

Third Quarter Financial Statement And Dividend Announcement

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

1(a) An income statement and statement of comprehensive income 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 SEPTEMBER 2012**

| | Ytd Sept 2012 US\$'000 | Ytd Sept 2011 US\$'000 | Change % | 3rd Qtr 2012 US\$'000 | 3rd Qtr 2011 US\$'000 | Change % |
|--|---------------------------------------|---------------------------------------|---------------------|--------------------------------------|--------------------------------------|---------------------|
| Revenue | 4,533,157 | 4,625,040 | (2.0) | 1,672,484 | 1,561,500 | 7.1 |
| Cost of sales | <u>(3,283,209)</u> | <u>(3,174,816)</u> | 3.4 | <u>(1,274,424)</u> | <u>(1,139,838)</u> | 11.8 |
| Gross Profit | <u>1,249,948</u> | <u>1,450,224</u> | (13.8) | <u>398,060</u> | <u>421,662</u> | (5.6) |
| Operating expenses | | | | | | |
| Selling expenses | (552,922) | (650,437) | (15.0) | (185,722) | (201,207) | (7.7) |
| General and administrative expenses | <u>(171,823)</u> | <u>(141,133)</u> | 21.7 | <u>(73,094)</u> | <u>(53,224)</u> | 37.3 |
| Total operating expenses | <u>(724,745)</u> | <u>(791,570)</u> | (8.4) | <u>(258,816)</u> | <u>(254,431)</u> | 1.7 |
| Operating profit | <u>525,203</u> | <u>658,654</u> | (20.3) | <u>139,244</u> | <u>167,231</u> | (16.7) |
| Other income/(expenses) | | | | | | |
| Financial income | 10,388 | 8,389 | 23.8 | 4,330 | 2,832 | 52.9 |
| Financial expenses | (55,824) | (48,439) | 15.2 | (21,353) | (17,373) | 22.9 |
| Share of results of associated companies, net of tax | (57) | 10 | n.m. | (11) | (4) | 175.0 |
| Foreign exchange (loss)/gain, net | (11,911) | 30,196 | n.m. | (4,605) | (7,871) | (41.5) |
| Other operating income, net | <u>25,768</u> | <u>26,425</u> | (2.5) | <u>17,723</u> | <u>6,192</u> | 186.2 |
| | <u>(31,636)</u> | <u>16,581</u> | n.m. | <u>(3,916)</u> | <u>(16,224)</u> | (75.9) |
| Exceptional item | | | | | | |
| Gain on equity interest | <u>-</u> | <u>9,591</u> | (100.0) | <u>-</u> | <u>-</u> | - |
| Profit before tax | 493,567 | 684,826 | (27.9) | 135,328 | 151,007 | (10.4) |
| Tax | <u>(132,286)</u> | <u>(154,702)</u> | (14.5) | <u>(48,222)</u> | <u>(40,589)</u> | 18.8 |
| Profit for the period | <u>361,281</u> | <u>530,124</u> | (31.8) | <u>87,106</u> | <u>110,418</u> | (21.1) |
| Attributable to: | | | | | | |
| Owners of the Company | 356,048 | 520,158 | (31.6) | 85,942 | 109,604 | (21.6) |
| Non-controlling interests | <u>5,233</u> | <u>9,966</u> | (47.5) | <u>1,164</u> | <u>814</u> | 43.0 |
| | <u>361,281</u> | <u>530,124</u> | (31.8) | <u>87,106</u> | <u>110,418</u> | (21.1) |

Note: n.m. – not meaningful.

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2012**

| | Ytd Sept 2012 US\$'000 | Ytd Sept 2011 US\$'000 | 3rd Qtr 2012 US\$'000 | 3rd Qtr 2011 US\$'000 |
|---|---------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|
| Profit for the period | 361,281 | 530,124 | 87,106 | 110,418 |
| Other comprehensive income/(loss): | | | | |
| Foreign currency translation differences on consolidation | 2,464 | 6,062 | 3,407 | 528 |
| Changes in fair value of cash flow hedges | (10,087) | - | - | 682 |
| Changes in fair value of cash flow hedges transferred to income statement | 10,087 | - | - | (682) |
| Other comprehensive income, net of tax | 2,464 | 6,062 | 3,407 | 528 |
| Total comprehensive income for the period | 363,745 | 536,186 | 90,513 | 110,946 |
| Total comprehensive income attributable to: | | | | |
| Owners of the Company | 358,496 | 525,934 | 89,241 | 110,017 |
| Non-controlling interests | 5,249 | 10,252 | 1,272 | 929 |
| | 363,745 | 536,186 | 90,513 | 110,946 |

