

GOLDEN AGRI-RESOURCES LTD
Half Year Financial Statement And Dividend Announcement
**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3),
 HALF-YEAR AND FULL YEAR RESULTS**
**1(a) An income statement (for the group) together with a comparative statement for the
 corresponding period of the immediately preceding financial year**
**UNAUDITED CONSOLIDATED INCOME STATEMENT
 FOR THE PERIOD ENDED 30 JUNE 2010**

	1st Half 2010 US\$'000	1st Half 2009 US\$'000	Change %	2nd Qtr 2010 US\$'000	2nd Qtr 2009 US\$'000	Change %
Revenue	1,350,750	977,826	38.1	726,221	565,594	28.4
Cost of sales	<u>(1,008,561)</u>	<u>(784,075)</u>	28.6	<u>(557,790)</u>	<u>(435,279)</u>	28.1
Gross Profit	<u>342,189</u>	<u>193,751</u>	76.6	<u>168,431</u>	<u>130,315</u>	29.2
Operating expenses						
Selling expenses	(69,116)	(33,300)	107.6	(38,629)	(18,749)	106.0
General and administrative expenses	<u>(71,118)</u>	<u>(51,835)</u>	37.2	<u>(41,228)</u>	<u>(29,868)</u>	38.0
Total operating expenses	<u>(140,234)</u>	<u>(85,135)</u>	64.7	<u>(79,857)</u>	<u>(48,617)</u>	64.3
Operating profit	201,955	108,616	85.9	88,574	81,698	8.4
Other income/(expenses)						
Financial income	4,151	2,330	78.2	2,170	1,305	66.3
Financial expenses	(20,964)	(24,129)	(13.1)	(10,996)	(13,157)	(16.4)
Share of results of associated companies, net	1,285	2,297	(44.1)	(382)	695	n.m.
Foreign exchange gain/(loss)	14,943	(8,124)	n.m.	7,931	(4,783)	n.m.
Other operating income, net	<u>13,187</u>	<u>5,655</u>	133.2	<u>5,895</u>	<u>3,909</u>	50.8
	<u>12,602</u>	<u>(21,971)</u>	n.m.	<u>4,618</u>	<u>(12,031)</u>	n.m.
Profit before tax	214,557	86,645	147.6	93,192	69,667	33.8
Tax	<u>(56,191)</u>	<u>(23,191)</u>	142.3	<u>(26,139)</u>	<u>(14,459)</u>	80.8
Profit for the period	<u>158,366</u>	<u>63,454</u>	149.6	<u>67,053</u>	<u>55,208</u>	21.5
Attributable to:						
Owners of the Company	154,573	63,680	142.7	66,048	55,104	19.9
Non-controlling interests	<u>3,793</u>	<u>(226)</u>	n.m.	<u>1,005</u>	<u>104</u>	866.3
	<u>158,366</u>	<u>63,454</u>	149.6	<u>67,053</u>	<u>55,208</u>	21.5

Note (1) n.m. – not meaningful.

ADDITIONAL INFORMATION

(A) Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, foreign exchange gain/(loss), exceptional items and share of results of associated companies (“EBITDA”)

	1st Half 2010 <u>US\$'000</u>	1st Half 2009 <u>US\$'000</u>	Change %	2nd Qtr 2010 <u>US\$'000</u>	2nd Qtr 2009 <u>US\$'000</u>	Change %
Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, foreign exchange gain/(loss), exceptional item and share of results of associated companies (“EBITDA”)	260,711	148,242	75.9	120,218	102,979	16.7
Interest on borrowings	(20,610)	(23,946)	(13.9)	(10,818)	(13,157)	(17.8)
Depreciation and amortisation	(41,772)	(31,824)	31.3	(23,757)	(16,067)	47.9
Foreign exchange gain/(loss)	14,943	(8,124)	n.m.	7,931	(4,783)	n.m.
Profit before tax, non-controlling interests, but after interest on borrowings, depreciation and amortisation, exchange gain/(loss) and exceptional item	<u>213,272</u>	<u>84,348</u>	152.8	<u>93,574</u>	<u>68,972</u>	35.7
Share of results of associated companies, net	1,285	2,297	(44.1)	(382)	695	n.m.
Profit before tax	<u><u>214,557</u></u>	<u><u>86,645</u></u>	147.6	<u><u>93,192</u></u>	<u><u>69,667</u></u>	33.8

