
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 2012 TO 31 DECEMBER 2012**
**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**

	<u>4th Qtr 2012</u> <u>Rp '000</u>	<u>4th Qtr 2011</u> <u>Rp '000</u>	Change %	<u>Full Year 2012</u> <u>Rp '000</u>	<u>Full Year 2011</u> <u>Rp '000</u>	Change %
Revenue	69,866,648	79,235,901	(12)	333,562,260	345,578,961	(3)
Cost of sales	(52,226,665)	(54,406,848)	(4)	(226,613,853)	(239,727,544)	(5)
Gross profit	<u>17,639,983</u>	<u>24,829,053</u>	(29)	<u>106,948,407</u>	<u>105,851,417</u>	1
Net (loss)/gain from changes in fair value of biological assets	(116,921,963)	65,100,000	n.m.	(116,921,963)	65,100,000	n.m.
Operating expenses						
Distribution expenses	(634,084)	(852,707)	(26)	(2,198,315)	(2,414,505)	(9)
Administrative expenses	(9,899,980)	(8,251,111)	20	(30,499,987)	(25,267,111)	21
Finance costs	(219,839)	(399,368)	(45)	(1,214,362)	(1,711,368)	(29)
	<u>(10,753,903)</u>	<u>(9,503,186)</u>	13	<u>(33,912,664)</u>	<u>(29,392,984)</u>	15
Other items of income/(expenses)						
Interest income	601,909	570,201	6	2,469,568	2,187,245	13
Other income	746,992	815,403	(8)	2,044,880	3,292,025	(38)
Other expenses	(861,773)	(311,510)	177	(1,557,716)	(879,557)	77
Foreign exchange loss, net	(1,027,996)	(1,949,977)	(47)	(4,583,601)	(210,554)	n.m.
	<u>(540,868)</u>	<u>(875,883)</u>	(38)	<u>(1,626,869)</u>	<u>4,389,159</u>	n.m.
(Loss)/Profit before income tax	<u>(110,576,751)</u>	<u>79,549,984</u>	n.m.	<u>(45,513,089)</u>	<u>145,947,592</u>	n.m.
Income tax expense	20,698,552	(20,837,398)	(199)	4,101,468	(36,375,913)	(111)
(Loss)/Profit for the financial period/year	<u>(89,878,199)</u>	<u>58,712,586</u>	n.m.	<u>(41,411,621)</u>	<u>109,571,679</u>	n.m.
Other comprehensive income						
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	3,408,396	6,582,423	(48)	27,562,886	(25,118)	n.m.
Total comprehensive income for the financial period/year	<u>(86,469,803)</u>	<u>65,295,009</u>	n.m.	<u>(13,848,735)</u>	<u>109,546,561</u>	n.m.

	4th Qtr 2012 Rp '000	4th Qtr 2011 Rp '000	Change %	Full Year 2012 Rp '000	Full Year 2011 Rp '000	Change %
(Loss)/Profit attributable to:						
Owners of the parent	(85,672,139)	55,762,128	n.m.	(39,829,007)	104,260,067	n.m.
Non-controlling interests	(4,206,060)	2,950,458	n.m.	(1,582,614)	5,311,612	n.m.
	<u>(89,878,199)</u>	<u>58,712,586</u>	n.m.	<u>(41,411,621)</u>	<u>109,571,679</u>	n.m.
Total comprehensive income attributable to:						
Owners of the parent	(82,263,743)	62,344,551	n.m.	(12,266,121)	104,234,949	n.m.
Non-controlling interests	(4,206,060)	2,950,458	n.m.	(1,582,614)	5,311,612	n.m.
	<u>(86,469,803)</u>	<u>65,295,009</u>	n.m.	<u>(13,848,735)</u>	<u>109,546,561</u>	n.m.

