

Investor Newsletter

Shareholding Composition

as of March 31

	2009	2010	ΔYoY
PT Bank Danamon Indonesia Tbk	75.0%	95.0%	20%
Mega Value Profits Limited	17.4%	-	(17.4%)
Public (< 5%)	7.6%	5.0%	(1.6%)

Share Performance



Credit Ratings

Pefindo	Rating / Outlook
Corporate	idAA / Stable
Bonds	idAA / Stable

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Highlights of First Quarter 2010 Results

- New financing rose 74% to Rp4,825 billion
- Managed receivables increased 22% to Rp20.3 trillion
- Operating Income grew 18% to Rp749 billion
- NPAT rose 13% to Rp333 billion
- Net Interest Margin stood at 9.7%
- ROAA and ROAE were 29.2% and 47.2% respectively

Financial Highlights

Rp billion	1Q09	1Q10	ΔYoY
New financing units	215,257	328,714	52.7%
New financing volume	2,780	4,825	73.6%
Managed receivables ¹	16,655	20,327	22.0%
Balance Sheet			
Consumer financing receivables ²	1,623	2,834	74.7%
Total assets	3,827	4,665	21.9%
Borrowings and bonds	833	877	5.4%
Total liabilities	1,583	1,680	6.1%
Total equity	2,244	2,985	33.0%
Income Statement			
Net interest income ³	637	474	-25.5%
Operating income	635	749	17.9%
Operating expense	225	308	36.6%
Cost of credit	12	4	-70.1%
Income before tax	417	445	6.7%
Net income	294	333	13.2%
Key Ratios (%)			
Net interest margin ³	15.2%	9.7%	-5.5%
Net profit margin	33.0%	41.4%	8.4%
Cost to income	35.5%	41.1%	5.6%
Return on average assets	31.0%	29.2%	-1.8%
Return on average equity	56.2%	47.2%	-9.0%
Debts/equity (X)	0.4	0.3	-20.8%

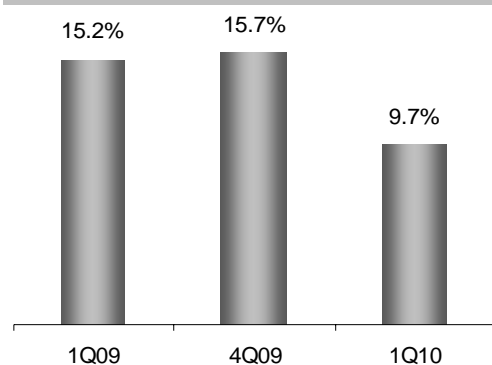
¹ Includes receivables financed by the Parent Company under joint financing scheme.

² Net off portion of receivables financed by the Parent Company and allowance for possible losses.

³ Consumer financing income for the three months period ended March 31, 2010 was deducted with amortization of deferred charges of acquisition cost amounting to Rp269 billion.

