SIPEF

Press release
Regulated Information

INTERIM STATEMENT OF THE SIPEF GROUP AS PER 30 JUNE 2011 (1H11)

- Favourable weather conditions and more areas coming to maturity have increased palm oil production by 13.2% compared to the same period of last year. The quantities of rubber, tea and bananas dropped slightly.
- Higher selling prices led to an increase of the operating results before IAS41 of 52.1%.
- The net IFRS result, share of the group, amounts to KUSD 57 969, an increase of 77.2% compared to the first half year results of 2010.
- The public offering for the remaining Jabelmalux shares was completed successfully and increases our participation in palm oil, rubber and tea in Indonesia.
- The cash flow generated by the operating activities are totally allocated to the operational activities and for the investments in oil palm and rubber areas in Indonesia and Papua New Guinea.
- Notwithstanding a downward correction of the palm oil and rubber prices over the last two months the expected profit for the full year 2011 remains intact thanks to the realised sales and the net recurring results should exceed those of 2010.

1. INTERIM MANAGEMENT REPORT

1.1. GROUP PRODUCTION

Group production

In tonnes	Own	Third Parties	Total 1H11	*B.I.* 1H11*	Own	Third Parties	Total 1H10	*B.I.* 1H10*
Palm Oil	96 335	26 176	122 511	*96 824*	86 516	21 722	108 238	*85 290*
Rubber	4 702	522	5 224	*4 554*	5 409	572	5 981	*4 972*
Tea	1 292	0	1 292	*1 193*	1 610	0	1 610	*1 184*
Bananas	10 365	0	10 365	*10 365*	10 983	0	10 983	*10 983*

* Beneficial Interest: share of the group

Thanks to substantially better weather conditions than last year and to a higher degree of maturity of the planted areas, the increasing volumes in Agro Muko in the province of Bengkulu in Indonesia (+21.2%) and in Hargy Oil Palms in Papua New Guinea (+18.1%) has ensured that the group production of palm oil increased by 13.2% compared to the first semester of 2010. In the mature plantations of North Sumatra we follow the generally negative trend, triggered by La Niña at the start of the year, which led to a drop of 6.0% in the palm oil production during the first half of the year. The oil extraction rates of the various mills were satisfactory and reached on average 23.7% for the group.

Notwithstanding rising volumes in Agro Muko (+18.7%) the exceptionally good rubber production of last year could not be matched in the other areas of Sumatra. Early shedding of the leaves, a temporary halt to the stimulation of the rubber trees in South Sumatra and a change in the timing of the production process in Papua New Guinea, have resulted in a drop of production for the group of 12.7% compared to the same period as last year.

The tea garden at Cibuni in Java-Indonesia was covered practically the whole of the first semester by a thick layer of clouds. This lack of sunshine led to a drop in production of 19.7%. It's only since June that we have registered an improvement.

The banana production in the Ivory Coast suffered in the second quarter of the effects of the politically unstable situation. This hampered both transport and export activities and this resulted in a drop of 5.6% in our banana production and exports.

1.2. MARKETS

Average market prices

*in USD/tonne**		**First 6 months 2011**	**First 6 months 2010**
Palm oil	CIF Rotterdam	1 199	810
Rubber	RSS3 FOB Singapore	5 517	3 457
Tea	FOB origin	2 940	2 777
Bananas	FOT Europe	1 251	1 025

* World Commodity Price Data

After the tightness that led to a peak in vegetable oil prices during February 2011 the supply side started to improve and prices eased back. We not only saw palm oil production improve from March onwards but it also turned out that South American soy bean crops were larger than expected. The USDA reported at the end of June that high prices had encouraged US farmers to plant more corn and soy beans and after last year's bad crops in Russia and the Ukraine these countries boosted the production of sunflower seeds. As a result vegetable oil prices have been easing, but we did not see a sharp correction in prices and the main reason for that was the growing demand from the biodiesel sector.

More favourable weather conditions over the rubber growing areas during the second quarter and concerns in China about an overheating of their economy dominated the rubber market. The Chinese authorities tightened monetary conditions and this allowed for rubber prices to ease back from the highs they had reached in February.

The lack of rains over the tea growing areas in Kenya kept prices, during the second quarter, in a tight range close to the prices seen during the period January to March.

