
HALF YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT

INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

1 (a) (i) Income statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	2nd Quarter			1st Half		
	2010 Rp'000	2009 Rp'000	Change %	2010 Rp'000	2009 Rp'000	Change %
Revenue	53,917,293	89,529,104	(40)	119,957,351	139,838,627	(14)
Cost of sales	<u>(38,511,686)</u>	<u>(56,793,940)</u>	(32)	<u>(83,002,455)</u>	<u>(91,199,407)</u>	(9)
Gross profit	15,405,607	32,735,164	(53)	36,954,896	48,639,220	(24)
Other income	2,072,818	16,212,201	(87)	4,809,471	10,007,700	(52)
Distribution expenses	(1,371,251)	(1,107,233)	24	(1,839,603)	(2,305,280)	(20)
Administrative expenses	(11,309,870)	(3,448,877)	228	(16,760,178)	(7,055,596)	138
Other expenses	(44,315)	(2,096,092)	(98)	(46,485)	(2,108,819)	(98)
Finance costs	<u>(1,957,455)</u>	<u>(3,006,190)</u>	(35)	<u>(4,554,775)</u>	<u>(6,551,830)</u>	(30)
Profit before income tax	2,795,534	39,288,973	(93)	18,563,326	40,625,395	(54)
Income tax expense	<u>(2,266,735)</u>	<u>(10,671,817)</u>	(79)	<u>(6,254,848)</u>	<u>(10,438,242)</u>	(40)
Profit after income tax	<u>528,799</u>	<u>28,617,156</u>	(98)	<u>12,308,478</u>	<u>30,187,153</u>	(59)
Other comprehensive income, net of tax						
Foreign currency translation differences on consolidation	(48,310)	-	n.m	906,623	-	n.m

	2nd Quarter		Change %	1st Half		Change %
	2010 Rp'000	2009 Rp'000		2010 Rp'000	2009 Rp'000	
Total comprehensive income for the year	<u>480,489</u>	<u>28,617,156</u>		<u>13,215,101</u>	<u>30,187,153</u>	
Profit attributable to:						
Owners of the parent	177,287	27,790,881	(99)	11,313,328	28,677,138	(61)
Non-controlling interests	<u>351,512</u>	<u>826,275</u>	(57)	<u>995,150</u>	<u>1,510,015</u>	(34)
	<u>528,799</u>	<u>28,617,156</u>	(98)	<u>12,308,478</u>	<u>30,187,153</u>	(59)
Total comprehensive income attributable to:						
Owners of the parent	128,977	27,790,881	(100)	12,219,951	28,677,138	(57)
Non-controlling interests	<u>351,512</u>	<u>826,275</u>	(57)	<u>995,150</u>	<u>1,510,015</u>	(34)
	<u>480,489</u>	<u>28,617,156</u>	(98)	<u>13,215,101</u>	<u>30,187,153</u>	(56)
n.m. : Not meaningful						

1 (a) (ii) Profit before income tax is arrived at after charging / (crediting) the following significant items:

	GROUP 2nd Quarter			GROUP 1st Half		
	2010 Rp'000	2009 Rp'000	Change %	2010 Rp'000	2009 Rp'000	Change %
Interest Income	(151,015)	(47,111)	221	(181,531)	(69,538)	161
Interest on borrowings	1,957,455	3,006,190	(35)	4,554,775	6,551,830	(30)
Depreciate expense	1,618,726	1,548,151	5	3,262,460	3,057,900	7
Foreign exchange (gain) / loss	(1,092,677)	(15,614,535)	(93)	(2,973,028)	(8,967,768)	(67)
IPO Expenses	6,137,280	-	n.m	6,137,280	-	n.m
Additional information : EBITDA (Excluding biological assets gain)	6,220,700	43,796,203	(86)	26,199,031	50,165,587	(48)