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

	4th Qtr 2012 Rp '000	4th Qtr 2011 Rp '000	Change %	Full Year 2012 Rp '000	Full Year 2011 Rp '000	Change %
Interest income	(601,909)	(570,201)	6	(2,469,568)	(2,187,245)	13
Finance costs	219,839	399,368	(45)	1,214,362	1,711,368	(29)
Depreciation expense	2,411,569	2,062,087	17	9,405,242	8,200,996	15
Amortisation of operating use rights	11,041	11,041	-	44,160	44,160	-
Foreign exchange loss, net	1,027,996	1,949,977	(47)	4,583,601	210,554	n.m.
(Gain)/loss on disposal of plant and equipment, net	(298,331)	2,156	n.m.	(309,596)	124,404	n.m.
Loss/(Gain) from changes in fair value of biological assets	116,921,963	(65,100,000)	n.m.	116,921,963	(65,100,000)	n.m.
Fair value loss/(gain) from financial assets at fair value through profit or loss	63,000	(217,350)	n.m.	500,850	(346,500)	n.m.
Employment benefits expenses						
- salaries, wages and bonuses	3,473,482	4,059,678	(14)	17,277,185	14,073,675	23
- post-employment benefit	3,884,052	2,029,712	91	3,884,052	2,029,712	91
Operating lease expenses						
- rental of premises	280,945	250,807	12	1,006,657	1,035,527	(3)
Representation and entertainment	133,550	66,601	n.m.	352,046	335,736	5
Transportation, travelling and accommodation	143,358	206,050	(30)	759,054	857,021	(11)

Additional information:

EBITDA (Excluding changes in fair value less estimated point-of-sales costs of biological assets)	8,385,751	16,352,278	(49)	79,603,071	88,616,672	(10)
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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	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	Rp '000	Rp '000	Rp '000	Rp '000
Non-current assets				
Biological assets	677,144,369	784,610,699	-	-
Property, plant and equipment	114,688,293	106,359,075	1,038,082	1,514,991
Investments in subsidiaries	-	-	456,110,059	403,380,856
Operating use rights	782,723	826,883	-	-
Club memberships	1,004,204	888,112	1,004,204	888,112
Deferred charges	3,628,500	-	-	-
	797,248,089	892,684,769	458,152,345	405,783,959
Current assets				
Inventories	51,965,656	58,225,483	-	-
Trade and other receivables	18,219,104	9,195,843	304,075,714	153,460,820
Dividend receivable	-	-	19,000,000	3,000,000
Prepayments	1,461,642	1,265,969	396,272	379,182
Financial assets at fair value through profit or loss	311,850	812,700	-	-
Cash and cash equivalents	292,415,847	256,346,163	49,518,401	165,512,180
	364,374,099	325,846,158	372,990,387	322,352,182
Less:				
Current liabilities				
Trade and other payables	53,629,424	56,237,745	980,000	1,152,199
Dividend payable	1,700,000	225,000	-	-
Bank borrowings	29,010,000	39,672,500	-	-
Finance lease payables	30,121	118,912	-	-
Current income tax payable	3,577,185	2,284,644	727,455	169,563
	87,946,730	98,538,801	1,707,455	1,321,762
Net current asset	276,427,369	227,307,357	371,282,932	321,030,420
Less:				
Non-current liabilities				
Finance lease payables	-	30,121	-	-
Provision for post-employment benefits	13,585,152	9,756,265	-	-
Deferred tax liabilities	135,518,065	163,640,692	49,957	34,965
	149,103,217	173,427,078	49,957	34,965
Net assets	924,572,241	946,565,048	829,385,320	726,779,414
Capital and reserves				
Share capital	681,817,047	681,817,047	681,817,047	681,817,047
Foreign currency translation reserves	42,343,518	14,780,632	131,774,843	36,375,295
Accumulated profits/(losses)	167,156,382	213,129,461	15,793,430	8,587,072
Equity attributable to owners of the parent	891,316,947	909,727,140	829,385,320	726,779,414
Non-controlling interests	33,255,294	36,837,908	-	-
Total equity	924,572,241	946,565,048	829,385,320	726,779,414

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

	As at	
	31/12/2012 Rp '000	31/12/2011 Rp '000
Amount repayable in one year or less, or on demand		
Secured	29,040,121	39,791,412
Unsecured	-	-
Total	29,040,121	39,791,412
Amount repayable after one year		
Secured	-	30,121
Unsecured	-	-
Total	-	30,121

