

GOLDEN AGRI-RESOURCES LTD
Full 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 YEAR ENDED 31 DECEMBER 2008**

	Full Year 2008 <u>US\$'000</u>	Full Year 2007 <u>US\$'000</u>	Change %	4th Qtr 2008 <u>US\$'000</u>	4th Qtr 2007 <u>US\$'000</u>	Change %
Revenue	2,985,948	1,873,352	59.4	591,057	657,876	(10.2)
Cost of sales	<u>(2,109,831)</u>	<u>(1,215,004)</u>	73.6	<u>(501,536)</u>	<u>(421,060)</u>	19.1
Gross Profit	<u>876,117</u>	<u>658,348</u>	33.1	<u>89,521</u>	<u>236,816</u>	(62.2)
Net gain from changes in fair value of biological assets	1,457,197	1,284,462	13.4	151,191	760,827	(80.1)
Operating expenses						
Selling expenses	(228,872)	(87,493)	161.6	(31,861)	(43,670)	(27.0)
General and administrative expenses	<u>(118,126)</u>	<u>(97,349)</u>	21.3	<u>(37,658)</u>	<u>(38,045)</u>	(1.0)
Total operating expenses	<u>(346,998)</u>	<u>(184,842)</u>	87.7	<u>(69,519)</u>	<u>(81,715)</u>	(14.9)
Operating profit	1,986,316	1,757,968	13.0	171,193	915,928	(81.3)
Other income(expenses)						
Financial income	5,844	7,270	(19.6)	1,751	1,602	9.3
Financial expenses	(41,260)	(35,507)	16.2	(12,951)	(6,590)	96.5
Share of results of associated companies, net	5,382	2,646	103.4	515	(780)	n.m.
Foreign exchange (loss)gain	(34,740)	(3,531)	883.9	(42,256)	38	n.m.
Other operating income, net	5,385	3,719	44.8	1,655	1,679	(1.4)
	<u>(59,389)</u>	<u>(25,403)</u>	133.8	<u>(51,286)</u>	<u>(4,051)</u>	n.m.
Exceptional items						
Negative goodwill	20,133	72,041	(72.1)	-	-	-
Gain arising from changes in effective interests in subsidiaries	-	1,559	(100.0)	-	-	-
Impairment loss on:						
Property, plant and equipment	-	(3,220)	(100.0)	-	(3,220)	(100.0)
	<u>20,133</u>	<u>70,380</u>	(71.4)	<u>-</u>	<u>(3,220)</u>	(100.0)
Profit before tax	1,947,060	1,802,945	8.0	119,907	908,657	(86.8)
Tax	<u>(528,415)</u>	<u>(528,570)</u>	(0.0)	<u>13,693</u>	<u>(289,061)</u>	n.m.
Profit for the year/period	<u>1,418,645</u>	<u>1,274,375</u>	11.3	<u>133,600</u>	<u>619,596</u>	(78.4)
Attributable to:						
Equity holders of the Company	1,382,526	1,164,792	18.7	133,280	573,827	(76.8)
Minority interests	36,119	109,583	(67.0)	320	45,769	(99.3)
	<u>1,418,645</u>	<u>1,274,375</u>	11.3	<u>133,600</u>	<u>619,596</u>	(78.4)

Note (1) n.m. – not meaningful

ADDITIONAL INFORMATION

(A) Earnings before tax, minority interests, interest on borrowings, depreciation and amortisation, net gain from changes in fair value of biological assets, foreign exchange gain(loss), exceptional items and share of results of associated companies (“EBITDA”)

	Full Year 2008 <u>US\$'000</u>	Full Year 2007 <u>US\$'000</u>	Change %	4th Qtr 2008 <u>US\$'000</u>	4th Qtr 2007 <u>US\$'000</u>	Change %
Earnings before tax, minority interests, interest on borrowings, depreciation and amortisation, net gain from changes in fair value of biological assets, foreign exchange gain(loss), exceptional item and share of results of associated companies (“EBITDA”)	597,230	534,663	11.7	38,462	171,092	(77.5)
Net gain from changes in fair value of biological assets	1,457,197	1,284,462	13.4	151,191	760,827	(80.1)
Interest on borrowings	(39,942)	(35,024)	14.0	(12,439)	(6,338)	96.3
Depreciation and amortisation	(58,200)	(50,651)	14.9	(15,566)	(12,962)	20.1
Foreign exchange gain(loss)	(34,740)	(3,531)	883.9	(42,256)	38	n.m.
Exceptional items, net	<u>20,133</u>	<u>70,380</u>	(71.4)	<u>-</u>	<u>(3,220)</u>	(100.0)
Profit before tax, minority interests, but after interest on borrowings, depreciation and amortisation, exchange gain(loss) and exceptional items	1,941,678	1,800,299	7.9	119,392	909,437	(86.9)
Share of results of associated companies, net	<u>5,382</u>	<u>2,646</u>	103.4	<u>515</u>	<u>(780)</u>	n.m.
Profit before tax	<u><u>1,947,060</u></u>	<u><u>1,802,945</u></u>	8.0	<u><u>119,907</u></u>	<u><u>908,657</u></u>	(86.8)

