

HALF YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT

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

**UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENTS FOR THE FINANCIAL PERIOD FROM
1 JANUARY 2011 TO 30 JUNE 2011**

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

	2nd Quarter			1st Half		
	2011 Rp'000	2010 Rp'000	Change %	2011 Rp'000	2010 Rp'000	Change %
Revenue	86,638,886	53,917,293	61	174,963,529	119,957,351	46
Cost of sales	(56,492,358)	(38,511,686)	47	(117,890,984)	(83,002,455)	42
Gross profit	30,146,528	15,405,607	96	57,072,545	36,954,896	54
Other items of income						
Interest income	472,359	151,015	213	892,700	181,531	392
Other income	2,451,788	1,921,803	28	2,685,119	4,627,940	(42)
Other items of expense						
Distribution expenses	(530,303)	(1,371,251)	(61)	(1,061,153)	(1,839,603)	(42)
Administrative expenses	(5,132,972)	(11,309,870)	(55)	(11,314,635)	(16,760,178)	(33)
Finance costs	(419,306)	(1,957,455)	(79)	(895,111)	(4,554,775)	(80)
Other expenses	(471,158)	(44,315)	963	(491,530)	(46,485)	957
Profit before income tax	26,516,936	2,795,534	849	46,887,935	18,563,326	153
Income tax expense	(5,829,434)	(2,266,735)	157	(10,595,981)	(6,254,848)	69
Profit for the financial period	20,687,502	528,799	3,812	36,291,954	12,308,478	195
Other comprehensive income						
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	(3,965,247)	(48,310)	n.m	(6,557,013)	906,623	n.m
Income tax relating to components of other comprehensive income	-	-		-	-	
Other comprehensive income for the financial period, net of tax	(3,965,247)	(48,310)	n.m	(6,557,013)	906,623	n.m
Total comprehensive income for the financial period	16,722,255	480,489	3,380	29,734,941	13,215,101	125

	2nd Quarter			1st Half		
	2011 Rp'000	2010 Rp'000	Change %	2011 Rp'000	2010 Rp'000	Change %
Profit attributable to:						
Owners of the parent	19,773,663	177,287	11,053	34,654,059	11,313,328	206
Non-controlling interests	913,839	351,512	160	1,637,895	995,150	65
	<u>20,687,502</u>	<u>528,799</u>	3,812	<u>36,291,954</u>	<u>12,308,478</u>	195
Total comprehensive income attributable to:						
Owners of the parent	15,808,416	128,977	12,157	28,097,046	12,219,951	130
Non-controlling interests	913,839	351,512	160	1,637,895	995,150	65
	<u>16,722,255</u>	<u>480,489</u>	3,380	<u>29,734,941</u>	<u>13,215,101</u>	125
n.m. : Not meaningful						

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

	2nd Quarter			1st Half		
	2011 Rp'000	2010 Rp'000	Change %	2011 Rp'000	2010 Rp'000	Change %
Interest income	(472,359)	(151,015)	213	(892,700)	(181,531)	392
Finance costs	419,306	1,957,454	(79)	895,111	4,554,775	(80)
Depreciation of property, plant and equipment	2,052,393	1,607,686	28	4,077,916	3,240,380	26
Amortisation of operating use rights	11,040	11,040	0	22,080	22,080	0
Additional information :						
EBITDA (Excluding Changes in fair value less estimated point- of-sales costs of biological assets)	28,526,946	6,220,700	359	50,990,342	26,199,031	95