1 (b) (i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at		As at	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
	Rp'000	Rp'000	Rp'000	Rp'000
Non-current assets				
Biological assets	618,716,310	606,951,395	-	-
Property, plant and equipment	85,947,792	81,977,043	-	-
Investment in subsidiary	-	-	389,753,124	389,753,115
Operating use rights	893,124	915,204	-	-
	<u>705,557,226</u>	<u>689,843,642</u>	<u>389,753,124</u>	<u>389,753,115</u>
Current assets				
Inventories	23,189,322	19,735,290	-	-
Trade and other receivables	9,416,310	12,043,049	139,961,617	16,715,936
Financial assets at fair value through profit or loss	100,800	69,300	-	-
Cash and bank balances	234,376,602	2,468,811	157,301,481	7
	<u>267,083,034</u>	<u>34,316,450</u>	<u>297,263,098</u>	<u>16,715,943</u>
Less:				
Current liabilities				
Trade and other payables	35,543,667	39,474,314	14,972,259	40,116,558
Bank borrowings	38,602,750	43,600,000	-	-
Finance lease payables	1,937,410	2,351,245	-	-
Current income tax payable	-	17,185,234	-	-
	<u>76,083,827</u>	<u>102,610,793</u>	<u>14,972,259</u>	<u>40,116,558</u>
Net current asset/(liabilities)	<u>190,999,207</u>	<u>(68,294,343)</u>	<u>282,290,839</u>	<u>(23,400,615)</u>
Non-current liabilities				
Bank borrowings	(15,409,691)	(65,700,000)	-	-
Finance lease payables	(114,020)	(834,520)	-	-
Provision for post-employment benefits	(5,419,907)	(5,567,972)	-	-
Deferred tax liabilities	(127,717,682)	(127,600,904)	-	-
	<u>(148,661,300)</u>	<u>(199,703,396)</u>	<u>-</u>	<u>-</u>

Net assets	747,895,133		421,845,903		672,043,963		366,352,500	
	Group				Company			
	As at				As at			
	30/6/2010	31/12/2009	30/6/2010	31/12/2009	30/6/2010	31/12/2009	30/6/2010	31/12/2009
Rp'000		Rp'000		Rp'000		Rp'000		
Capital and reserve								
Share capital	681,817,047	368,655,142	681,817,047	368,655,142	681,817,047	368,655,142	681,817,047	368,655,142
Foreign currency translation reserves	906,623	327,777	906,623	327,777	906,623	327,777	906,623	327,777
Accumulated profits/(losses)	35,762,696	24,449,367	(10,679,707)	(2,630,419)	(10,679,707)	(2,630,419)	(10,679,707)	(2,630,419)
Total attributable to owners of the parent	718,486,366	393,432,286	672,043,963	366,352,500	672,043,963	366,352,500	672,043,963	366,352,500
Non-controlling interests	29,408,767	28,413,617	-	-	-	-	-	-
Total equity	747,895,133	421,845,903	672,043,963	366,352,500	672,043,963	366,352,500	672,043,963	366,352,500

1 (b) (ii) Aggregate amount of the Group's borrowings and debt securities.

In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

	As at 30/06/2010 Rp' 000	As at 31/12/2009 Rp' 000
Amount due within one year		
- Secured	40,540,160	45,951,245
Amount due more than one year		
- Secured	15,523,711	66,534,520

The secured loans are collateralised by corporate and personal guarantees, land and building rights, machine and equipment of the group.

1 (c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	2nd Quarter		1st Half	
	2010 Rp'000	2009 Rp'000	2010 Rp'000	2009 Rp'000
Cash flows from operating activities				
Profit before income tax	2,795,534	39,288,973	18,563,326	40,625,395
Adjustments for:				
Amortisation of operating use rights	11,040	11,040	22,080	22,080
Depreciation of property, plant and equipment	1,607,686	1,537,111	3,240,380	3,035,819
(Gain)/loss from changes in fair value of financial assets at fair value through profit or loss	(31,500)	(3,500)	(31,500)	(3,500)
Interest expense	1,957,455	3,006,190	4,554,775	6,551,830
Interest income	(151,015)	(47,111)	(181,531)	(69,538)
Loss/(Gain) on foreign exchange difference	(48,310)	(13,968,750)	(1,558,653)	(7,250,000)
Loss/(Gain) on disposal of plant and equipment	-	-	-	12,728
Operating profit before working capital changes	6,140,890	29,823,953	24,608,877	42,924,814
Working capital changes:				
Inventories	(8,683,500)	3,277,934	(3,454,032)	(3,331,548)
Trade and other receivables	2,271,886	(16,434,798)	2,626,738	(11,766,001)
Trade and other payables	(7,293,922)	18,158,242	(3,930,646)	29,348,150
Provision for post-employment benefits	10,883	(125,712)	(148,065)	(251,127)
Cash generated from operations	(7,553,763)	34,699,619	19,702,872	56,924,288
Interest paid	(1,957,455)	(3,006,190)	(4,554,775)	(6,551,830)
Interest received	151,015	47,111	181,531	69,538
Income tax paid	(20,148,780)	(1,802,073)	(23,323,305)	(1,952,074)
Net cash from/(used in) operating activities	(29,508,983)	29,938,467	(7,993,677)	48,489,922