Note: (1) n.m. – not meaningful

(B) Results before accounting for the net gain from changes in fair value of biological assets, foreign exchange loss(gain) and exceptional items

	Full Year 2008 <u>US\$'000</u>	Full Year 2007 <u>US\$'000</u>	Change %	4th Qtr 2008 <u>US\$'000</u>	4th Qtr 2007 <u>US\$'000</u>	Change %
Operating profit	529,119	473,506	11.7	20,002	155,101	(87.1)
Profit(Loss) before tax	504,470	451,634	11.7	10,972	151,012	(92.7)
Taxation	<u>(120,400)</u>	<u>(143,231)</u>	(15.9)	<u>29,906</u>	<u>(60,812)</u>	n.m.
Profit for the year/period	<u><u>384,070</u></u>	<u><u>308,403</u></u>	24.5	<u><u>40,878</u></u>	<u><u>90,200</u></u>	(54.7)
Attributable to:						
Equity holders of the Company	376,783	285,542	32.0	39,573	90,751	(56.4)
Minority interests	<u>7,287</u>	<u>22,861</u>	(68.1)	<u>1,305</u>	<u>(551)</u>	n.m.
Profit for the year/period	<u><u>384,070</u></u>	<u><u>308,403</u></u>	24.5	<u><u>40,878</u></u>	<u><u>90,200</u></u>	(54.7)

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 BALANCE SHEETS

(Amounts in United States dollars)

	Group		Company	
	As at		As at	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
	US\$'000	US\$'000	US\$'000	US\$'000
Assets				
Current Assets				
Cash and cash equivalents	133,214	124,487	1,249	1,521
Short-term investments	4,556	22,065	-	-
Trade receivables	140,830	119,426	-	-
Other receivables (note (a))	180,797	186,305	409	349
Inventories	248,084	311,534	-	-
	707,481	763,817	1,658	1,870
Non-Current Assets				
Long-term receivables (note (b))	186,790	119,216	-	-
Long-term investments	25,050	25,050	-	-
Subsidiary companies	-	-	1,727,746	1,748,539
Associated companies	4,406	18,818	-	-
Property, plant and equipment	971,004	819,946	-	-
Biological assets	4,794,558	3,129,960	-	-
Deferred income tax	12,252	12,351	-	-
Deferred charges	6,147	5,516	-	-
Brands and trademarks	1,921	2,242	-	-
Goodwill	115,898	115,898	-	-
	6,118,026	4,248,997	1,727,746	1,748,539
Total Assets	6,825,507	5,012,814	1,729,404	1,750,409

UNAUDITED BALANCE SHEETS (cont'd)

(Amounts in United States dollars)

	Group		Company	
	As at		As at	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
	US\$'000	US\$'000	US\$'000	US\$'000
Liabilities and Equity				
Current Liabilities				
Short-term loans	309,543	262,447	10,000	20,000
Trade payables	150,969	152,953	-	-
Other payables (note(c))	54,504	66,420	49,144	34,881
Taxes payable	32,967	35,377	361	2,324
Obligations under finance leases	6	593	-	-
	547,989	517,790	59,505	57,205
Non-Current Liabilities				
Obligations under finance leases	24	28	-	-
Long-term borrowings	244,344	228,529	-	-
Deferred income tax	1,310,747	870,476	-	-
Long-term payables	15,573	14,781	-	-
	1,570,688	1,113,814	-	-
Total Liabilities	2,118,677	1,631,604	59,505	57,205
Equity Attributable to Equity Holders of the Company				
Issued capital	249,397	249,397	249,397	249,397
Share premium	772,232	772,100	1,407,102	1,406,970
Other paid-in capital	184,318	184,318	-	-
Other reserve	1,136	1,136	-	-
Hedging reserve	(1,834)	(16,036)	-	-
Foreign currency translation reserve	15,783	9,139	-	-
Cumulative translation adjustments	(16,684)	(16,684)	-	-
Retained earnings	3,409,378	2,119,196	13,400	36,837
	4,613,726	3,302,566	1,669,899	1,693,204
Minority Interests	93,104	78,644	-	-
Total Equity	4,706,830	3,381,210	1,669,899	1,693,204
Total Liabilities and Equity	6,825,507	5,012,814	1,729,404	1,750,409

UNAUDITED BALANCE SHEETS (Cont'd)

Note:

(a) Other Receivables

	Group		Company	
	As at		As at	
	31/12/2008 US\$'000	31/12/2007 US\$'000	31/12/2008 US\$'000	31/12/2007 US\$'000
Prepaid expenses	10,404	8,628	24	23
Prepaid value added tax, net	31,153	43,884	-	-
Trading deposits	8,605	38,603	-	-
Others	101,586	67,096	8	-
	151,748	158,211	32	23
Related parties	29,049	28,094	377	326
	180,797	186,305	409	349

