The Appendices are split into four parts for easy transmission, namely:

	Appendix	*Details*
Part 1	*A*	*Sime Darby Berhad Plantation Statistic as at 30 June 2010 (listed in Bursa Malaysia Securities Berhad)*
	B	*Extract of MASB letter to IASB dated 29 January 2010 on Fair Value Measurement Guidance*
	C	*Illustrative Examples*
Part 2	***D***	***Survey of IAS 41 Agriculture***
	E	***Analysis of fair value changes vis-a-vis profit before tax***
	F	***Extract of Audit Report***
Part 3	*G*	*Extract of Annual Reports* - *R.E.A Holdings* - *New Britain Palm Oil Limited* - *MP Evans Group* - *SA SIPEF NV* - *Wilmar International* - *Seeka Kiwifruit Industries Limited* - *Foster's Group Limited*
Part 4	*H*	*AASB's recommendation to IASB to improve paragraph 51 of IAS 41*
	I	*Marked up version of proposed amendments to IAS 41(prepared by MASB)*

Appendix D: Survey of IAS 41 *Agriculture*

Introduction

1. Appendix D outlines the survey conducted and the results obtained. The survey was conducted to complement our request to the International Accounting Standards Board (IASB) to consider amending IAS 41 *Agriculture*.

2. In March and April 2010, we sent out questionnaires to plantation analysts. We also requested the assistance of IASB staff to circulate the questionnaire to its Analysts Representative Group. Each analyst was asked:

   1) whether they find the fair value information reported in the balance sheet and profit or loss useful or important in their analysis of financial statements of entities engaged in agricultural activities;

   2) whether their analysis of financial statements of entities engaged in agricultural activities would be affected if the fair value information of biological assets are disclosed in the notes to the financial statements rather than being reported in the balance sheet and profit or loss; and

   3) what other information would assist them in their analysis of financial statements of entities engaged in agricultural activities.

Survey Results

4. A total of 8 analysts responded to our survey.

5. Below is a summary of analysts' responses and comments with respect to Question 1.

<table>
<tr><th colspan="2"></th><th>Highly useful</th><th>Useful</th><th>Indifferent</th><th>Not useful</th><th>Total</th></tr>
<tr><td colspan="2">Is fair value information useful?</td><td>-</td><td>2</td><td>-</td><td>4</td><td>6</td></tr>
<tr><td>Analyst 1 (not useful)</td><td colspan="6">It distorts the financial statements' ability to reflect "true & fair" view" of an agriculture company's earnings. Fair value relies on assumptions and companies use different assumptions making IAS 41 pointless.</td></tr>
<tr><td>Analyst 2 (not useful)</td><td colspan="6">Fair valuation of biological assets creates lots of volatility in reported earnings. From reporting fair value on a quarterly basis, some corporate have decided to report fair value adjustment on yearly basis. Fund managers and analysts are ignoring the yearly / quarterly fair valuation adjustments and focus on their core earnings.</td></tr>
<tr><td>Analyst 4 (not useful)</td><td colspan="6">We are focused on profitability and subsequent cash flows. Fair value adjustments do not impact the cash.</td></tr>
</table>

Appendix D: Survey of IAS 41 *Agriculture*

Analyst 5 (useful)	The requirement ensures greater availability of information on the company. The reporting of profits and losses in the P+L statement are unhelpful as they distort the underlying numbers.
Analyst 6 (not useful)	We find that the inclusion of fair value information on biological assets does not aid transparency and understanding, while the reporting of changes in fair value of biological assets in profit and loss (income statement) can have a significant distorting impact on the bottom line. As a result, we tend to strip out the changes in fair value when analyzing financial statements.
Analyst 7 (useful)	Chiefly use fair value on balance sheet to adjust our price/book metrics. Most valuation is based … [on] cash flows.
Analyst 8 (not useful)	We are more cash flow focused. While the value of biological assets valuation does take into account the future cash flow generation ability of the underlying assets, our approach is to look at yearly cash flow generation from these assets. For example, when we analyse financial statements of Singapore listed palm oil plantation companies, we remove the changes to earnings arising as a result of changes in the value of bio-logical assets and focus on future yearly cash flow generation using detailed forecasts made based on the evolution of plantation maturity profile, production output, cost of production and our view on palm oil prices. Furthermore, one limitation of accounting for value of biological assets is the very limited information disclosed on the underlying assumptions driving this value. Without detailed information on these, the accounting entries relating to the value of biological assets, in itself, are of little (or no) use.