The good price level of bananas in the first quarter was not sustained from May onwards in a nervous European market that is seasonably weaker during the summer period.

1.3. CONSOLIDATED INCOME STATEMENT

Consolidated income statement

In KUSD	30/06/2011 Before IAS 41	30/06/2011 IAS41	30/06/2011 IFRS	30/06/2010 Before IAS 41	30/06/2010 IAS41	30/06/2010 IFRS
Revenue	177 100		177 100	127 967		127 967
Cost of sales	-105 995	2 001	-103 994	-77 617	1 794	-75 823
Gross profit	**71 105**	**2 001**	**73 106**	**50 350**	**1 794**	**52 144**
Variation biological assets		17 984	17 984		10 465	10 465
Planting cost (net)		-7 466	-7 466		-4 765	-4 765
Selling, general and administrative expenses	-12 028		-12 028	-9 619		-9 619
Other operating income/(charges)	148		148	-1 790		-1 790
Operating result	**59 225**	**12 519**	**71 744**	**38 941**	**7 494**	**46 435**
Financial income	458		458	248		248
Financial charges	- 380		- 380	- 574		- 574
Exchange differences	5 023		5 023	-3 100		-3 100
Financial result	5 101		5 101	-3 426		-3 426
Profit before tax	**64 326**	**12 519**	**76 845**	**35 515**	**7 494**	**43 009**
Tax expense	-11 199	-3 210	-14 409	-9 562	-1 298	-10 860
Profit after tax	**53 127**	**9 309**	**62 436**	**25 953**	**6 196**	**32 149**
Share of results of associated companies (insurance)	- 170		- 170	3 183		3 183
Result from continuing operations	52 957	9 309	62 266	29 136	6 196	35 332
Profit for the period	**52 957**	**9 309**	**62 266**	**29 136**	**6 196**	**35 332**
Equity holders of the parent	**49 854**	**8 115**	**57 969**	**27 165**	**5 548**	**32 713**

1.4. CONSOLIDATED GROSS PROFIT (before IAS41)

Consolidated gross profit (before IAS41)

In KUSD (condensed)	30/06/2011	%	30/06/2010	%
Palm	54 079	76.0	35 538	70.5
Rubber	13 975	19.7	10 259	20.4
Tea	904	1.3	2 063	4.1
Bananas and plants	1 158	1.6	1 600	3.2
Corporate and others	989	1.4	890	1.8
	71 105	100.0	50 350	100.0

Rising palm oil production sold at substantially higher prices was the main reason for an increase in turnover of 38.4% compared to the same period last year.

The cost of production denominated in US dollars was mainly influenced by the combined effect of stronger local currencies and inflation that drove up the cost of labour in Indonesia and Papua New Guinea. The cost of sales was also higher as a result of the export tax levied by the Indonesian government on palm oil, which was on average USD 237 per tonne for the first half of the year as compared to USD 43 per tonne for the whole of 2010.

The gross profit rose by 41.2% in which the share of palm oil grew to 76.0%. The gross profit on rubber increased notwithstanding the slight drop in volumes. The margins on tea came under pressure due to lower volumes and the high labour intensity of this activity.

The other operating charges were affected in 2010 by the non-recurrent depreciation on the CSM estate, that no longer fits in our sustainability policy and by the sale of the Brazilian assets. In 2011 the other operating income is limited to smaller capital gains on the sales of assets in the estates.

Taking these non-recurrent elements into account, the operating result before IAS41 increased by 52.1% as compared to the same period last year.

The consistent application of the hedging policy for all expected payments in other currencies than the US dollar, mainly the quarterly hedging of the euros for dividends and also for the public offering for the Jabelmalux shares, form the basis for a positive exchange difference.

The average tax expense that should amount to 26.7% was favourably affected by deferred tax calculations on timing differences in valuation of non-monetary assets in the US dollar consolidation and in the local accounts (explanatory note 2.2.7. Income taxes).

The participation in the insurance sector focuses on the core activities marine and general risk insurance. The recurrent results suffered from temporary lower technical results and the restructuring costs made the net share in the associated participations slightly negative. The contribution for 2010 was positively affected by capital gains (KUSD 2 578) on the sale of activities in the Netherlands and in Belgium.

The profit for the period, without taking into account the movements related to IAS41, amounts to KUSD 52 957 and is 81.8% higher than the same period last year and is again a record figure for SIPEF.