ADDITIONAL INFORMATION

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

| | Ytd Sept 2012 US\$'000 | Ytd Sept 2011 US\$'000 | Change % | 3rd Qtr 2012 US\$'000 | 3rd Qtr 2011 US\$'000 | Change % |
|--|---------------------------------------|---------------------------------------|---------------------|--------------------------------------|--------------------------------------|---------------------|
| Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, foreign exchange (loss)/gain, exceptional item and share of results of associated companies ("EBITDA") | 643,133 | 761,104 | (15.5) | 190,270 | 200,262 | (5.0) |
| Interest on borrowings | (54,032) | (47,330) | 14.2 | (20,695) | (16,977) | 21.9 |
| Depreciation and amortisation | (83,566) | (68,745) | 21.6 | (29,631) | (24,403) | 21.4 |
| Foreign exchange (loss)/gain, net | (11,911) | 30,196 | n.m. | (4,605) | (7,871) | (41.5) |
| Exceptional item | - | 9,591 | (100.0) | - | - | - |
| Share of results of associated companies, net of tax | (57) | 10 | n.m. | (11) | (4) | 175.0 |
| Profit before tax | 493,567 | 684,826 | (27.9) | 135,328 | 151,007 | (10.4) |

Note: n.m. – not meaningful

1(b)(i) A statement of financial position (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 | |
| | 30/9/2012 | 31/12/2011 | 30/9/2012 | 31/12/2011 |
| | <u>US\$'000</u> | <u>US\$'000</u> | <u>US\$'000</u> | <u>US\$'000</u> |
| Assets | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | 472,835 | 277,014 | 211 | 200 |
| Short-term investments | 25,895 | 92,839 | - | - |
| Trade receivables | 353,501 | 233,856 | - | - |
| Other current assets (note (a)) | 631,446 | 526,929 | 8 | 86 |
| Inventories | 828,288 | 751,163 | - | - |
| | 2,311,965 | 1,881,801 | 219 | 286 |
| Non-Current Assets | | | | |
| Long-term receivables and assets (note (b)) | 249,092 | 163,631 | - | - |
| Long-term investments | 180,098 | 90,723 | 53,000 | 17,000 |
| Subsidiary companies | - | - | 2,687,066 | 2,604,154 |
| Associated companies | 5,565 | 4,422 | - | - |
| Investment properties | 1,413 | 1,479 | - | - |
| Property, plant and equipment | 1,929,353 | 1,758,850 | - | - |
| Biological assets | 7,827,870 | 7,804,466 | - | - |
| Deferred tax assets | 4,573 | 4,715 | - | - |
| Deferred charges | 14,300 | 10,432 | - | - |
| Brands and trademarks | 720 | 960 | - | - |
| Goodwill | 115,898 | 115,898 | - | - |
| | 10,328,882 | 9,955,576 | 2,740,066 | 2,621,154 |
| Total Assets | 12,640,847 | 11,837,377 | 2,740,285 | 2,621,440 |

UNAUDITED STATEMENTS OF FINANCIAL POSITION (cont'd)

| | Group | | Company | |
|---|------------|------------|-----------|------------|
| | As at | | As at | |
| | 30/9/2012 | 31/12/2011 | 30/9/2012 | 31/12/2011 |
| | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| Liabilities and Equity | | | | |
| Current Liabilities | | | | |
| Short-term loans | 753,788 | 421,631 | - | - |
| Trade payables | 562,800 | 490,852 | - | - |
| Other payables (note(c)) | 150,297 | 156,291 | 29,924 | 31,672 |
| Taxes payable | 43,182 | 74,527 | - | - |
| Obligations under finance leases | 23 | 21 | - | - |
| | 1,510,090 | 1,143,322 | 29,924 | 31,672 |
| Non-Current Liabilities | | | | |
| Obligations under finance leases | 49 | 62 | - | - |
| Bonds payables | 103,786 | - | - | - |
| Long-term borrowings | 514,462 | 664,148 | - | - |
| Deferred tax liabilities | 1,877,906 | 1,876,427 | - | - |
| Long-term payables | 40,230 | 40,952 | - | - |
| | 2,536,433 | 2,581,589 | - | - |
| Total Liabilities | 4,046,523 | 3,724,911 | 29,924 | 31,672 |
| Equity Attributable to Owners of the Company | | | | |
| Issued capital | 320,939 | 303,467 | 320,939 | 303,467 |
| Share premium | 1,216,095 | 934,297 | 1,850,965 | 1,569,167 |
| Other paid-in capital | 184,318 | 184,318 | - | - |
| Other reserve | (48) | (48) | - | - |
| Currency translation reserve | 17,525 | 15,077 | - | - |
| PRC statutory reserve | 2,116 | 2,116 | - | - |
| Retained earnings | 6,762,399 | 6,585,810 | 538,457 | 717,134 |
| | 8,503,344 | 8,025,037 | 2,710,361 | 2,589,768 |
| Non-Controlling Interests | 90,980 | 87,429 | - | - |
| Total Equity | 8,594,324 | 8,112,466 | 2,710,361 | 2,589,768 |
| Total Liabilities and Equity | 12,640,847 | 11,837,377 | 2,740,285 | 2,621,440 |

UNAUDITED STATEMENTS OF FINANCIAL POSITION (cont'd)

Note:

(a) Other Current Assets

| | <u>Group</u> | | <u>Company</u> | |
|------------------------------------|------------------|-------------------|------------------|-------------------|
| | <u>As at</u> | | <u>As at</u> | |
| | <u>30/9/2012</u> | <u>31/12/2011</u> | <u>30/9/2012</u> | <u>31/12/2011</u> |
| | <u>US\$'000</u> | <u>US\$'000</u> | <u>US\$'000</u> | <u>US\$'000</u> |
| Prepaid expenses | 41,078 | 26,101 | 8 | 86 |
| Prepaid taxes, net | 121,607 | 113,874 | - | - |
| Deposits and advances to suppliers | 406,550 | 355,348 | - | - |
| Others | 61,664 | 30,371 | - | - |
| | <u>630,899</u> | <u>525,694</u> | <u>8</u> | <u>86</u> |
| Related parties | 547 | 1,235 | - | - |
| | <u>631,446</u> | <u>526,929</u> | <u>8</u> | <u>86</u> |

(b) Long-Term Receivables and Assets

| | <u>Group</u> | | <u>Company</u> | |
|---|------------------|-------------------|------------------|-------------------|
| | <u>As at</u> | | <u>As at</u> | |
| | <u>30/9/2012</u> | <u>31/12/2011</u> | <u>30/9/2012</u> | <u>31/12/2011</u> |
| | <u>US\$'000</u> | <u>US\$'000</u> | <u>US\$'000</u> | <u>US\$'000</u> |
| Associated company | 2,190 | 3,033 | - | - |
| Loan receivable | 6,670 | 6,645 | - | - |
| Tax recoverable | 113,318 | 75,912 | - | - |
| Advances for project plasma plantations | 20,298 | 24,793 | - | - |
| Advances for project and purchase of fixed assets | 84,394 | 39,235 | - | - |
| Land clearing | 8,930 | 1,882 | - | - |
| Advances for investments in land | 4,379 | 4,234 | - | - |
| Others | 8,913 | 7,897 | - | - |
| | <u>249,092</u> | <u>163,631</u> | <u>-</u> | <u>-</u> |

(c) Other Payables

| | <u>Group</u> | | <u>Company</u> | |
|-------------------------|------------------|-------------------|------------------|-------------------|
| | <u>As at</u> | | <u>As at</u> | |
| | <u>30/9/2012</u> | <u>31/12/2011</u> | <u>30/9/2012</u> | <u>31/12/2011</u> |
| | <u>US\$'000</u> | <u>US\$'000</u> | <u>US\$'000</u> | <u>US\$'000</u> |
| Advances from customers | 35,913 | 43,211 | - | - |
| Accrued expenses | 50,340 | 42,776 | 282 | 515 |
| Others | 63,729 | 70,000 | 2 | 2 |
| | <u>149,982</u> | <u>155,987</u> | <u>284</u> | <u>517</u> |
| Related parties | 315 | 304 | 29,640 | 31,155 |
| | <u>150,297</u> | <u>156,291</u> | <u>29,924</u> | <u>31,672</u> |

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

| | As at 30/9/2012 | | | As at 31/12/2011 | | |
|--|------------------|----------------|------------------|------------------|---------------|------------------|
| | US\$'000 | | | US\$'000 | | |
| | Secured | Unsecured | Total | Secured | Unsecured | Total |
| Amount repayable in one year or less, or on demand | 738,811 | 15,000 | 753,811 | 406,652 | 15,000 | 421,652 |
| Amount repayable after one year | 514,511 | 103,786 | 618,297 | 664,210 | - | 664,210 |
| Total | 1,253,322 | 118,786 | 1,372,108 | 1,070,862 | 15,000 | 1,085,862 |

Details of any collateral

The secured borrowings are collateralised by certain cash and cash equivalents, short-term investments, inventories, trade receivables, investment properties, biological assets and property, plant and equipment.

1(c) A statement of cash flows (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 SEPTEMBER 2012

| | Ytd Sept 2012 US\$'000 | Ytd Sept 2011 US\$'000 | 3rd Qtr 2012 US\$'000 | 3rd Qtr 2011 US\$'000 |
|--|------------------------------|------------------------------|-----------------------------|-----------------------------|
| Cash flows from operating activities | | | | |
| Profit before tax | 493,567 | 684,826 | 135,328 | 151,007 |
| Adjustments for: | | | | |
| Depreciation | 82,382 | 67,973 | 29,011 | 24,143 |
| Amortisation | 1,184 | 772 | 620 | 260 |
| Unrealised foreign exchange (gain)/loss on short-term loans, long-term borrowings and receivables, net | (9,937) | 5,149 | (1,950) | (6,262) |
| Share of results of associated companies, net of tax | 57 | (10) | 11 | 4 |
| Gain on disposal of property, plant and equipment | (303) | (1,109) | (172) | (401) |
| Property, plant and equipment written off | 2,510 | 614 | 932 | 206 |
| Allowance for impairment loss on inventories | 2,139 | 9,001 | 1,143 | 2,197 |
| Trade payables written back | - | (423) | - | - |
| Changes in fair value of financial assets at fair value through profit or loss | (2,538) | 2,070 | (6,956) | 1,849 |
| Gain on equity interest | - | (9,591) | - | - |
| Interest income | (10,388) | (8,389) | (4,330) | (2,832) |
| Interest expense | 54,032 | 47,330 | 20,695 | 16,977 |
| Operating cash flow before working capital changes | 612,705 | 798,213 | 174,332 | 187,148 |
| Changes in operating assets and liabilities: | | | | |
| Trade receivables | (119,636) | (78,561) | (66,308) | (5,691) |
| Other receivables | (104,268) | (158,869) | (13,604) | 70,436 |
| Inventories | (79,278) | (97,700) | 60,857 | 6,637 |
| Trade payables | 71,948 | 235,843 | (52,261) | 54,039 |
| Other payables | (9,050) | (4,869) | (22,865) | 20,857 |
| Cash generated from operations | 372,421 | 694,057 | 80,151 | 333,426 |
| Interest received | 8,996 | 8,201 | 3,223 | 2,556 |
| Interest paid | (46,558) | (42,030) | (16,185) | (14,253) |
| Tax paid | (195,072) | (118,047) | (38,719) | (50,811) |
| Net cash generated from operating activities | 139,787 | 542,181 | 28,470 | 270,918 |