(b) Long-Term Receivables

	Group		Company	
	As at		As at	
	31/12/2008 US\$'000	31/12/2007 US\$'000	31/12/2008 US\$'000	31/12/2007 US\$'000
Associated company	6,535	6,076	-	-
Loan receivable	19,752	13,974	-	-
Tax recoverable	93,383	49,962	-	-
Advances for project plasma plantations	7,255	3,208	-	-
Advances for project and purchase of fixed assets	46,418	33,572	-	-
Land clearing	7,539	6,447	-	-
Advances for investments in land	3,557	3,380	-	-
Others	2,351	2,597	-	-
	186,790	119,216	-	-
	186,790	119,216	-	-

(c) Other Payables

	Group		Company	
	As at		As at	
	31/12/2008 US\$'000	31/12/2007 US\$'000	31/12/2008 US\$'000	31/12/2007 US\$'000
Advances from customers	12,550	14,319	-	-
Accrued expenses	16,442	13,423	300	524
Others	23,181	35,550	245	221
	52,173	63,292	545	745
Related parties	2,331	3,128	48,599	34,136
	54,504	66,420	49,144	34,881

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

	As at 31/12/2008			As at 31/12/2007		
	US\$'000			US\$'000		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Amount repayable in one year or less, or on demand	299,549	10,000	309,549	242,318	20,722	263,040
Amount repayable after one year	200,785	43,583	244,368	228,557	-	228,557
Total	500,334	53,583	553,917	470,875	20,722	491,597

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 CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DEC 2008

	Full Year 2008 <u>US\$'000</u>	Full Year 2007 <u>US\$'000</u>
Cash flows from operating activities		
Profit before tax	1,947,060	1,802,945
Adjustments for:		
Net gain from changes in fair value of biological assets	(1,457,197)	(1,284,462)
Depreciation	57,650	49,494
Amortisation	550	1,157
Unrealised foreign exchange (gain)loss on short-term loans, long-term borrowings and receivables, net	(11,885)	(2,647)
Share of results of associated companies, net	(5,382)	(2,646)
Loss(Gain) on disposal on property, plant & equipment, net of write off	2,003	(488)
Write-back of trade payables	-	(399)
Negative goodwill	(20,133)	(72,041)
Net gain arising from changes in effective interests in subsidiaries	-	(1,559)
Allowance for impairment loss:		
Financial assets, net	476	777
Inventories	2,796	-
Property, plant and equipment	-	3,220
Interest income	(5,844)	(7,270)
Interest expense	39,942	35,024
Operating cashflows before working capital changes	550,036	521,105

**UNAUDITED CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DEC 2008 (Cont'd)**

	Full Year 2008 <u>US\$'000</u>	Full Year 2007 <u>US\$'000</u>
Operating cashflows before working capital changes	550,036	521,105
Changes in operating assets and liabilities:		
Trade receivables	(13,598)	(66,343)
Inventories	73,851	(165,217)
Other receivables	18,717	(59,566)
Trade payables	(4,108)	45,819
Other payables	(6,917)	15,745
Cash generated from operations	617,981	291,543
Tax paid, net	(158,138)	(97,096)
Interest received	6,040	6,438
Interest paid	(38,505)	(33,273)
Net cash from operating activities	427,378	167,612
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	7,489	36,242
Proceeds from sale of biological assets	2,148	1,232
Capital expenditure on property, plant and equipment	(179,473)	(116,958)
Capital expenditure on biological assets	(64,593)	(38,730)
Decrease(Increase) in short-term investments	17,509	(18,407)
Dividends received from an associated company	1,636	971
Investments in Plasma/KKPA program plantations, net	(4,047)	-
Acquisition of subsidiaries, net of cash acquired	(103,883)	(19,051)
Acquisition of additional interests in a subsidiary	-	(313,440)
Increase in deferred land rights	(505)	(758)
Increase in other investment and receivables	(17,952)	(67,906)
Net cash used in investing activities	(341,671)	(536,805)
Cash flows from financing activities		
Proceeds from short-term loans	283,872	198,157
Proceeds from long-term borrowings	116,805	52,320
Payment of dividends	(92,418)	(70,898)
Payments of short-term loans	(249,875)	(97,648)
Payments of long-term borrowings	(134,151)	(224,939)
Payments of obligations under finance leases	(591)	(750)
Proceeds from share issue, net of expenses	-	508,035
Deferred loan charges and long-term bank loan administration costs	(622)	(985)
Increase in time deposits pledged	(626)	(3,033)
Net cash (used in)from financing activities	(77,606)	360,259
Net increase(decrease) in cash and cash equivalents	8,101	(8,934)
Cash and cash equivalents at beginning of the year (See Note)	120,505	129,439
Cash and cash equivalents at end of the year	128,606	120,505
Note:		
Cash and cash equivalents included in consolidated cash flow consist of the following:		
	31/12/2008 <u>US\$'000</u>	31/12/2007 <u>US\$'000</u>
Time deposits, cash and bank balances	133,214	124,487
Less: Time deposits pledged	(4,608)	(3,982)
	128,606	120,505

