

FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT

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

**UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT FOR THE FINANCIAL PERIOD
FROM 1 JANUARY 2011 TO 31 DECEMBER 2011**

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

	4th Qtr 2011 Rp'000	4th Qtr 2010 Rp'000	Change %	Full Year 2011 Rp '000	Full Year 2010 Rp '000	Change %
Revenue	79,235,901	94,544,610	(16)	345,578,961	287,232,345	20
Cost of sales	<u>(54,406,848)</u>	<u>(54,649,401)</u>	n.m.	<u>(239,727,544)</u>	<u>(185,995,426)</u>	29
Gross profit	24,829,053	39,895,209	(38)	105,851,417	101,236,919	5
Net gain from changes in fair value of biological assets	65,100,000	67,210,000	(3)	65,100,000	67,210,000	(3)
Operating expenses						
Distribution expenses	(852,707)	(445,929)	91	(2,414,505)	(2,768,778)	(13)
Administrative expenses	(8,251,111)	(7,711,690)	7	(25,267,111)	(30,444,383)	(17)
Finance costs	<u>(399,368)</u>	<u>(731,186)</u>	(45)	<u>(1,711,368)</u>	<u>(5,946,093)</u>	(71)
	(9,503,186)	(8,888,805)	7	(29,392,984)	(39,159,254)	(25)
Other items of income/(expense)						
Interest income	570,201	332,767	71	2,187,245	763,625	186
Other income	815,403	1,162,704	(30)	3,292,025	2,802,464	17
Other expenses	(311,510)	(744,479)	(58)	(879,557)	(929,361)	(5)
Foreign exchange gain/(loss), net	<u>(1,949,977)</u>	<u>2,950</u>	n.m.	<u>(210,554)</u>	<u>2,224,293</u>	n.m.
	(875,883)	753,942	n.m.	4,389,159	4,861,021	(10)
Profit before income tax	79,549,984	98,970,346	(20)	145,947,592	134,148,686	9
Income tax expense	(20,837,398)	(28,476,572)	(27)	(36,375,913)	(39,770,359)	(9)
Profit for the financial period/year	<u>58,712,586</u>	<u>70,493,774</u>	(17)	<u>109,571,679</u>	<u>94,378,327</u>	16
Other comprehensive income						
Foreign currency translation differences on translation of non- Indonesian rupiah financial statements	<u>6,582,423</u>	<u>2,472,675</u>	n.m.	<u>(25,118)</u>	<u>14,477,973</u>	n.m.
Total comprehensive income for the financial period/year	<u>65,295,009</u>	<u>72,966,449</u>	(11)	<u>109,546,561</u>	<u>108,856,300</u>	1

n.m. : Not meaningful

	4 th Qtr 2011 Rp'000	4 th Qtr 2010 Rp'000	Change %	Full Year 2011 Rp'000	Full Year 2010 Rp'000	Change %
Profit attributable to:						
Owners of the parent	55,762,128	66,805,360	(17)	104,260,067	89,040,648	17
Non-controlling interests	2,950,458	3,688,414	(20)	5,311,612	5,337,679	n.m.
	<u>58,712,586</u>	<u>70,493,774</u>	<u>(17)</u>	<u>109,571,679</u>	<u>94,378,327</u>	<u>16</u>

Total comprehensive income attributable to:

Owners of the parent	62,344,551	69,278,035	(10)	104,234,949	103,518,621	1
Non-controlling interests	2,950,458	3,688,414	(20)	5,311,612	5,337,679	n.m.
	<u>65,295,009</u>	<u>72,966,449</u>	<u>(11)</u>	<u>109,546,561</u>	<u>108,856,300</u>	<u>1</u>