The IAS41 adjustment consists of substituting the depreciation charge in the cost of sales with the variation in "fair value" of the biological assets between end 2010 and the end of June 2011, less planting costs and associated deferred tax charges. The gross variation of biological asset amounted to KUSD 17 984 and arose mainly from the expansion and the increase in maturity of the newly planted areas of our UMW estate in Indonesia and of Hargy Oil Palms in Papua New Guinea, as well as the rise in the long term averages of the palm oil, rubber and tea prices. Planting costs of KUSD 7 466 reduce the net impact before taxes to KUSD 12 519, which is the basis for the average deferred tax calculation of 25.6%. The net positive IAS41 impact, share of the group, amounts to KUSD 8 115 and is, mainly by the variation in long term averages, the growing maturity of the young plantings and the future prospects of rubber, substantially higher than the KUSD 5 548 of last year.

The net IFRS result, share of the group, IAS41 adjustments included, amounts to KUSD 57 969 and is 77.2% higher than that of the first semester of last year.

1.5. CONSOLIDATED CASH FLOW

Consolidated cash flow

In KUSD (condensed)	30/06/2011	30/06/2010
Cash flow from operating activities	72 863	44 927
Change in net working capital	-26 284	-3 490
Income taxes paid	-12 914	-10 478
Cash flow from operating activities after tax	33 665	30 959
Acquisitions intangible and tangible assets	-20 730	-15 479
Acquisitions financial assets	-17 979	-5 989
Operating free cash flow	-5 044	9 491
Proceeds from sale of assets	696	1 862
Free cash flow	-4 348	11 353

In USD per share	30/06/2011	30/06/2010
Weighted average shares outstanding	8 951 740	8 951 740
Basic operating result	8.01	5.19
Basic/Diluted net earnings *	6.48	3.65
Operating free cash flow	-0.56	1.06

* All warrants are exercised

The cash flow from operating activities rose by 62.2% compared to the same period as last year. These substantially better prices had their effect on inventories and on outstanding trade receivables, it was a larger inventory of palm oil at the end of June still to be shipped that increased the requirement of working capital. The taxes paid are in line with the profit earned in previous years.

The investments comprise, besides replacement investments, the development cost for the replanting and expansion of the oil palm and rubber areas in Papua New Guinea and Indonesia as well as for the improvement of the logistics and the infrastructure of the estates. Because of the new planting procedures established by the RSPO the formalities to start planting in the Bengkulu Province and also in Papua New Guinea have not been completed. The expansion shall now mainly take place during the second semester so as per the end of June only 983 hectares of new oil palms have been planted.

The investments in financial assets cover exclusively the acquisition of 19.7% of Jabelmalux SA so that the group now owns 97.1% of the shares and on the 24th of June the company was delisted from the Luxemburg Stock Exchange. Through this acquisition the SIPEF group now owns an additional share (2 657 hectares) in the oil palm estate of the UMW project and in the rubber estate and tea gardens of Melania.

1.6. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Consolidated statement of financial position

In KUSD (condensed)	30/06/2011	31/12/2010
Biological assets (depreciated costs)	100 297	92 572
Revaluation	157 722	145 122
Biological assets (IAS41)	258 019	237 694
Other fixed assets	126 272	117 842
Net assets held for sale	0	2 113
Net current assets, net of cash	44 647	39 641
Net cash position	52 341	56 484
Total net assets	**481 279**	**453 774**
Shareholders' equity, group share	395 558	368 549
Non controlling interest	25 974	27 240
Provisions and deferred tax liabilities	59 747	57 985
Total net liabilities	**481 279**	**453 774**

The continued expansion of the estates in Indonesia and Papua New Guinea and an increase in the fair value of the planted areas of oil palm, rubber and tea, has led to a further increase in the biological assets that now amount to KUSD 258 019.

The negotiations that were started with potential buyers of the CSM oil palm estate in North Sumatra, that no longer fits in the sustainability strategy of the group, did not lead to a sale, upon which is was decided to temporarily reincorporate the project at its estimated sales value in the assets of the group. Protective operational measures have been taken to make the project saleable again.

The dividends approved by shareholders but payable in July amounting to KUSD 19 657 largely compensated the increased requirement of working capital.