	2nd Quarter		1st Half	
	2010 Rp'000	2009 Rp'000	2010 Rp'000	2009 Rp'000
Cash flows from investing activities				
Acquisition of biological assets	(7,262,512)	(3,795,713)	(11,764,915)	(7,350,357)
Purchase of plant and equipment	(6,419,160)	(3,751,808)	(7,211,129)	(5,160,753)
Purchase of financial assets	56,700	3,500	-	-
Proceeds from disposal of plant and equipment	-	-	-	(12,727)
Net cash used in investing activities	(13,624,970)	(7,544,021)	(18,976,044)	(12,523,837)
Cash flows from financing activities				
Proceed from issuance of shares	328,571,429	-	328,571,429	-
Share issuance expenses	(15,409,523)	-	(15,409,523)	-
Repayments of bank borrowings	(42,250,059)	(23,725,000)	(53,150,059)	(28,731,250)
Repayments of obligations under finance leases	(577,132)	(593,959)	(1,134,335)	(869,187)
Net cash from/(used in) financing activities	270,334,715	(24,318,959)	258,877,512	(29,600,437)
Net change in cash and bank balances	227,200,762	(1,924,513)	231,907,791	6,365,648
Cash and bank balances at beginning of financial year/period	7,175,840	12,237,799	2,468,811	3,947,638
Cash and bank balances at end of financial year/period	234,376,602	10,313,286	234,376,602	10,313,286

1 (d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Attributable to owners of the parent				Non-controlling interests Rp'000	Total equity Rp'000
	Share Capital Rp'000	Translation Reserves Rp'000	Accumulated profits Rp'000	Total Rp'000		
Balance at 1.1.2010	368,655,142	327,777	24,449,367	393,432,286	28,413,617	421,845,903
Share issued	328,571,429	-	-	328,571,429	-	328,571,429
Share issued expenses	(15,409,523)	-	-	(15,409,523)	-	(15,409,523)
Total comprehensive Income	-	578,846	11,313,328	11,892,174	995,150	12,887,324
Balance at 30.06.2010	<u>681,817,047</u>	<u>906,623</u>	<u>35,762,696</u>	<u>718,486,366</u>	<u>29,408,767</u>	<u>747,895,133</u>
Balance at 1.1.2009	6	-	269,216,431	269,216,437	20,686,818	289,903,255
Total comprehensive Income	-	-	28,677,137	28,677,137	1,510,015	30,187,153
Balance at 30.06.2009	<u>6</u>	<u>-</u>	<u>297,893,568</u>	<u>297,893,574</u>	<u>22,196,833</u>	<u>320,090,408</u>

Company	Share Capital	Translation Reserves	Accumulated losses	Total
	Rp'000	Rp'000	Rp'000	Rp'000
Balance at 1.1.2010	368,655,142	327,777	(2,630,419)	366,352,500
Share issued	328,571,429	-	-	328,571,429
Share issued expenses	(15,409,523)	-	-	(15,409,523)
Total comprehensive Income	-	578,846	(8,049,288)	(7,470,442)
Balance at 30.06.2010	<u>681,817,047</u>	<u>906,623</u>	<u>(10,679,707)</u>	<u>672,043,963</u>

1 (d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

The Company was listed on the Mainboard of Singapore Exchange Securities Trading Limited on 29 April 2010. Upon the issue of 110,000,000 New Shares pursuant to the Invitation and 5,858,000 Incentives Shares issued to Joint Issued Managers, the Post-Invitation issued and paid-up share capital was Rp681,817,047,000 comprising 412,968,000 Shares ("Post-Invitation Shares").

1 (d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Total number of issued shares (the Company has not held any treasury shares):

As at 30 June 2010	As at 31 December 2009
412,968,000	297,110,000

1 (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice has been followed.

These figures have not been audited, or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited combined financial statements for the period ended 31 December 2009, except for the valuation of biological assets which will be undertaken at the end of financial year.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends; (a) Based on the weighted average number of ordinary shares on issue; and (b) On a fully diluted basis (detailing any adjustments made to the earnings).