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

The Group	-----Attributable to Equity Holders of the Company----->									Minority Interests	Total Equity
	Issued Capital	Share Premium	Other Paid-in Capital	Other Reserve	Hedging Reserve	Foreign Currency Translation Reserve	Retained Earnings	Cumulative Translation Adjustment	Total		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000		
Balance as at 1 Jan 2008	249,397	772,100	184,318	1,136	(16,036)	9,139	2,119,196	(16,684)	3,302,566	78,644	3,381,210
Profit for the year	-	-	-	-	-	-	1,382,526	-	1,382,526	36,119	1,418,645
Dividends paid for 2007	-	-	-	-	-	-	(36,768)	-	(36,768)	(74)	(36,842)
Interim dividends paid for 2008	-	-	-	-	-	-	(55,576)	-	(55,576)	-	(55,576)
Additional investment by minority shareholders	-	-	-	-	-	-	-	-	-	2,029	2,029
Adjustment to share issue expenses	-	132	-	-	-	-	-	-	132	-	132
Foreign currency translation	-	-	-	-	-	6,644	-	-	6,644	433	7,077
Change of interest in subsidiaries	-	-	-	-	-	-	-	-	-	(24,047)	(24,047)
Decrease in fair value for cash flow hedge	-	-	-	-	(1,834)	-	-	-	(1,834)	-	(1,834)
Transferred to income statement for cash flow hedge	-	-	-	-	16,036	-	-	-	16,036	-	16,036
Net gain(loss) recognised directly in equity	-	-	-	-	14,202	6,644	-	-	20,846	(23,614)	(2,768)
Balance as at 31 Dec 2008	249,397	772,232	184,318	1,136	(1,834)	15,783	3,409,378	(16,684)	4,613,726	93,104	4,706,830
	-----Attributable to Equity Holders of the Company----->									Minority Interests	Total Equity
	Issued Capital	Share Premium	Other Paid-in Capital	Other Reserve	Hedging Reserve	Foreign Currency Translation Reserve	Retained Earnings	Cumulative Translation Adjustment	Total		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000		
Balance as at 1 Jan 2007	216,867	296,595	184,318	188	-	1,942	1,021,646	(16,684)	1,704,872	216,424	1,921,296
Profit for the year	-	-	-	-	-	-	1,164,792	-	1,164,792	109,583	1,274,375
Dividends paid to minority shareholders	-	-	-	-	-	-	-	-	-	(3,656)	(3,656)
Interim dividends	-	-	-	-	-	-	(32,326)	-	(32,326)	-	(32,326)
Dividends paid for 2006	-	-	-	-	-	-	(34,916)	-	(34,916)	-	(34,916)
Share issued	32,530	494,378	-	-	-	-	-	-	526,908	-	526,908
Share issuance expenses	-	(18,873)	-	-	-	-	-	-	(18,873)	-	(18,873)
Change of interest in subsidiaries	-	-	-	948	-	-	-	-	948	(244,105)	(243,157)
Foreign currency translation	-	-	-	-	-	7,197	-	-	7,197	398	7,595
Decrease in fair value for cash flow hedge	-	-	-	-	(16,036)	-	-	-	(16,036)	-	(16,036)
Net gain(loss) recognised directly in equity	-	-	-	-	(16,036)	7,197	-	-	(8,839)	398	(8,441)
Balance as at 31 Dec 2007	249,397	772,100	184,318	1,136	(16,036)	9,139	2,119,196	(16,684)	3,302,566	78,644	3,381,210

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

The Company	Share Capital	Share Premium	Retained Earnings	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 Jan 2008	249,397	1,406,970	36,837	1,693,204
Profit for the year	-	-	68,907	68,907
Adjustment to share issue expenses	-	132	-	132
Interim dividends paid for 2008	-	-	(55,576)	(55,576)
Dividends paid for 2007	-	-	(36,768)	(36,768)
Balance as at 31 Dec 2008	<u>249,397</u>	<u>1,407,102</u>	<u>13,400</u>	<u>1,669,899</u>
Balance as at 1 Jan 2007	216,867	931,465	30,439	1,178,771
Profit for the year	-	-	73,640	73,640
Share issue	32,530	494,378	-	526,908
Share issue expenses	-	(18,873)	-	(18,873)
Interim dividends	-	-	(32,326)	(32,326)
Dividends paid for 2006	-	-	(34,916)	(34,916)
Balance as at 31 Dec 2007	<u>249,397</u>	<u>1,406,970</u>	<u>36,837</u>	<u>1,693,204</u>

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as 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 31 December 2008 and 2007.

There has been no share issuance since 30 September 2008. As at 31 December 2008, the total number of issued ordinary shares in the Company is 9,975,903,792 ordinary shares of US\$0.025 each.

1(d)(iii) 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 31 December 2008 and 31 December 2007 was 9,975,903,792 ordinary shares of US\$0.025 each and 4,987,951,896 ordinary shares of US\$0.05 each, respectively.

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 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 accounting policies and methods of computation consistent with those used in the most recent audited annual financial statements for the year ended 31 December 2007.