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2012 (cont'd)**

| | Ytd Sept 2012 <u>US\$'000</u> | Ytd Sept 2011 <u>US\$'000</u> | 3rd Qtr 2012 <u>US\$'000</u> | 3rd Qtr 2011 <u>US\$'000</u> |
|--|--|--|---|---|
| Cash flows from investing activities | | | | |
| Proceeds from sale of property, plant and equipment | 1,879 | 1,709 | 971 | 697 |
| Proceeds from sale of biological assets | 2,745 | 1,742 | 235 | 305 |
| Capital expenditure on property, plant and equipment | (250,950) | (257,537) | (85,664) | (97,758) |
| Capital expenditure on biological assets | (25,692) | (39,385) | (9,688) | (15,798) |
| Proceeds from/(Investments in) short-term investments, net | 54,705 | (54,890) | (4,130) | (35,922) |
| Investments in long-term investments, net | (74,267) | (14,290) | (26,081) | (6,545) |
| Dividend received from an associated company | - | 3,604 | - | - |
| Proceeds from/(Investments in) Plasma/KKPA Program plantations, net | 4,495 | (5,897) | 6,725 | (2,284) |
| Acquisition of a subsidiary, net of cash acquired | - | (5,421) | - | - |
| Payment for deferred expenditure | (4,812) | (528) | (397) | (128) |
| Net increase in advances for projects and other assets | (52,880) | (32,952) | (11,027) | (24,935) |
| Net cash used in investing activities | <u>(344,777)</u> | <u>(403,845)</u> | <u>(129,056)</u> | <u>(182,368)</u> |
| Cash flows from financing activities | | | | |
| Proceeds from short-term loans | 839,377 | 898,771 | 264,389 | 291,312 |
| Proceeds from long-term borrowings | 5,000 | 388,570 | - | 283,225 |
| Payment of dividends | (181,157) | (77,375) | (1,698) | (1,506) |
| Payments of short-term loans | (579,668) | (892,403) | (376,953) | (373,175) |
| Payments of long-term borrowings | (83,345) | (162,763) | (28,081) | (121,260) |
| Payments of obligations under finance leases | (11) | (17) | (2) | (4) |
| Proceeds from bonds issue in a subsidiary | 103,786 | - | 103,786 | - |
| Proceeds from warrants exercised | 299,270 | - | 299,270 | - |
| Acquisition of additional interests in a subsidiary | - | (46,204) | - | (46,204) |
| Deferred loan charges and long-term bank loan administration costs | (2,441) | (9,359) | (1,188) | (6,408) |
| Decrease in time deposits pledged | 5,553 | 4,518 | 68,475 | 8,798 |
| Net cash generated from financing activities | <u>406,364</u> | <u>103,738</u> | <u>327,998</u> | <u>34,778</u> |
| Net increase in cash and cash equivalents | 201,374 | 242,074 | 227,412 | 123,328 |
| Cash and cash equivalents at beginning of the period | <u>232,263</u> | <u>161,906</u> | <u>206,225</u> | <u>280,652</u> |
| Cash and cash equivalents at end of the period (See Note below) | <u>433,637</u> | <u>403,980</u> | <u>433,637</u> | <u>403,980</u> |

Note:

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

| | <u>30/9/2012 US\$'000</u> | <u>30/9/2011 US\$'000</u> |
|---------------------------------------|--------------------------------------|--------------------------------------|
| Time deposits, cash and bank balances | 472,835 | 455,835 |
| Less: Time deposits pledged | (39,198) | (51,855) |
| | <u>433,637</u> | <u>403,980</u> |

