Net sales (after deduction of sales returns and sales discounts):
Pihak ketiga	986.929	872.757	Unrelated parties
Pihak berelasi:			Related parties:
PT Rodamas, Indonesia	1.394.046	1.284.815	PT Rodamas, Indonesia
AGC Asia Pacific Pte., Ltd., Singapura (sebelumnya AGC Flat Glass Asia Pacific Pte., Ltd., Singapura)	1.051.026	826.326	AGC Asia Pacific Pte., Ltd., Singapore (previously AGC Flat Glass Asia Pacific Pte., Ltd., Singapore)
Rodamas Marketing Pte., Ltd., Singapura	90.445	122.332	Rodamas Marketing Pte., Ltd., Singapore
Asahi Glass Co., Ltd., Jepang	53.608	39.811	Asahi Glass Co., Ltd., Japan
Auto Glass Co., Ltd., Jepang	45.831	29.932	Auto Glass Co., Ltd., Japan
AGC Automotive Philippines Inc.	36.055	28.268	AGC Automotive Philippines Inc.
AGC Automotive (China) Co., Ltd.,	6.998	3.108	AGC Automotive (China) Co., Ltd.,
Asahi India Glass Ltd.	284	2.176	Asahi India Glass Ltd.
AGC Automotive (Thailand) Co., Ltd., Thailand	3.885	5.596	AGC Automotive (Thailand) Co., Ltd., Thailand
AGC Vidros Do Brasil	1.965	-	AGC Vidros Do Brasil
PT Auto Glass Indonesia	1.114	-	PT Auto Glass Indonesia
Pelanggan lainnya	-	1.359	Other customers
	2.685.257	2.343.723	
	3.672.186	3.216.480	

Tidak terdapat penjualan kepada pelanggan pihak ketiga yang melebihi 10% dari jumlah penjualan bersih.

Sales to none of the unrelated party customers amounted to more than 10% of the total net sales.

18. BEBAN POKOK PENJUALAN

18. COST OF SALES

Dalam jutaan Rupiah	2014	2013	In millions of Rupiah
Beban produksi:			Production costs:
Bahan baku yang digunakan	975.636	767.555	Raw materials used
Kompensasi karyawan	333.030	412.771	Employees' compensation
Gas alam, listrik dan air	751.104	665.460	Natural gas, electricity and water
Penyusutan aset tetap	191.267	171.889	Depreciation of fixed assets
Beban produksi lainnya	522.180	411.766	Other production costs
Jumlah beban produksi	2.773.217	2.429.441	Total production costs
Persediaan awal barang dalam produksi	21.694	19.160	Beginning balance of goods in production
Persediaan akhir barang dalam produksi	(25.345)	(21.694)	Ending balance of goods in production
Beban pokok produksi	2.769.566	2.426.907	Cost of goods manufactured
Persediaan awal barang jadi	306.521	345.690	Beginning balance of finished goods
Pembelian barang dagangan	19.730	22.494	Purchase of merchandise inventories
Persediaan akhir barang jadi	(329.266)	(306.521)	Ending balance of finished goods
	2.766.551	2.488.570	

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18. BEBAN POKOK PENJUALAN (Lanjutan)

Seperti dijelaskan pada Catatan 10 atas laporan keuangan, pada tahun 2013 Perseroan melakukan perbaikan berkala pada tungku ("Cold Repair") di pabrik Sidoarjo, Jawa Timur, sesuai dengan Surat Keterbukaan Informasi kepada Bapepam dan BEI pada tanggal 21 Juni 2012. Beban rutin yang terkait dengan operasi tungku tersebut dicatat sebagai beban pokok penjualan, sedangkan untuk pengeluaran yang dapat diatribusikan secara langsung dengan perbaikan berkala tersebut dikapitalisasi sebagai bagian dari biaya perolehan aset tetap.

Dalam tahun yang berakhir 31 Desember 2014 dan 2013, Perseroan melakukan pembelian barang dari pihak berelasi, sebagai berikut:

Dalam jutaan Rupiah

	2014	2013
AG Soda Corporation, Amerika	188.380	236.747
Asahi Glass Co., Ltd., Jepang	16.278	54.787
AGC Technology Solutions Co., Ltd., Jepang	48.592	53.083
AGC Automotive (Thailand) Co., Ltd., Thailand	10.711	45.121
AGC Asia Pacific Pte., Ltd., Singapura (sebelumnya AGC Flat Glass Asia Pacific Pte., Ltd., Singapura)	29.107	32.090
PT Saint Gobain Winter Diamas, Indonesia	13.776	10.563
AGC Flat Glass Europe S.A., Belgia	17.508	7.594
AGC Flat Glass (Thailand) Public Co., Ltd	4.644	452
AGC Technology Solutions Kunshan Co., Ltd	1.457	2.061
Pemasok lainnya	1.061	497
	<u>331.514</u>	<u>442.995</u>

Tidak terdapat pembelian barang dari pemasok pihak ketiga yang melebihi 10% dari jumlah pembelian.

18. COST OF SALES (Continued)

As described in Note 10 to the financial statements, in 2013 the Company conducted periodic repair of the furnace ("Cold Repair") at the Sidoarjo plant in East Java, in accordance with Disclosure of Information to Bapepam and BEI on 21 June 2012. All routine expenses relating to the operation of furnace was recorded as part of cost of sales, while expenditures incurred relating directly to the periodic repair was capitalized as part of the acquisition costs of fixed assets.

During the years ended 31 December 2014 and 2013, the Company had purchases of inventories from the following related parties:

In millions of Rupiah

AG Soda Corporation, America	
Asahi Glass Co., Ltd., Japan	
AGC Technology Solutions Co., Ltd., Japan	
AGC Automotive (Thailand) Co., Ltd., Thailand	
AGC Asia Pacific Pte., Ltd., Singapore (previously AGC Flat Glass Asia Pacific Pte., Ltd., Singapore)	
PT Saint Gobain Winter Diamas, Indonesia	
AGC Flat Glass Europe S.A., Belgium	
AGC Flat Glass (Thailand) Public Co., Ltd	
AGC Technology Solutions Kunshan Co., Ltd	
Other suppliers	

Purchases of inventories from none of the unrelated party suppliers amounted to more than 10% of the total purchases.