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 period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	The Group			
	Full Year 2008	Full Year 2007	4th Qtr 2008	4th Qtr 2007
Earnings per ordinary share for the period after deducting any provision for preference dividends:-				
(i) Based on weighted average number of ordinary shares *	US\$0.14	US\$0.12	US\$0.01	US\$0.06
- Weighted average numbers of shares *	9,975,903,792	9,542,170,458	9,975,903,792	9,975,903,792
(ii) On a fully diluted basis	n.a.	n.a.	n.a.	n.a.

* Comparative figures for earnings per ordinary shares have been adjusted for the sub-division of shares effected on 22 February 2008.

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 31 Dec 2008	As at 31 Dec 2007	As at 31 Dec 2008	As at 31 Dec 2007
Net asset value per ordinary share based on existing issued share capital of 9,975,903,792 shares as at 31 Dec 2008 (31 Dec 2007: 9,975,903,792 sub-divided shares*)	US\$0.46	US\$0.33	US\$0.17	US\$0.17

* Comparative figures for earnings per ordinary shares have been adjusted for the sub-division of shares effected on 22 February 2008.

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		
For the year ended	Indonesia	China ⁽²⁾	Total
Revenue			
31 Dec 2008	2,327,611	658,337	2,985,948
31 Dec 2007	1,394,913	478,439	1,873,352
Increase/(Decrease)	932,698	179,898	1,112,596
Increase/(Decrease) %	66.9	37.6	59.4
Gross Profit			
31 Dec 2008	858,703	17,414	876,117
31 Dec 2007	610,305	48,043	658,348
Increase/(Decrease) in profit	248,398	(30,629)	217,769
Increase/(Decrease) %	40.7	(63.8)	33.1
EBITDA (see note (1))			
31 Dec 2008	587,715	9,515	597,230
31 Dec 2007	493,639	41,024	534,663
Increase/(Decrease) in profit	94,076	(31,509)	62,567
Increase/(Decrease) %	19.1	(76.8)	11.7
Interest on borrowings			
31 Dec 2008	37,477	2,465	39,942
31 Dec 2007	33,121	1,903	35,024
Increase/(Decrease)	4,356	562	4,918
Increase/(Decrease) %	13.2	29.5	14.0
Depreciation and amortisation			
31 Dec 2008	51,241	6,959	58,200
31 Dec 2007	44,514	6,137	50,651
Increase/(Decrease)	6,727	822	7,549
Increase/(Decrease) %	15.1	13.4	14.9
Foreign exchange (loss)gain			
31 Dec 2008	(37,257)	2,517	(34,740)
31 Dec 2007	(5,976)	2,445	(3,531)
Increase/(Decrease) in gain	(31,281)	72	(31,209)
Increase/(Decrease) %	523.4	2.9	883.9
Exceptional gain(loss)			
31 Dec 2008	20,133	-	20,133
31 Dec 2007	73,600	(3,220)	70,380
Increase/(Decrease) in gain	(53,467)	3,220	(50,247)
Increase/(Decrease) %	(72.6)	(100.0)	(71.4)
Share of associates' profit			
31 Dec 2008	5,382	-	5,382
31 Dec 2007	2,646	-	2,646
Increase/(Decrease) in profit	2,736	-	2,736
Increase/(Decrease) %	103.4	-	103.4
Profit before tax			
31 Dec 2008	1,944,452	2,608	1,947,060
31 Dec 2007	1,770,736	32,209	1,802,945
Increase/(Decrease) in profit	173,716	(29,601)	144,115
Increase/(Decrease) %	9.8	(91.9)	8.0
Net profit attributable to equity holders of the Company			
31 Dec 2008	1,380,769	1,757	1,382,526
31 Dec 2007	1,132,678	32,114	1,164,792
Increase/(Decrease) in profit	248,091	(30,357)	217,734
Increase/(Decrease) %	21.9	(94.5)	18.7

Note: (1) This refers to earnings before income tax, minority 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 THE YEAR ENDED 31 DECEMBER 2008

Revenue for the Group reached US\$2.99 billion for the year ended 31 December 2008 as compared to US\$1.87 billion in 2007, representing a growth of 59.4 percent or US\$1.11 billion.

EBITDA grew 11.7 percent to US\$597.2 million from US\$534.7 million in 2007, whilst net profit attributable to equity holders of the Company increased 18.7 percent to US\$1.38 billion from US\$1.16 billion in 2007.

REVENUE

Indonesia

Revenue from the Indonesia Agri-business grew 66.9 percent or US\$932.7 million to US\$2,327.6 million in 2008 as compared to US\$1,394.9 million in previous year primarily attributable to the higher average crude palm oil ("CPO") price and higher sales volume during the year.

CPO price has been volatile throughout the year with a sharp decline in the fourth quarter of 2008. The international CPO (CIF Rotterdam) price rose to a historical high of US\$1,400 per ton in March 2008 before closing at US\$528 per ton at the end of December 2008. The average CPO (CIF Rotterdam) price for the year was US\$947 per ton, an increase of about 22 percent from the average of US\$775 per ton in 2007. The average CPO (CIF Rotterdam) price for the fourth quarter of 2008 was US\$510 per ton, a decrease of 44.7 percent as compared to US\$923 per ton in the corresponding period in 2007.