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 Owners of the Company-----> | | | | | | | | | | |
|--|--|---------------|-----------------------|---------------|-----------------|------------------------------|-----------------------|-------------------|-----------|---------------------------|--------------|
| | Issued Capital | Share Premium | Other Paid-in Capital | Other Reserve | Hedging Reserve | Currency Translation Reserve | PRC Statutory Reserve | Retained Earnings | Total | Non-Controlling Interests | Total Equity |
| | US\$'000 | 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 2012 | 303,467 | 934,297 | 184,318 | (48) | - | 15,077 | 2,116 | 6,585,810 | 8,025,037 | 87,429 | 8,112,466 |
| Dividend paid for 2011 | - | - | - | - | - | - | - | (179,459) | (179,459) | - | (179,459) |
| Total comprehensive (loss)/income for the period | - | - | - | - | - | (851) | - | 270,106 | 269,255 | 3,977 | 273,232 |
| Balance as at 30 Jun 2012 | 303,467 | 934,297 | 184,318 | (48) | - | 14,226 | 2,116 | 6,676,457 | 8,114,833 | 91,406 | 8,206,239 |
| Issuance of shares pursuant to warrant exercised | 17,472 | 281,798 | - | - | - | - | - | - | 299,270 | - | 299,270 |
| Total comprehensive income for the period | - | - | - | - | - | 3,299 | - | 85,942 | 89,241 | 1,272 | 90,513 |
| Dividend paid to non-controlling shareholders | - | - | - | - | - | - | - | - | - | (1,698) | (1,698) |
| Balance as at 30 Sep 2012 | 320,939 | 1,216,095 | 184,318 | (48) | - | 17,525 | 2,116 | 6,762,399 | 8,503,344 | 90,980 | 8,594,324 |
| Balance as at 1 Jan 2011 | 303,467 | 934,297 | 184,318 | 1,136 | - | 6,817 | 2,116 | 5,393,709 | 6,825,860 | 119,283 | 6,945,143 |
| Dividend paid for 2010 | - | - | - | - | - | - | - | (75,869) | (75,869) | - | (75,869) |
| Total comprehensive income for the period | - | - | - | - | - | 5,363 | - | 410,554 | 415,917 | 9,323 | 425,240 |
| Balance as at 30 Jun 2011 | 303,467 | 934,297 | 184,318 | 1,136 | - | 12,180 | 2,116 | 5,728,394 | 7,165,908 | 128,606 | 7,294,514 |
| Total comprehensive income for the period | - | - | - | - | - | 413 | - | 109,604 | 110,017 | 929 | 110,946 |
| Dividend paid to non-controlling shareholders | - | - | - | - | - | - | - | - | - | (1,506) | (1,506) |
| Change in interests in a subsidiary | - | - | - | (1,184) | - | - | - | - | (1,184) | (45,020) | (46,204) |
| Balance as at 30 Sep 2011 | 303,467 | 934,297 | 184,318 | (48) | - | 12,593 | 2,116 | 5,837,998 | 7,274,741 | 83,009 | 7,357,750 |

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

| <u>The Company</u> | <u>Issued Capital</u> | <u>Share Premium</u> | <u>Retained Earnings</u> | <u>Total</u> |
|---|---------------------------|--------------------------|------------------------------|------------------|
| | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| Balance as at 1 Jan 2012 | 303,467 | 1,569,167 | 717,134 | 2,589,768 |
| Dividend paid for 2011 | - | - | (179,459) | (179,459) |
| Profit for the period, representing total comprehensive income for the period | - | - | 594 | 594 |
| Balance as at 30 Jun 2012 | 303,467 | 1,569,167 | 538,269 | 2,410,903 |
| Issuance of shares pursuant to warrant exercised | 17,472 | 281,798 | - | 299,270 |
| Profit for the period, representing total comprehensive income for the period | - | - | 188 | 188 |
| Balance as at 30 Sep 2012 | <u>320,939</u> | <u>1,850,965</u> | <u>538,457</u> | <u>2,710,361</u> |
| Balance as at 1 Jan 2011 | 303,467 | 1,569,167 | 794,100 | 2,666,734 |
| Dividend paid for 2010 | - | - | (75,869) | (75,869) |
| Profit for the period, representing total comprehensive income for the period | - | - | 206 | 206 |
| Balance as at 30 Jun 2011 | 303,467 | 1,569,167 | 718,437 | 2,591,071 |
| Loss for the period, representing total comprehensive loss for the period | - | - | (829) | (829) |
| Balance as at 30 Sep 2011 | <u>303,467</u> | <u>1,569,167</u> | <u>717,608</u> | <u>2,590,242</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 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 September 2012 and 2011. Movements in the issued share capital of the Company during the quarter ended 30 September 2012 are as follows:

| | <u>No. of Issued Share Capital</u> |
|--|--|
| Balance as at 1 July 2012 | 12,138,676,942 |
| Issuance of shares pursuant to warrant exercised | 698,871,614 |
| Balance as at 30 Sep 2012 | <u>12,837,548,556</u> |

On 23 July 2012, a total of 698,871,614 warrants were exercised, while the remaining 6,622,114 warrants which have not been exercised have lapsed. Pursuant to the exercise of the warrants, 698,871,614 new ordinary shares of par value US\$0.025 in the capital of the Company were allotted and issued on 26 July 2012. There is no outstanding warrant as at 30 September 2012.

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 30 September 2012 and 31 December 2011 was 12,837,548,556 ordinary shares of US\$0.025 each and 12,138,676,942 ordinary shares of US\$0.025 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 auditing standard or practice

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 2011.