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 2012 Rp '000	4th Qtr 2011 Rp '000	Full Year 2012 Rp '000	Full Year 2011 Rp '000
Cash flows from operating activities				
(Loss)/Profit before income tax	(110,576,751)	79,549,984	(45,513,089)	145,947,592
Adjustments for:				
Amortisation of operating use rights	11,041	11,041	44,160	44,160
(Gain)/loss on disposal of plant and equipment, net	(298,331)	85,404	(309,596)	207,652
Depreciation of property, plant and equipment	2,411,569	2,345,386	9,405,242	8,484,294
Loss/(gain) from changes in fair value of biological assets	116,921,963	(65,100,000)	116,921,963	(65,100,000)
Fair value loss/(gain) from financial assets at fair value through profit or loss	63,000	(217,350)	500,850	(346,500)
Post-employment benefits	3,884,052	2,029,712	3,884,052	2,029,712
Finance costs	219,839	399,368	1,214,362	1,711,368
Interest income	(601,909)	(570,201)	(2,469,568)	(2,187,245)
Currency translation losses	8,742,802	3,163,889	15,518,658	-
Operating cash flows before working capital changes	20,777,275	21,697,233	99,197,034	90,791,033
Working capital changes:				
Inventories	(8,196,794)	(8,105,892)	6,259,827	(36,893,673)
Trade and other receivables	(11,652,099)	2,978,478	(9,130,746)	(1,588,291)
Prepayments	(709,436)	(64,750)	(195,673)	(11,727)
Trade and other payables	29,965,167	7,515,880	(2,608,321)	21,921,475
Utilisation of post-employment benefits	(42,023)	(128,907)	(55,165)	(200,643)
Cash generated from operations	30,142,090	23,892,042	93,466,956	74,018,174
Interest paid	(217,805)	(354,617)	(1,202,862)	(1,666,617)
Interest received	601,909	570,201	2,577,053	2,187,245
Income tax paid	(8,120,743)	(4,450,847)	(22,728,618)	(20,296,139)
Net cash from operating activities	22,405,451	19,656,779	72,112,529	54,242,663

	4th Qtr 2012	4th Qtr 2011	Full Year 2012	Full Year 2011
	Rp '000	Rp '000	Rp '000	Rp '000
Cash flows from investing activities				
Acquisition of biological assets	4,012,945	(5,049,804)	(9,455,633)	(21,566,301)
Purchase of club membership	-	(60,166)	-	-
Purchase of plant and equipment	(5,485,210)	(6,556,502)	(18,065,511)	(18,880,827)
Proceeds of disposal of plant and equipment	453,920	530,949	801,293	408,701
Payments for deferred expenditure	370,989	-	(3,628,500)	-
Net cash used in investing activities	(647,356)	(11,135,523)	(30,348,351)	(40,038,427)
Cash flows from financing activities				
Dividends paid to equity holders of the Company	-	(125,729)	(6,144,072)	(4,620,621)
Dividends paid to non-controlling interest	(525,000)	(2,000,000)	(525,000)	(2,000,000)
Finance lease interest	(2,034)	(44,751)	(11,500)	(44,751)
Repayments of bank borrowings	-	(53,946,000)	(31,541,875)	(53,946,000)
Proceeds from bank borrowings	-	39,672,500	18,636,000	39,672,500
Repayments of obligations under finance leases	(12,911)	(36,664)	(118,913)	(818,882)
Net cash used in financing activities	(539,945)	(16,480,644)	(19,705,360)	(21,757,754)
Net change in cash and cash equivalents	21,218,150	(7,959,388)	22,058,818	(7,553,518)
Cash and cash equivalents at beginning of financial period	276,307,654	259,853,900	256,346,163	263,899,681
Effects of currency translation on cash and cash equivalents	(5,109,957)	4,451,651	14,010,866	-
Cash and cash equivalents at end of financial period	292,415,847	256,346,163	292,415,847	256,346,163



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.

Group	Attributable to owners of the parent					Total equity Rp '000
	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	
Balance as at 1 January 2012	681,817,047	14,780,632	213,129,461	909,727,140	36,837,908	946,565,048
Loss for the financial period	-	-	(39,829,007)	(39,829,007)	(1,582,614)	(41,411,621)
Other comprehensive income for the financial period:						
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	-	27,562,886	-	27,562,886	-	27,562,886
Total comprehensive income for the financial period	-	27,562,886	(39,829,007)	(12,266,121)	(1,582,614)	(13,848,735)
Dividend paid	-	-	(6,144,072)	(6,144,072)	(2,000,000)	(8,144,072)
Balance as at 31 December 2012	681,817,047	42,343,518	167,156,382	891,316,947	33,255,294	924,572,241
Balance as 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 on translation of non-Indonesian rupiah financial statements	-	(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 paid	-	-	(4,620,621)	(4,620,621)	(225,000)	(4,845,621)
Balance as at 31 December 2011	681,817,047	14,780,632	213,129,461	909,727,140	36,837,908	946,565,048