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

	4 th Qtr 2011 Rp'000	4 th Qtr 2010 Rp'000	Change %	Full Year 2011 Rp'000	Full Year 2010 Rp'000	Change %
Interest income	(570,201)	(332,767)	71	(2,187,245)	(763,625)	186
Interest expense	399,368	731,187	(45)	1,711,368	5,946,093	(71)
Depreciation expense	2,062,087	2,013,618	2	8,200,996	7,059,476	16
Amortisation of operating use rights	11,041	11,041	n.m.	44,161	44,161	n.m.
Foreign exchange (gain)/loss, net	1,949,977	(2,950)	n.m.	210,554	(2,224,293)	n.m.
Loss on disposal of plant and equipment, net	2,156	208,657	(99)	124,404	364,864	(66)
Gain from changes in fair value of biological assets	(65,100,000)	(67,210,000)	(3)	(65,100,000)	(67,210,000)	(3)
Fair value gain from financial assets at fair value through profit or loss	(217,350)	(346,500)	(37)	(346,500)	(396,900)	(13)
Initial public offering expenses	-	-	n.m.	-	6,137,280	n.m.
Employment benefits expenses						
- salaries, wages and bonuses	4,059,678	2,561,356	58	14,073,675	12,048,492	17
- post-employment benefits	2,029,712	2,624,701	(23)	2,029,712	2,624,701	(23)
Operating lease expenses						
- rental of premises	250,807	204,994	22	1,035,527	1,118,499	(7)
Representation and entertainment	66,601	89,670	(26)	335,736	574,524	(42)
Transportation, travelling and accommodation	206,050	190,794	8	857,021	936,240	(9)
Additional information :						
EBITDA (Excluding changes in fair value less estimated point-of-sales costs of biological assets)	16,352,278	34,183,425	(52)	88,616,672	79,224,792	12

n.m. : Not meaningful

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	
	31/12/2011 Rp'000	31/12/2010 Rp'000	31/12/2011 Rp'000	31/12/2010 Rp'000
Non-current assets				
Biological assets	784,610,699	697,944,398	-	-
Property, plant and equipment	106,359,075	96,587,026	1,514,991	2,110,150
Investments in subsidiaries	-	-	403,380,856	389,753,124
Operating use rights	826,883	871,043	-	-
Club memberships	888,112	888,112	888,112	888,112
	892,684,769	796,290,579	405,783,959	392,751,386
Current assets				
Inventories	58,225,483	21,331,810	-	-
Trade and other receivables	9,195,843	7,624,539	153,460,820	151,327,000
Dividend receivable	-	-	3,000,000	16,700,000
Prepayments	1,265,969	1,254,242	379,182	432,224
Financial assets at fair value through profit or loss	812,700	466,200	-	-
Cash and cash equivalents	256,346,163	263,899,681	165,512,180	165,861,616
	325,846,158	294,576,472	322,352,182	334,320,840
Current liabilities				
Trade and other payables	56,237,745	34,316,270	1,152,199	16,421,272
Dividend payable	225,000	2,000,000	-	-
Bank borrowings	39,672,500	53,946,000	-	-
Finance lease payables	118,912	818,882	-	-
Current income tax payable	2,284,644	4,179,203	169,563	-
	98,538,801	95,260,355	1,321,762	16,421,272
Net current asset	227,307,357	199,316,117	321,030,420	317,899,568
Non-current liabilities				
Finance lease payables	30,121	149,033	-	-
Provision for post-employment benefits	9,756,265	7,927,196	-	-
Deferred tax liabilities	163,640,692	145,666,359	34,965	4,578
	173,427,078	153,742,588	34,965	4,578
Net assets	946,565,048	841,864,108	726,779,414	710,646,376
Capital and reserves				
Share capital	681,817,047	681,817,047	681,817,047	681,817,047
Foreign currency translation reserves	14,780,632	14,805,750	36,375,295	22,755,695
Accumulated profits	213,129,461	113,490,015	8,587,072	6,073,634
Equity attributable to owners of the parent	909,727,140	810,112,812	726,779,414	710,646,376
Non-controlling interests	36,837,908	31,751,296	-	-
Total equity	946,565,048	841,864,108	726,779,414	710,646,376