1 (b) (i) Statement of Financial Position, together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at		As at	
	30/6/2011	31/12/2010	30/6/2011	31/12/2010
	Rp'000	Rp'000	Rp'000	Rp'000
Non-current assets				
Biological assets	708,849,748	697,944,398	-	-
Property, plant and equipment	102,853,984	96,587,026	1,809,278	2,110,150
Investments in subsidiaries	-	-	389,753,124	389,753,124
Operating use rights	848,964	871,043	-	-
Club memberships	887,739	888,112	887,739	888,112
	813,440,435	796,290,579	392,450,141	392,751,386
Current assets				
Inventories	44,668,088	21,331,810	-	-
Trade and other receivables	9,938,909	7,624,539	157,799,994	151,327,000
Dividend receivable	-	-	8,665,517	16,700,000
Prepayments	862,229	1,254,242	523,847	432,224
Financial assets at fair value through profit or loss	630,000	466,200	-	-
Cash and cash equivalents	261,051,591	263,899,681	166,865,348	165,861,616
	317,150,817	294,576,472	333,854,706	334,320,840
Less:				
Current liabilities				
Trade and other payables	48,171,638	34,316,270	15,986,644	16,421,272
Dividend payable	2,000,000	2,000,000	-	-
Bank borrowings	51,582,000	53,946,000	-	-
Finance lease payables	148,287	818,882	-	-
Current income tax payable	2,915,909	4,179,203	224,451	-
	104,817,834	95,260,355	16,211,095	16,421,272
Net current assets	212,332,983	199,316,117	317,643,611	317,899,568
Less:				
Non-current liabilities				
Finance lease payables	73,310	149,033	-	-
Provision for post-employment benefits	7,913,940	7,927,196	-	-
Deferred tax liabilities	146,187,119	145,666,359	106,802	4,578
	154,174,369	153,742,588	106,802	4,578
Net assets	871,599,049	841,864,108	707,986,950	710,646,376

	Group		Company	
	As at		As at	
	30/6/2011 Rp'000	31/12/2010 Rp'000	30/6/2011 Rp'000	31/12/2010 Rp'000
Capital and reserves				
Share capital	681,817,047	681,817,047	681,817,047	681,817,047
Foreign currency translation reserve	8,248,737	14,805,750	20,805,247	22,755,695
Accumulated profits	148,144,074	113,490,015	7,364,656	6,073,634
Equity attributable to owners of the parent	838,209,858	810,112,812	707,986,950	710,646,376
Non-controlling interests	33,389,191	31,751,296	-	-
Total equity	871,599,049	841,864,108	709,986,950	710,646,376

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

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

	As at 30/06/2011 Rp' 000	As at 31/12/2010 Rp' 000
Amount due within one year		
- Secured	51,730,287	54,764,882
- Unsecured	-	-
- Total	51,730,287	54,764,882
Amount due more than one year		
- Secured	73,310	149,033
- Unsecured	-	-
- Total	73,310	149,033

The secured loans are collateralised by corporate and personal guarantees, building use rights, land operating use rights, machinery and equipment of the Group.

1 (c) Consolidated Statement of Cash Flows together with a comparative statement for the corresponding period of the immediately preceding financial year.

	2nd Quarter		1st Half	
	2011 Rp'000	2010 Rp'000	2011 Rp'000	2010 Rp'000
Operating activities				
Profit before income tax	26,516,936	2,795,534	46,887,935	18,563,326
Adjustments for:				
Amortisation of operating use rights	11,040	11,040	22,080	22,080
Depreciation of property, plant and equipment	2,052,393	1,607,686	4,077,916	3,240,380
Change in fair value of financial assets at fair value through profit or loss	(144,900)	(31,500)	(163,800)	(31,500)
Interest expense	419,306	1,957,454	895,111	4,554,775
Interest income	(472,359)	(151,015)	(892,700)	(181,531)
Currency translation adjustment	(4,778,247)	(48,309)	(8,921,012)	(1,558,653)
Operating cash flows before working capital changes	23,604,171	6,140,890	41,905,529	24,608,877
Working capital changes:				
Inventories	(20,191,216)	(8,683,500)	(23,336,278)	(3,454,032)
Trade and other receivables	9,101,144	(3,939,354)	(2,314,371)	(2,544,445)
Prepayments	(143,531)	6,211,240	392,013	5,171,183
Trade and other payables	14,624,137	(7,293,922)	13,855,369	(3,930,646)
Utilisation of post-employment benefits	(13,258)	10,883	(13,258)	(148,065)
Cash generated from/(absorbed by) operations	26,981,448	(7,553,763)	30,489,004	19,702,872
Interest paid	(419,306)	(1,957,454)	(895,111)	(4,554,775)
Interest received	472,359	151,015	892,700	181,531
Income tax paid	(7,325,282)	(20,148,781)	(11,338,515)	(23,323,305)
Net cash from/(used in) operating activities	19,709,219	(29,508,983)	19,148,079	(7,993,677)
Investing activities				
Acquisition of biological assets	(4,530,395)	(7,262,512)	(10,905,349)	(11,764,915)
Purchase of plant and equipment	(3,111,944)	(6,419,160)	(10,344,874)	(7,211,129)
Purchase of financial assets	-	-	-	-