Note (1) n.m. – not meaningful

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

UNAUDITED STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	As at		As at	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
	US\$'000	US\$'000	US\$'000	US\$'000
Assets				
Current Assets				
Cash and cash equivalents	162,813	287,539	1,339	1,140
Short-term investments	64,984	65,841	-	-
Trade receivables	127,227	102,665	-	-
Other receivables (note (a))	319,425	229,529	496	431
Inventories	419,875	420,125	-	-
	1,094,324	1,105,699	1,835	1,571
Non-Current Assets				
Long-term receivables and assets (note (b))	136,088	159,224	-	-
Long-term investments	35,050	25,050	-	-
Subsidiary companies	-	-	2,698,876	2,755,328
Associated companies	10,946	6,420	-	-
Property, plant and equipment	1,208,581	1,102,608	-	-
Biological assets	5,386,993	5,357,537	-	-
Deferred income tax	16,883	18,499	-	-
Deferred charges	8,803	7,944	-	-
Brands and trademarks	1,441	1,601	-	-
Goodwill	115,898	115,898	-	-
	6,920,683	6,794,781	2,698,876	2,755,328
Total Assets	8,015,007	7,900,480	2,700,711	2,756,899

UNAUDITED STATEMENTS OF FINANCIAL POSITION (cont'd)

	Group		Company	
	As at		As at	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
	US\$'000	US\$'000	US\$'000	US\$'000
Liabilities and Equity				
Current Liabilities				
Short-term loans	387,812	314,008	-	10,000
Trade payables	253,770	268,385	-	-
Other payables (note(c))	73,290	103,434	32,167	33,670
Taxes payable	25,336	38,425	-	-
Obligations under finance leases	20	20	-	-
	740,228	724,272	32,167	43,670
Non-Current Liabilities				
Obligations under finance leases	87	95	-	-
Long-term borrowings	342,767	369,074	-	-
Deferred income tax	1,256,467	1,250,044	-	-
Long-term payables	24,538	23,240	-	-
	1,623,859	1,642,453	-	-
Total Liabilities	2,364,087	2,366,725	32,167	43,670
Equity Attributable to Owners of the Company				
Issued capital	303,467	303,467	303,467	303,467
Share premium	934,297	934,315	1,569,167	1,569,185
Other paid-in capital	184,318	184,318	-	-
Other reserve	1,136	1,136	-	-
Hedging reserve	-	(1,584)	-	-
Foreign currency translation reserve	17,139	16,385	-	-
Cumulative translation adjustments	(16,684)	(16,684)	-	-
PRC statutory reserve	2,116	2,116	-	-
Retained earnings	4,125,237	4,014,224	795,910	840,577
	5,551,026	5,437,693	2,668,544	2,713,229
Non-Controlling Interests	99,894	96,062	-	-
Total Equity	5,650,920	5,533,755	2,668,544	2,713,229
Total Liabilities and Equity	8,015,007	7,900,480	2,700,711	2,756,899

UNAUDITED STATEMENTS OF FINANCIAL POSITION (cont'd)

Note:

(a) Other Receivables

	<u>Group</u>		<u>Company</u>	
	As at		As at	
	30/6/2010 US\$'000	31/12/2009 US\$'000	30/6/2010 US\$'000	31/12/2009 US\$'000
Prepaid expenses	27,469	12,194	20	45
Prepaid value added tax, net	64,649	40,270	-	-
Advances to suppliers	127,264	73,595	-	-
Others	69,288	72,907	-	-
	<u>288,670</u>	<u>198,966</u>	<u>20</u>	<u>45</u>
Related parties	30,755	30,563	476	386
	<u>319,425</u>	<u>229,529</u>	<u>496</u>	<u>431</u>

(b) Long-Term Receivables and Assets

	<u>Group</u>		<u>Company</u>	
	As at		As at	
	30/6/2010 US\$'000	31/12/2009 US\$'000	30/6/2010 US\$'000	31/12/2009 US\$'000
Associated company	4,488	7,027	-	-
Loan receivable	10,007	9,200	-	-
Tax recoverable	67,812	86,736	-	-
Advances for project plasma plantations	15,900	11,387	-	-
Advances for project and purchase of fixed assets	20,605	32,241	-	-
Land clearing	9,630	5,563	-	-
Advances for investments in land	4,229	3,959	-	-
Others	3,417	3,111	-	-
	<u>136,088</u>	<u>159,224</u>	<u>-</u>	<u>-</u>