1.7. PROSPECTS

There are up to now no signs of additional disruptions in the production of oil palm, rubber and tea, so that we expect that the current trend shall continue till year end. We count on a slight improvement in the production of oil palm and a slight decrease in rubber and tea.

At the moment there are quite a few uncertainties affecting the price setting of vegetable oils: the Eurozone sovereign debt crisis and the debt crisis in the US on the one hand and the dry and hot weather situation affecting the US soy and corn plantings on the other. Fundamentally prices should ease on the back of growing stocks of vegetable oils, but cheaper palm oil prices will attract more demand and therefore any downward correction will most probably be short-lived.

The slower rubber off-take in China has been offset by better demand in Europe and recent projections of a continued tight situation between supply and demand should give fresh support to rubber prices.

Tea prices should remain steady over the next few months as we see little or no relief on the production side in Kenya.

The commercial annual sales contracts for bananas with added value protect us against the volatility of the market. The second half of the year usually stands for a steadier demand and so an increase in production in the Ivory Coast should allow us to partially make up for the damages following the post-election turmoil.

Taking into account the production and price expectations for the balance of the year, and knowing that we currently have sold respectively 83% and 72% of the palm oil and rubber production at an average price of USD 1 150 per tonne CIF Rotterdam and USD 4 477 per tonne FOB, our expected profit will move towards a recurring result that should exceed that of 2010, notwithstanding the uncertainty linked to the Indonesian export tax and the generally rising cost of production brought about by a weak US dollar versus local currencies.

The previously announced potential expansion of our activities through 3 new projects in South Sumatra continues. A first license for 10 500 hectares for the planting of oil palm and rubber was received from the authorities on 18 July; from this 8 400 hectares will be developed as an industrial project by SIPEF and 2 100 hectares shall be reserved for the local communities. This first license allows us, over a period of 3 years and against compensation, the possibility to acquire from the land owners the right to operate the concessions. In the next few months we should find out how many land owners wish to follow us. The 2 other projects are still in the phase of negotiations with the authorities to obtain a similar first license.

2. CONDENSED FINANCIAL STATEMENTS

2.1. CONDENSED FINANCIAL STATEMENTS OF THE SIPEF GROUP

2.1.1. Condensed consolidated statement of financial position (see annex 1)

2.1.2. Condensed consolidated income statement (see annex 2)

2.1.3. Condensed consolidated statement of comprehensive income (see annex 2)

2.1.4. Condensed consolidated statement of cash flows (see annex 3)

2.1.5. Condensed consolidated statement of changes in equity (see annex 4)

2.2. NOTES

2.2.1. General information

SIPEF is a Belgian agro-industrial company listed on NYSE Euronext Brussels.
The condensed financial statements of the group for the six months ended June 30, 2011 were authorised for issue by the board of directors on August 17, 2011.

2.2.2. Basis of preparation and accounting policies

This report presents interim condensed consolidated financial statements and has been prepared using accounting policies consistent with International Financial Reporting Standards (IFRS). These financial statements are presented in accordance with International Accounting Standard IAS 34, “Interim Financial Reporting”. This report should be read in conjunction with SIPEF group’s annual financial statements as at December 31, 2010, because the financial statements herein do not include all the information and disclosures required in the annual financial statements. The accounting policies applied are consistent with those applied in SIPEF group’s 2010 consolidated financial statements.
SIPEF group did not apply early adoption of any new IFRS standards or interpretations which were issued at the date of authorization of these interim condensed financial statements but not yet effective at the balance sheet date.
The interim condensed consolidated financial statements have been subject to a limited review by our statutory auditor.

2.2.3. Consolidation scope

Change in percentage with no change in control

At the end of the voluntary public offer for the shares of Jabelmalux SA, SIPEF acquired an additional participation (+19.7%) for an amount of KUSD 17 979. This transaction was directly recorded in the group reserves (KUSD -12 351) and in the non-controlling interests (KUSD -5 628).

Musi Rawas (South Sumatra)

On the other hand the scope has been extended by 3 newly established 95% owned subsidiaries: PT Agro Rawas Ulu, PT Agro Muara Rupit and PT Agro Kati Lama.

2.2.4. Segment information

See annex 5.

2.2.5. PT Citra Sawit Mandiri

The company CSM was transferred to "assets held for sale" in our December 2010 balance sheet and was impaired by KUSD 3 694 to the expected sales price. As we do not expect PT CSM to be sold within a year, the assets were taken up again in the appropriate line items of the balance sheet. The impairment was assigned to the intangible assets and property, plant & equipment.