19. BEBAN PENJUALAN

Dalam jutaan Rupiah

	2014	2013
Pengiriman dan pengangkutan	152.859	138.535
Kompensasi karyawan	82.294	70.343
Royalti (pihak berelasi, Catatan 25)	37.785	32.571
Perbaikan dan perlengkapan lain-lain	9.178	12.393
Insentif dan komisi penjualan	8.099	9.525
Kaca pecah/koreksi persediaan	6.164	8.974
Penyusutan aset tetap	6.212	4.941
Lainnya	36.385	21.710
	<u>338.976</u>	<u>298.992</u>

Dalam tahun yang berakhir 31 Desember 2014 dan 2013, beban penjualan kepada pihak berelasi (royalti dan komisi penjualan) masing-masing sejumlah Rp 42.324 juta dan Rp 38.618 juta.

19. SELLING EXPENSES

In millions of Rupiah

Delivery and transportation	
Employees' compensation	
Royalties (related parties, Note 25)	
Repair and sundry supplies	
Sales incentives and commissions	
Breakage/stock adjustments	
Depreciation of fixed assets	
Miscellaneous	

For the years ended 31 December 2014 and 2013, related party selling expenses (royalties and sales commissions) amounted to Rp 42,324 million and Rp 38,618 million, respectively.

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20. BEBAN UMUM DAN ADMINISTRASI

20. GENERAL AND ADMINISTRATIVE EXPENSES

<u>Dalam jutaan Rupiah</u>	<u>2014</u>	<u>2013</u>	<u>In millions of Rupiah</u>
Kompensasi karyawan	31.615	31.193	Employees' compensation
Penyusutan aset tetap	3.660	3.566	Depreciation of fixed assets
Listrik, air dan telepon	1.459	1.653	Electricity, water and telephone
Perbaikan dan perlengkapan lain-lain	473	1.030	Repair and sundry supplies
Lainnya	6.445	6.822	Miscellaneous
	<u>43.652</u>	<u>44.264</u>	

21. PERPAJAKAN

21. TAXATION

a. Pajak dibayar dimuka terdiri dari:

a. Prepaid taxes consist of:

<u>Dalam jutaan Rupiah</u>	<u>31 Desember/31 December</u> <u>2014</u>	<u>2013</u>	<u>In millions of Rupiah</u>
Pajak Penghasilan Badan lebih dibayar - 2006	1.695	1.695	Overpayment of corporate income tax - 2006
Pajak Pertambahan Nilai	10.996	2.991	Value Added Tax
	<u>12.691</u>	<u>4.686</u>	

Pada tahun 2008, kantor pajak mengeluarkan surat kurang bayar atas pajak penghasilan badan Perseroan untuk tahun pajak 2006 sejumlah Rp 5,5 milyar. Perseroan mengajukan banding atas jumlah sebesar Rp 1,695 juta yang ditolak oleh pengadilan pajak pada tahun 2009, dan pengajuan pada tahun 2010 untuk peninjauan kembali ke Mahkamah Agung belum selesai sampai dengan tanggal pelaporan. Pembayaran yang dilakukan terhadap keberatan ini dicatat sebagai pajak dibayar dimuka, karena manajemen berkeyakinan bahwa posisi pajak Perseroan dapat dipertahankan.

In 2008, the tax authority assessed additional taxes on the Company's 2006 corporate income tax return amounting to Rp 5.5 billion. The Company's appeal for the amount of Rp 1.695 million was denied by the tax court in 2009, and its request in 2010 for a judicial review by the Supreme Court continues to be pending as of the reporting date. Payments made under protest towards this assessment are presented as prepaid taxes, as management believes the Company's tax position is sustainable.

b. Utang pajak lainnya terdiri dari:

b. Other taxes payable consist of:

<u>Dalam jutaan Rupiah</u>	<u>31 Desember/31 December</u> <u>2014</u>	<u>2013</u>	<u>In millions of Rupiah</u>
Pajak Penghasilan pasal 21	6.414	4.792	Withholding tax-article 21
Pajak Penghasilan pasal 23, 26 dan 4(2)	3.851	1.199	Withholding tax-articles 23, 26 and 4(2)
	<u>10.265</u>	<u>5.991</u>	

c. Utang pajak penghasilan terdiri dari:

c. Income taxes payable consist of:

<u>Dalam jutaan Rupiah</u>	<u>31 Desember/31 December</u> <u>2014</u>	<u>2013</u>	<u>In millions of Rupiah</u>
Pajak Penghasilan pasal 25	11.032	5.975	Income tax-article 25
Pajak Penghasilan pasal 29	4.158	29.682	Income tax-article 29
	<u>15.190</u>	<u>35.657</u>	

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21. PERPAJAKAN (Lanjutan)

21. TAXATION (Continued)

- d. Komponen beban pajak penghasilan adalah sebagai berikut:

- d. The components of income tax expense are as follows:

<u>Dalam jutaan Rupiah</u>	<u>2014</u>	<u>2013</u>	<u>In millions of Rupiah</u>
Pajak kini	(141.238)	(117.318)	Current
Pajak tangguhan	2.066	4.923	Deferred
	<u>(139.172)</u>	<u>(112.395)</u>	

- e. Rekonsiliasi beban pajak penghasilan dengan laba sebelum pajak penghasilan adalah sebagai berikut:

- e. Income tax expense is reconciled with profit before income tax as follows:

<u>Dalam jutaan Rupiah</u>	<u>2014</u>	<u>2013</u>	<u>In millions of Rupiah</u>
Laba sebelum pajak penghasilan	597.807	450.753	Profit before income tax
Tarif pajak yang berlaku	25%	25%	Statutory tax rate
	<u>149.451</u>	<u>112.688</u>	
Perbedaan permanen dikalikan dengan tarif pajak 25%	(9.694)	89	Permanent differences at 25% tax rate
Penyesuaian	(585)	(382)	Adjustments
Beban pajak	<u>139.172</u>	<u>112.395</u>	Income tax expense