(c) Other Payables

	<u>Group</u>		<u>Company</u>	
	As at		As at	
	30/6/2010 US\$'000	31/12/2009 US\$'000	30/6/2010 US\$'000	31/12/2009 US\$'000
Advances from customers	13,921	22,255	-	-
Accrued expenses	25,837	19,847	538	401
Others	32,526	60,332	1	28
	<u>72,284</u>	<u>102,434</u>	<u>539</u>	<u>429</u>
Related parties	1,006	1,000	31,628	33,241
	<u>73,290</u>	<u>103,434</u>	<u>32,167</u>	<u>33,670</u>

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

	As at 30/6/2010 US\$'000			As at 31/12/2009 US\$'000		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Amount repayable in one year or less, or on demand	387,832	-	387,832	304,028	10,000	314,028
Amount repayable after one year	342,114	740	342,854	368,429	740	369,169
Total	729,946	740	730,686	672,457	10,740	683,197

Details of any collateral

The secured loans are collateralised by certain short-term investments, inventories, trade receivables, biological assets and property, plant and equipment.

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

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2010

(Amounts in United States dollars)

	1st Half 2010 US\$'000	1st Half 2009 US\$'000	2nd Qtr 2010 US\$'000	2nd Qtr 2009 US\$'000
Cash flows from operating activities				
Profit before tax	214,557	86,645	93,192	69,667
Adjustments for:				
Depreciation	41,299	31,363	23,525	15,845
Amortisation	473	461	232	222
Unrealised foreign exchange loss/(gain) on short-term loans, long-term borrowings and receivables, net	4,105	4,896	(166)	2,935
Share of results of associated companies, net	(1,285)	(2,297)	382	(695)
Gain on disposal of property, plant and equipment	(810)	(268)	(189)	(139)
Property, plant and equipment written off	351	431	121	240
Allowance for/(Write back of) impairment loss on inventories	837	(2,492)	837	(963)
Gain from changes in fair value of financial assets at fair value through profit or loss	(1,256)	-	572	-
Interest income	(4,151)	(2,330)	(2,170)	(1,305)
Interest expense	20,610	23,946	10,818	13,157
Operating cash flow before working capital changes	274,730	140,355	127,154	98,964
Changes in operating assets and liabilities:				
Trade receivables	(24,562)	36,526	(18,211)	(39,852)
Other receivables	(90,790)	(61,694)	(92,894)	(64,287)
Inventories	(587)	(129,691)	738	(110,358)
Trade payables	(14,615)	36,298	2,406	50,844
Other payables	(27,901)	8,421	4,223	11,749
Cash generated from/(used in) operations	116,275	30,215	23,416	(52,940)
Tax (paid)/refund	(42,520)	(20,426)	(29,818)	14,510
Interest received	3,637	1,972	2,357	1,313
Interest paid	(19,348)	(24,803)	(10,583)	(13,148)
Net cash generated from/(used in) operating activities	58,044	(13,042)	(14,628)	(50,265)

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2010 (Cont'd)**

	1st Half 2010 US\$'000	1st Half 2009 US\$'000	2nd Qtr 2010 US\$'000	2nd Qtr 2009 US\$'000
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment	1,817	2,946	86	684
Proceeds from sale of biological assets	898	599	661	-
Capital expenditure on property, plant and equipment	(147,663)	(75,119)	(82,842)	(45,238)
Capital expenditure on biological assets	(23,539)	(25,491)	(13,765)	(15,280)
Net decrease/(increase) in short-term investments	2,077	(38,437)	2,840	(32,030)
Increase in long-term investments	(9,964)	-	(9,964)	-
Investments in Plasma/KKPA Program plantations, net	(4,522)	(309)	(758)	-
Investment in an associated company	(1,068)	-	(1,068)	-
Payment for deferred expenditure	(1,172)	(642)	(995)	(541)
Net decrease/(increase) in long-term receivables and assets	1,027	558	(5,537)	4,870
Net cash used in investing activities	(182,109)	(135,895)	(111,342)	(87,535)
Cash flows from financing activities				
Proceeds from short-term loans	266,755	142,229	265,357	67,278
Proceeds from long-term borrowings	6,001	155,276	6,001	82,650
Payment of dividends	(43,560)	-	(43,560)	-
Payments of short-term loans	(196,087)	(123,691)	(89,873)	(37,947)
Payments of long-term borrowings	(33,190)	(70,327)	(18,482)	(15,356)
Payments of obligations under finance leases	(8)	(3)	(4)	(1)
Deferred loan charges and long-term bank loan administration costs	(572)	(1,826)	(393)	(283)
(Increase)/Decrease in time deposits pledged	(1,009)	(9,561)	4,412	(10,577)
Net cash (used in)/generated from financing activities	(1,670)	92,097	123,458	85,764
Net decrease in cash and cash equivalents	(125,735)	(56,840)	(2,512)	(52,036)
Cash and cash equivalents at beginning of the period	279,909	128,606	156,686	123,802
Cash and cash equivalents at end of the period				
(See Note below)	154,174	71,766	154,174	71,766