CPO production improved by 5.1 percent from 1,608,000 tons in 2007 to 1,690,000 tons in 2008 whilst fresh fruit bunch ("FFB") production increased by 2.3 percent to 6,924,000 tons in 2008 as compared to 6,765,000 tons in 2007. Our FFB production during the fourth quarter 2008 was affected by the biological slowdown ("tree stress") caused by second year impact of drought in 2006 and damaged road in Kalimantan which caused delay in harvesting.

China

Revenue from the China Agri-business was US\$658.3 million in 2008, with US\$321.8 million (2007: US\$253.8 million) from the refinery operations and US\$279.6 million (2007: US\$183.1 million) from the crushing operations.

The increase of 37.6 percent or US\$179.9 million from US\$478.4 million in 2007 was mainly attributable to higher average selling prices of refined edible oil products.

COST OF SALES

The cost of sales increased by 73.6 percent or US\$894.8 million from US\$1,215 million in 2007 to US\$2,109.8 million in 2008.

Indonesia

Cost of sales from the Indonesia Agri-business was US\$1,468.9 million, comprising mainly labour, plantation maintenance, manuring and harvesting costs, FFB purchases and CPO purchases for our downstream business.

The increase in cost of sales by US\$684.3 million from US\$784.6 million in 2007 was mainly attributable to the higher purchase cost for FFB and CPO to meet our refineries requirements coupled with higher fertiliser and maintenance costs during the year.

China

Cost of sales from China Agri-business was US\$640.9 million, comprising mainly purchase cost of soybean and palm oil products. The increase of US\$210.5 million was in line with the higher market prices of soybean and palm oil products.

GROSS PROFIT

Gross profit rose 33.1 percent or US\$217.8 million to US\$876.1 million as compared to US\$658.3 million in 2007.

The gross profit margin of the Indonesia Agri-business declined from 43.8 percent in 2007 to 36.9 percent in 2008 due to the higher purchase cost of main raw materials such as FFB, CPO and fertilizer during the year. Furthermore, the sharp decline in international CPO price in the fourth quarter of 2008 has affected the gross profit margin.

Gross profit margin of the China Agri-business decreased to 2.6 percent in 2008 as compared to 10 percent in 2007 primarily attributable to the higher purchase cost of soybean and palm oil products, as well as the price controls on cooking oil imposed by the Chinese government until July 2008. The gross profit margin was further impacted by lower selling price in fourth quarter of 2008 in line with the decline in international commodity prices during the period.

NET GAIN FROM CHANGES IN FAIR VALUE OF BIOLOGICAL ASSETS

This gain was recognised in accordance with International Accounting Standard (“IAS”) No. 41, whereby the biological assets (plantations) are stated at fair value less estimated point-of-sale costs from initial recognition up to the point of harvest. The fair value of plantations is determined based on the present value of their expected net cash inflows. The CPO price assumption in the valuation model is based on average price for the past 3 years. Any resultant gains or losses arising from changes in fair value are recognised in the income statement.

Net gain from changes in fair value of biological assets was US\$1,457.2 million in 2008 as compared to US\$1,284.5 million in 2007. The increase in net gain was mainly due to the effect of higher average CPO price used in 2008 as compared to 2007.

OPERATING EXPENSES

- ***Selling expenses***

Selling expenses of US\$228.9 million comprised mainly export tax, transportation, advertising and promotion, and salaries. The increase in the selling expenses of US\$141.4 million was mainly attributable to the higher export tax in 2008 as a result of higher export tax rates in Indonesia on CPO and refined palm based products.

Prior to June 2007, Indonesia's export tax rates ranged from 0.3 percent to 3 percent. With effect from August 2007, the export tax rates increased and varied depending on the CPO (CIF Rotterdam) price. For the period from 1 February 2008 up to 31 October 2008 the export tax rate for CPO ranged from 0 percent (if CPO price per ton is below US\$550) to 25 percent (if CPO price per ton is above US\$1,300).

Effective 1 November 2008, the export tax rate for CPO was further adjusted to a range of 0 percent (if CPO price per ton is below US\$700) to 25 percent (if CPO price per ton is above US\$1,250).

- ***General and administrative expenses***

General and administrative expenses of US\$118.1 million included salaries and related expenses, rent, tax and licenses, depreciation, repairs and maintenance, and professional fees. The increase of 21.3 percent or US\$20.8 million as compared to US\$97.3 million in 2007 was primarily due to the increase in salary and related expenses resulting from additional headcount, depreciation expenses and increased activities relating to the Group's Corporate Social Responsibility (“CSR”) in the Indonesia Agri-business.

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 increased by US\$7.2 million to US\$35.4 million as compared to US\$28.2 million in 2007. The increase was mainly due to higher borrowings and higher market interest rates on the borrowings.

FOREIGN EXCHANGE LOSS, NET

Foreign exchange loss of US\$34.7 million was mainly attributable to loss on translation of net Indonesian Rupiah (“IDR”) monetary assets of the Indonesia Agri-business to US Dollar (“USD”) as IDR weakened against USD from IDR9,400 as at end of 2007 to IDR10,950 as at end of 2008.