	2nd Quarter		1st Half	
	2010 Rp	2009 Rp	2010 Rp	2009 Rp
Earnings per share for the period				
(a) based on weighted average number of shares	n.m	27,790,880,166	30	28,677,137,210
(b) based on a fully diluted basis	n.m	27,790,880,166	30	28,677,137,210
(c) based on pre-invitational number of shares	1	94	38	97
(c) based on post-invitational number of shares	n.m	67	27	69
Number of shares outstanding				
- Weighted average/actual number of shares	377,834,374	1	377,834,374	1
- Pre-invitational number of shares	297,110,000	297,110,000	297,110,000	297,110,000
- Post-invitational number of shares	412,968,000	412,968,000	412,968,000	412,968,000

n.m : Not meaningful

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the; (a) current financial period reported on; and (b) immediately preceding financial year.

	Group		Company	
	As at 30/06/2010 Rp	As at 31/12/2009 Rp	As at 30/06/2010 Rp	As at 31/12/2009 Rp
Net asset value per ordinary share	1,811	1,324	1,627	1,233
Number of shares outstanding	412,968,000	297,110,000	412,968,000	297,110,000

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following; (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Group performance

2Q2010 versus 2Q2009

Revenue

Our revenue for 2Q2010 decreased by Rp 35.6 billion or 40%, from Rp89.5 billion in 2Q2009 to Rp53.9 billion in 2Q2010, contributed from both lower CPO and Palm Kernel sales.

Our revenue from CPO decreased by Rp31.6 billion, from Rp82.3 billion in 2Q2009 to Rp50.7 billion in 2Q2010, mainly attributed by the lower sales volume. The sales volume of CPO decreased by 4,844 tons from 12,698 tons in 2Q2009 to 7,854 tons in 2Q2010. The reduction in sales volume was mainly due to a drop in fresh fruits bunch ("FFB") production, impact by biological stress on the palm trees which is a cyclical characteristic of palm trees. Also contributing to the sales volume reduction is the high CPO closing stock, which was not delivered to customer as it was slightly less than the optimal delivery level. Taking this tonnage into account, the Group's decline in volume sales in 2Q2010 would have been cushioned. The average selling price decreased marginally by Rp28 per kilogram, from Rp6,483 per kilogram in 2Q2009 to Rp6,455 per kilogram in 2Q2010.

Our revenue from palm kernels decreased by Rp4.0 billion, from Rp7.2 billion in 2Q2009 to Rp3.2 billion in 2Q2010. This was attributed to the decreased in sales volume but offset by higher average selling price. The average selling price per kilogram of palm kernels increased by Rp816 per kilogram from Rp2,453 per kilogram in 2Q2009 to Rp3,269 per kilogram in 2Q2010. The sales volume decreased by 1,956 tons, from 2,940 tons in 2Q2009 to 984 tons in 2Q2010.

Costs of sales

Our costs of sales decreased by Rp18.3 billion or 32%, from Rp56.8 billion in 2Q2009 to Rp38.5 billion in 2Q2010. This decrease was mainly due to the decrease in the costs of FFB purchased and harvesting cost which was offset by an increase in indirect material expenses and repair and maintenance expenses.

Gross profit

As a result of the above factors, our gross profit decreased by Rp17.3 billion or 53%, from Rp32.7 billion in 2Q2009 to Rp15.4 billion in 2Q2010. Our gross profit margin decreased from 36.6% in 2Q2009 to 28.6% in 2Q2010. This was mainly attributed to the lower sales.

Other income

Other income decreased by Rp14.1 billion from Rp16.2 billion in 2Q2009 to Rp2.1 billion in 2Q2010. The decrease was mainly due to foreign exchange gain of Rp15.6 billion in 2Q2009. The foreign exchange gain was mainly due to unrealized translation gain for the balance of the Niaga US\$ Loan arising from the appreciation of the Rp against US\$.

Distribution expenses

Our distribution expenses increased by Rp0.3 billion or 24%, from Rp1.1 billion in 2Q2009 to Rp1.4 billion in 2Q2010. The increase was mainly due to sales claims on late deliveries of CPO in 2Q2010

Administrative expenses

Our administrative expenses increased by Rp7.8 billion, from Rp3.5 billion in 2Q2009 to Rp11.3 billion in 2Q2010. This was mainly due to the listing expenses in relation to the invitation.