GLOBAL PALM RESOURCES HOLDINGS LIMITED

Company	Share capital Rp '000	Foreign currency translation reserve Rp '000	Accumulated (losses)/profits Rp '000	Total Rp '000
Balance as at 1 January 2012	681,817,047	36,375,295	8,587,072	726,779,414
Profit for the financial period	-	-	13,350,430	13,350,430
Other comprehensive income/(loss) for the financial period: Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	-	95,399,548	-	95,399,548
Total comprehensive income/(loss) for the financial period	-	95,399,548	13,350,430	108,749,978
Dividend paid	-	-	(6,144,072)	(6,144,072)
Balance as at 31 December 2012	681,817,047	131,774,843	15,793,430	829,385,320
Balance as 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/(loss) for the financial period: Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	-	13,619,600	-	13,619,600
Total comprehensive income/(loss) for the financial period	-	13,619,600	7,134,059	20,753,659
Dividend paid	-	-	(4,620,621)	(4,620,621)
Balance as at 31 December 2011	681,817,047	36,375,295	8,587,072	726,779,414

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 2012	As at 31 December 2011
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 consolidation financial statements for the financial year ended 31 December 2011. 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 2012</u> Rp	<u>4th Qtr 2011</u> Rp	<u>Full Year 2012</u> Rp	<u>Full Year 2011</u> Rp
Earnings per share for the period (Rp)				
(a) based on weighted average number of shares	(207)	135	(96)	253
(b) based on a fully diluted basis	(207)	135	(96)	253
Number of shares outstanding				
- 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.

	<u>Group</u>		<u>Company</u>	
	As at		As at	
	<u>31/12/2012</u>	<u>31/12/2011</u>	<u>31/12/2012</u>	<u>31/12/2011</u>
Net asset value per ordinary share (Rp)	2,239	2,292	2,008	1,760
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

4Q2012 versus 4Q2011

Revenue

Our revenue for 4Q2012 decreased by Rp9.3 billion or 12%, from Rp79.2 billion in 4Q2011 to Rp69.9 billion in 4Q2012, mainly contributed by lower crude palm oil ("CPO") sales of Rp9.2 billion and palm kernel ("PK") sales of Rp0.1 billion.

Revenue from CPO sales decreased by Rp9.2 billion, from Rp72.2 billion in 4Q2011 to Rp63.0 billion in 4Q2012, due to lower sales volume and decrease in the average selling price of CPO. Sales volume of CPO decreased by 193 tons from 11,006 tons in 4Q2011 to 10,813 tons in 4Q2012. Average selling price of CPO decreased by Rp739 per kilogram, from Rp6,564 per kilogram in 4Q2011 to Rp5,825 per kilogram in 4Q2012.

Revenue from PK decreased by Rp0.1 billion, from Rp7.0 billion in 4Q2011 to Rp6.9 billion in 4Q2012. This was mainly due to decrease in average selling price of PK offset by an increase in the sales volume of PK. Average selling price of PK decreased by Rp1,000 per kilogram from Rp3,332 per kilogram in 4Q2011 to Rp2,332 per kilogram in 4Q2012. Sales volume increased by 851 tons, from 2,098 tons in 4Q2011 to 2,949 tons in 4Q2012.

Costs of sales

Cost of sales decreased by Rp2.2 billion or 4%, from Rp54.4 billion in 4Q2011 to Rp52.2 billion in 4Q2012. This was mainly due to decrease in purchases of fresh fruit bunch ("FFB") from third parties, coupled with lower purchases due to the decline in sales volume of CPO. The decrease is partially offset by higher labour costs as well as higher plantation and factory overheads incurred for repairs and maintenance, upkeep and harvesting and indirect material used (which comprised mainly cost of fertilizers).

Gross profit

As a result of the decrease in revenue, gross profit decreased by Rp7.2 billion or 29%, from Rp24.8 billion in 4Q2011 to Rp17.6 billion in 4Q2012. Gross profit margin decreased from 31.3% in 4Q2011 to 25.2% in 4Q2012.