- f. Rekonsiliasi antara laba sebelum pajak penghasilan dengan laba kena pajak adalah sebagai berikut:

- f. The following reconciles profit before income tax with taxable profit:

<u>Dalam jutaan Rupiah</u>	<u>2014</u>	<u>2013</u>	<u>In millions of Rupiah</u>
Laba sebelum pajak penghasilan	597.807	450.753	Profit before income tax
Perbedaan permanen:			Permanent differences:
Kesejahteraan karyawan	19.540	12.414	Employee benefits in-kind
Hasil pemeriksaan pajak	2.352	-	Tax assessment
Laba penjualan tanah yang dimiliki untuk dijual	(20.499)	-	Gain on sales of land held for sale
Pendapatan bunga yang dikenakan pajak final	(42.040)	(20.983)	Interest income subject to final tax
Lain-lain	1.870	8.924	Others
Jumlah perbedaan permanen	<u>(38.777)</u>	<u>355</u>	Total permanent differences
Perbedaan temporer:			Temporary differences:
Penyusutan aset tetap	(24.883)	(54.879)	Depreciation of fixed assets
Imbalan kerja	30.805	73.043	Employee benefits
Jumlah perbedaan temporer	<u>5.922</u>	<u>18.164</u>	Total temporary differences
Laba kena pajak	<u>564.952</u>	<u>469.272</u>	Taxable profit

Laba kena pajak Perseroan tahun 2013 telah sesuai dengan SPT Tahunan Pajak Penghasilan tahun yang bersangkutan.

The amount of 2013 taxable profit correspond with the amounts reported in the related annual corporate tax returns.

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21. PERPAJAKAN (Lanjutan)

21. TAXATION (Continued)

Rekonsiliasi utang pajak penghasilan dengan beban pajak kini, sebagai berikut:

Income tax payable is reconciled with current tax expense, as follows:

Dalam jutaan Rupiah	2014	2013	In millions of Rupiah
Beban pajak kini	141.238	117.318	Current tax expense
Pajak dibayar dimuka:			Prepaid taxes:
Pajak Penghasilan pasal 22	(18.565)	(18.160)	Income tax article 22
Pajak Penghasilan pasal 25	(118.515)	(69.476)	Income tax article 25
	(137.080)	(87.636)	
Utang pajak penghasilan pasal 29	4.158	29.682	Income tax article 29 payable

g. Saldo pajak tangguhan yang diakui, dan mutasi sepanjang tahun berjalan adalah sebagai berikut:

g. The recognized deferred tax balances, and the movement thereof during the year were as follows:

Dalam jutaan Rupiah	2013	Diakui dalam laba (rugi)/ Recognized in profit (loss)	2014	In millions of Rupiah
Aset pajak tangguhan:				Deferred tax assets:
Liabilitas imbalan kerja	76.177	7.701	83.878	Employee benefits obligation
Investasi pada metode ekuitas	115	-	115	Equity-accounted investment
	76.292	7.701	83.993	
Liabilitas pajak tangguhan:				Deferred tax liabilities:
Aset tetap	(25.484)	(5.635)	(31.119)	Fixed assets
Aset tidak lancar lain-lain	(654)	-	(654)	Other non-current assets
	(26.138)	(5.635)	(31.773)	
Aset pajak tangguhan, bersih	50.154	2.066	52.220	Deferred tax assets, net

Dalam jutaan Rupiah	2012	Diakui dalam laba (rugi)/ Recognized in profit (loss)	2013	In millions of Rupiah
Aset pajak tangguhan:				Deferred tax assets:
Liabilitas imbalan kerja	57.916	18.261	76.177	Employee benefits obligation
Investasi pada metode ekuitas	115	-	115	Equity-accounted investment
	58.031	18.261	76.292	
Liabilitas pajak tangguhan:				Deferred tax liabilities:
Aset tetap	(12.146)	(13.338)	(25.484)	Fixed assets
Aset tidak lancar lain-lain	(654)	-	(654)	Other non-current assets
	(12.800)	(13.338)	(26.138)	
Aset pajak tangguhan, bersih	45.231	4.923	50.154	Deferred tax assets, net

Realisasi dari aset pajak tangguhan tergantung pada laba yang diperoleh Perseroan dalam operasinya. Berdasarkan pengalaman masa lampau, manajemen berpendapat bahwa pendapatan pajak Perseroan di masa yang akan datang cukup untuk memulihkan manfaat dari aset pajak tangguhan.

Realization of the deferred tax assets is dependent upon the Company's profitable operations. Based on historical experience, management believes that the Company's future taxable income will be sufficient to realize the benefit of deferred tax assets.

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21. PERPAJAKAN (Lanjutan)

- h. Sesuai peraturan perpajakan di Indonesia, Perseroan melaporkan/menyetorkan pajak-pajaknya berdasarkan sistem *self-assessment*. Fiskus dapat menetapkan/mengubah pajak-pajak tersebut dalam batas waktu yang ditentukan sesuai dengan ketentuan yang berlaku.

Manajemen berkeyakinan bahwa akrual atas liabilitas pajak cukup untuk semua tahun pajak yang masih belum diaudit pajak berdasarkan penelaahan banyak faktor, termasuk interpretasi dari peraturan pajak dan pengalaman sebelumnya. Penilaian dilakukan berdasarkan estimasi dan asumsi dan melibatkan pertimbangan mengenai kejadian di masa mendatang. Informasi baru yang tersedia yang menyebabkan manajemen mengubah pertimbangannya berkaitan dengan kecukupan liabilitas pajak yang telah ada. Perubahan terhadap liabilitas pajak akan berdampak pada beban pajak pada periode dimana penentuan tersebut ditetapkan.

21. TAXATION (Continued)

- h. Under the taxation laws of Indonesia, the Company submits tax returns on the basis of self-assessment. The tax authorities may assess or amend taxes within the statute of limitations, under prevailing regulations.

Management believes that the accruals for tax liabilities are adequate for all open tax years based on its assessment of various factors, including interpretations of tax law and prior experience. The assessment relies on estimates and assumptions and may involve judgement about future events. New information may become available that causes management to change its judgment regarding the adequacy of existing tax liabilities. Such changes to tax liabilities will impact tax expense in the period that such determination is made.