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		56,700	-	
Net cash used in investing activities	<u>(7,642,339)</u>	<u>(13,624,970)</u>	<u>(21,249,851)</u>	<u>(18,976,044)</u>

	2nd Quarter		1st Half	
	2011	2010	2011	2010
	Rp'000	Rp'000	Rp'000	Rp'000
Financing activities				
Proceed from issuance of shares	-	328,571,429	-	328,571,429
Share issue expenses	-	(15,409,524)	-	(15,409,523)
Repayments of bank borrowings	(46,142,800)	(42,250,059)	(57,359,820)	(53,150,059)
Proceeds from bank borrowings	50,638,300	-	57,359,820	-
Repayments of obligations under finance leases	(233,065)	(577,132)	(746,318)	(1,134,335)
Net cash from /(used in) financing activities	<u>4,262,435</u>	<u>270,334,715</u>	<u>(746,318)</u>	<u>258,877,512</u>
Net change in cash and cash equivalents	16,329,315	227,200,762	(2,848,090)	231,907,791
Cash and cash equivalents at beginning of financial period	<u>244,722,275</u>	<u>7,175,840</u>	<u>263,899,681</u>	<u>2,468,811</u>
Cash and cash equivalents at end of financial period	<u><u>261,051,591</u></u>	<u><u>234,376,602</u></u>	<u><u>261,051,591</u></u>	<u><u>234,376,602</u></u>



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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	Share capital Rp'000	Foreign currency translation reserve Rp'000	Accumulated profits Rp'000	Equity attributable to owners of the parent Rp'000	Non- controlling interests Rp'000	Total equity Rp'000
Balance at 1 January 2011	681,817,047	14,805,750	113,490,015	810,112,812	31,751,296	841,864,108
Profit for the financial period	-	-	34,654,059	34,654,059	1,637,895	36,291,954
Other comprehensive income for the financial period:						
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	-	(6,557,013)	-	(6,557,013)	-	(6,557,013)
Total comprehensive income for the financial period	-	(6,557,013)	34,654,059	28,097,046	1,637,895	29,734,941
Balance at 30 June 2011	681,817,047	8,248,737	148,144,074	838,209,858	33,389,191	871,599,049
Balance at 1 January 2010	368,655,142	327,777	24,449,367	393,432,286	28,413,617	421,845,903
Profit for the financial period	-	-	11,313,328	11,313,328	995,150	12,308,478
Other comprehensive income for the financial period:						
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	-	906,623	-	906,623	-	906,623
Total comprehensive income for the financial period	-	906,623	11,313,328	12,219,951	995,150	13,215,101
Contributions by owners of parent:						
Issuance of ordinary shares pursuant to initial public offering	328,571,429	-	-	328,571,429	-	328,571,429
Issuance of incentive shares	17,613,040	-	-	17,613,040	-	17,613,040
Share issue expenses	(33,022,564)	-	-	(33,022,564)	-	(33,022,564)
Total transactions with owners of the parent	313,161,905	-	-	313,161,905	-	313,161,905
Balance at 30 June 2010	681,817,047	1,234,400	35,762,695	718,814,142	29,408,767	748,222,909