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

| | The Group | | | |
|---|--------------------------|--------------------------|-------------------------|-------------------------|
| | Ytd Sept 2012 | Ytd Sept 2011 | 3rd Qtr 2012 | 3rd Qtr 2011 |
| Earnings per ordinary share for the period after deducting any provision for preference dividends:- | | | | |
| (i) Based on weighted average number of ordinary shares | USD2.90cents | USD4.29cents | USD0.68cents | USD0.90cents |
| - Weighted average numbers of shares | 12,293,981,745 | 12,138,676,942 | 12,604,591,351 | 12,138,676,942 |
| (ii) On a fully diluted basis | Not applicable | USD4.23cents | Not applicable | USD0.89cents |
| - Weighted average numbers of shares | Not applicable | 12,289,795,505 | Not applicable | 12,277,087,292 |

7. Net asset value (for the issuer and group) per ordinary share based on 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

| | The Group | | The Company | |
|--|-------------------------------|------------------------------|-------------------------------|------------------------------|
| | As at 30 Sept 2012 | As at 31 Dec 2011 | As at 30 Sept 2012 | As at 31 Dec 2011 |
| Net asset value per ordinary share based on existing issued share capital of 12,837,548,556 shares as at 30 September 2012 (31 December 2011: 12,138,676,942 shares) | US\$0.66 | US\$0.66 | US\$0.21 | US\$0.21 |

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 nine months ended | | | |
| Revenue | | | |
| 30 September 2012 | 3,583,087 | 950,070 | 4,533,157 |
| 30 September 2011 | 3,778,321 | 846,719 | 4,625,040 |
| Increase/(Decrease) | (195,234) | 103,351 | (91,883) |
| Increase/(Decrease) % | (5.2) | 12.2 | (2.0) |
| Gross Profit | | | |
| 30 September 2012 | 1,227,239 | 22,709 | 1,249,948 |
| 30 September 2011 | 1,397,260 | 52,964 | 1,450,224 |
| Increase/(Decrease) in profit | (170,021) | (30,255) | (200,276) |
| Increase/(Decrease) % | (12.2) | (57.1) | (13.8) |
| EBITDA (see note (1)) | | | |
| 30 September 2012 | 648,260 | (5,127) | 643,133 |
| 30 September 2011 | 735,292 | 25,812 | 761,104 |
| Increase/(Decrease) in profit | (87,032) | (30,939) | (117,971) |
| Increase/(Decrease) % | (11.8) | n.m. | (15.5) |
| Interest on borrowings | | | |
| 30 September 2012 | 49,016 | 5,016 | 54,032 |
| 30 September 2011 | 42,458 | 4,872 | 47,330 |
| Increase/(Decrease) | 6,558 | 144 | 6,702 |
| Increase/(Decrease) % | 15.4 | 3.0 | 14.2 |
| Depreciation and amortisation | | | |
| 30 September 2012 | 72,544 | 11,022 | 83,566 |
| 30 September 2011 | 59,131 | 9,614 | 68,745 |
| Increase/(Decrease) | 13,413 | 1,408 | 14,821 |
| Increase/(Decrease) % | 22.7 | 14.6 | 21.6 |
| Foreign exchange (loss)/gain | | | |
| 30 September 2012 | (10,012) | (1,899) | (11,911) |
| 30 September 2011 | 21,834 | 8,362 | 30,196 |
| Increase in profit/(loss) | (31,846) | (10,261) | (42,107) |
| Increase/(Decrease) % | n.m. | n.m. | n.m. |
| Exceptional gain | | | |
| 30 September 2012 | - | - | - |
| 30 September 2011 | 9,591 | - | 9,591 |
| Decrease in gain | (9,591) | - | (9,591) |
| Increase/(Decrease) % | (100.0) | - | (100.0) |
| Share of associates' (loss)/profit, net of tax | | | |
| 30 September 2012 | (57) | - | (57) |
| 30 September 2011 | 10 | - | 10 |
| Decrease in profit | (67) | - | (67) |
| Increase/(Decrease) % | n.m. | - | n.m. |
| Profit/(Loss) before tax | | | |
| 30 September 2012 | 516,631 | (23,064) | 493,567 |
| 30 September 2011 | 665,138 | 19,688 | 684,826 |
| Increase/(Decrease) in profit | (148,507) | (42,752) | (191,259) |
| Increase/(Decrease) % | (22.3) | n.m. | (27.9) |
| Net profit/(loss) attributable to owners of the Company | | | |
| 30 September 2012 | 381,715 | (25,667) | 356,048 |
| 30 September 2011 | 505,121 | 15,037 | 520,158 |
| Increase/(Decrease) in profit | (123,406) | (40,704) | (164,110) |
| Increase/(Decrease) % | (24.4) | n.m. | (31.6) |

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

REVIEW OF PERFORMANCE FOR NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2012

The Group recorded a revenue of US\$4,533.2 million and EBITDA of US\$643.1 million for the nine-month period ended 30 September 2012 ("9M2012").