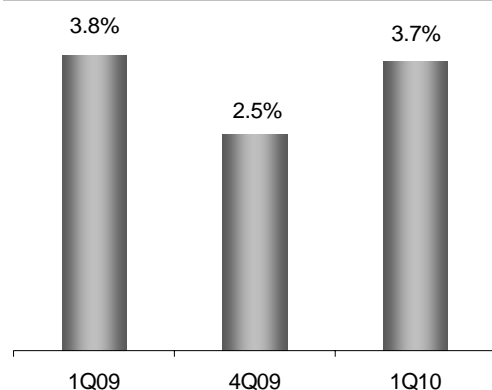
Net Interest Margin

% of average managed receivables



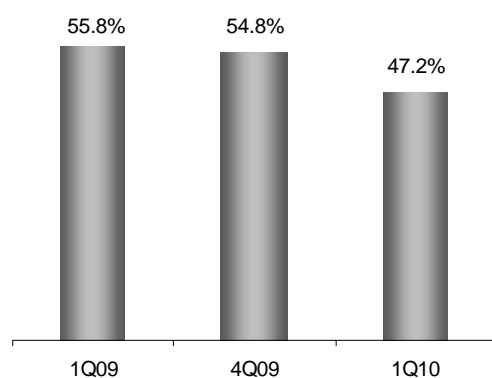
Cost of Credit

% of average managed receivables



ROAE

% annualized



Income Statement

Net interest income amounted to Rp474 billion in the first quarter 2010, a 26% decreased from Rp637 billion in same period last year due to reclassification Rp260 billion acquisition cost from previously deducting fee income to netting with interest income under new accounting standards. If we exclude the impact of accounting changes, net interest income rose 15% to Rp734 billion in the first quarter 2010 driven by higher managed receivables.

Accordingly, net interest margin declined to 9.7% in the first quarter 2010 as compared to 15.2% in last year's first quarter due to changes in accounting treatment of acquisition costs. If we use the previous accounting standards, our net interest margin stood at 15.1% in the first quarter 2010.

Fee income increased significantly to Rp274 billion in the first quarter 2010 as opposed to an expense of Rp2 billion in the same period last year as a result of the changes in accounting treatment of acquisition cost whereby Rp260 billion acquisition cost was netted to interest income in the first quarter 2010.

Overall, operating income rose 18% to Rp749 billion from Rp635 billion in the first quarter 2009.

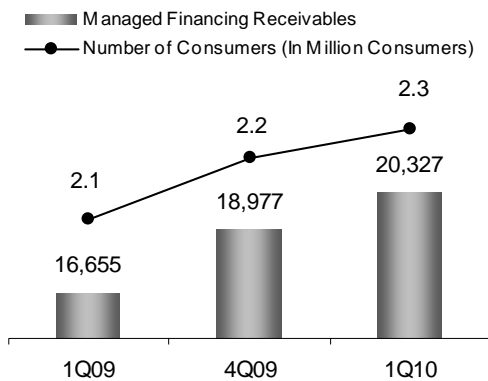
In the first quarter 2010, operating expense was Rp308 billion, an increase of 37% from Rp225 billion in the same quarter last year as we continue expanding business networks to increase our market presence, particularly outside Java and Bali, as well as adding employees to support our growing businesses. During the year, our networks expanded 12% to 336 networks (branches, representative offices, points of service, kiosks and dealer outlets) while our employees increased 29% to 17,507 to support business expansion. As such, cost to income ratio stood at 41% in the first quarter 2010 as compared to 36% in the previous year's quarter.

Consolidated cost of credit was Rp174 billion in the first quarter 2010, an increase of 9.5% from Rp158 billion in same period last year despite our consumer receivables expanded 22% to Rp20,327 billion in March 2010. As such, cost of credit improved to 3.7% average receivables in the first quarter 2010 from 3.8% in the first quarter last year supported by improved operating environments as well as reflecting strong risk management of the company.

Taken all together, **Adira Finance recorded a net profit after tax of Rp333 billion in the first quarter 2010, an increase of 13% from Rp294 billion in the same quarter last year.** Accordingly, ROAA and ROAE stood at 29.2% and 47.2%, respectively, in the first quarter, as compared to 31.0% and 56.2% in the same quarter last year.