Note:

Cash and cash equivalents included in consolidated statement of cash flows consist of the following:

	30/6/2010 US\$'000	30/6/2009 US\$'000
Time deposits, cash and bank balances	162,813	85,935
Less: Time deposits pledged	(8,639)	(14,169)
	154,174	71,766

1(d) (i) A statement of total comprehensive income together with a comparative statement for the corresponding period of the immediately preceding financial year

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2010**

	1st Half 2010 US\$'000	1st Half 2009 US\$'000	2nd Qtr 2010 US\$'000	2nd Qtr 2009 US\$'000
Profit for the period	158,366	63,454	67,053	55,208
Other comprehensive income				
Foreign currency translation differences on consolidation	793	(255)	862	1,270
Changes in fair value of cash flow hedges	-	(1,102)	-	(1,102)
Changes in fair value of cash flow hedges transferred to income statement	1,584	1,834	-	-
Other comprehensive income for the period, net of tax	2,377	477	862	168
Total comprehensive income for the period	160,743	63,931	67,915	55,376
Total comprehensive income attributable to:				
Owners of the Company	156,911	64,166	66,872	55,269
Non-controlling interests	3,832	(235)	1,043	107
	160,743	63,931	67,915	55,376

1(d) (ii) 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

<u>The Company</u>	Issued Capital US\$'000	Share Premium US\$'000	Retained Earnings US\$'000	Total US\$'000
Balance as at 1 Jan 2010	303,467	1,569,185	840,577	2,713,229
Adjustment to share issuance expenses	-	(18)	-	(18)
Loss for the period, representing total comprehensive expenses for the period	-	-	(175)	(175)
Balance as at 31 Mar 2010	303,467	1,569,167	840,402	2,713,036
Dividend paid for 2009	-	-	(43,560)	(43,560)
Loss for the period, representing total comprehensive expenses for the period	-	-	(932)	(932)
Balance as at 30 Jun 2010	303,467	1,569,167	795,910	2,668,544
Balance as at 1 Jan 2009	249,397	1,407,102	13,400	1,669,899
Profit for the period, representing total comprehensive income for the period	-	-	1,837	1,837
Balance as at 31 Mar 2009	249,397	1,407,102	15,237	1,671,736
Issuance of shares pursuant to Bonus Issue	9,976	(9,976)	-	-
Profit for the period, representing total comprehensive income for the period	-	-	5,036	5,036
Balance as at 30 Jun 2009	259,373	1,397,126	20,273	1,676,772

1(d) (ii) 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

The Group	<-----Attributable to Owners of the Company----->										Non-controlling Interests	Total Equity
	Issued Capital	Share Premium	Other Paid-in Capital	Other Reserve	Hedging Reserve	Foreign Currency Translation Reserve	Cumulative Translation Adjustments	PRC Statutory Reserve	Retained Earnings	Total		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000		
Balance as at 1 Jan 2010	303,467	934,315	184,318	1,136	(1,584)	16,385	(16,684)	2,116	4,014,224	5,437,693	96,062	5,533,755
Adjustment to share issuance expenses	-	(18)	-	-	-	-	-	-	-	(18)	-	(18)
Total comprehensive income/(expenses) for the period	-	-	-	-	1,584	(70)	-	-	88,525	90,039	2,789	92,828
Balance as at 31 Mar 2010	303,467	934,297	184,318	1,136	-	16,315	(16,684)	2,116	4,102,749	5,527,714	98,851	5,626,565
Dividend paid for 2009	-	-	-	-	-	-	-	-	(43,560)	(43,560)	-	(43,560)
Total comprehensive income for the period	-	-	-	-	-	824	-	-	66,048	66,872	1,043	67,915
Balance as at 30 Jun 2010	303,467	934,297	184,318	1,136	-	17,139	(16,684)	2,116	4,125,237	5,551,026	99,894	5,650,920