REVENUE

Indonesia

Revenue from the Indonesia Agri-business was US\$3,583.1 million in 9M2012, a decrease of 5.2% as compared to US\$3,778.3 million in the corresponding period in 2011 ("9M2011"). This was mainly attributable to the lower average crude palm oil ("CPO") price during the period, whereas the average international CPO (CIF Rotterdam) price was US\$1,064 per tonne for 9M2012, 7.9% lower as compared to the average of US\$1,155 in 9M2011.

Our fresh fruit bunch ("FFB") production improved by 10.6% from 6,212,000 tonnes in 9M2011 to 6,869,000 tonnes in 9M2012 mainly due to increase in total matured plantation area and favourable weather conditions. Consequently, the total palm production was higher at 2,058,000 tonnes in 9M2012 as compared to 1,939,000 tonnes in 9M2011.

China

Revenue in China was mainly contributed by edible oil business of US\$804.9 million and noodle business of US\$145.1 million in 9M2012. The increase of 12.2% in revenue was mainly attributable to increase in sales volume of soybean meal and refined edible oil products, as well as higher contribution from snack noodles sales in line with higher average selling prices and higher volume.

COST OF SALES

Cost of sales increased from US\$3,174.8 million in 9M2011 to US\$3,283.2 million in 9M2012 mainly due to higher raw material prices in the China Agri-business.

Indonesia

Cost of sales from the Indonesia Agri-business comprised mainly labour, plantation maintenance, fertiliser and harvesting costs, FFB purchases and CPO purchases for our downstream business. Cost of sales declined from US\$2,381.1 million in 9M2011 to US\$2,355.8 million in 9M2012, mainly due to lower FFB and CPO purchase costs in line with the lower market prices, partially offset by higher salary, depreciation and maintenance expenses.

China

Cost of sales in the China Agri-business of US\$927.4 million, comprised mainly purchase cost of soybean and palm oil products for our edible oil operations, as well as purchase cost of raw materials for our noodle operations. The increase in cost of sales by 16.8% to US\$927.4 million in 9M2012 was largely attributable to higher raw material cost for soybean.

GROSS PROFIT

The Group's gross profit and gross profit margin were US\$1,249.9 million and 27.6% respectively in 9M2012, as compared to US\$1,450.2 million and 31.4% respectively in 9M2011.

Indonesia Agri-business reported a lower gross profit margin of 34.3% compared to 37.0% in the previous corresponding period. This was mainly due to lower average selling prices in line with the lower international CPO prices. Gross profit margin in the China Agri-business also declined to 2.4% (9M2011: 6.3%) mainly attributable to the continued competitive Chinese operating environment, as well as the higher raw material prices.

OPERATING EXPENSES

- ***Selling expenses***

Selling expenses of US\$552.9 million comprised mainly export tax, transportation and freight, advertising and promotion, and salaries. The reduction in selling expenses of US\$97.5 million mainly resulted from lower export tax incurred during the period, partially offset by higher freight and transportation expenses.

- ***General and administrative expenses***

General and administrative expenses of US\$171.8 million comprised mainly salaries and related expenses, rent, tax and licenses, depreciation, repairs and maintenance, and professional fees. The increase in general and administrative expenses was mainly due to higher salaries and related expenses resulting from additional headcount and higher legal and professional expenses.

FINANCIAL EXPENSES, NET

Net financial expenses comprised net interest expenses (after deducting interest income), amortisation of deferred loan charges and other finance charges. Net financial expenses increased from US\$40.1 million to US\$45.4 million in 9M2012 in line with higher average borrowings in the current period.

FOREIGN EXCHANGE (LOSS)/GAIN, NET

The Group recorded foreign exchange loss of US\$11.9 million in 9M2012 as compared to foreign exchange gain of US\$30.2 million in the same period last year. The current period's loss was mainly relating to translation loss on net Indonesian Rupiah ("IDR") monetary assets in the Indonesia Agri-business due to weakening of IDR against US Dollar ("USD"), as well as translation loss on USD denominated borrowings in the China Agri-business as USD strengthened against Chinese Renminbi ("RMB") during the current period.

The same translations above had resulted in foreign exchange gain in 9M2011 as both IDR and RMB strengthened against USD during the corresponding period in 2011.

TAX

Income tax comprised provision for current and deferred income tax derived by applying the varying statutory tax rates of the different countries in which the Group operates on its taxable profit and taxable temporary difference. No group relief is available for set-off of taxable profits against tax losses of companies within the Group.

Income tax expense decreased from US\$154.7 million to US\$132.3 million in 9M2012 in line with lower taxable profit reported.

NON-CONTROLLING INTERESTS

Non-controlling shareholders' share of profit was lower at US\$5.2 million as compared to US\$10 million in 9M2011. The decrease was mainly attributable to lower non-controlling interests in PT Sinar Mas Agro Resources and Technology Tbk resulting from the acquisition of additional 2% shareholding in July 2011.

REVIEW OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2012

ASSETS

Total assets of the Group increased from US\$11,837.4 million as at end December 2011 to US\$12,640.8 million as at 30 September 2012.