22. LABA PER SAHAM

	2014	2013
Laba tahun berjalan (dalam jutaan Rupiah)	458.635	338.358
Jumlah rata-rata tertimbang saham beredar/ ditempatkan	434.000.000	434.000.000
Laba tahun berjalan per saham	Rp 1.057	Rp 780

22. EARNINGS PER SHARE

*Profit for the year (in millions of Rupiah)
Weighted average number of outstanding/
issued shares
Earnings per share*

23. DIVIDEN KAS

Rapat Umum pemegang saham tahunan Perseroan tanggal 20 Juni 2014 (risalah dibuat oleh notaris Dr. Irawan Soerodjo, S.H., MSi, dengan akta No. 502) memutuskan untuk membagikan dividen kas sejumlah Rp 34.720 juta [Rp 80 per saham].

Rapat Umum pemegang saham tahunan Perseroan tanggal 31 Mei 2013 (risalah dibuat oleh notaris Irawan Soerodjo, S.H., MSi, dengan akta No. 314) memutuskan untuk membagikan dividen kas sejumlah Rp 34.720 juta [Rp 80 per saham].

23. CASH DIVIDENDS

At the annual general meeting of shareholders of the Company on 20 June 2014 (minutes prepared by Dr. Irawan Soerodjo, S.H., MSi, by deed No. 502) it was resolved to declare cash dividends in the amount of Rp 34,720 million [Rp 80 per share].

At the annual general meeting of shareholders of the Company on 31 May 2013 (minutes prepared by Irawan Soerodjo, S.H., MSi, by deed No.314) it was resolved to declare cash dividends in the amount of Rp 34,720 million [Rp 80 per share].

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24. CADANGAN WAJIB

Sesuai ketentuan Undang-undang Perseroan Terbatas No. 1 tahun 1995 dan No. 40 tahun 2007, perseroan diwajibkan untuk menyisihkan secara bertahap jumlah tertentu dari laba bersih sebagai cadangan wajib sampai cadangan tersebut mencapai paling sedikit 20% dari jumlah modal yang ditempatkan.

Pada tanggal 20 Juni 2014 (Catatan 23) pemegang saham memutuskan untuk menambah dana cadangan wajib sebesar Rp 3.500 juta.

Pada tanggal 31 Mei 2013 (Catatan 23) pemegang saham memutuskan untuk menambah dana cadangan wajib sebesar Rp 3.500 juta.

Jumlah cadangan wajib pada tanggal 31 Desember 2014 dan 2013 masing-masing sebesar Rp 74.500 juta dan Rp 71.000 juta atau 34% dan 33% dari jumlah modal yang ditempatkan dan disetor penuh.

24. STATUTORY RESERVES

In accordance with the provisions of the Corporate Laws No. 1 of 1995 and No. 40 of 2007, a company is required to set aside, on a gradual basis, an amount from its net profit as a statutory reserve until the reserve balance reaches the minimum 20% of its issued capital.

On 20 June 2014 (Note 23) the shareholders resolved to increase the statutory reserves appropriation by Rp 3,500 million.

On 31 May 2013 (Note 23) the shareholders resolved to increase the statutory reserves appropriation by Rp 3,500 million.

Total statutory reserves as of 31 December 2014 and 2013 amounted to Rp 74,500 million and Rp 71,000 million or approximately 34% and 33% of the issued and fully paid-up capital.

25. SALDO DAN TRANSAKSI DENGAN PIHAK YANG BERELASI

- a. Perseroan merupakan bagian dari kelompok usaha Asahi Glass Co., Ltd., Jepang yang memiliki beberapa anak perusahaan dan perusahaan afiliasi di seluruh dunia, dan PT Rodamas yang memiliki beberapa anak perusahaan dan perusahaan afiliasi di beberapa negara tertentu.
- b. Ikhtisar transaksi dan saldo yang signifikan dengan pihak-pihak berelasi adalah sebagai berikut:

Dalam jutaan Rupiah

	2014			2013	
	Jumlah/Amount	%*		Jumlah/Amount	%*
Penjualan bersih (Catatan 17)	2.685.257	73,12		2.343.723	72,87
Pembelian barang (Catatan 18)	331.514	23,44		442.995	42,59
Pembelian aset tetap (Catatan 10)	21.571	8,38		97.615	33,67
Beban penjualan (Catatan 19)	42.324	12,48		38.618	12,92
Saldo piutang usaha (Catatan 5)	263.424	74,35		239.564	63,32
Saldo piutang lainnya (Catatan 6)	2.154	7,30		1.113	5,04
Saldo utang usaha (Catatan 11)	26.087	10,62		53.016	18,83
Saldo beban akrual (Catatan 12)	12.596	12,46		14.479	15,51
Saldo liabilitas jangka pendek lainnya (Catatan 13)	2.071	7,92		24.218	42,14

* Persentase terhadap total aset/liabilitas/ penjualan/pembelian/beban yang bersangkutan.

25. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

- a. *The Company is part of Asahi Glass Co., Ltd., Japan that has subsidiaries and affiliates throughout the world, and PT Rodamas that has subsidiaries and affiliates in certain countries.*
- b. *Summary of significant transactions and balances with related parties is as follows:*

In millions of Rupiah

Net sales (Note 17)	
Purchases of inventories (Note 18)	
Purchases of fixed assets (Note 10)	
Selling expenses (Note 19)	
Balance of trade receivables (Note 5)	
Balance of other receivables (Note 6)	
Balance of trade payables (Note 11)	
Balance of accrued expenses (Note 12)	
Balance of other current liabilities (Note 13)	

* *Percentage of total related class of assets/liabilities/sales/purchases/expenses.*

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25. SALDO DAN TRANSAKSI DENGAN PIHAK YANG BERELASI (Lanjutan)

25. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

c. Kompensasi personil manajemen kunci

Personil manajemen kunci termasuk anggota Dewan Komisaris dan Direksi. Berikut ini mencerminkan kompensasi yang dibayarkan atau terutang kepada personil manajemen kunci:

Dalam jutaan Rupiah	2014
Dewan komisaris:	
Gaji dan imbalan kerja lainnya	2.908
Direksi:	
Gaji dan imbalan kerja lainnya	25.115

d. Pada tanggal 31 Desember 2014 dan 2013, Perseroan memiliki perjanjian kontraktual dengan pihak berelasi sebagai berikut:

Perseroan memperoleh fasilitas kredit modal kerja dari The Bank of Tokyo – Mitsubishi UFJ Ltd., Jakarta dan Mizuho Corporate Bank Ltd., Singapura (tidak ada saldo pinjaman bank pada tanggal 31 Desember 2014 dan 2013). Fasilitas pinjaman ini sebagian dijamin oleh AGC. Sebagai jaminan untuk AGC, Perseroan menjaminkan hak atas tanah (HGB) yang terletak di Jakarta Utara seluas 154.436 meter persegi, di Cikampek seluas 189.285 meter persegi dan di Sidoarjo seluas 447.113 meter persegi, berikut bangunan di atasnya. Perseroan membayar biaya penjaminan kepada AGC sebesar 0,5% per tahun dari jumlah saldo pinjaman bank yang dijamin oleh AGC. Tidak terdapat biaya penjaminan untuk tahun yang berakhir 31 Desember 2014 dan 2013.

Perseroan memiliki perjanjian lisensi dengan Asahi Glass Co., Ltd., Jepang ("AGC", pemegang saham), untuk produksi kaca lembaran, kaca tempered, modular assembly window dan kaca laminated, dan membayar royalti sebesar 0,5% sampai dengan 2,5% dari jumlah penjualan bersih. Perjanjian ini berlaku sampai dengan Maret 2014 - Februari 2017, dan salah satu perjanjian akan diperpanjang secara otomatis untuk periode setiap satu tahun selanjutnya. Jumlah royalti untuk tahun yang berakhir 31 Desember 2014 sebesar Rp 27.950 juta (2013: Rp 24.421 juta).

c. Key management employees compensation

Key management includes members of the Boards of Commissioners and Directors. The following reflects compensation paid or payable to key management personnel:

In millions of Rupiah	2013
Board of commissioners:	
Salary and other benefits	2.573
Directors:	
Salary and other benefits	24.620

d. At 31 December 2014 and 2013, the Company had the following contractual arrangements with related parties:

The Company has obtained working capital loan facilities from The Bank of Tokyo – Mitsubishi UFJ Ltd., Jakarta and Mizuho Corporate Bank Ltd., Singapore (no outstanding bank loan as of 31 December 2014 and 2013). This facility is partially guaranteed by AGC. As collateral for AGC, the Company pledged its HGB land rights located in North Jakarta of 154,436 square meters, in Cikampek of 189,285 square meters and in Sidoarjo of 447,113 square meters, including buildings thereon. The Company pays a guarantee fees to AGC at the rates of 0.5% annually of total outstanding bank loans secured by AGC. No guarantee fees incurred for the years ended 31 December 2014 and 2013.

The Company has a license agreements with Asahi Glass Co., Ltd., Japan ("AGC", shareholder), to produce flat glass, tempered glass, modular assembly window and laminated glass, under which it pays royalties of 0.5% to 2.5% of total net sales. These agreements valid during March 2014 - February 2017, and one of which will be automatically extended for additional consecutive period of one year each. Total royalties incurred for the year ended 31 December 2014 amounted to Rp 27,950 million (2013: Rp 24,421 million).

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25. SALDO DAN TRANSAKSI DENGAN PIHAK YANG BERELASI (Lanjutan)

Perseroan memiliki perjanjian lisensi dengan Glaverbel S.A., Belgia (pihak berelasi) dimana Perseroan memproduksi dan menjual produk cermin yang disebut *Mirror New Generation* ("MNG"). Sesuai dengan perjanjian ini, Perseroan membayar royalti sebesar USD 0,075 per meter persegi untuk semua penjualan produk MNG oleh Perseroan. Perjanjian ini akan berakhir pada tanggal 11 Mei 2015. Jumlah royalti untuk tahun yang berakhir 31 Desember 2014 sebesar Rp 1.557 juta (2013: Rp 1.288 juta).

Perseroan memiliki perjanjian lisensi dengan AGC Flat Glass Europe S.A., Belgia (pihak berelasi) untuk mendapatkan lisensi guna memproduksi dan menjual produk-produk *CVD Coated Glass* (CVD CGP). Atas perjanjian lisensi ini, Perseroan membayar royalti sebesar 4% dari jumlah penjualan bersih CVD CGP. Perjanjian ini akan berakhir dua belas tahun sejak pertama kali CVD CGP dijual (Agustus 2009). Jumlah royalti untuk tahun yang berakhir 31 Desember 2014 sebesar Rp 8.278 juta (2013: Rp 6.862 juta).

Perseroan memiliki perjanjian pemasaran dengan Rodamas Marketing Pte., Ltd., Singapura ("RDM-S", pihak berelasi), dan membayar komisi agen penjualan kepada RDM-S sebesar 5% dari harga FOB dari produk yang dijual ke pelanggan. Jumlah komisi penjualan untuk tahun yang berakhir 31 Desember 2014 sebesar Rp 4.539 juta (2013: Rp 6.047 juta). Perjanjian ini telah berakhir pada tanggal 1 Oktober 2014.

25. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

The Company has a license agreement with Glaverbel S.A., Belgium (a related party) under which the Company manufactures and sells a mirror product called Mirror New Generation ("MNG"). Under this agreement, the Company pays royalties of USD 0.075 per square meter for all MNG products sold by the Company. This agreement will expire on 11 May 2015. Total royalties incurred for the year ended 31 December 2014 amounted to Rp 1,557 million (2013: Rp 1,288 million).

The Company has a license agreement with AGC Flat Glass Europe S.A., Belgium (a related party) to obtain a license to manufacture and sell CVD Coated Glass Products (CVD CGP). Under this agreement, the Company pays royalties at 4% of net sales CVD CGP. This agreement will expire twelve years from when the first CVD CGP was sold (August 2009). Total royalties incurred for the year ended 31 December 2014 amounted to Rp 8,278 million (2013: Rp 6,862 million).