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

	As at 31/12/2011 Rp' 000	As at 31/12/2010 Rp' 000
Amount repayable in one year or less, or on demand		
Secured	39,791,412	54,764,882
Unsecured	-	-
Total	39,791,412	54,764,882
Amount repayable after one year		
Secured	30,121	149,033
Unsecured	-	-
Total	30,121	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

	4th Qtr 2011 Rp'000	4 th Qtr 2010 Rp'000	Full Year 2011 Rp'000	Full Year 2010 Rp'000
Cash flows from operating activities				
Profit before income tax	79,549,984	98,970,346	145,947,592	134,148,686
Adjustments for:				
Amortisation of operating use rights	11,041	11,041	44,161	44,161
Depreciation of property, plant and Equipment	2,356,827	2,013,618	8,495,735	7,059,476
Gain from changes in fair value of biological assets	(65,100,000)	(67,210,000)	(65,100,000)	(67,210,000)
Fair value(gain) from financial assets at fair value through profit or loss	(217,350)	(346,500)	(346,500)	(396,900)
Interest expense	399,368	731,187	1,711,368	5,946,093
Interest income	(570,201)	(332,767)	(2,187,245)	(763,625)
Unrealised foreign exchange loss, net	8,167,022	5,554,214	551,481	14,555,973
Loss/(gain) on disposal of plant and equipment	124,404	(50,956)	124,404	364,864
Provision for post-employment benefits	2,029,712	2,542,859	2,029,712	2,542,860
Operating cash flows before working capital changes	26,750,807	41,883,042	91,270,708	96,291,588

	4 th Qtr 2011 Rp'000	4 th Qtr 2010 Rp'000	Full Year 2011 Rp'000	Full Year 2010 Rp'000
Working capital changes:				
Inventories	(8,105,892)	(6,602,601)	(36,893,673)	(1,596,520)
Trade and other receivables	2,995,465	(561,934)	(1,571,304)	(1,363,568)
Prepayments	(64,750)	(2,240)	(11,727)	4,527,836
Trade and other payables	7,515,880	10,134,478	21,921,475	(5,158,044)
Utilisation of post-employment benefits	<u>(128,907)</u>	<u>(35,570)</u>	<u>(200,643)</u>	<u>(183,636)</u>
Cash generated from operations	28,962,603	44,815,175	74,514,836	92,517,656
Interest paid	(399,368)	(731,187)	(1,711,368)	(5,946,093)
Interest received	570,201	332,767	2,187,245	763,625
Income tax paid	<u>(4,450,847)</u>	<u>(9,044,252)</u>	<u>(20,296,139)</u>	<u>(34,710,935)</u>
Net cash from operating activities	<u>24,682,589</u>	<u>35,372,503</u>	<u>54,694,574</u>	<u>52,624,253</u>
Cash flows from investing activities				
Acquisition of biological assets	(5,049,804)	(5,497,275)	(21,566,301)	(23,783,003)
Purchase of club memberships	(24,166)	-	-	(888,112)
Security deposit	(36,000)	-	-	-
Purchase of plant and equipment	(6,567,945)	(4,041,966)	(18,892,270)	(23,072,963)
Proceeds from disposal of plant and equipment	491,949	50,956	491,949	1,038,640
Net cash used in investing activities	<u>(11,185,966)</u>	<u>(9,488,285)</u>	<u>(39,966,622)</u>	<u>(46,705,438)</u>
Cash flows from financing activities				
Dividend paid	(2,125,729)	-	(6,620,621)	-
Proceed from issuance of shares	-	-	-	346,184,469
Share issue expenses	-	-	-	(33,022,564)
Repayments of bank borrowings	(111,169,007)	-	(111,169,007)	(109,300,000)
Proceeds from bank borrowings	96,327,040	6,721,520	96,327,040	53,868,000
Repayments of obligations under finance leases	<u>(36,664)</u>	<u>(632,047)</u>	<u>(818,882)</u>	<u>(2,217,850)</u>
Net cash from /(used in) financing activities	<u>(17,004,360)</u>	<u>6,089,473</u>	<u>(22,281,470)</u>	<u>255,512,055</u>
Net change in cash and cash equivalents	(3,507,737)	31,973,691	(7,553,518)	261,430,870
Cash and cash equivalents at beginning of financial period	<u>259,853,900</u>	<u>231,925,990</u>	<u>263,899,681</u>	<u>2,468,811</u>
Cash and cash equivalents at end of financial period	<u>256,346,163</u>	<u>263,899,681</u>	<u>256,346,163</u>	<u>263,899,681</u>