The Group	<-----Attributable to Owners of the Company----->										Non-controlling Interests	Total Equity
	Issued Capital	Share Premium	Other Paid-in Capital	Other Reserve	Hedging Reserve	Foreign Currency Translation Reserve	Cumulative Translation Adjustments	Retained Earnings	Total			
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000		
Balance as at 1 Jan 2009	249,397	772,232	184,318	1,136	(1,834)	15,783	(16,684)	3,409,378	4,613,726	93,104	4,706,830	
Total comprehensive income/(expenses) for the period	-	-	-	-	1,834	(1,513)	-	8,576	8,897	(342)	8,555	
Balance as at 31 Mar 2009	249,397	772,232	184,318	1,136	-	14,270	(16,684)	3,417,954	4,622,623	92,762	4,715,385	
Total comprehensive income/(expenses) for the period	-	-	-	-	(1,102)	1,267	-	55,104	55,269	107	55,376	
Issuance of shares pursuant to Bonus Issue	9,976	(9,976)	-	-	-	-	-	-	-	-	-	-
Balance as at 30 Jun 2009	259,373	762,256	184,318	1,136	(1,102)	15,537	(16,684)	3,473,058	4,677,892	92,869	4,770,761	

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

The Company did not have treasury shares as at 30 June 2010 and 2009.

There have been no changes to the number of issued ordinary shares of the Company since 31 December 2009.

As at 30 June 2010, the outstanding number of warrants was 705,493,728. Each warrant carries the right to subscribe for 1 new ordinary share at an exercise price of S\$0.54 and may only be exercised on the third (3rd) anniversary of the date of issuance (i.e. on 23 July 2012). Assuming all the warrants are fully exercised, the number of new ordinary shares to be issued would be 705,493,728.

1(d)(iv) To show the 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.

The total number of issued shares excluding treasury shares as at 30 June 2010 and 31 December 2009 was 12,138,676,942 ordinary shares of US\$0.025 each.

1(d)(v) 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 standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

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 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 adopted the practice of determining the fair value of the Group's biological assets on an annual basis, by reference to independent professional valuation based on the present value of expected net cash inflows from the plantations. Accordingly, no changes in fair value of biological assets are recognised on quarterly basis.

Except for the above, the Group has adopted accounting policies and methods of computation consistent with those used in the most recent audited annual financial statements for the year ended 31 December 2009.

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**

Same as disclosed in Note 4 above.

6. **Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

	The Group			
	1st Half 2010	(Restated) 1st Half 2009	2nd Qtr 2010	(Restated) 2nd Qtr 2009
Earnings per ordinary share for the period after deducting any provision for preference dividends:-				
(i) Based on weighted average number of ordinary shares	USD1.27cents	USD0.58cents	USD0.54cents	USD0.50cents
- Weighted average numbers of shares	12,138,676,942	11,066,600,062	12,138,676,942	11,066,600,062
(ii) On a fully diluted basis	USD1.27cents	n.a.	USD0.54cents	n.a.
- Weighted average numbers of shares	12,154,013,762	n.a.	12,154,638,339	n.a.

Note:

Comparative weighted average number of shares used in the computation of earnings per share has been restated for the effect of Rights Issue in 2009, in accordance with IAS 33, *Earnings per Shares*.

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

	The Group		The Company	
	As at 30 Jun 2010	As at 31 Dec 2009	As at 30 Jun 2010	As at 31 Dec 2009
Net asset value per ordinary share based on existing issued share capital of 12,138,676,942 shares	US\$0.46	US\$0.45	US\$0.22	US\$0.22