The Company has a marketing agreement with Rodamas Marketing Pte., Ltd., Singapore ("RDM-S", a related party), under which it pays agency commission to RDM-S at 5% of the FOB price of product sold to customers. Total commission fees incurred for the year ended 31 December 2014 amounted to Rp 4,539 million (2013: Rp 6,047 million). This agreement has been terminated on 1 October 2014.

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25. SALDO DAN TRANSAKSI DENGAN PIHAK YANG BERELASI (Lanjutan)

25. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

e. Sifat hubungan dan jenis transaksi dengan pihak-pihak berelasi adalah sebagai berikut:

e. The nature of the relationship and transactions with related parties is as follows:

Pihak-pihak berelasi/Related parties	Hubungan relasi/Related parties relationship	Transaksi/Transaction
Asahi Glass Co., Ltd., Japan	Pemegang saham/Shareholder	Penjualan, pembelian bahan baku, aset tetap dan royalti/Sales, purchase of raw materials, fixed assets and royalty
PT Rodamas, Indonesia	Pemegang saham/Shareholder	Pembelian aset tetap dan penjualan/Purchase of fixed assets and sales
AGC Flat Glass Europe S.A., Belgium	Perusahaan afiliasi/Affiliated Company	Pembelian bahan baku dan royalti/Purchase of raw materials and royalty
AGC Technology Solutions Co., Ltd., Japan	Perusahaan afiliasi/Affiliated Company	Pembelian bahan baku dan aset tetap/Purchase of raw materials and fixed assets
AG Soda Corporation, America	Perusahaan afiliasi/Affiliated Company	Pembelian bahan baku/Purchase of raw materials
AGC Automotive (Thailand) Co., Ltd., Thailand	Perusahaan afiliasi/Affiliated Company	Penjualan, pembelian bahan baku dan aset tetap/Sales, Purchase of raw materials and fixed assets
AGC Asia Pacific Pte., Ltd., Singapore (previously AGC Flat Glass Asia Pacific Pte., Ltd., Singapore)	Perusahaan afiliasi/Affiliated Company	Penjualan dan pembelian bahan baku/Sales and purchase of raw materials
PT Saint Gobain Winter Diamas, Indonesia	Perusahaan afiliasi/Affiliated Company	Pembelian bahan baku/Purchase of raw materials
Rodamas Marketing Pte., Ltd., Singapore	Perusahaan afiliasi/Affiliated Company	Penjualan dan komisi penjualan/Sales and sales commission
Auto Glass Co., Ltd., Japan	Perusahaan afiliasi/Affiliated Company	Penjualan/Sales
Asahi India Glass Ltd.	Perusahaan afiliasi/Affiliated Company	Penjualan/Sales
AGC Automotive (China) Co., Ltd.	Perusahaan afiliasi/Affiliated Company	Penjualan/Sales
AGC Automotive Phillipines Inc.	Perusahaan afiliasi/Affiliated Company	Penjualan/Sales
Glaverbel S.A., Belgium	Perusahaan afiliasi/Affiliated Company	Royalti/Royalty
AGC Vidros Do Brasil	Perusahaan afiliasi/Affiliated Company	Penjualan/Sales
AGC Technology Solutions Kunshan Co., Ltd.	Perusahaan afiliasi/Affiliated Company	Pembelian bahan baku/Purchase of raw materials
AGC Flat Glass (Thailand) Public Co., Ltd.	Perusahaan afiliasi/Affiliated Company	Pembelian bahan baku/Purchase of raw materials
PT Auto Glass Indonesia	Anak perusahaan/Subsidiary	Penjualan/Sales

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**26. ASET DAN LIABILITAS DALAM
VALUTA ASING**

**26. ASSETS AND LIABILITIES IN
FOREIGN CURRENCIES**

Aset dan liabilitas dalam valuta asing pada tanggal
31 Desember 2014 dan 2013 adalah sebagai berikut :

*Assets and liabilities in foreign currencies as of
31 December 2014 and 2013 were as follows:*

	2014		
	Valuta asing/ <i>Foreign currencies</i>	Setara dengan/ <i>Equivalent in</i> Rp juta/million	
ASET			ASSETS
Kas dan setara kas	USD 32.402.266 JPY 3.624.959 AUD 459 Lainnya/Others	403.084 378 5 1	<i>Cash and cash equivalents</i>
Piutang usaha:			<i>Trade receivables:</i>
Pihak ketiga	USD 73.263	911	<i>Third parties</i>
Pihak berelasi	USD 11.633.244 JPY 21.023.557 AUD 853.832	144.718 2.192 8.724	<i>Related parties</i>
Total aset		560.013	<i>Total assets</i>
LIABILITAS			LIABILITIES
Utang usaha:			<i>Trade payables:</i>
Pihak ketiga	USD 6.419.640 JPY 16.462.959 EUR 522.373 AUD 153 Lainnya/Others	79.860 1.716 7.905 2 2.488	<i>Unrelated parties</i>
Pihak berelasi	JPY 70.274.456 USD 1.246.362 EUR 132.723	7.326 15.505 2.008	<i>Related parties</i>
Beban accrual	USD 1.159.295 JPY 17.580.138 EUR 201	14.422 1.833 3	<i>Accrued expenses</i>
Liabilitas jangka pendek lainnya	JPY 12.004.936 USD 34.630 Lainnya/Others	1.252 431 61	<i>Other current liabilities</i>
Total liabilitas		134.812	<i>Total liabilities</i>
TOTAL ASET BERSIH		425.201	TOTAL ASSETS, NET

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**26. ASET DAN LIABILITAS DALAM
VALUTA ASING (Lanjutan)**