GLOBAL PALM RESOURCES HOLDINGS LIMITED

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to owners of the parent			Non-controlling interests	Total equity	
	Share capital	Foreign currency translation reserve	Accumulated profits			Total
<u>Group</u>	Rp'000	Rp'000	Rp'000	Rp'000	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	-	-	104,260,067	104,260,067	5,311,612	109,571,679
Other comprehensive income for the financial period:						
Foreign currency translation differences	-	(25,118)	-	(25,118)	-	(25,118)
Total comprehensive income for the financial period	-	(25,118)	104,260,067	104,234,949	5,311,612	109,546,561
Dividend	-	-	(4,620,621)	(4,620,621)	(225,000)	(4,845,621)
Balance at 31 December 2011	681,817,047	14,780,632	213,129,461	909,727,140	36,837,908	946,565,048
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	-	-	89,040,648	89,040,648	5,337,679	94,378,327
Other comprehensive income for the financial period:						
Foreign currency translation differences	-	14,477,973	-	14,477,973	-	14,477,973
Total comprehensive income for the financial period	-	14,477,973	89,040,648	103,518,621	5,337,679	108,856,300
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
Dividend	-	-	-	-	(2,000,000)	(2,000,000)
Balance 31 December 2010	681,817,047	14,805,750	113,490,015	810,112,812	31,751,296	841,864,108



GLOBAL PALM RESOURCES HOLDINGS LIMITED

<u>Company</u>	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	-	-	7,134,059	7,134,059
Other comprehensive income for the financial period:				
Foreign currency translation differences	-	13,619,600	-	13,619,600
Total comprehensive income for the financial period	-	13,619,600	7,134,059	20,753,659
Dividend	-	-	(4,620,621)	(4,620,621)
Balance at 31 December 2011	681,817,047	36,375,295	8,587,072	726,779,414
Balance at 1 January 2010	368,655,142	327,777	(2,630,419)	366,352,500
Profit for the financial period	-	-	8,704,053	8,704,053
Other comprehensive income for the financial period:				
Foreign currency translation differences	-	22,427,918	-	22,427,918
Total comprehensive income for the for the financial period	-	22,427,918	8,704,053	31,131,971
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 31 December 2010	681,817,047	22,755,695	6,073,634	710,646,376

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 31 December 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 consolidated financial statements for the financial year ended 31 December 2010. 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).

	<u>4th Qtr 2011</u> Rp	<u>4th Qtr 2010</u> Rp	<u>FY 2011</u> Rp	<u>FY 2010</u> Rp
Earnings per ordinary share for the period				
(a) based on weighted average number of shares	135	162	253	216
(b) based on a fully diluted basis	135	162	253	216
Number of issued ordinary shares				
- Weighted average number of shares	412,968,000	412,968,000	412,968,000	412,968,000
- Total number of shares	412,968,000	412,968,000	412,968,000	412,968,000

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 31/12/2011	As at 31/12/2010	As at 31/12/2011	As at 31/12/2010
	<u>Rp</u>	<u>Rp</u>	<u>Rp</u>	<u>Rp</u>
Net asset value per ordinary share	2,292	2,039	1,760	1,721
Number of issued ordinary shares	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

4Q2011 versus 4Q2010

Revenue

Our revenue for 4Q2011 has decreased by Rp15.3 billion or 16%, from Rp94.5 billion in 4Q2010 to Rp79.2 billion in 4Q2011, mainly contributed by lower crude palm oil ("CPO") sales of Rp13.5 billion and lower palm kernel sales of Rp1.8 billion.