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

(in US\$'000)	AGRI-BUSINESS		
	Indonesia	China ⁽²⁾	Total
For half year ended			
Revenue			
30 June 2010	1,081,792	268,958	1,350,750
30 June 2009	716,516	261,310	977,826
Increase/(Decrease)	365,276	7,648	372,924
Increase/(Decrease) %	51.0	2.9	38.1
Gross Profit			
30 June 2010	327,727	14,462	342,189
30 June 2009	179,973	13,778	193,751
Increase/(Decrease) in profit	147,754	684	148,438
Increase/(Decrease) %	82.1	5.0	76.6
EBITDA (see note (1))			
30 June 2010	250,039	10,672	260,711
30 June 2009	138,013	10,229	148,242
Increase/(Decrease) in profit	112,026	443	112,469
Increase/(Decrease) %	81.2	4.3	75.9
Interest on borrowings			
30 June 2010	19,057	1,553	20,610
30 June 2009	23,038	908	23,946
Increase/(Decrease)	(3,981)	645	(3,336)
Increase/(Decrease) %	(17.3)	71.0	(13.9)
Depreciation and amortisation			
30 June 2010	37,970	3,802	41,772
30 June 2009	28,292	3,532	31,824
Increase/(Decrease)	9,678	270	9,948
Increase/(Decrease) %	34.2	7.6	31.3
Foreign exchange gain/(loss)			
30 June 2010	14,405	538	14,943
30 June 2009	(8,166)	42	(8,124)
Increase in profit/(loss)	22,571	496	23,067
Increase/(Decrease) %	n.m.	1181.0	n.m.
Share of associates' profit			
30 June 2010	1,285	-	1,285
30 June 2009	2,297	-	2,297
Decrease in profit	(1,012)	-	(1,012)
Increase/(Decrease) %	(44.1)	-	(44.1)
Profit before tax			
30 June 2010	208,702	5,855	214,557
30 June 2009	80,814	5,831	86,645
Increase/(Decrease) in profit	127,888	24	127,912
Increase/(Decrease) %	158.2	0.4	147.6
Net profit attributable to owners of the Company			
30 June 2010	149,195	5,378	154,573
30 June 2009	58,544	5,136	63,680
Increase/(Decrease) in profit	90,651	242	90,893
Increase/(Decrease) %	154.8	4.7	142.7

- Notes: (1) This refers to earnings before income tax, non-controlling interests, interest on borrowings, net gain from changes in fair value of biological assets, depreciation and amortisation, foreign exchange gain/(loss), exceptional items and share of results from associated companies.
(2) The China Agri-business represents the results of Asia Integrated Agri Resources Ltd (AIAR) group of companies.
(3) n.m. - not meaningful.

PERFORMANCE FOR HALF YEAR ENDED 30 JUNE 2010

The Group achieved a net profit of US\$154.6 million for the half year ended 30 June 2010 ("1H2010"), representing increase of 142.7% as compared to US\$63.7 million in the same period in 2009 ("1H2009").

Our revenue grew by 38.1% to US\$1.4 billion, with EBITDA increasing by 75.9% to US\$260.7 million in 1H2010.

REVENUE

Indonesia

Revenue from the Indonesia Agri-business increased by 51% or US\$365.3 million to US\$1,081.8 million in 1H2010, mainly contributed by the higher CPO prices and higher sales volume during the period. The average international CPO (CIF Rotterdam) price was US\$809 per tonne in 1H2010, approximately 22.9% higher than the average of US\$658 in 1H2009.

Our fresh fruit bunch ("FFB") production and CPO production in 1H2010 was 3,129,000 tonnes and 776,000 tonnes respectively as compared to 3,396,000 tonnes and 840,000 tonnes respectively in 1H2009. The lower production was mainly attributable to biological slowdown ("tree stress") which followed the strong FFB production in the second half of 2009 and heavy rainfall in some areas in central part of Sumatra.

China

Revenue from the China Agri-business in 1H2010 was higher at US\$269 million as compared to US\$261.3 million in 1H2009. The increase in revenue was mainly due to higher sales volume and average selling prices of refined palm oils products during the period, offset by a lower sales volume of soybean meal following a temporary shutdown of our crushing plant for maintenance work in February 2010.

COST OF SALES

Cost of sales increased by 28.6% to US\$1,008.6 million in 1H2010 in line with higher revenue recorded during the period.

Indonesia

Cost of sales from the Indonesia Agri-business comprised mainly plantation maintenance, fertiliser and harvesting costs, as well as FFB and CPO purchases for our downstream business. The increase of 40.5% to US\$754.1 million in 1H2010 was mainly due to increased purchase cost for FFB and CPO resulting from higher market prices and higher sales volume during the period.