Other expenses

Other expenses decreased by Rp2.1 billion or 98% in 2Q2010. The decrease was due to doubtful debt provision in 2Q2009 and also losses incurred due to fire in 1Q2009 been expensed off.

Finance costs

Our finance costs decreased by Rp1.0 billion or 35%, from Rp3.0 billion in 2Q2009 to Rp2.0 billion in 2Q2010. This was mainly due to lower interest expense correspond to the lower outstanding Niaga Loan in 2Q2010 versus 2Q2009.

Profit before income tax

As a result of the foregoing, our profit before income tax decreased by Rp36.5 billion, from Rp39.3 billion in 2Q2009 to Rp2.8 billion in 2Q2010.

Tax expense

Our tax expenses decreased by Rp8.4 billion, from Rp10.7 billion in 2Q2009 to Rp2.3 billion in 2Q2010. The decrease is in line with the lower profit.

Profit after income tax

As a result of the above, our profit after income tax decreased by Rp28.1 billion or 98%, from Rp28.6 billion in 2Q2009 to Rp0.5 billion in 2Q2010.

1H2010 versus 1H2009

Revenue

Our revenue for 1H2010 decreased by Rp19.8 billion or 14%, from Rp139.8 billion in 1H2009 to Rp120.0 billion in 1H2010, contributed from both lower CPO and Palm Kernel revenue.

Our revenue from CPO decreased by Rp17.9 billion, from Rp129.5 billion in 1H2009 to Rp111.6 billion in 1H2010, mainly attributed by the lower sales volume. The sales volume of CPO decreased by 4,923 tons from 22,207 tons in 1H2009 to 17,284 tons in 1H2010. The reduction in sales volume was mainly due to a drop in 2Q2010 fresh fruits bunch (“FFB”) production, impact by biological stress on the palm trees which is a cyclical characteristic of palm trees. Also contributing to the sales volume reduction is the high CPO closing stock, which was not delivered to customer as it was slightly less than the optimal delivery level. Taking this tonnage into account, the Group’s decline in volume sales in 1H2010 would have been cushioned. The average selling price increased by Rp622 per kilogram, from Rp5,832 per kilogram in 1H2009 to Rp6,454 per kilogram in 1H2010.

Our revenue from palm kernels decreased by Rp1.9 billion, from Rp10.3 billion in 1H2009 to Rp8.4 billion in 1H2010. This was attributed to the decrease in sales volume but offset by higher average selling price. The average selling price per kilogram of palm kernels increased by Rp714 per kilogram from Rp2,120 per kilogram in 1H2009 to Rp2,834 per kilogram in 1H2010. The sales volume decreased by 1,908 tons, from 4,875 tons in 1H2009 to 2,967 tons in 1H2010.

Costs of sales

Our costs of sales decreased by Rp8.2 billion or 32%, from Rp91.2 billion in 1H2009 to Rp83.0 billion in 1H2010. This decrease was mainly due to the decrease in the costs of FFB purchased and harvesting cost which was offset by an increase in indirect material expenses and repair and maintenance expenses.

Gross profit

As a result of the above factors, our gross profit decreased by Rp11.6 billion or 24%, from Rp48.6 billion in 1H2009 to Rp37.0 billion in 1H2010. Our gross profit margin decreased from 34.8% in 1H2009 to 30.8% in 1H2010. This was mainly attributed to the lower sales.

Other income

Other income decreased by Rp5.2 billion from Rp10.0 billion in 1H2009 to Rp4.8 billion in 1H2010. The decrease was mainly due to lower foreign exchange gain in 1H2010.

Distribution expenses

Our distribution expenses decreased by Rp0.5 billion or 20%, from Rp2.3 billion in 1H2009 to Rp1.8 billion in 1H2010. The decrease was mainly due to lower sales claims in 1H2010.

Administrative expenses

Our administrative expenses increased by Rp9.7 billion, from Rp7.1 billion in 1H2009 to Rp16.8 billion in 1H2010. This was mainly due to the listing expenses in relation to the invitation.

Other expenses

Other expenses decreased by Rp2.1 billion or 98% in 1H2010. The decrease was due to doubtful debt provision in 2Q2009 and also losses incurred due to fire in 1Q2009 been expensed off.