Revenue from CPO sales decreased by Rp13.6 billion, from Rp85.8 billion in 4Q2010 to Rp72.2 billion in 4Q2011, which is attributed by the lower average selling price and a slight drop in sales volume. The average selling price decreased by Rp1,126 per kilogram, from Rp7,690 per kilogram in 4Q2010 to Rp6,564 per kilogram in 4Q2011. The sales volume of CPO decreased slightly by 148 tons from 11,155 tons in 4Q2010 to 11,007 tons in 4Q2011.

Revenue from palm kernels decreased by Rp1.8 billion, from Rp8.8 billion in 4Q2010 to Rp7.0 billion in 4Q2011. This was mainly to a decrease in average selling price of Rp1,150 per kilogram from Rp4,481 per kilogram in 4Q2010 to Rp3,331 per kilogram in 4Q2011, although sales volume increased marginally by 142 tons, from 1,956 tons in 4Q2010 to 2,098 tons in 4Q2011. The increase in sales volume is marked by an increase in palm kernel production of 165 tons, from 2,322 in 4Q2010 to 2,487 in 4Q2011.

Cost of sales

Our cost of sales decreased marginally by Rp0.2 billion or 0%, from Rp54.6 billion in 4Q2010 to Rp54.4 billion in 4Q2011. This was mainly due to the decrease in the CPO sales volume, lower costs of FFB purchased offset by higher labour costs, higher indirect material used (which comprised mainly cost of fertilizers), and increased costs of fuel and lubricants in line with the higher volume of production.

Gross profit

As a result of the decrease in revenue, our gross profit decreased by Rp15.1 billion or 38%, from Rp39.9 billion in 4Q2010 to Rp24.8 billion in 4Q2011. Our gross profit margin decreased 10.9% from 42.2% in 4Q2010 to 31.3% in 4Q2011.

Gains arising from changes in fair value of biological assets

Our gain arising from changes in fair value of biological assets decreased marginally by Rp2.1 billion or 3%, from Rp 67.2 billion in 4Q2010 to Rp 65.1 billion in 4Q2011. The lower gain from changes in fair value of biological assets mainly resulted from the effect of lower FFB yield used in FY2011 as compared to FY2010.

Distribution expenses

Our distribution expenses increased by Rp0.4 billion or 91% from Rp0.4 billion in 4Q2010 to Rp0.8 billion in 4Q2011 mainly due to an increase in freight charges, which is in line with the increase in palm kernel sales volume which was sold ex Pontianak.

Administrative expenses

Our administrative expenses decreased by Rp0.5 billion or 7%, from Rp7.7 billion in 4Q2010 to Rp8.2 billion in 4Q2011 which is mainly due to lower professional fees incurred for consultancy work.

Finance costs

Our finance costs decreased by Rp0.3 billion or 45%, from Rp0.7 billion in 4Q2010 to Rp0.4 billion in 4Q2011 because of lower bank fee charged for our bank loan with Bank Niaga.

Other income

Other income comprise mainly income from sales of sludge oil and kernel shells. The decrease in other income of Rp0.3 billion or 30% from Rp1.2 billion in 4Q2010 to Rp0.8 billion in 4Q2011 was mainly due to lower sales of sludge oil and kernel shells of Rp0.6 billion from Rp0.8 billion in 4Q2010 to Rp0.2 billion in 4Q2011 and the write-off of provision for bank fees for Bank Niaga loan of Rp0.2 billion.