SHARE OF RESULTS OF ASSOCIATED COMPANIES, NET

The Group’s share of associated companies’ profit (net) was US\$5.4 million mainly attributable to higher contributions from P.T. Dami Mas Sejahtera in the Indonesia Agri-business.

EXCEPTIONAL GAIN

The exceptional gain of US\$20.1 million mainly related to negative goodwill arising from the acquisition of remaining shares in an associated company, which thereafter became a wholly owned subsidiary.

In 2007, the net exceptional gain of US\$70.4 million was mainly attributable to negative goodwill of US\$72 million arising from the acquisition of new subsidiaries; offset by US\$3.2 million impairment loss on idle assets in the China Agri-business.

TAX

Income tax expense remained at US\$528.4 million in 2008 as compared to US\$528.6 million in 2007. The deferred tax provided for the net gain on changes in fair value of biological assets was higher at US\$408 million in 2008 as compared to US\$385.3 million in 2007 resulting from an increase in net gain from changes in fair value of biological assets in 2008.

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

MINORITY INTERESTS

Minority interests’ share of profit was US\$36.1 million as compared to US\$109.6 million recorded in 2007. The decrease of 67 percent or US\$73.5 million was mainly due to decrease in minority interests’ shareholding in PT Sinar Mas Agro Resources and Technology Tbk (“PT SMART”) in the Indonesia Agri-business following the Group’s acquisition of additional shares during the second half of 2007.

REVIEW OF CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2008

ASSETS

Total assets of the Group increased by US\$1,812.7 million from US\$5,012.8 million as at 31 December 2007 to US\$6,825.5 million as at 31 December 2008.

Current Assets

Trade receivables increased by US\$21.4 million mainly from the Indonesia Agri-business in line with the higher revenue.

Inventories decreased by US\$63.4 million mainly attributable to the China Agri-business due to a lower inventory level at the end of the year.

Short-term investments decreased by US\$17.5 million mainly due to utilisation of time deposits for the repayment of borrowings in the China Agri-business.

Non-Current Assets

Biological assets increased by US\$1,664.6 million mainly due to the recognition of net gain from changes in fair value in 2008 and the additional planted hectares during the year.

Property, plant and equipment increased by US\$151.1 million mainly attributable to additional capital expenditures relating to the construction of a new refinery, palm oil and kernel crushing mills and other ancillary plantation facilities in the Indonesia Agri-business.

Long-term receivables increased by US\$67.6 million mainly due to tax recoverable and advance payment for plantation facilities and fixed assets.

The decrease in associated companies by US\$14.4 million was attributable to acquisition of additional interest in an associated company, which thereby became a wholly owned subsidiary during the year.

LIABILITIES

Current Liabilities

Short-term loans increased by US\$47.1 million mainly attributable for the operation of new refinery in Kalimantan.

Non-Current Liabilities

Deferred income tax increased by US\$440.3 million mainly due to deferred tax impact from the net gain on changes in fair value of biological assets in 2008 in accordance with IAS No. 41.

Minority Interests

The increase of US\$14.5 million was mainly due to minority interests' share of current year's profit in PT SMART in the Indonesia Agri-business.

REVIEW OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2008

Net cash flow generated from operating activities for 2008 was US\$427.4 million primarily due to better operating results achieved during the year.

Net cash used in investing activities of US\$341.7 million mainly comprised US\$179.5 million capital expenditure on property, plant and equipment; US\$64.6 million capital expenditure on biological assets; and US\$103.9 million for the acquisition of new subsidiaries during the year.

Net cash used in financing activities of US\$77.6 million is mainly attributable to the dividend payments during the year.

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 current global financial crisis, credit crunch and economic slowdown have impacted the commodity markets resulting in a decline in prices of commodities, including CPO.

Nonetheless, the demand for palm oil, being the cheapest edible oil in the world, is supported by continued core demand from the edible oil and oleochemical markets and potential demand from the renewable energy sector. Moving forward, we will continue to strive to manage our operating costs at optimal levels and increase production through 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, including soybean prices. We will strive to manage our costs as well as focus our growth on the sale of various palm-based products to selected key regions within China.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend:	Interim
Dividend Type:	Cash
Dividend Amount per Share:	S\$0.008 per ordinary share
Number of Shares:	9,975,903,792
Date of Payment:	5 September 2008
Tax Rate:	Tax not applicable

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend:	Proposed Final
Dividend Type:	Cash
Dividend Amount per Share*:	S\$0.005 per ordinary share
Number of Shares*:	9,975,903,792
Tax Rate:	Tax not applicable

Name of Dividend:	Interim
Dividend Type:	Cash
Dividend Amount per Share:	S\$0.01 per ordinary share
Number of Shares:	4,987,951,896
Date of Payment:	13 June 2007
Tax Rate:	Tax not applicable

* Based on number of ordinary shares of 9,975,903,792, after adjusting for the sub-division of shares as approved by shareholders in the Extraordinary General Meeting on 15 February 2008.

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

No proposed final dividend has been declared for the quarter ended 31 December 2008.