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Company	Share capital Rp'000	Foreign currency translation reserve Rp'000	Accumulated profits/(losses) Rp'000	Total Rp'000
Balance at 1 January 2011	681,817,047	22,755,695	6,073,634	710,646,376
Profit for the financial period	-	-	1,291,022	1,291,022
Other comprehensive income for the financial period: Foreign currency translation differences on translation of non- Indonesian rupiah financial statements	-	(1,950,448)	-	(1,950,448)
Total comprehensive income for the financial period	-	(1,950,448)	1,291,022	(659,426)
Balance at 30 June 2011	681,817,047	20,805,247	7,364,656	709,986,950
Balance at 1 January 2010	368,655,142	327,777	(2,630,419)	366,352,500
Profit for the financial period	-	-	(8,049,288)	(8,049,288)
Other comprehensive income for the financial period: Foreign currency translation differences on translation of non- Indonesian rupiah financial statements	-	906,623	-	906,623
Total comprehensive income for the for the financial period	-	906,623	(8,049,288)	(7,142,665)
Contributions by owners of parent: Issuance of ordinary shares pursuant to initial public offering	328,571,429	-	-	328,571,429
Issuance of incentive shares	17,613,040	-	-	17,613,040
Share issue expenses	(33,022,564)	-	-	(33,022,564)
Total transactions with owners of the parent	313,161,905	-	-	313,161,905
Balance at 30 June 2010	681,817,047	1,234,400	(10,679,707)	672,371,740

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.

Not applicable

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 2011	As at 31 December 2010
412,968,000	412,968,000

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 financial statements for the financial year ended 31 December 2010, except for the valuation of biological assets which will be undertaken at the end of financial year. In addition, the Group also adopted various revisions to the FRS, which became effective during that period. The said adoption has no significant impact to the financial statements of the Group.

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	
	2011 Rp	2010 Rp	2011 Rp	2010 Rp
Earnings per share for the period				
(a) based on weighted average number of shares	48	n.m	84	30
(b) based on a fully diluted basis	48	n.m	84	30
Number of shares outstanding				
- Weighted average number of shares	412,968,000	377,834,374	412,968,000	377,834,374
- Total 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 30/06/2011 Rp	As at 31/12/2010 Rp	As at 30/06/2011 Rp	As at 31/12/2010 Rp
	Net asset value per ordinary share	2,111	2,039	1,719
Number of shares outstanding	412,968,000	412,968,000	412,968,000	412,968,000

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

2Q2011 versus 2Q2010

Revenue

Our revenue for 2Q2011 increased by Rp32.7 billion or 61% (from Rp53.9 billion in 2Q2010 to Rp86.6 billion in 2Q2011). This is attributed to higher CPO and Palm Kernel sales.

Our revenue from CPO increased by Rp25.2 billion (from Rp50.7 billion in 2Q2010 to Rp75.9 billion in 2Q2011). This was attributed to a higher average selling price and higher sales volume. The average selling price increased by Rp1,131 per kilogram (from Rp6,455 per kilogram in 2Q2010 to Rp7,586 per kilogram in 2Q2011). The sales volume of CPO increased by 2,151 tons (from 7,854 tons in 2Q2010 to 10,005 tons in 2Q2011). The increase in sales volume was due to the increase in fresh fruit bunch harvest, as well as increased purchasing of fresh fruit bunch from third parties.

Our revenue from palm kernels increased by Rp7.5 billion (from Rp3.2 billion in 2Q2010 to Rp10.7 billion in 2Q2011). This was also attributed to higher average selling price and sales volume. The average selling price per kilogram of palm kernels increased by Rp2,152 per kilogram (from Rp3,269 per kilogram in 2Q2010 to Rp5,421 per kilogram in 2Q2011). The sales volume increased by 998 tons (from 984 tons in 2Q2010 to 1,982 tons in 2Q2011).

Costs of sales

Our costs of sales increased by Rp18.0 billion or 46.8% (from Rp38.5 billion in 2Q2010 to Rp56.5 billion in 2Q2011). This increase was mainly due to the increase in the volume and costs of FFB purchased, higher labour costs, higher price of fuel and lubricants, FFB transport, and harvesting costs in line with the higher volume of production.

The average purchase price of FFB per kilogram increased by Rp134 (from R1,320 in 2Q2010 to Rp1,454 in 2Q2011). The cost of diesel per liter increased Rp2,286 (from Rp5,867 in 2Q2010 to Rp8,153 in 2Q2011).