China

Cost of sales in the China Agri-business comprised mainly purchase cost of soybean and palm oil products. Cost of sales increased by 2.8% to US\$254.5 million in 1H2010 mainly attributable to the higher raw material costs in line with higher market prices for refined palm oil during the period.

GROSS PROFIT

Our gross profit increased by 76.6% to US\$342.2 million in 1H2010 with gross profit margin increasing to 25.3% from 19.8% in the previous corresponding period. This was largely due to higher gross profit contributed from the Indonesia Agri-business as a result of the higher average realised selling prices in line with the higher international CPO prices during the period.

OPERATING EXPENSES

- *Selling expenses*

Selling expenses comprised mainly transportation, export tax, advertising and promotion, and salaries. The significant increase of US\$35.8 million to US\$69.1 million in 1H2010 was mainly due to higher export tax expense as a result of higher applicable export tax rate during the period, coupled with increased freight and insurance charges.

The current export tax rate for CPO ranges from 0% (if CPO (CIF Rotterdam) price per tonne is below US\$700) to 25% (if CPO (CIF Rotterdam) price per tonne is above US\$1,250).

- **General and administrative expenses**

General and administrative expenses of US\$71.1 million included mainly salaries and related expenses, rent, tax and licenses, depreciation, repairs and maintenance, and professional fees. The increase in general and administrative expenses in 1H2010 of 37.2% or US\$19.3 million was primarily contributed by higher salaries and related expenses recorded in the Indonesia Agri-business, resulting from additional headcount and strengthening of Indonesian Rupiah ("IDR") against U.S. Dollar ("USD") during the period.

FINANCIAL EXPENSES, NET

Net financial expenses comprised net interest expenses (after deducting interest income), amortisation of deferred loan charges and other finance charges. The net financial expenses decreased by 22.9% million to US\$16.8 million in 1H2010 mainly due to lower interest rates on borrowings during the period and higher interest income as a result of higher average cash and cash equivalents.

SHARE OF RESULTS OF ASSOCIATED COMPANIES, NET

Share of associated companies' profit (net) of US\$1.3 million was mainly contributed from PT Dami Mas Sejahtera in the Indonesia Agri-business. The decrease in share of profit was mainly due to foreign exchange loss recorded during the period.

FOREIGN EXCHANGE GAIN/(LOSS), NET

The Group recorded foreign exchange gain of US\$14.9 million in 1H2010 as compared to foreign exchange loss of US\$8.1 million in the same period last year. The gain in current period was mainly attributable to realised foreign exchange gain on the settlement of monetary assets in the Indonesia Agri-business, partially offset by loss on translation of net IDR monetary liabilities to USD as IDR strengthened against USD in 1H2010 from IDR9,400 as at end of 2009 to IDR9,100 as at end of June 2010.

In 1H2009, foreign exchange loss was mainly attributable to translation of IDR monetary liabilities as IDR strengthened against USD from IDR10,950 as at end of 2008 to IDR10,200 as at end of June 2009.

OTHER OPERATING INCOME, NET

Net other operating income comprised mainly gain from changes in fair value of financial assets, income from shipping and trucking services, rental and commission income. The net operating income in 1H2010 was higher by US\$7.5 million as a result of higher commission income earned in the Indonesia Agri-business.

TAX

Income tax expense increased by US\$33 million to US\$56.2 million in 1H2010 in line with higher taxable profit reported in the Indonesia Agri-business.

No group relief is available for set-off of taxable profits against tax losses of companies within the Group.

NON-CONTROLLING INTERESTS

Non-controlling shareholders' share of profit in 1H2010 of US\$3.8 million was due to higher profit reported in certain subsidiaries in the Indonesia Agri-business.

REVIEW OF FINANCIAL POSITION AS AT 30 JUNE 2010

ASSETS

The Group's total assets increased to US\$8,015 million as at 30 June 2010, mainly attributable to higher property, plant and equipment resulted from additional facilities during the period.

Current Assets

Cash and cash equivalents decreased to US\$162.8 million as at 30 June 2010 mainly due to capital expenditure on property, plant and equipment incurred in Indonesia Agri-business.

Trade receivables increased by US\$24.6 million to US\$127.2 million in line with higher sales recorded in Indonesia Agri-business.

Other receivables increased by US\$89.9 million primarily due to increase in advance payment for soybean purchases, increase in prepaid value added tax as a result of higher purchases and capital expenditure in Indonesia Agri-business, as well as higher prepaid expenses due to unamortised expenses as at end of June 2010.