**26. ASSETS AND LIABILITIES IN
FOREIGN CURRENCIES (Continued)**

	2013		
	Valuta asing/ <i>Foreign currencies</i>	Setara dengan/ <i>Equivalent in</i> Rp juta/million	
ASET			ASSETS
Kas dan setara kas	USD 27.046.324 JPY 14.853.632 Lainnya/Others	329.668 1.726 5	Cash and cash equivalents
Piutang usaha:			Trade receivables:
Pihak ketiga	USD 160.138	1.952	Third parties
Pihak berelasi	USD 11.277.873 AUD 646.962 JPY 24.081.740	137.466 7.036 2.798	Related parties
Total aset		480.651	Total assets
LIABILITAS			LIABILITIES
Utang usaha:			Trade payables:
Pihak ketiga	USD 6.762.527 JPY 69.132.609 EUR 805.814 Lainnya/ Others	82.428 8.031 13.555 2.108	Unrelated parties
Pihak berelasi	USD 3.362.379 JPY 84.589.523	40.984 9.827	Related parties
Beban akrual	USD 267.406 JPY 11.242.242 Lainnya/ Others	3.259 1.306 24	Accrued expenses
Liabilitas jangka pendek lainnya	USD 312.779 JPY 10.305.614	3.812 1.197	Other current liabilities
Total liabilitas		166.531	Total liabilities
TOTAL ASET BERSIH		314.120	TOTAL ASSETS, NET

Penjabaran ke dalam rupiah dilakukan dengan menggunakan kurs tengah Bank Indonesia yang berlaku pada tanggal pelaporan.

The amounts were translated into rupiah at the middle rates of exchange quoted by Bank Indonesia at the reporting date.

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27. INFORMASI SEGMENT

27. SEGMENT INFORMATION

Segmen usaha

Business segments

Perseroan menjalankan dua segmen kegiatan usaha, yaitu segmen usaha kaca lembaran dan segmen usaha kaca otomotif. Masing-masing segmen dipimpin oleh seorang Direktur.

The Company has two business segments, namely flat glass segment and automotive glass segment. Each segment is headed by a Director.

Segmen kaca lembaran memproduksi berbagai jenis kaca polos, kaca berpola, kaca reflektif dan kaca cermin, yang terutama digunakan sebagai partisi pembatas, kaca jendela, kaca untuk konstruksi bangunan dan sebagai bahan baku untuk industri hilir.

The flat glass segment produces a broad range of clear and tinted glass, figured glass, reflective glass and mirror glass, which are used primarily for glass curtain walls, window glass, suspended glass in building construction and as raw materials for downstream industry.

Segmen kaca otomotif memproduksi dua jenis utama kaca otomotif yaitu kaca *tempered* dan kaca *laminated* yang terutama digunakan dalam industri otomotif.

Tempered glass and laminated glass are the two main types of automotive glass produced by the automotive glass segment, which are primarily used in the automotive industry.

Hasil dari operasi tiap segmen usaha adalah sebagai berikut (dalam jutaan Rupiah):

The results of operations of each segment are disclosed below (in millions of Rupiah):

	Kaca Lembaran/Flat Glass		Kaca Otomotif/ Automotive Glass		Eliminasi/Elimination		Jumlah/Total		
	2014	2013	2014	2013	2014	2013	2014	2013	
Penjualan bersih:									<i>Net sales:</i>
Eksternal	2.535.516	2.233.474	1.136.670	983.006	-	-	3.672.186	3.216.480	<i>External</i>
Antar segmen	219.917	198.189	-	-	(219.917)	(198.189)	-	-	<i>Inter segment</i>
Jumlah penjualan bersih	2.755.433	2.431.663	1.136.670	983.006	(219.917)	(198.189)	3.672.186	3.216.480	<i>Total net sales</i>
Beban pokok penjualan							(2.766.551)	(2.488.570)	<i>Cost of sales</i>
Laba bruto							905.635	727.910	<i>Gross profit</i>
Beban penjualan							(338.976)	(298.992)	<i>Selling expenses</i>
Beban umum dan administrasi							(43.652)	(44.264)	<i>General and administrative expenses</i>
Pendapatan lainnya, bersih							32.631	44.721	<i>Miscellaneous income, net</i>
Laba usaha							555.638	429.375	<i>Operating profit</i>
Pendapatan keuangan							42.169	21.378	<i>Finance income</i>
Laba sebelum pajak penghasilan							597.807	450.753	<i>Profit before income tax</i>

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27. INFORMASI SEGMENT (Lanjutan)

27. SEGMENT INFORMATION (Continued)

Informasi lainnya	Kaca Lembaran/Flat Glass		Kaca Otomotif/ Automotive Glass		Eliminasi/Elimination		Jumlah/Total		Other information
	2014	2013	2014	2013	2014	2013	2014	2013	
Aset segmen	3.113.046	2.784.457	740.434	700.096	-	-	3.853.480	3.484.553	Segment assets
Aset yang tidak dialokasikan	-	-	-	-	-	-	64.911	54.840	Unallocated corporate assets
Total aset							3.918.391	3.539.393	Total assets
Liabilitas segmen	537.930	523.391	170.364	213.627	-	-	708.294	737.018	Segment liabilities
Liabilitas yang tidak dialokasikan	-	-	-	-	-	-	25.455	41.648	Unallocated corporate liabilities
Total liabilitas							733.749	778.666	Total liabilities

Aset dan liabilitas segmen tidak mencakup aset dan liabilitas pajak penghasilan.

Segment assets and liabilities do not include income tax assets and liabilities.

Segmen geografis

Geographical segments

- a. Perseroan menjual barangnya pada pasar domestik dan global. Di Indonesia, operasi Perseroan dilakukan di tiga wilayah geografis utama: Jakarta, Cikampek dan Sidoarjo.

- a. The Company sells its goods in the domestic and global markets. In Indonesia, the Company operates in three principal geographical areas: Jakarta, Cikampek and Sidoarjo.

Di Jakarta, tempat kantor pusat berada, Perseroan memproduksi dan menjual berbagai jenis produk kaca lembaran.

In Jakarta, where the head office is located, the Company produces and sells a broad range of flat glass products.

Operasi di Sidoarjo pada dasarnya sama dengan yang di Jakarta yaitu memproduksi dan menjual berbagai jenis produk kaca lembaran, terutama produk kaca lembaran berkualitas tinggi.

Operations in Sidoarjo are essentially similar to those in Jakarta which consist of manufacturing and selling a broad range of flat glass products, especially high quality flat glass products.

Aktivitas operasi dan produksi segmen kaca otomotif dijalankan di Bukit Indah Industrial Park, Cikampek.