Gross profit

As a result of the above factors, our gross profit increased by Rp14.7 billion or 96% (from Rp15.4 billion in 2Q2010 to Rp30.1 billion in 2Q2011). Our gross profit margin increased from 28.6% in 2Q2010 to 34.8% in 2Q2011. This was mainly due to higher selling prices of both CPO and palm kernels.

Other income

Other income is mainly due to higher interest income and foreign exchange gains in 2Q2011.

Distribution expenses

Our distribution expenses decreased by Rp0.9 billion or 64% (from Rp1.4 billion in 2Q2010 to Rp0.5 billion in 2Q2011) as there were no sales claims in 2Q2011 (as compared to Rp1.0 billion in 2Q2010).

Administrative expenses

Our administrative expenses decreased by Rp6.2 billion or 55% (from Rp11.3 billion in 2Q2010 to Rp5.1 billion in 2Q2011). This was mainly due to the listing expenses in relation to the invitation in 2Q2010.

Finance costs

Our finance costs decreased by Rp1.6 billion or 80% (from Rp2.0 billion in 2Q2010 to Rp0.4 billion in 2Q2011). This was mainly due to the lower interest expense with regards to the lower amount of our outstanding loan with CIMB Niaga in 2Q2011.

Other expenses

Other expenses increased by Rp0.5 billion. This was attributed to the expenses incurred in the survey of new potential plantations of Rp0.4 billion in 2Q2011.

Profit before income tax

As a result of the foregoing, our profit before income tax increased by Rp23.7 billion (from Rp2.8 billion in 2Q2010 to Rp26.5 billion in 2Q2011).

Income tax expense

Our income tax expense increased by Rp3.5 billion (from Rp2.3 billion in 2Q2010 to Rp5.8 billion in 2Q2011). The increase is in line with the higher taxable profit.

Profit after income tax

As a result of the foregoing, our profit after income tax increased by Rp20.2 billion (from Rp0.5 billion in 2Q2010 to Rp20.7 billion in 2Q2011).

1H2011 versus 1H2010

Revenue

Our revenue for 1H2011 increased by Rp55.0 billion or 46% (from Rp120.0 billion in 1H2010 to Rp175.0 billion in 1H2011); attributed to higher CPO and Palm Kernel sales.

Our revenue from CPO increased by Rp39.7 billion (from Rp111.6 billion in 1H2010 to Rp151.3 billion in 1H2011); attributed to the higher average selling price and sales volume. The average selling price increased by Rp1,191 per kilogram (from Rp6,454 per kilogram in 1H2010 to Rp7,645 per kilogram in 1H2011). The sales volume of CPO increased by 2,502 tons (from 17,284 tons in 1H2010 to 19,786 tons in 1H2011). The increase in sales volume was due to the increase in fresh fruit bunch harvest, as well as increased purchasing of fresh fruit bunch from third parties.

Our revenue from palm kernels increased by Rp15.3 billion (from Rp8.4 billion in 1H2010 to Rp23.7 billion in 1H2011), attributed to the higher average selling price and sales volume. The average selling price per kilogram of palm kernels increased by Rp3,123 per kilogram (from Rp2,834 per kilogram in 1H2010 to Rp5,957 per kilogram in 1H2011). The sales volume increased by 1,011 tons (from 2,967 tons in 1H2010 to 3,978 tons in 1H2011).

Costs of sales

Our cost of sales increased by Rp34.9 billion or 42% (from Rp83.0 billion in 1H2010 to Rp117.9 billion in 1H2011). This increase was mainly due to increasing volumes and costs of FFB purchased, higher labour costs, higher price of fuel and lubricants, FFB transport, and harvesting costs in line with the higher volume of production.

Gross profit

As a result of the above factors, our gross profit increased by Rp20.1 billion or 54% (from Rp37.0 billion in 1H2010 to Rp57.1 billion in 1H2011). Our gross profit margin increased from 30.8% in 1H2010 to 32.6% in 1H2011.

Other income

Other income decreased mainly due to the movement in foreign exchange rate in 1Q2011.