Net (loss)/gain arising from changes in fair value of biological assets

The Group recognized loss arising from changes in fair value of biological assets of Rp116.9 billion in FY2012, as compared to a gain of Rp65.1 billion in FY2011. The loss from changes in fair value of biological assets mainly resulted from the effect of lower CPO prices.

Distribution expenses

Distribution expenses decreased by Rp0.2 billion or 26% from Rp0.8 billion in 4Q2011 to Rp0.6 billion in 4Q2012. This was mainly due to decrease in sales claims and lower freight and stevedoring costs.

Administrative expenses

Administrative expenses increased by Rp1.6 billion or 20% from Rp8.3 billion in 4Q2011 to Rp9.9 billion in 4Q2012. This was mainly due to increase in estimated post-employment benefits of Rp1.9 billion, offset by lower salaries and allowances to employees of the Group.

Finance costs

Finance costs decreased by Rp0.2 billion or 45%, from Rp0.4 billion in 4Q2011 to Rp0.2 billion in 4Q2012 due to lower bank borrowings.

Interest income

Interest income remained constant at Rp0.6 billion.

Other income

Other income decreased marginally by Rp0.1 billion or 8%, from Rp0.8 billion in 4Q2011 to Rp0.7 billion in 4Q2012, which was mainly due to lower sales of sludge and kernel shells.

Other expenses

Other expenses increased by Rp0.6 billion, from Rp0.3 billion in 4Q2011 to Rp0.9 billion in 4Q2012, which was due to higher miscellaneous expenses in 4Q2012.

Foreign exchange loss, net

Foreign exchange loss of Rp1.0 billion in 4Q2012 was mainly due to depreciation of IDR against SGD.

Profit before income tax

As a result of the foregoing, profit before income tax decreased by Rp190.1 billion from profit before income tax of Rp79.5 billion in 4Q2011 to loss before income tax of Rp110.6 billion in 4Q2012. The loss before income tax of Rp110.6 billion was mainly due to loss from changes in fair value of biological assets of Rp116.9 billion. If we exclude loss from changes in fair value of biological assets, the result of the Group before income tax was Rp6.3 billion.

Income tax expense

Income tax expense decreased by Rp41.5 billion mainly due lower provision of deferred tax for FY2012.

Profit after income tax

As a result of the above, profit after income tax decreased by Rp148.6 billion, from profit after income tax of Rp58.7 billion in 4Q2011 to loss after income tax of Rp89.9 billion in 4Q2012. The loss after income tax of Rp89.9 billion was mainly due to loss from changes in fair value of biological assets of Rp116.9 billion. If we exclude loss from changes in fair value of biological assets, the result of the Group after income tax was Rp27.0 billion.

Financial Year 2012 (“FY2012”) versus Financial Year 2011 (“FY2011”)

Revenue

Our revenue for FY2012 decreased by Rp12.0 billion or 3%, from Rp345.6 billion in FY2011 to Rp333.6 billion in FY2012, mainly due to decrease in palm kernel (“PK”) sales of Rp14.5 billion offset by an increase in crude palm oil (“CPO”) sales of Rp2.5 billion,

Revenue from CPO sales increased by Rp2.5 billion, from Rp308.3 billion in FY2011 to Rp310.8 billion in FY2012, attributed by higher sales volume, with a decrease in average selling price of CPO. Sales volume of CPO increased by 1,634 tons from 42,798 tons in FY2011 to 44,432 tons in FY2012. The average selling price of CPO decreased by Rp209 per kilogram, from Rp7,204 per kilogram in FY2011 to Rp6,995 per kilogram in FY2012.

Revenue from PK decreased Rp14.5 billion, from Rp37.2 billion in FY2011 to Rp22.7 billion in FY2012. This was mainly due to the decrease in average selling price per kilogram of PK by Rp1,744 per kilogram from Rp4,630 per kilogram in FY2011 to Rp2,886 per kilogram in FY2012. There is also a decrease in sales volume of 167 tons from 8,048 tons in FY2011 to 7,881 tons in FY2012.

Costs of sales

Cost of sales decreased by Rp13.1 billion or 5%, from Rp239.7 billion in FY2011 to Rp226.6 billion in FY2012. This was mainly due to decrease in purchases of fresh fruit bunch (“FFB”) from third parties, coupled with lower purchases due to the decline in sales volume of PK. The decrease is offset by higher labour costs as well as higher plantation and factory overheads incurred for repairs and maintenance, upkeep and harvesting and indirect material used (which comprised mainly cost of fertilizers).