2.2.6. Related party transactions

There were no changes in transactions with related parties compared to the previous annual report.

2.2.7. Income taxes

As recorded earlier and as it appears from the table below the average rate of taxation depends to a large extent on the tax impact on variations in the valuation of non-monetary assets in functional currencies and in local currencies in Indonesia and Papua New Guinea.

	June 2011	June 2010
Profit before tax	76 845	43 009
	-26.74%	-26.53%
Theoretical tax rate	-20 550	-11 413
Variation %	0	0
Withholding tax on dividends	-47	-194
Deferred tax on non-current assets (functional currency / local)	6 114	1 267
Exchange result USD	580	-3 508
Others	-506	2 988
Tax expense	-14 409	-10 860
	-18.75%	-25.26%

In order to allow the reader to have a better understanding of the impact of the tax charge on the group at the year end 2011 we have drawn up a sensitivity analyses that reflects the impact of a variation in the Indonesian rupiah (IDR) and the PNG kina (PGK) on the tax charge.

Exchange rate (versus USD)

	5% devaluation	31/12/2010	5% revaluation
IDR	9 441	8 991	8 541
PGK	2.7416	2.611	2.4805

Tax impact on consolidated 2011 result (KUSD)

Indo	-1 296	0	1 438
PNG	-1 404	0	1 542
Total	-2 700	0	2 980

2.2.8. Shareholders' equity

On June 8, 2011, SIPEF's shareholders approved the distribution of a EUR 1.50 gross dividend for 2010, payable as from July 6, 2011.

2.2.9. Events after balance sheet date

There are no events after balance sheet date that have a significant impact on the results and/or the shareholders' equity of the group.

2.2.10. Risks

In accordance with Article 13 of the Royal Decree of November 14, 2007, SIPEF group states that the fundamental risks confronting the company are unchanged from those described in the 2010 annual report.
On a regular basis, the board of directors and company management evaluate the business risks that confront the SIPEF group.

3. CERTIFICATION OF RESPONSIBLE PERSONS

Baron Bracht, chairman of the board of directors, and François Van Hoydonck, managing director confirm that to the best of their knowledge:

- these interim condensed consolidated financial statements for the six month period ending June 30, 2011 are prepared in accordance with IFRS (International Financial Reporting Standards) and give, in all material respects, a true and fair view of the consolidated financial position and consolidated results of SIPEF group and of its subsidiaries included in the consolidation;
- the interim financial report gives, in all material respects, a true and fair view of all important events and significant transactions with related parties that have occurred in the first six months of the fiscal year 2011 and their effects on the interim financial statements, as well as an overview of the most significant risks and uncertainties the SIPEF group is confronted with.

4. REPORT OF THE STATUTORY AUDITOR

See annex 7.

Schoten, August 18, 2011.

For more information, please contact:

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SIPEF is a Belgian agro-industrial company listed on NYSE Euronext Brussels.
The company mainly holds majority stakes in tropical businesses, which it manages and operates. The group is geographically diversified, and produces a number of different commodities, principally palm oil. Its investments are largely ventures in developing countries.