Non-Current Assets

The increase in property, plant and equipment of US\$106 million was primarily attributable to the construction of plantation facilities, refinery facilities as well as other ancillary plantation facilities in the Indonesia Agri-business.

The increase in associated companies of US\$4.5 million was mainly resulting from acquisition of an equity interest in an associated company and additional interest in an existing associated company.

The long-term receivables and assets were lower by US\$23.1 million mainly due to lower tax recoverable following tax refund received during the period and lower advances for project and purchase of fixed assets following the completion of the construction or delivery of the assets.

Increase in long-term investment of US\$10 million was attributable to placement in bonds with maturity over one year.

LIABILITIES

Total liabilities of the Group were slightly lower at US\$2,364.1 million as at 30 June 2010 as compared to US\$2,366.7 million as at end of 2009.

Total borrowings increased by US\$47.5 million to US\$730.7 million mostly attributable to higher short-term loans for working capital in Indonesia Agri-business.

The decrease in other payables of US\$30.1 million was mainly due to repayment made for the remaining purchase consideration payable for the acquisition of new subsidiaries as at end of 2009.

REVIEW OF CONSOLIDATED STATEMENT OF CASH FLOWS FOR HALF YEAR ENDED 30 JUNE 2010

The Group generated net cash flows from its operating activities (after payment of taxes and interest expenses) of US\$58 million in 1H2010. The higher cash inflows recorded in the current period as compared to 1H2009 was mainly due to better operating results during the period.

Net cash used in investing activities of US\$182.1 million was mainly related to capital expenditure incurred for construction of plantation and refinery facilities, other supporting facilities and additional planted hectares in the Indonesia Agri-business.

Net cash used in financing activities of US\$1.7 million was mainly related to dividends payment, net of proceeds from loans drawn (net of repayment) during the period.

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 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 outlook for the palm oil industry remains positive as the fundamentals are strong, supported by it being the highest yielding and cheapest edible oil in the world. We expect that demand for palm oil will continue to grow supported by the core demand from the edible oil and oleo-chemical markets, as well as demand from the renewable energy sector in view of the increasing government mandates on renewable energy.

Nonetheless, the CPO prices remain volatile and continue to be affected by various factors, including the global climatic condition, supply and demand of CPO and other vegetable oils, and developments in government policy on import duties and export taxes of the countries we trade with. We will continue to manage our operating costs at optimal levels and increase our production through expansion as well as further improving operational efficiency and plantation management techniques.

The operating environment of the China Agri-business remains challenging in view of the volatility of commodity prices, in particular soybean prices. Going forward, our priority remains on managing our costs and targeting our growth in the sale of various palm-based products as well as widening the distribution channels through the proposed acquisition of a food business in China.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, a statement to that effect

No interim dividend has been declared for the second quarter ended 30 June 2010.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

- 13. Segmented revenue and results for business or 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.

- 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.

- 15. A breakdown of sales**

Not applicable.

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

Not applicable.

- 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 SGD100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than SGD100,000)
	2Q2010	2Q2010
	US\$	US\$
Ningbo Asia Paper Tube & Carton Box Co., Ltd	Nil	225,047
Ningbo Zhonghua Paper Co., Ltd	Nil	104,272
PT Asuransi Sinar Mas	Nil	1,234,294
PT Bank Sinarmas	Nil	188,016 *
PT Rolimex Kimia Nusamas	Nil	23,540,532
PT Royal Oriental	Nil	5,013,146
PT Sinar Jati Mitra	Nil	418,288
Zhuhai Huafeng Foodstuff Co., Ltd	Nil	1,148,515
Total	Nil	31,872,110

Note:

* Principal amount as at 30 June 2010 is approximately US\$0.2 million.

18. CONFIRMATION PURSUANT TO THE RULE 705(5) OF THE LISTING MANUAL

We, Simon Lim and Rafael Buhay Concepcion, Jr., being two directors of Golden Agri-Resources Ltd (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to their attention which would render the second quarter and half year ended 30 June 2010 unaudited financial results to be false or misleading.

On behalf of the board of directors

Simon Lim
Director

Rafael Buhay Concepcion, Jr.
Director

11 August 2010

BY ORDER OF THE BOARD

Simon Lim
Director
11 August 2010

Submitted by Kimberley Lye Chor Mei, Senior Manager on 11 Aug 2010 to the SGX