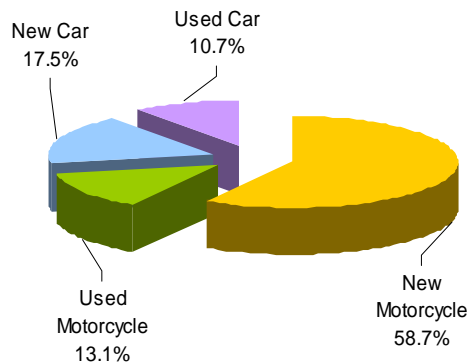
Managed Financing Receivables

In Rp billion



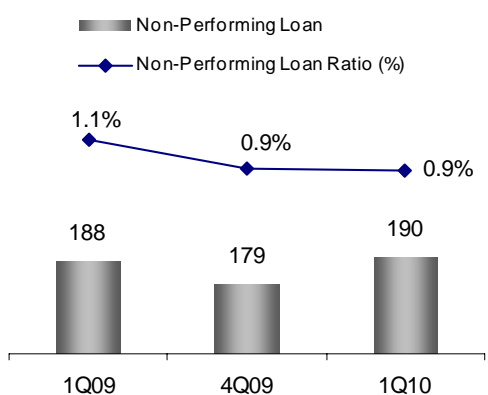
Outstanding Managed Receivables

% of Total, as of March 31, 2010



Non-Performing Loan

In Rp billion



Balance Sheet

Our new financing reached 328,714 units in the first quarter 2010, an increase of 53% from 215,257 units in the previous year's quarter driven by a strong growth in both cars and motorcycles financing. New car financing more than doubled to 7,092 units in the first quarter 2010 and as such our market share in new car financing rose to 4.1% from 3.2% in the same period last year. Aside from a strong recovery in the industry sales of new cars, our efforts in building public awareness that Adira Finance also offers car financing started to show results. New motorcycle financing shown a strong growth in the first quarter 2010 whereas total financing units rose 54% to 224,868 units. As such, our market share in new motorcycle financing was 13.7% in the first quarter 2010.

In term of value, our new financing was Rp4.8 trillion in the first quarter 2010, an increase of 74% from Rp2,780 billion in the same quarter last year. Motorcycle financing remains the major contributor of the growth with new financing reaching Rp3,268 billion in the first quarter 2010, representing 68% of our new financing. Car financing rose 110% to Rp1,557 billion in the first quarter 2010 and accounted for the remaining 32% of new financing.

In term of market, over 60% of new financing in the first quarter 2010 was originated from Java and Bali areas while the remaining 40% come from outside Java and Bali areas. This composition has slightly changed over the year as we are targeting outside Java & Bali for our areas for growth going forward.

In term of products, motorcycles financing still accounted for over a half of receivables in March 2010. However, as we strengthen our car financing business, the composition of receivables has shifted whereby the share of car financing steadily increased to 28% in the first quarter 2010 from 25% a year earlier.

Our net receivables, excluding receivables managed under joint financing scheme with parent company, increased 75% to Rp2,834 billion as of March 2010. A significant increase in net receivables has led our total assets to increased 22% to Rp4,665 billion in March 2010 from Rp3,827 billion a year earlier.

We continue to apply a prudent lending practice to maintain our asset quality as one of the key success factor in this business. The quality of our managed financing receivables (including joint financing receivables) remained sound as reflected by low non-performing loan (NPL). Our NPL ratio decreased to 0.9% in March 2010 from 1.1% a year earlier.

Our interest-bearing liabilities increased 5.4% to Rp877 billion. The main increase came from short-term borrowing, which rose 140% from Rp83 billion a year earlier to Rp200 billion in March 2010. While our bonds payable decreased 10% as we settled Rp570 billion Adira Finance Bonds II Serial A in June 2009. Before that we successfully issued Adira Finance Bonds III of Rp500 billion in May 2009. Overall total liabilities increased 6% to Rp1,680 billion in March 2010.