Other expenses

Other expenses comprise mainly loss on disposal of plant and equipment and other operating expenses such as costs of surveying area. Other expenses decreased by Rp0.4 billion or 58% mainly due to a decrease in loss on disposal of plant and equipment of Rp0.1 billion and decrease in cost of surveying area of Rp0.3 billion.

Foreign exchange gain/(loss), net

Foreign exchange loss of Rp2.0 billion in 4Q2011 was primarily attributable to the weakening of IDR against USD.

Profit before income tax

As a result of the foregoing, our profit before income tax decreased by Rp19.4 billion or 20%, from Rp99.0 billion in 4Q2010 to Rp79.6 billion in 4Q2011.

Income tax expense

Our income tax expense decreased by Rp7.7 billion or 27%, from Rp28.5 billion in 4Q2010 to Rp20.8 billion in 4Q2011. The decrease was mainly due to lower provision of income tax for FY2011 offset by an increase in provision for deferred tax for FY2011.

Profit after income tax

As a result of the above, our profit after income tax decreased by Rp11.8 billion or 17%, from Rp70.5 billion in 4Q2010 to Rp58.7 billion in 4Q2011.

Financial Year 2011 (“FY2011) versus Financial Year 2010 (“FY2010”)

Revenue

Our revenue for FY2011 increased by Rp58.3 billion or 20% from Rp287.2 billion in FY2010 to Rp345.5 billion in FY2011, which is attributed by higher CPO sales of Rp45.0 billion and higher Palm Kernel sales of Rp13.3 billion.

Revenue from CPO increased by Rp45.0 billion from Rp263.3 billion in FY2010 to Rp308.3 billion in FY2011, which is attributed by the higher sales volume and higher average selling price per kilogram from Rp6,913 in FY2010 to Rp7,204 in FY2011. The sales volume of CPO increased by 4,703 tons (from 38,095 tons in FY2010 to 42,798 tons in FY2011). Higher sales volume of CPO was supported by an increase in fresh fruit bunch (“FFB”) processed by 44,210 tons, which led to the increase in CPO production by 11,226 tons. In FY2011, the Group processed 225,789 tons of FFB and produced 49,551 tons of CPO, as compared to 181,579 tons and 38,325 tons respectively in the corresponding period a year ago.

Revenue from palm kernels increased by Rp13.3 billion (from Rp23.9 billion in FY2010 to Rp37.2 billion in FY2011), which is attributed to the higher average selling price and higher sales volume. The average selling price of palm kernels increased by Rp1,158 per kilogram (from Rp3,472 per kilogram in FY2010 to Rp4,630 per kilogram in FY2011). The sales volume increased by 1,170 tons (from 6,878 tons in FY2010 to 8,048 tons in FY2011), supported by an increase in palm kernel production of 2,211 tons, from 7,229 tons in FY2010 to 9,440 tons in FY 2011.

Cost of sales

Our cost of sales increased by Rp53.7 billion or 29% (from Rp186.0 billion in FY2010 to Rp239.7 billion in FY2011). This was mainly due to the increase in the sales volume and costs of FFB purchased, higher labour costs, higher indirect material used (which comprised mainly cost of fertilizers), and higher costs of fuel and lubricants in line with the higher volume of production.

Gross profit

As a result of the above factors, our gross profit increased by Rp4.6 billion or 5% (from Rp101.2 billion in FY2010 to Rp105.8 billion in FY2011). Our gross profit margin decreased by 4.6% from 35.2% in FY2010 to 30.6% in FY2011.

Gain arising from changes in fair value of biological assets

Our gain arising from changes in fair value of biological assets decreased marginally by Rp2.1 billion or 3%, from Rp 67.2 billion in FY2010 to Rp 65.1 billion in FY2011. The lower gain from changes in fair value of biological assets mainly resulted from the effect of lower FFB yield used in FY2011 as compared to FY2010.