Gross profit

As a result of the lower cost of sales, gross profit increased by Rp1.1 billion or 1%, from Rp105.9 billion in FY2011 to Rp107.0 billion in FY2012. Gross profit margin increased from 30.6% in FY2011 to 32.1% in FY2012.

Net (loss)/gain arising from changes in fair value of biological assets

The Group recognized loss arising from changes in fair value of biological assets of Rp116.9 billion in FY2012, as compared to a gain of Rp65.1 billion in FY2011. The loss from changes in fair value of biological assets mainly resulted from the effect of lower CPO prices.

Distribution expenses

Distribution expenses decreased by Rp0.2 billion or 9% from Rp2.4 billion in FY2011 to Rp2.2 billion in FY2012 mainly due to decrease in freight charges, which is in line with the decrease in palm kernel sales volume which was sold ex Pontianak.

Administrative expenses

Administrative expenses increased by Rp5.2 billion or 21% from Rp25.3 billion in FY2011 to Rp30.5 billion in FY2012. This was mainly due to payments to the estate of our late Chief Operating Officer, Mr Thomas Agap Lim, in accordance with Indonesia’s laws and regulations, and increase in salaries and allowances of the employees of the Group.

Finance costs

Finance costs decreased by Rp0.5 billion or 29% from Rp1.7 billion in FY2011 to Rp1.2 billion in FY2012. This was due to lower bank borrowings and finance lease payables.

Interest income

Interest income increased by Rp0.3 billion or 13%, from Rp2.2 billion in FY2011 to Rp2.5 billion in FY2012, mainly due to the higher interest earned from more deposits placed with the bank.

Other income

Other income decreased by Rp1.2 billion or 38%, from Rp3.3 billion in FY2011 to Rp2.1 billion in FY2012, which was mainly due to lower sales of sludge and kernel shells and decrease in fair value gain from financial assets at fair value through profit or loss.

Other expenses

Other expenses increased by Rp0.7 billion or 77% due to higher miscellaneous expenses in FY2012.

Foreign exchange loss, net

Foreign exchange loss of Rp4.6 billion in FY2012 was mainly due to depreciation of IDR against SGD.

Profit before income tax

As a result of the foregoing, profit before income tax decreased by Rp191.5 billion, from profit before income tax of Rp146.0 billion in FY2011 to loss before income tax of Rp45.5 billion in FY2012. The loss before income tax of Rp45.5 billion was mainly due to loss from changes in fair value of biological assets of Rp116.9 billion. If we exclude loss from changes in fair value of biological assets, the result of the Group before income tax was Rp71.4 billion.

Income tax expense

Income tax expense decreased by Rp40.5 billion mainly due lower provision of deferred tax for FY2012.

Profit after income tax

As a result of the above, profit after income tax decreased by Rp150.9 billion, from profit after income tax of Rp109.5 billion in FY2011 to loss after income tax of Rp41.4 billion in FY2012. The loss after income tax of Rp41.4 billion was mainly due to loss from changes in fair value of biological assets of Rp116.9 billion. If we exclude loss from changes in fair value of biological assets, the result of the Group after income tax was Rp75.5 billion.

Review of Financial Position as at 31 December 2012

Non-current assets

Non-current assets for the Group decreased by Rp95.5 billion or 11%, from Rp892.7 billion as at 31 December 2011 to Rp797.2 billion as at 31 December 2012. This was mainly due to a decrease in biological assets, resulting from recognition of net loss arising from changes in fair value of biological assets of Rp116.9 billion, offset by additional planting in FY2012. The decrease was offset by an increase in property, plant and equipment and deferred charges incurred for the land location permit for expansion of the Group's land bank.

Current assets

Current assets for the Group increased by Rp38.5 billion or 12%, from Rp325.8 billion as at 31 December 2011 to Rp364.4 billion as at 31 December 2012. This was mainly due to increase in cash and cash equivalents for inventories sold in FY2012.

Current liabilities

Current liabilities for the Group decreased by Rp10.6 billion or 11%, from Rp98.5 billion as at 31 December 2011 to Rp88.0 billion as at 31 December 2012. This was mainly due to decrease in bank borrowings.