The operations and production activities of the automotive glass segment are carried out in Bukit Indah Industrial Park, Cikampek.

- b. Informasi berikut menunjukkan distribusi dari penjualan Perseroan tanpa memperhatikan tempat diproduksinya barang:

- b. The following information shows the distribution of sales of the Company regardless of where the goods were produced:

Dalam jutaan Rupiah	2014	2013	In millions of Rupiah
Indonesia	2.375.095	2.155.238	Indonesia
Asia	1.056.622	905.634	Asia
Australia dan Selandia Baru	147.211	90.989	Australia and New Zealand
Timur Tengah	43.713	38.066	Middle East
Amerika	28.862	14.142	America
Europa	-	9.184	Europe
Afrika	20.683	3.227	Africa
	3.672.186	3.216.480	

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28. INSTRUMEN KEUANGAN DAN MANAJEMEN RESIKO KEUANGAN

Instrumen keuangan

Nilai tercatat dari aset keuangan yang diakui sebesar biaya perolehan diamortisasi dalam laporan keuangan lebih kurang sama dengan nilai wajarnya karena instrumen keuangan tersebut berjangka waktu pendek.

Manajemen resiko keuangan

Resiko utama yang timbul dari instrumen keuangan Perseroan adalah resiko kredit dan resiko mata uang yang timbul dari kegiatan normal.

Resiko kredit

Manajemen memiliki kebijakan kredit yang ditetapkan untuk setiap pelanggan dan resiko kredit dipantau secara berkelanjutan dengan mengevaluasi kolektibilitas dari masing-masing saldo piutang usaha.

Nilai tercatat aset keuangan mencerminkan eksposur kredit maksimum.

Lihat Catatan 5 untuk rincian resiko kredit atas piutang usaha.

Resiko mata uang

Perseroan memiliki resiko mata uang sehubungan dengan transaksi (pembelian aset tetap dan persediaan dari pemasok luar negeri dan penjualan ekspor) dalam mata uang selain rupiah. Mata uang yang mempengaruhi resiko ini terutama USD, EUR, JPY dan AUD (Lihat Catatan 26).

Manajemen tidak melakukan lindung nilai karena aset dalam valuta asing yang tersedia cukup untuk melunasi liabilitas dalam valuta asing.

28. FINANCIAL INSTRUMENT AND FINANCIAL RISK MANAGEMENT

Financial instrument

The carrying amounts of financial assets that are recognized at amortized cost in the financial statements approximate their fair value because substantially all of the instruments are short-term in nature.

Financial risk management

The main risks arising from the Company's financial instruments are credit and currency risks that arises in the normal course of business.

Credit risk

Management sets credit limits for each customer and the exposure to credit risk is monitored on an ongoing basis by evaluating the collectability of each trade receivables balance.

The carrying amount of financial assets represents the maximum credit exposure.

See Note 5 for details of maximum exposure to credit risk for trade receivables.

Currency risk

The Company has exposure to currency risk through transactions (purchases of fixed assets and inventories from overseas suppliers, and export sales) in currencies other than rupiah. The currencies giving risk to this risk are primarily USD, EUR, JPY and AUD (See Note 26).

The Company does not enter into hedging transactions since the foreign currency assets are sufficient to settle the foreign currency liabilities.

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28. INSTRUMEN KEUANGAN DAN MANAJEMEN RESIKO KEUANGAN (Lanjutan)

28. FINANCIAL INSTRUMENT AND FINANCIAL RISK MANAGEMENT (Continued)

Pada tanggal pelaporan, saldo aset dan liabilitas moneter dalam valuta asing dijabarkan dalam rupiah dengan kurs yang berlaku pada tanggal tersebut. Kurs utama yang digunakan pada tanggal 31 Desember 2014 dan 2013, berdasarkan kurs tengah Bank Indonesia adalah sebagai berikut:

At reporting date, balances of monetary assets and liabilities in foreign currencies are translated into rupiah at the exchange rates prevailing at that date. As of 31 December 2014 and 2013, the relevant key exchange rates used, based on Bank Indonesia middle rates, are as follows:

	2014 Rp	2013 Rp	
Dolar Amerika Serikat (USD) 1	12.440	12.189	U.S. dollar (USD) 1
Dolar Australia (AUD) 1	10.218	10.876	Australian dollar (AUD) 1
Euro Eropa (EUR) 1	15.133	16.821	European euro (EUR) 1
Yen Jepang (JPY) 1	104	116	Japanese yen (JPY) 1

Menguatnya/melemahnya Rupiah, terhadap valuta lain akan berdampak pada laba atau rugi setelah pajak penghasilan sebesar:

Strengthening/weakening of the Rupiah, against other currencies would impact equity and profit or loss after income tax by the amounts shown below:

	Ekuitas/laba atau rugi setelah pajak penghasilan (dalam jutaan Rupiah)		Equity/profit or loss after income tax (in millions of Rupiah)
31 Desember 2014		31 December 2014	
Kenaikan/penurunan 1.5%	4.783	Strengthening/weakening 1.5%	4,783
31 Desember 2013		31 December 2013	
Kenaikan/penurunan 1%	2.356	Strengthening/weakening 1%	2,356

Pengelolaan modal

Kebijakan pengelolaan modal Perseroan adalah untuk menjaga struktur modal yang kuat sehingga menjaga kepercayaan investor, kreditur dan pasar dan juga untuk mempertahankan perkembangan masa depan dari bisnis Perseroan, termasuk untuk membiayai pengeluaran yang diperlukan untuk perbaikan fasilitas produksi. Dalam usaha untuk menjaga struktur modal yang optimal, manajemen dapat menyesuaikan jumlah dividen yang dibayarkan kepada pemegang saham.

Tidak ada perubahan yang dilakukan terhadap kebijakan pengelolaan modal Perseroan selama tahun berjalan.

Capital management

The Company's policy is to maintain a strong capital structure as to maintain investor, creditor and market confidence and to sustain future development of the Company's business, including to address the need for substantial capital expenditure inherently required with respect to refurbishment of production facilities. To maintain optimal structure of capital, management determine the level of dividends paid to shareholders.

There were no changes made in the Company's capital management policies during the year.



AGC Group

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