Consolidated statement of financial position

ANNEX 1

In KUSD	30/06/2011	31/12/2010
Non-current assets	**385 020**	**355 565**
Intangible assets	**22 484**	**20 251**
Biological assets	**258 019**	**237 694**
Property, plant & equipment	**89 365**	**83 815**
Investment property	**3**	**3**
Financial assets	**14 370**	**13 628**
Investments in associates	10 200	9 589
Other investments	0	0
Other financial assets	4 170	4 039
Receivables > 1 year	**779**	**174**
Other receivables	50	145
Deferred tax assets	729	29
Current assets	**163 346**	**144 991**
Inventories	**44 372**	**29 846**
Trade and other receivables	**54 225**	**45 872**
Trade receivables	32 748	26 439
Other receivables	21 477	19 433
Investments	**25 452**	**15 582**
Other investments and deposits	25 452	15 582
Derivatives	0	0
Cash and cash equivalents	**32 612**	**49 025**
Other current assets	**6 685**	**2 085**
Assets held for sale	**0**	**2 581**
Total assets	**548 366**	**500 556**
Total equity	**421 532**	**395 789**
Shareholders' equity	**395 558**	**368 549**
Issued capital	**45 819**	**45 819**
Share premium	**21 502**	**21 502**
Reserves	**342 094**	**316 133**
Translation differences	**-13 857**	**-14 905**
Non-controlling interests	**25 974**	**27 240**
Non-current liabilities	**60 476**	**60 614**
Provisions > 1 year	**49 062**	**47 623**
Provisions	124	115
Deferred tax liabilities	48 938	47 508
Trade and other debts > 1 year	**0**	**0**
Financial liabilities > 1 year (incl. derivatives)	**0**	**2 600**
Pension liabilities	**11 414**	**10 391**
Current liabilities	**66 358**	**44 153**
Trade and other debts < 1 year	**55 777**	**33 177**
Trade payables	12 184	9 195
Advances received	508	286
Other payables	29 790	8 422
Income taxes	13 295	15 274
Financial liabilities < 1 year	**5 976**	**5 691**
Current portion of amounts payable after one year	5 199	5 200
Financial obligations	524	323
Derivatives	253	168
Other current liabilities	**4 605**	**4 817**
Liabilities associated with assets held for sale	**0**	**468**
Total equity and liabilities	**548 366**	**500 556**

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Consolidated income statement

ANNEX 2

In KUSD	30/06/2011 Before IAS 41	IAS41	IFRS	30/06/2010 Before IAS 41	IAS41	IFRS
Revenue	177 100		177 100	127 967		127 967
Cost of sales	-105 995	2 001	-103 994	-77 617	1 794	-75 823
Gross profit	71 105	2 001	73 106	50 350	1 794	52 144
Variation biological assets		17 984	17 984	0	10 465	10 465
Planting cost (net)		-7 466	-7 466	0	-4 765	-4 765
Selling, general and administrative expenses	-12 028		-12 028	-9 619		-9 619
Other operating income/(charges)	148		148	-1 790		-1 790
Operating result	59 225	12 519	71 744	38 941	7 494	46 435
Financial income	458		458	248		248
Financial charges	- 380		- 380	- 574		- 574
Exchange differences	5 023		5 023	-3 100		-3 100
Financial result	5 101		5 101	-3 426		-3 426
Profit before tax	64 326	12 519	76 845	35 515	7 494	43 009
Tax expense	-11 199	-3 210	-14 409	-9 562	-1 298	-10 860
Profit after tax	53 127	9 309	62 436	25 953	6 196	32 149
Share of results of associated companies	- 170		- 170	3 183		3 183
- Insurance	- 170		- 170	3 183		3 183
Result from continuing operations	52 957	9 309	62 266	29 136	6 196	35 332
Result from discontinued operations	0	0	0	0	0	0
Profit for the period	52 957	9 309	62 266	29 136	6 196	35 332
Attributable to:						
- Non-controlling interest	3 103	1 194	4 297	1 971	648	2 619
- Equity holders of the parent	49 854	8 115	57 969	27 165	5 548	32 713
Earnings per share						
USD						
From continuing and discontinued operations						
Basic earnings per share / diluted earnings per share			6.48			3.65
From continuing operations						
Basic earnings per share / diluted earnings per share			6.48			3.65

Consolidated statement of comprehensive income

Profit for the period	52 957	9 309	62 266	29 136	6 196	35 332
Other comprehensive income:						
- Exchange differences on translating foreign operations	1 048	0	1 048	-1 929	0	-1 929
- Reclassification adjustments	0	0	0	- 785	0	- 785
- Revaluation available for sale	0	0	0	226	0	226
- Income tax relating to components of other comprehensive income	0	0	0	0	0	0
Total other comprehensive income for the year, net of tax:	1 048	0	1 048	-2 488	0	-2 488
Other comprehensive income attributable to:						
- Non-controlling interest	0	0	0	0	0	0
- Equity holders of the parent	1 048	0	1 048	-2 488	0	-2 488
Total comprehensive income for the year	54 005	9 309	63 314	26 648	6 196	32 844
Total comprehensive income attributable to:						
- Non-controlling interest	3 103	1 194	4 297	1 971	648	2 619
- Equity holders of the parent	50 902	8 115	59 017	24 677	5 548	30 225

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Consolidated statement of cash flows