Distribution expenses

Our distribution expenses decreased by Rp0.7 billion or 39% (from Rp1.8 billion in 1H2010 to Rp1.1 billion in 1H2011) as there were no sales claims in 1H2011 as compared to Rp1.0 billion in 1H2010.

Administrative expenses

Our administrative expenses decreased by Rp5.5 billion or 33% (from Rp16.8 billion in 1H2010 to Rp11.3 billion in 1H2011). This was mainly due to the listing expenses in relation to the invitation in 1H2010.

Finance costs

Our finance costs decreased by Rp3.7 billion or 80% (from Rp4.6 billion in 1H2010 to Rp0.9 billion in 1H2011). This was mainly due to the lower interest expense due to the lower amount of our outstanding loan with CIMB Niaga in 1H2011 versus 1H2010.

Profit before income tax

As a result of the foregoing, our profit before income tax increased by Rp28.3 billion (from Rp18.6 billion in 1H2010 to Rp46.9 billion in 1H2011).

Income tax expense

Our income tax expense increased by Rp4.3 billion (from Rp6.3 billion in 1H2010 to Rp10.6 billion in 1H2011). The increase is in line with the higher taxable profit.

Profit after income tax

As a result of the foregoing, our profit after income tax increased by Rp24.0 billion (from Rp12.3 billion in 1H2010 to Rp36.3 billion in 1H2011).

Review of Financial Position as at 30 June 2011

Non-current assets

Non-current assets for the group increased by Rp17.1 billion or 2.1% (from Rp796.3 billion as at 31 December 2010 to Rp813.4 billion as at 30 June 2011). This was mainly due to increase in biological assets for the planting done in the first 6 months of 2011 and purchase of planting equipment.

Current assets

Current assets for the group increased slightly by Rp22.6 billion or 7.7% (from Rp294.6 billion as at 31 December 2010 to Rp317.2 billion as at 30 June 2011). This was mainly due to increase in inventories.

Current liabilities

Current liabilities for the group increased by Rp9.5 billion or 10% (from Rp95.3 billion as at 31 December 2010 to Rp104.8 billion as at 30 June 2011). This was mainly due to the increase in trade and other payables, offset by decrease in current income tax payable.

Non-current liabilities

Non-current liabilities for the group increased marginally by Rp0.5 billion or 0.3% (from Rp153.7 billion as at 31 December 2010 to Rp154.2 billion as at 30 June 2011). This was mainly due to a slight increase in deferred tax liabilities for the portion of profit that will not be taxed in the current year.

Review of Consolidated Cash Flows

Net cashflows from operating activities for 1H2011 increased by Rp27.1 billion (from Rp8 billion outflow in 1H2010 to Rp19.1 billion inflow in 1H2011). Higher cash inflow was recorded mainly due to higher revenue in 1H2011, an increase in payables to suppliers, and lower income tax paid; offset by increase in inventories.

Net cash used in investing activities for 1H2011 of Rp21.2 billion mainly comprised of additional planting in the 1st half of 2011 and of the purchase of planting equipment.

Net cash used in financing activities of Rp0.7 billion was for repayment of obligations under finance lease.

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.

The demand for palm oil is expected to maintain its strength supported by rising food requirements from China, India and other emerging markets; as well as demand from the biofuel, oleochemicals and compound feed industries. Though CPO prices have stabilised in the past few months, price volatility can still be expected given the uncertainty in the global financial market and the abnormal weather's impact on production.

With the Group's palm trees recovering from biological tree stress, and its plans for increased fresh fruit bunch purchases from plasma farmers and nearby plantations, the Group expects CPO production to increase in the coming months. The Group also intends to continue its focus on its expansion plan while constantly reviewing its cost structure to achieve a long-term cost competitive model.

11. Dividend

(a) Current Financial Period Reported on

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

None.

(c) Date paid

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)
	FY2011	FY2011
PT Bumiraya Utama Lines	2,361	NIL



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

The Directors of the Company 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 financial period from 1 January to 30 June 2011 to be false or misleading in any material aspects.

BY ORDER OF THE BOARD

Dr Tan Hong Kiat @ Suparno Adijanto
Executive Chairman & CEO
11 August 2011

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.