Current Assets

Current assets increased by US\$430.2 million mainly attributable to increases in trade receivables and other current assets.

Trade receivables were higher by US\$119.6 million mainly due to higher sales in Indonesia Agri-business during the current quarter under review.

Other current assets increased by US\$104.5 million mainly attributable to higher deposits and advances to suppliers, coupled with higher prepaid operating expenses.

Non-Current Assets

Non-current assets increased by US\$ 373.3 million mainly due to increases in property, plant and equipment, long-term receivables and long-term investments.

Increase in property, plant and equipment of US\$170.5 million primarily related to construction of plantation facilities, refinery facilities and other ancillary plantation facilities.

Higher long-term receivables and assets of US\$85.5 million were mainly due to higher tax recoverable and additional deposits and advance payments for capital expenditure in Indonesia Agri-business.

Higher long-term investments of US\$89.4 million were mainly due to additional investment in unquoted funds and bonds as well as reclassification of certain investment from short-term investments to long-term investments.

LIABILITIES

Total liabilities of the Group increased by US\$321.6 million to US\$4,046.5 million as at 30 September 2012 mainly due to increases in total borrowings and trade payables.

Total borrowings increased from US\$1,085.9 million to US\$1,372.1 million as at 30 September 2012, mainly attributable to additional bank borrowings for working capital purposes and issuance of bond in the Indonesia Agri-business.

Trade payables increased by US\$71.9 million mainly due to higher purchases of soybean and palm products.

REVIEW OF CONSOLIDATED CASH FLOWS FOR NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2012

As compared to 9M2011, net cash flow generated from operating activities (after payment of taxes and interest expenses) for 9M2012 was lower at US\$139.8 million. The lower cash inflows recorded in 9M2012 mainly resulted from a decrease in operating profit due to lower international CPO price and competitive Chinese operating environment coupled with higher working capital requirement during the period.

Net cash used in investing activities of US\$344.8 million was mainly relating to capital expenditure for construction of plantation and refinery facilities, and other supporting facilities in the Indonesia Agri-business, as well as additional long-term investments.

Net cash generated from financing activities of US\$406.4 million was primarily attributable to proceeds from exercise of warrants, together with proceeds from loans and bonds drawn (net of repayment) for working capital and capital expenditure purposes, net of dividend payment made 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 demand growth for palm oil remains positive, supported by continued strong primary demand from the edible oil and increasing need for palm oil as a substitute for alternative uses, such as oleo-chemicals, specialty fats and biodiesel. With our favourable plantation age profile and strong financial position, we are well positioned to seize opportunities in the industry. We will also continue to increase our production of sustainable palm oil, as well as to further improve operational efficiency and plantation management techniques.

The operating environment of the China Agri-business remains challenging given the intense competition and increasing raw material costs. We will continue to focus on managing our costs and optimise our production in order to improve the operating performance.

11. Dividend

(a) Current Financial Period Reported On

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

| | |
|----------------------------|---|
| Name of Dividend: | Interim dividend |
| Dividend Type: | Cash |
| Dividend Amount per share: | 0.60 Singapore cents per ordinary share |
| Number of shares: | 12,837,548,556 |
| Tax Rate: | Tax not applicable |

(b) Corresponding Period of the Immediately Preceding Financial Year

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

(c) Date payable

27 November 2012.

(d) Books closure date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 21 November 2012 on which day no share transfer will be effected. Duly completed transfers received by the Company's Share Registrar, B.A.C.S. Private Limited, 63 Cantonment Road, Singapore 089758, up to the close of business at 5.00 p.m. on 20 November 2012 will be registered to determine shareholders' entitlements to the interim dividend.

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

Not applicable.

13. Interested persons transactions disclosure

| Name of interested person | Aggregate value of all interested person transactions during the period under review (excluding transactions less than 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) |
|--|--|--|
| | 3Q2012 | 3Q2012 |
| | US\$ | US\$ |
| Ningbo Asia Paper Tube & Carton Box Co., Ltd | Nil | 384,109 |
| PT Asuransi Sinar Mas | Nil | 264,847 |
| PT Bank Sinarmas | Nil | 1,588,702 * |
| PT Cakrawala Mega Indah | Nil | 1,529,927 |
| PT Rolimex Kimia Nusamas | Nil | 2,223,390 |
| PT Royal Oriental | Nil | 1,324,046 |
| PT Sinar Mas Teledan | Nil | 1,525,405 |
| PT Sinar Jati Mitra | Nil | 401,092 |
| Total | Nil | 9,241,518 |

Note:

* Principal amount as at 30 September 2012 is US\$1.6 million.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. 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.

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.

16. A breakdown of sales

Not applicable.

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

Not applicable.

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 third quarter and nine months ended 30 September 2012 unaudited financial results to be false or misleading.

On behalf of the board of directors

Simon Lim
Director

Rafael Buhay Concepcion, Jr.
Director

BY ORDER OF THE BOARD

Simon Lim
Director
12 November 2012

Submitted by Kimberley Lye Chor Mei, Director, Corporate Secretarial on 12 November 2012 to the SGX