ANNEX 3

In KUSD	30/06/2011	30/06/2010
Operating activities		
Result before tax	76 845	43 009
Adjusted for:		
Depreciation	5 560	4 603
Movement in provisions	1 020	605
Impairment CSM	0	3 314
Unrealised exchange result	0	0
Changes in fair value of biological assets	-10 522	-5 700
Other non-cash results	85	- 298
Financial income and charges	- 77	325
Capital loss on receivables	0	0
Capital loss on sale of investments	0	0
Result on disposal of property, plant and equipment	- 48	419
Result on disposal of financial assets	0	-1 350
Cash flow from operating activities before change in net working capital	72 863	44 927
Change in net working capital	-26 284	-3 490
Cash flow from operating activities after change in net working capital	46 579	41 437
Income taxes paid	-12 914	-10 478
Cash flow from operating activities after taxes	33 665	30 959
Investing activities		
Acquisition intangible assets	-2 522	-1 927
Acquisition biological assets	-7 579	-4 825
Acquisition property, plant & equipment	-10 629	-8 727
Acquisition investment property	0	0
Acquisition financial assets	-17 979	-5 989
Dividends received from associated companies	0	0
Proceeds from sale of property, plant & equipment	696	315
Proceeds from sale of financial assets	0	1 547
Cash flow from investing activities	-38 013	-19 606
Free cash flow	-4 348	11 353
Financing activities		
Equity transactions with non-controlling parties	415	68
Increase/(decrease) in long-term financial borrowings	-2 601	-2 843
Increase/(decrease) short-term financial borrowings	201	-1 061
Last year's dividend paid during this bookyear	0	0
Dividends paid by subsidiaries to minorities	- 351	- 295
Financial income and charges	91	- 368
Cash flow from financing activities	-2 245	-4 499
Net increase in cash and cash equivalents	-6 593	6 854
Cash and cash equivalents (opening balance)	64 608	52 437
Effect of exchange rate fluctuations on cash and cash equivalents	49	- 18
Cash and cash equivalents (closing balance)	58 064	59 273

Consolidated statement of changes in equity

ANNEX 4

In KUSD	Capital stock SIPEF	Share premium SIPEF	Retained earnings	Translation differences	**Share-holders' equity**	Non-controlling interest	**Total equity**
January 1, 2011	**45 819**	**21 502**	**316 133**	**-14 905**	**368 549**	**27 240**	**395 789**
Total comprehensive income			57 969	1 048	**59 017**	4 297	**63 314**
Last year's dividend paid			-19 657		**-19 657**		**-19 657**
Change in the percentage of controlled entities			-12 351		**-12 351**	-5 628	**-17 979**
Other					**0**	65	**65**
June 30, 2011	**45 819**	**21 502**	**342 094**	**-13 857**	**395 558**	**25 974**	**421 532**
January 1, 2010	**45 819**	**21 502**	**242 889**	**-13 292**	**296 918**	**21 611**	**318 529**
Total comprehensive income			32 939	-2 714	**30 225**	2 619	**32 844**
Last year's dividend paid			-11 825		**-11 825**		**-11 825**
Change in the percentage of controlled entities					**0**		**0**
Other					**0**	- 236	**- 236**
June 30, 2010	**45 819**	**21 502**	**264 003**	**-16 006**	**315 318**	**23 994**	**339 312**

Segment information ANNEX 5

Segment reporting is based on two segment reporting formats. The primary reporting format represents business segments – palm products, rubber, tea, bananas & plants and insurance – which represent the management structure of the group.
The secondary reporting format represents the geographical locations where the group is active. Gross profit per geographical market shows revenue minus cost of sales based on the location where the enterprise's products are produced.
Segment result is revenue minus expense that is directly attributable to the segment and the relevant portion of income and expense that can be allocated on a reasonable basis to the segment.
The result of the companies consolidated using the equity method is immediately detailed (insurance/Europe) in the income statement.