Non-current liabilities

Non-current liabilities for the Group decreased by Rp24.3 billion or 14%, from Rp173.4 billion as at 31 December 2011 to Rp149.1 billion as at 31 December 2012. This was mainly due to the decrease in deferred tax liabilities of Rp28.1 billion, offset by an increase in provision for post-employment benefits of Rp3.8 billion.

Review of Consolidated Cash Flows

Net cash flow from operating activities for FY2012 increased by Rp17.4 billion, from Rp54.7 billion in FY2011 to Rp72.1 billion in FY2012. Higher cash inflow recorded is mainly due to increase in sales receipts from customers.

Net cash used in investing activities of Rp30.3 billion comprised mainly additional planting, purchase of planting equipment and payments for deferred expenditure.

Net cash used in financing activities of Rp19.7 billion was mainly for dividend paid to shareholders in FY2012 and partial repayment of bank borrowings.

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 have remained subdued due to the high level of stock piles in Malaysia and Indonesia and strong palm oil output growth arising from favourable weather over the past 12 months. However, CPO's lower pricing against soybean oil and crude oil prices and the attractive export tax regulations imposed by CPO producing countries, in a bid to reduce the stock piles, have provided some support for demand.

Looking ahead, with emerging markets, which are the largest consuming markets for palm oil, projected to see stronger growth in 2013, demand for palm oil is expected to be sustained by a number of factors in the coming year. They include food-driven uses, industrial applications, bio-diesel demand from Europe and US, and China inventory building. Notwithstanding the above, the Group expects CPO prices in 2013 to be volatile.

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\$0.004 per ordinary share
Tax Rate:	One-tier tax exempt dividend

(b) Corresponding Period of the Immediately Preceding Financial Year

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

(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.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

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)
	FY2012	FY2012
PT Bumiraya Utama Lines	3,880	NIL*

*The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. 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.

15. 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.

16. A breakdown of sales as follows:-

	The Group		
	FY2012 Rp '000	FY2011 Rp '000	Increase/ (Decrease) Rp '000
(a) Sales reported for first half year	205,276,240	174,963,529	30,312,711
(b) Operating profit after tax before deducting minority interests reported for first half year	35,002,823	36,921,954	(1,919,131)
(c) Sales reported for second half year	128,286,020	170,615,432	(42,329,412)
(d) Operating (loss)/profit after tax before deducting minority interests reported for second half year	(76,414,444)	72,649,725	(149,064,169)

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

	FY 2012		FY 2011	
	S\$ '000	Rp '000 equivalent	S\$ '000	Rp '000 equivalent
Ordinary – Interim	-	-	-	-
Ordinary – Final (Proposed)	1,651.9	*13,061,550	825.9	*5,775,776
Total	1,651.9	13,061,550	825.9	5,775,776

*

Based on exchange rate of SGD 1 = Rp 7,907.12 (FY2012)

Based on exchange rate of SGD 1 = Rp 6,993 (FY2011)

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	56	Brother of CEO, Dr Suparno Adijanto	<u>Director of Global Palm Resources Private Limited (Since 2007)</u> - Governing the Company including setting management directions and goals. - Oversee management of company. <u>Director of Ecogreen Resources Investments Limited (Since 2010)</u> - Governing the Company including setting management directions and goals. - Oversee management of company.	Not applicable
Tan Hong Swan @ Tan Hong Whan @ Swandono Adijanto	60	Brother of CEO, Dr Suparno Adijanto	<u>President Commissioner of PT Prakarsa Tani Sejati (Since 2003)</u> - Supervise and advise the Board of Directors. - Non-executive in nature.	Not applicable
Tan Hong Pheng @ Pintarso Adijanto	55	Brother of CEO, Dr Suparno Adijanto	<u>Director of PT Prakarsa Tani Sejati (Since 1993)</u> - Governing the Company including setting management directions and goals. - Oversee management of company.	Not applicable
Ivan Swandono	25	Nephew of CEO, Dr Suparno Adijanto (and the son of Dr Suparno Adijanto's brother, Tan Hong Whan @ Swandono Adijanto)	<u>Acting COO of PT Prakarsa Tani Sejati (Since 2013)</u> - Responsible for the cultivation of palm oil plantation and the daily operations of our palm oil mill.	Promotion from Assistant Director to Acting COO in 2013

BY ORDER OF THE BOARD

Dr Tan Hong Kiat @ Suparno Adijanto
Executive Chairman & CEO

28 February 2013