

BENSO OIL PALM PLANTATION LIMITED

COMMENTARY ON UNAUDITED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2010

KEY FEATURES OF RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2010

- Average Crude Palm Oil (CPO) price increased by 28% compared with **prior** year.
Revenue grew by 26% against same period last year.
- Operating profit was up by **39% compared with** same period **last** year.
- Profit before tax **increased** by 7% against same period last year.

Second Quarter	Second Quarter	Highlights of Performance	Jan-June Cum.	Jan-June Cum.
2010	2009	Financial Results (GH¢'000)	2010	2009
5,250	5,860	Revenue	11,990	9,542
593	469	Operating profit	1,283	921
644	710	Profit before tax	1,448	1,348
644	724	Profit after tax	1,448	1,348
0.0185	0.0208	Earnings per share(GH¢)	0.0416	0.0387

OPERATIONAL AND FINANCIAL PERFORMANCE

Revenue realised in the quarter increased by 26% from GH¢ 9.5m in prior year to GH¢ 12.0m in current year on account of an upward trend in Crude Palm Oil (CPO) prices. Operating profit for the period also grew by 39% over same period last year. Profit after tax grew by 7% to GH¢ 1.4m in current year.

ACCOUNTING POLICIES

Accounting policies applied in the financial results are consistent with the policies adopted for the audited annual financial statements issued for the year ended 31 December 2009.

OUTLOOK – SECOND HALF YEAR 2010

With the downward trend in the World Market price of CPO and the lean season setting in, the second half year is expected to be challenging.

Benso Oil Palm Plantation Limited
Unaudited Profit and Loss Account
for the Six Months Ended 30th June, 2010

(All amounts are expressed in thousands of Ghana Cedis)

	30-Jun 2010	30-Jun 2009	% Change
Revenue	11,990	9,542	26%
Cost of sales	(10,078)	(8,021)	26%
Gross profit	1,912	1,521	26%
Administrative expenses	(629)	(600)	
Operating profit	1,283	921	39%
Profit before financial charges	1,283	921	39%
Other income	165	427	
Profit before tax	1,448	1,348	7%
Tax	-	-	
Profit after tax	1,448	1,348	7%
Income Surplus Account for the Six Months Ended 30 June 2010			
Balance at 1 January	10,671	10,355	
Net profit for the period	1,448	1,348	
Dividend declared	-	(1,336)	
Balance at 30 June	12,119	10,367	

Benso Oil Palm Plantation Limited
Unaudited Balance Sheet
as at 30th June, 2010

(All amounts are expressed in thousands of Ghana Cedis)

	30-Jun 2010	30-Jun 2009
Funds employed		
Stated capital	2,000	2,000
Capital surplus	7,629	7,629
Income surplus	12,119	10,367
	-----	-----
Shareholders' funds	21,748	19,996
	=====	=====
Non Current Assets	15,887	14,884
Property, plant and equipment	4,707	5,212
Biological assets	11,180	9,672
	-----	-----
Current Assets	7,819	9,422
Inventories	1,658	2,037
Trade and other receivables	1,158	1,436
Amount due from related companies	1,406	1,953
Current tax	15	-
Cash and bank balances	3,582	3,996
	-----	-----
Current Liabilities	(1,958)	(4,310)
Trade and other payables	(1,023)	(1,380)
Dividends payable	(177)	(1,478)
Current tax	-	(42)
Amount due to related companies	(758)	(1,410)
	-----	-----
Net current (liabilities)/assets	5,861	5,112
	-----	-----
Net assets	21,748	19,996
	=====	=====

The financial statements do not contain untrue statements, misleading facts or omit material facts to the best of our knowledge.

MANAGING
 DIRECTOR

(N. A. Mate-Kole)

FINANCE
 DIRECTOR

(Issah Adam)

Benso Oil Palm Plantation Limited
Unaudited Cash Flow Statement
for the Six Months Ended 30th June, 2010

(All amounts are expressed in thousands of Ghana Cedis)

	30-Jun 2010	30-Jun 2009
Cash flows from operating activities		
Cash generated from operations	2,619	2,571
Interest received	138	267
Interest paid	(12)	(7)
Tax paid	3	-
	-----	-----
Net cash from operating activities	2,748	2,831
	-----	-----
Cash flows from investing activities		
Purchase of property, plant and equipment	(455)	(627)
Proceeds from sale of property, plant and equipment		87
	-----	-----
Net cash used in investing activities	(455)	(540)
	-----	-----
Cash flows from financing activities		
Dividends paid to shareholders	(9)	(404)
	-----	-----
Net cash used in financing activities	(9)	(404)
	-----	-----
Increase in cash and cash equivalents	2,284	1,887
	-----	-----
Cash and cash equivalents at beginning of year	1,298	2,109
	-----	-----
Cash and cash equivalents at end of period	3,582	3,996
	=====	=====