Gross profit by product

1H11 - KUSD	Revenue	Cost of sales	Gross profit before IAS 41	IAS 41	Gross profit IFRS	% of total
Palm	135 471	-81 392	54 079	1 692	55 771	76,2
Rubber	25 731	-11 756	13 975	227	14 202	19,4
Tea	4 065	-3 161	904	14	918	1,3
Bananas and plants	10 830	-9 672	1 158	68	1 226	1,7
Corporate	947	0	947	0	947	1,3
Others	56	- 14	42	0	42	0,1
Total	177 100	-105 995	71 105	2 001	73 106	100,0

1H10 - KUSD	Revenue	Cost of sales	Gross profit before IAS 41	IAS 41	Gross profit IFRS	% of total
Palm	92 188	-56 650	35 538	1 462	37 000	71,0
Rubber	17 370	-7 111	10 259	192	10 451	20,0
Tea	5 012	-2 949	2 063	15	2 078	4,0
Bananas and plants	12 507	-10 907	1 600	125	1 725	3,3
Corporate	840	0	840	0	840	1,6
Others	50	0	50	0	50	0,1
Total	127 967	-77 617	50 350	1 794	52 144	100,0

The segment "corporate" comprises the management fees received from non group entities.
Under IFRS (IAS 41) depreciation on biological assets is not allowed.

Gross profit by geographical segment

1H11 - KUSD	Revenue	Cost of sales	Other income	Gross profit before IAS 41	IAS 41	Gross profit IFRS	% of total
Indonesia	95 965	-50 918	253	45 300	964	46 264	63,3
Papua New Guinea	69 302	-45 391	0	23 911	968	24 879	34,0
Ivory Coast	10 830	-9 672	0	1 158	69	1 227	1,7
Europe	0	0	694	694	0	694	0,9
Others	56	- 14	0	42	0	42	0,1
Total	176 153	-105 995	947	71 105	2 001	73 106	100,0

1H10 - KUSD	Revenue	Cost of sales	Other income	Gross profit before IAS 41	IAS 41	Gross profit IFRS	% of total
Indonesia	67 449	-34 472	168	33 145	709	33 854	64,9
Papua New Guinea	47 070	-32 238	0	14 832	960	15 792	30,3
Ivory Coast	12 082	-10 907	0	1 175	125	1 300	2,5
Europe	0	0	722	722	0	722	1,4
Others	476	0	0	476	0	476	0,9
Total	127 077	-77 617	890	50 350	1 794	52 144	100,0

ANNEX 6

Non-recurring result	**30/06/2011**	**30/06/2010**
Sale Brasil	0	1 350
Write down CSM (Indonesia)	0	-3 314
Non-recurring result included in the profit after tax	**0**	**-1 964**
Sale Bruns ten Brink	0	2 358
Sale Asco Life	0	220
Non-recurring result included in the profit of the associates	**0**	**2 578**
Total non-recurring result	**0**	**614**
Net result - part of the group	0	1 035
Net result - part of the non-controlling interests	0	- 421

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SA Sipef NV

Limited review report on the consolidated half-year financial information for the six-month period ended 30 June 2011

The original text of this report is in Dutch

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SA Sipef NV

Limited review report on the consolidated half-year financial information for the six-month period ended 30 June 2011

To the board of directors

We have performed a limited review of the accompanying condensed consolidated statement of financial position, condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of cash flows, condensed consolidated statement of changes in equity and selective notes 1 to 9 (jointly the "interim financial information") of SA Sipef NV ("the company") and its subsidiaries (jointly "the group") for the six-month period ended 30 June 2011.

The board of directors of the company is responsible for the preparation and fair presentation of this interim financial information. Our responsibility is to express a conclusion on this interim financial information based on our review.

The interim financial information has been prepared in accordance with IAS 34, *"Interim Financial Reporting"* as adopted by the EU.

Our limited review of the interim financial information was conducted in accordance with the recommended auditing standards on limited reviews applicable in Belgium, as issued by the "Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren". A limited review consists of making inquiries of group management and applying analytical and other review procedures to the interim financial information and underlying financial data. A limited review is substantially less in scope than an audit performed in accordance with the auditing standards on consolidated annual accounts as issued by the "Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren". Accordingly, we do not express an audit opinion.

Based on our limited review nothing has come to our attention that causes us to believe that the interim financial information for the six-month period ended 30 June 2011 is not prepared, in all material respects, in accordance with IAS 34 *"Interim Financial Reporting"* as adopted by the EU. We note however, with regard to the valuation of the biological assets, because of the inherent uncertainty associated with the value of biological assets due to the volatility of the prices of the agricultural produce, that their carrying value may differ from the realisable value.

Antwerp, 17 August 2011

The statutory auditor

DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Dirk Cleymans