Distribution expenses

Our distribution expenses decreased by Rp0.4 billion or 13% (from Rp2.8 billion in FY2010 to Rp2.4 billion in FY2011) as there is a decrease in sales claims by Rp0.9 billion from Rp1.0 billion in FY2010 to Rp 0.1 billion in FY2011, offset by an increase in freight charges of Rp 0.5 billion from Rp 1.4 billion in FY2010 to Rp 1.9 billion in FY2011 for increased sales volume of palm kernel that was sold ex Pontinak in FY2011.

Administrative expenses

Our administrative expenses decreased by Rp5.1 billion or 17% (from Rp30.4 billion in FY2010 to Rp25.3 billion in FY2011). This was mainly due to the listing expenses in relation to the invitation in FY2010.

Finance costs

Our finance costs decreased by Rp4.2 billion or 71% (from Rp5.9 billion in FY2010 to Rp1.7 billion in FY2011). This was mainly due to the less interest expense incurred as there was a reduction in bank borrowings during FY2011 vs FY2010, for our bank loan facilities with PT CIMB Niaga.

Other income

The increase in other income of Rp0.5 billion or 17% from Rp2.8 billion in FY2010 to Rp3.3 billion in FY2011 was mainly due to the write off of provision for bank fees for Bank Niaga loan of Rp0.2 billion, higher sales of scrap irons of Rp0.2 billion and receipt of compensation for usage of plantation land of Rp0.1 billion.

Other expenses

Other expenses comprise mainly loss on disposal of plant and equipment and other operating expenses such as costs of surveying area. Other expenses decreased by Rp0.1 billion or 5% mainly due to a decrease in loss on disposal of plant and equipment of Rp0.3 billion from Rp0.4 billion in FY2010 to Rp0.1 billion in FY2011 offset by an increase in cost of surveying area of Rp0.2 billion, from Rp0.5 billion in FY2010 to Rp0.7 billion in FY2011.

Foreign exchange gain/(loss), net

Foreign exchange loss of Rp0.2 billion in FY2011 was primarily attributable to the weakening of IDR against USD.

Profit before income tax

As a result of the foregoing, our profit before income tax increased by Rp11.8 billion or 9% (from Rp134.1 billion in FY2010 to Rp145.9 billion in FY2011).

Income tax expense

Our income tax expense decreased by Rp3.4 billion or 9% (from Rp39.8 billion in FY2010 to Rp36.4 billion in FY2011). The decrease was mainly due to lower provision of income tax for FY2011 offset by an increase in provision for deferred tax for FY2011.

Profit after income tax

As a result of the foregoing, our profit after income tax increased by Rp15.2 billion (from Rp94.4 billion in FY2010 to Rp109.6 billion in FY2011).

Review of Financial Position as at 31 December 2011

Non-current assets

Non-current assets for the group increased by Rp96.4 billion or 12%, from Rp796.3 billion as at 31 December 2010 to Rp892.7 billion as at 31 December 2011. This was mainly due to increase in biological assets for the planting done in FY2011 and purchase of planting equipment.

Current assets

Current assets for the group increased by Rp31.3 billion or 11%, from Rp294.6 billion as at 31 December 2010 to Rp325.9 billion as at 31 December 2011. This was mainly due to increase in inventories of CPO and Palm Kernel. The increase in inventories is due to late collections by buyers due to bad weather at the end of the year.

Current liabilities

Current liabilities for the group increased by Rp3.2 billion or 3%, from Rp95.3 billion as at 31 December 2010 to Rp98.5 billion as at 31 December 2011. This was mainly due to advances received from customers in FY 2011 offset by a reduction of bank loan.

Non-current liabilities

Non-current liabilities for the group increased by Rp19.7 billion or 13%, from Rp153.7 billion as at 31 December 2010 to Rp173.4 billion as at 31 December 2011. This was mainly due to an increase in deferred tax liabilities for the portion of profit that will not be tax in the current year.