Finance costs

Our finance costs decreased by Rp2.0 billion or 30%, from Rp6.6 billion in 1H2009 to Rp4.6 billion in 1H2010. This was mainly due to lower interest expense correspond to the lower outstanding Niaga Loan in 1H2010 versus 1H2009.

Profit before income tax

As a result of the foregoing, our profit before income tax decreased by Rp22.0 billion, from Rp40.6 billion in 1H2009 to Rp18.6 billion in 1H2010.

Tax expense

Our tax expenses decreased by Rp4.1 billion, from Rp10.4 billion in 1H2009 to Rp6.3 billion in 1H2010. The decrease is in line with the lower profit.

Profit after income tax

As a result of the above, our profit after income tax decreased by Rp17.9 billion or 59%, from Rp30.2 billion in 1H2009 to Rp12.3 billion in 1H2010.

Review of Financial Position as at 30 June 2010

Non-current assets

Non-current assets for the group increased by Rp15.8 billion or 2%, from Rp689.8 billion as at 31 December 2009 to Rp705.6 billion as at 30 June 2010. This was mainly due to increases in biological assets for the planting done in 1st half 2010.

Current assets

Current assets for the group decreased by Rp232.8 billion, from Rp34.3 billion as at 31 December 2009 to Rp267.1 billion as at 30 June 2010. This was mainly due to higher cash and bank balances from the Invitation proceeds.

Current liabilities

Current liabilities for the group decreased by Rp26.5 billion or 26%, from Rp102.6 billion as at 31 December 2009 to Rp76.1 billion as at 30 June 2010. This was mainly due to decrease in tax payables and also lower bank borrowings.

The decrease in tax payables was due to tax been due and paid in 2Q2010. Lower bank borrowings was due to lower outstanding repayment amount following the repayment done in 2Q2010 from the Invitation proceeds.

Non-current liabilities

Non-current liabilities for the group decreased by Rp51.0 billion or 26%, from Rp199.7 billion as at 31 December 2009 to Rp148.7 billion as at 30 June 2010. This was mainly due to decreases in bank borrowings and finance lease payables due to repayment of bank loan in accordance with the repayment schedule and also out of the Invitation proceeds.

Review of Consolidated Cashflow

Net cashflow from operating activities for 1H2010 decreased by Rp56.5 billion or, from inflow of Rp48.5 billion in 1H2009 to outflow of Rp8.0 billion in 1H2010. Higher cash outflow recorded mainly due to lower revenue in 1H2010 and also higher tax paid.

Net cash used in investing activities of Rp19.0 billion comprised mainly additional planting done in the quarter while net cash from financing activities of Rp258.9 billion was mainly from the Invitation proceeds offset by bank loan repayment.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Demand for palm oil to maintain its strength supported by rising food requirements from China, India and emerging markets; as well as buoyant demand from the biofuel, oleochemicals and compound feed industries. CPO price appeared to have stabilised for now, but volatility is still expected because of the uncertainty in the global financial market.

We expect the palm trees to recover from the biological tree stress in the coming quarters. The Group will also be very much focus on our expansion plan while constantly reviewing our cost structure to achieve a cost competitive model in the long run.

11. Dividend

(a) Current Financial Period Reported on
None.

(b) Corresponding Period of the Immediately Preceding Financial Year
None.

(c) Date payable
Not applicable.

(d) Books closure date
Not applicable

12. If no dividend has been declared (recommended), a statement to that effect.

No Dividend has been declared or recommended.

13. Interested persons transactions disclosure

Name of interested person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than S\$ 100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (Rp' million)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$ 100,000) (Rp' million)
	1H2010	1H2010
PT Bumiraya Utama Lines	2,116	NIL



14. Confirmation pursuant to Rule 705(5) of the listing manual

The Directors do hereby confirm that to the best of their knowledge, nothing has come to their attention which would render the unaudited financial statements for the period ended 30 June 2010 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Dr Tan Hong Kiat @ Suparno Adijanto
Executive Chairman & CEO
6 August 2010

The initial public offering of Global Palm Resources Holdings Limited was sponsored by AmFraser Securities Pte. Ltd. (a member of AmInvestment Bank Group) and Oversea-Chinese Banking Corporation Limited (collectively, the "Joint Issue Managers"). The Joint Issue Managers assume no responsibility for the contents of this announcement.