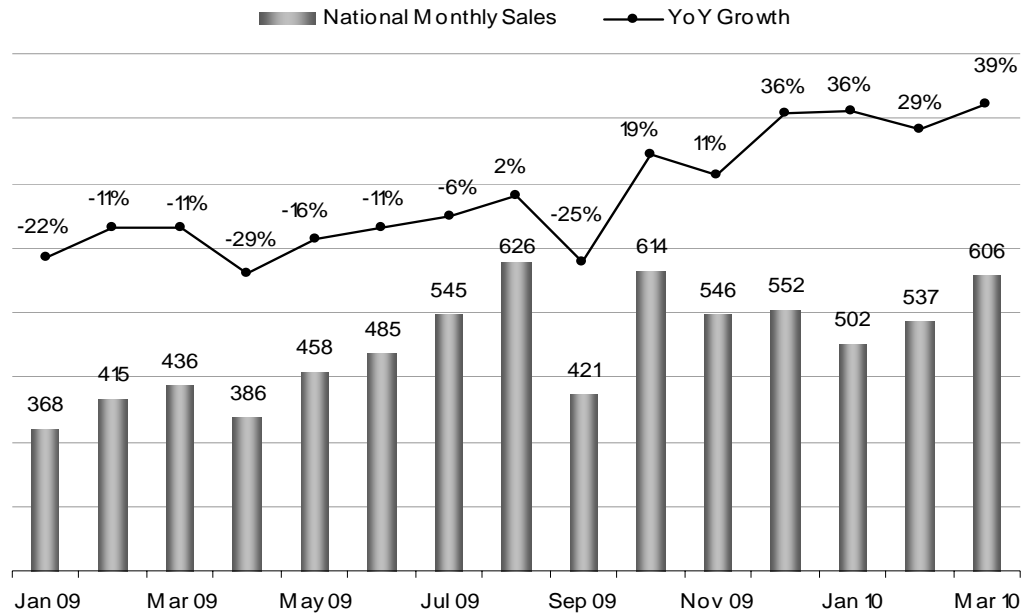
Total equity increased 33% to Rp2,985 billion in March 2010 from Rp2,244 billion a year earlier largely due to an increase in retained earnings. Accordingly, our debt to equity ratio stood at a low 0.3 times as in March 2010, providing ample room for growth in the future.

Indonesia Automotive Industry Update

In the first quarter 2010, national automotive industry continues to performance strongly. Industry's domestic sales of new motorcycles and cars sales increased 35% and 74% to 1,644,731 units and 173,997 units, respectively in the first quarter 2010. Higher economy growth, low inflation, strengthen exchange rate, high consumer confidence as well as low interest rates and availability of credit financing have contributed to the strong recovery of domestic automotive industry.

National New Motorcycles Sales

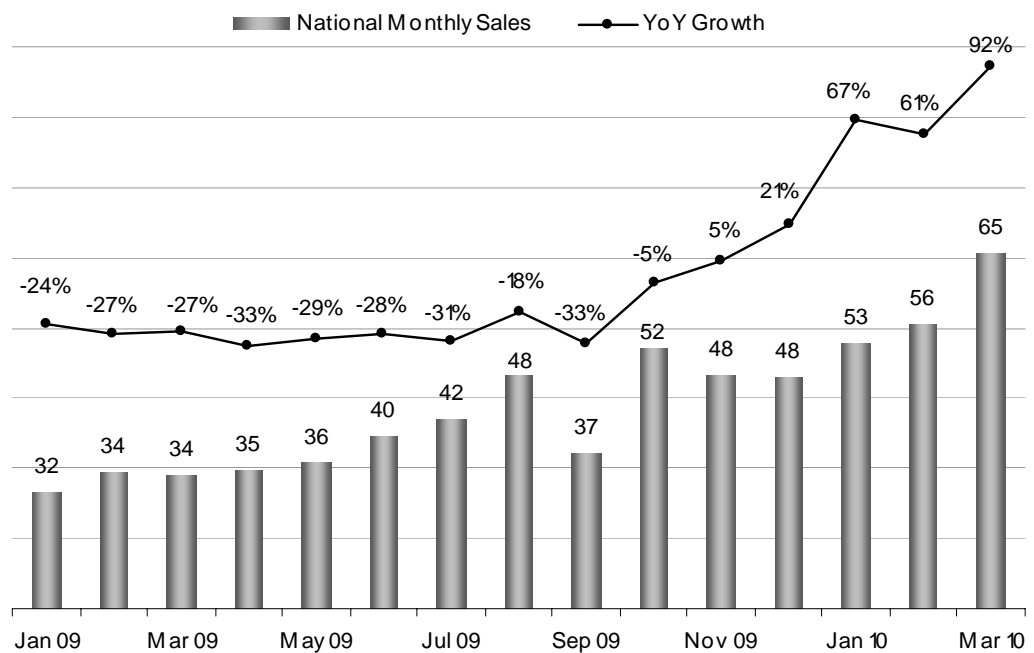
In Thousand Units



Source: Indonesian Motorcycles Industry Association (AISII)