Review of Consolidated Cashflow

Net cashflow from operating activities for FY2011 increased by Rp2.1 billion, from Rp52.6 billion in FY10 to Rp54.7 billion in FY11. Higher cash inflow was mainly due to higher revenue in FY2011, increase in trade and other payables; offset by an increase in inventories.

Net cash used in investing activities for FY2011 of Rp40.0 billion comprised mainly additional planting and of the purchase of planting equipment in FY2011.

Net cash used in financing activities of Rp22.2 billion in FY 2011 was mainly for dividend paid and partial repayment for obligations under finance leases.

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.

CPO prices are expected to remain volatile considering the uncertainty in the global economy, increasing supply of vegetable oils, and abnormal weather's affect on market dynamics. However, the demand for palm oil is expected to remain strong in view of rising food requirements from China, India, Indonesia and emerging markets, as well as demand from the biofuel, oleochemicals and compound feed industries.

With additional hectares of new planting maturing, we expect our FFB harvest and CPO production to improve in 2012. While the Group looks to expand its operations, it will continue to maintain its focus on achieving a cost competitive business model in the long run.

11. Dividend

(a) Current Financial Period Reported on

Any dividend declared for the current financial period reported on?

Yes.

Name of dividend:	First and final
Dividend Type:	Cash
Dividend Amount per share:	S\$0.002 per ordinary share
Tax Rate:	One-tier tax exempt dividend

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the current financial period reported on?

Yes.

Name of dividend:	First and final
Dividend Type:	Cash
Dividend Amount per share	S\$0.0016 per ordinary share
Tax Rate:	One-tier tax exempt dividend

(c) Date payable

To be announced at a later date.

(d) Books closure date

To be announced at a later date.

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

Not applicable.

PART II- ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

13. Segmented revenue and results for business of geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Not applicable as our plantation segment accounts for more than 98% of the Group's revenue and profit.

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Not applicable as there are no material changes in contributions to turnover and earnings by the Group.

15. A breakdown of sales as follows:-

	The Group		
	FY 2011 Rp'000	FY 2010 Rp'000	Increase/ (Decrease) Rp'000
(a) Sales reported for first half year	174,963,529	119,957,351	55,006,178
(b) Operating profit after tax before deducting minority interests reported for first half year	36,921,954	12,308,478	24,613,476
(c) Sales reported for second half year	170,615,432	167,274,994	3,340,438
(d) Operating profit after tax before deducting minority interests reported for second half year	72,649,725	82,069,849	(9,420,124)

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	FY 2011		FY 2010	
	S\$ '000	Rp '000 equivalent	S\$ '000	Rp '000 equivalent
Ordinary – Interim	-	-	-	-
Ordinary – Final (Proposed)	825.9	*5,775,776	660.7	*4,620,621
Total	825.9	5,775,776	660.7	4,620,621

* Based on exchange rate of SGD 1 = Rp 6,993 (FY 2011)
Based on exchange rate of SGD 1 = Rp 6,993 (FY 2010)

17. 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	4,269	NIL

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Tan Hung Hwie @ Winoto Adijanto	55	- Brother of CEO Dr Suparno Adijanto; - Brother-in-law of COO Thomas Agap Lim	- Director of Global Palm Resources Private Limited - Director of Ecogreen Resources Investments Limited	Not applicable
Tan Hong Swan @ Tan Hong Whan @ Swandono Adijanto	59	- Brother of CEO Dr Suparno Adijanto; - Brother-in-law of COO Thomas Agap Lim	- President Commissioner of PT Prakarsa Tani Sejati	Not applicable
Tan Hong Pheng @ Pintarso Adijanto	54	- Brother of CEO Dr Suparno Adijanto; - Brother-in-law of COO Thomas Agap Lim	- Director of PT Prakarsa Tani Sejati	Not applicable

BY ORDER OF THE BOARD

Dr Tan Hong Kiat @ Suparno Adijanto
Executive Chairman & CEO
23 February 2012

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.