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

GEOGRAPHICAL SEGMENT

For management purposes, the Group is currently organised into two geographical operating divisions, namely Indonesia Agri-business and China Agri-business. These divisions are the basis on which the Group reports its primary segment information. Principal activities are as follows:

Indonesia Agri-business - ownership and cultivation of oil palm plantation, ownership and operation of mills and refineries and producer of consumer cooking oil and margarine in Indonesia;

China Agri-business - refinery, port and oil seed crushing operations in China.

For the year ended 31 December 2008	Indonesia Agri-business US\$'000	China Agri-business US\$'000	Elimination US\$'000	Consolidated US\$'000
REVENUE				
External revenue	2,327,611	658,337	-	2,985,948
Inter-segment sales	392,334	-	(392,334)	-
Total revenue	<u>2,719,945</u>	<u>658,337</u>	<u>(392,334)</u>	<u>2,985,948</u>

RESULTS				
Segment results from operations	1,952,290	4,671	-	1,956,961
Exceptional items	20,133	-	-	20,133
Financial income				5,844
Financial expense				(41,260)
Profit before share of results of associated companies				<u>1,941,678</u>
Share of results of associated companies, net	5,382	-	-	<u>5,382</u>
Profit before tax				1,947,060
Tax				(528,415)
Profit for the year				<u>1,418,645</u>

For the year ended 31 December 2007	Indonesia Agri-business US\$'000	China Agri-business US\$'000	Elimination US\$'000	Consolidated US\$'000
REVENUE				
External revenue	1,394,913	478,439	-	1,873,352
Inter-segment sales	205,680	-	(205,680)	-
Total revenue	<u>1,600,593</u>	<u>478,439</u>	<u>(205,680)</u>	<u>1,873,352</u>

RESULTS				
Segment results from operations	1,721,293	36,863	-	1,758,156
Exceptional items	73,600	(3,220)	-	70,380
Financial income				7,270
Financial expense				(35,507)
Profit before share of results of associated companies				<u>1,800,299</u>
Share of results of associated companies, net	2,646			<u>2,646</u>
Profit before tax				1,802,945
Tax				(528,570)
Profit for the year				<u>1,274,375</u>

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

	The Group		
	2008 US\$'000	2007 US\$'000	% Increase/ (Decrease)
(a) Sales reported for first half year	1,564,042	681,764	129.4%
(b) Operating profit after tax before deducting minority interests reported for first half year	1,057,970	501,989	110.8%
(c) Sales reported for second half year	1,421,906	1,191,588	19.3%
(d) Operating profit after tax before deducting minority interests reported for second half year	360,675	772,386	(53.3%)

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

	2008 <u>US\$'000</u>	2007 <u>US\$'000</u>
Ordinary – interim	55,576	32,326
Ordinary – proposed final	-	36,768
Preference	-	-
Total	<u>55,576</u>	<u>69,094</u>

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)
	FY2008	FY2008
	US\$	US\$
Asia Food & Properties Limited	Nil	4,851,005
Eka Tjipta Widjaja	651,230 ^	Nil
Muktar Widjaja	242,000 ^^	Nil
Ningbo Asia Paper Tube & Carton Box Co., Ltd	Nil	1,960,351
Ningbo Asia Pulp & Paper Co., Ltd	Nil	268,745
Ningbo Zhonghua Paper Co., Ltd	Nil	367,169
PT Asuransi Sinar Mas	Nil	1,876,105
PT Bank Sinarmas	Nil	2,996,643*
PT Bumi Serpong Damai Tbk	16,636,620	Nil
PT Rolimex Kimia Nusamas	Nil	105,616,360
PT Royal Oriental	Nil	14,197,352
PT Sinar Jati Mitra	Nil	1,854,336
Wuhai Jin Ding Foodstuff Co., Ltd	Nil	609,082
Zhuhai Huafeng Foodstuff Co., Ltd	Nil	1,488,953
Zhuhai Huafeng Food Industry (Group) Co., Ltd	Nil	2,430,803
Total	17,529,850	138,516,904

Note:

* Principal amount as at 31 December 2008 is approximately US\$0.7 million.

^ The amount covered a period of 3 years from 1 May 2008 to 30 April 2011.

^^ The amount covered a period of 2 years from 1 January 2008 to 31 December 2009.

BY ORDER OF THE BOARD

Simon Lim
 Director
 27 February 2009

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ABOUT GOLDEN AGRI-RESOURCES LTD

GAR's primary activities include cultivating and harvesting of oil palm trees; processing of fresh fruit bunches into crude palm oil ("CPO") and palm kernel; and refining CPO into value-added products such as cooking oils, margarine and shortening.

The Company's operates a total planted area of 392,000 hectares, as well as 33 palm oil processing mills, three refineries and five kernel crushing plants in Indonesia.

GAR also operates in China through an integrated deep-sea port, storage, oil seed crushing facilities and refinery facilities in Ningbo and Zhuhai.

GAR and its subsidiaries generated revenue of US\$3 billion and net profit of US\$1.4 billion in 2008. The Company has been listed on the Singapore Exchange since 1999.

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Submitted by Kimberley Lye Chor Mei, Senior Manager on 27/2/2009 to the SGX