National New Cars Sales

In Thousand Units



Source: Association of Indonesian Automotive Industries (GAIKINDO)

In view of an expected significant improvement of operating environment this year, industry's sales of new motorcycles is projected to grow 15% to 6.8 million units. While sales of new cars is estimated to grow 10%-15% to 550,000 units. Higher economy growth and low inflation will increase the purchasing power of consumers. While strengthening Rupiah exchange rates as well as improved economy outlook have maintained the consumer confident level at historically high. Coupled with introduction of new models by manufacturers this year, we believe that the prospect of automotive industry is promising this year.

Corporate Updates

■ Annual General Meeting of Shareholders

On April 7, 2009, we held an Annual General Meeting of Shareholders (AGMS) in Jakarta, which among others approved the Annual Report of the Board of Directors and financial statements for the year ended 2009.

AGMS also provided shareholders' approval for cash dividend payment of Rp242.5 per share or approximately 20% of Adira Finance's net income for 2009. On the same day, Adira Finance also held a Regulatory Public Expose and announced its performance in 2009.

In addition, AGMS also approved the new membership composition of Board of Commissioners and Directors of the Company as follows:

Board of Commissioners	
President Commissioner (Independent)	Theodore Permadi Rachmat
Commissioner (Independent)	Djoko Sudyatmiko
Commissioner (Independent)	Marwoto Hadi Soesastro
Commissioner	Eng Heng Nee Philip
Commissioner	Muliadi Rahardja
Commissioner	Vera Eve Lim
Commissioner	Sng Seow Wah **
Commissioner	Rajeev Kakar **
Board of Directors	
President Director	Stanley Setia Atmadja
Director	Erida Gunawan
Director	Marwoto Soebiakno
Director	Hafid Hadel
Director	Ho Lioeng Min
Director	I Dewa Made Susila **

*** Shall be effective since the date of passing fit and proper test.*

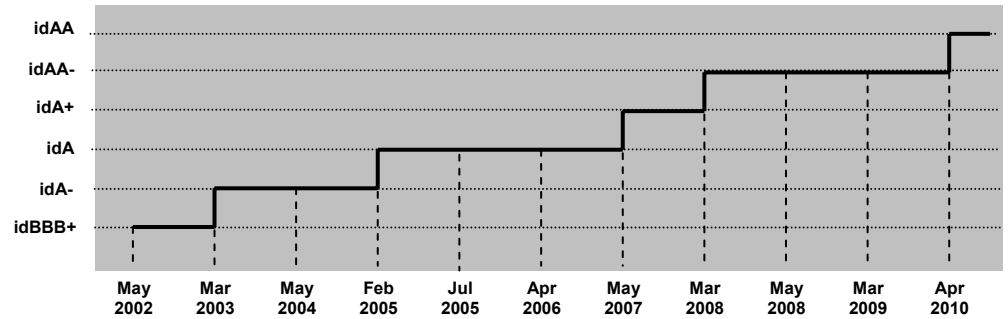
■ Credit Rating Upgrade

On April 14, 2010, PT Pemeringkat Efek Indonesia (Pefindo) announced the ratings of Adira Finance and its bonds for the period of April 14, 2010 to April 1, 2011.

The rating assigned for Adira Finance, Adira Dinamika Multi Finance Bonds II Year 2006 (Adira Finance Bonds II) and Adira Dinamika Multi Finance Bonds III Year 2009 (Adira Finance Bonds III) was upgraded from "idAA-" (**Double A minus; Stable Outlook**) to "idAA" (**Double A; Stable Outlook**). Obligor and debt securities with idAA rating have a very strong ability compare to other entities in Indonesia to fulfill its financial obligations on its debts, however quite

sensitive towards changes in adverse circumstances. Obligor's ability is not very much affected by the deteriorating economic, business and finance development.

Development of Adira Finance's Credit Ratings



■ Bonds Settlement in 2010

Adira Finance has matured bonds in 2010 with details as follows:

Bonds	Nominal Value	Fixed Interest Rate	Maturity Date
Adira Finance Bonds III Serial A	Rp46 bio	12.55%	May 18, 2010
Adira Finance Bonds II Serial B	Rp90 bio	14.50%	June 8, 2010

The Company has prepared sufficient internal fund to fulfill the above obligations. As of March 31, 2010, the Company has cash and cash equivalent of Rp448 billion.

PT ADIRA DINAMIKA MULTI FINANCE Tbk
BALANCE SHEETS
31 MARCH 2010 AND 2009

(Expressed in millions of Rupiah, unless otherwise stated)

Description	Mar 09 YTD	Mar 10 YTD
ASSETS		
Cash and cash equivalents		
Cash on hand	31,153	32,866
Cash in banks and cash equivalents		
Third parties	139,930	235,108
Related party	818,445	179,566
Consumer financing receivables - net		
Third parties	1,620,939	2,834,435
Related party	1,566	-
Finance lease receivables - net		
Third parties	-	8,439
Prepaid expenses	73,241	96,276
Deferred charges - net		
Third parties	868,522	997,734
Related parties	6,630	6,914
Other receivables - net		
Third parties	6,803	17,532
Related parties	14,410	1,931
Investments in shares	-	650
Fixed assets - net book value	199,297	200,304
Other assets	45,579	52,997
TOTAL ASSETS	3,826,515	4,664,752
LIABILITIES		
Borrowings	83,333	200,000
Accrued expenses		
Third parties	197,940	306,020
Related party	138	2,402
Bonds payable		
Third parties	734,399	551,333
Related party	15,000	126,000
Other payables		
Third parties	47,961	154,184
Related parties	36,731	69,052
Taxes payable	256,920	13,625
Deferred tax liabilities - net	210,108	257,022
TOTAL LIABILITIES	1,582,530	1,679,638
EQUITY		
Share capital - par value Rp 100 (full amount) per share	100,000	100,000
Authorized capital 4,000,000,000 shares		
Issued and fully paid 1,000,000,000 shares		
Retained earnings		
Appropriated	22,608	32,810
Unappropriated	2,121,377	2,852,304
TOTAL EQUITY	2,243,985	2,985,114
TOTAL LIABILITIES AND EQUITY	3,826,515	4,664,752

PT ADIRA DINAMIKA MULTI FINANCE Tbk
STATEMENTS OF INCOME
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2010 AND 2009

(Expressed in millions of Rupiah, unless otherwise stated)

Description	Mar 09 YTD	Mar 10 YTD
INCOME		
Consumer financing *	665,218	504,472
Financing Lease	-	3
Others	244,313	323,089
TOTAL INCOME	909,531	827,564
EXPENSES		
Acquisition cost of consumer financing	(225,087)	-
Salaries and benefits	(140,848)	(211,970)
General and administrative	(84,204)	(95,535)
Interest expense and financing charges	(28,548)	(30,076)
Marketing	(2,325)	(25,672)
Allowance for possible losses	(4,573)	(13,430)
Others	(7,346)	(6,359)
TOTAL EXPENSES	(492,931)	(383,042)
INCOME BEFORE INCOME TAX	416,600	444,522
INCOME TAX EXPENSE		
Current	(120,577)	(73,773)
Deferred	(2,041)	(38,038)
INCOME TAX EXPENSE	(122,618)	(111,811)
NET INCOME	293,982	332,711
EARNINGS PER SHARE - BASIC (expressed in full amount of Rupiah)	294	333

* Consumer financing income for the three months period ended March 31, 2010 was deducted with amortization of deferred charges amounted to Rp269 billion.

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