6. Below is a summary of analysts' responses and comments with respect to Question 2.

		Yes	No	Total
Is your analysis affected if fair value is reported in the notes rather than in the balance sheet and profit or loss?		1	3	4
Analyst 1	No. For that to be useful, you must also disclose the age profile, area, specific production yield, discount rate used, selling price assumed. Still this is better than reporting it on the face of the P&L or BS.			
Analyst 2	No. I think there is value for some disclosure.			
Analyst 4	Yes. Would save us the time of stripping them out.			

Appendix D: Survey of IAS 41 *Agriculture*

Analyst 5	No. I think it would be a more appropriate place to put the information.
Analyst 7	We would need to restate shareholders' equity.

7. Below are other information that would assist analysts in their analysis of financial statements of entities engaged in agricultural activities.

Analyst 1	Forward sale % at a specific average price, deeper breakdown of age profile especially for perennial crops, breakdown of major cost items, average selling price for the fiscal quarter
Analyst 5	Common standards on reporting key information such as: precise definitions on land under production and yields.

8. Other comments from analysts:

Analyst 1	Analysts always remove biological gains or losses when looking at earnings and end-users do not look at fair value as: a) it is not a cash item. b) it makes earnings more volatile in both rising and falling price environment. c) not knowing what goes into the fair value computation, hence is of no use when estimating true worth of an asset. d) it can be used as an instrument for companies to raise or drop reported earnings.
Analyst 2	Assumptions used in arriving at the fair values are not clearly spelt out. Almost everyone has a different assumption in terms of CPO price assumption – for current year, medium term and long term assumption. This creates lots of subjectivity and "non-comparable" info among the plantation companies. Also, discount rates and cash flow assumptions should be clearly spelt out. CPO assumption used by independent valuers changes too drastically, in reaction to the CPO price changes like in 2008/09. To standardize CPO price assumption using guidelines on medium-and-long term price assumption which in theory should not change too much (and other assumptions).
Analyst 3	As regards all palm oil stocks, both analysts and investors look at results excluding fair value adjustments. Fair values are very hard for analysts to compute, and are based on so many estimates/assumptions that they do not add value and are stripped out of calculations. Even for annual crops, where the concept is potentially more useful, IAS 41 is generally ignored.

Appendix D: Survey of IAS 41 *Agriculture*

Analyst 8	As mentioned above, more disclosure on underlying assumptions. For example, for a palm oil plantation company, evolution of the plantation maturity profile, expected/ assumed yields, assumed price of output, discount rate used on an yearly basis rather than one just block figure representing the discounted value of all future net cash flows. It is also useful, in my view, if a sensitivity analysis can also be provided accompanying the value of biological assets. eg What does a change of, say 10%, to the assumed selling price up or down would make to the value of underlying biological assets etc.

Appendix E
Analysis of fair value changes vis-à-vis profit before tax

		Wilmar International (listed in Singapore Exchange Securities Trading Limited)		Golden Agri-Resources (listed in Singapore Exchange Securities Trading Limited)		New Britain Palm Oil Limited (listed on the Port Moresby Stock Exchange and London Stock Exchange (Main Market))		MP Evans Group plc (listed on the Alternative Investment Market of the London Stock Exchange)		*SA SIPEF NV* (listed on Euronext Brussels)		R.E.A. Holdings plc (listed on the London Stock Exchange (Main Market))	
Year end		31 December 2008 US$'000	2009 US$'000	31 December 2008 US$'000	2009 US$'000	31 December 2008 USD'000	2009 USD'000	31 December 2008 US$'000	2009 US$'000	31 December 2008 KUSD	2009 KUSD	31 December 2008 US$'000	2009 US$'000
Net gain / (loss) from changes in fair value of biological assets	x	-	17,024	1,457,197	302,912	(77,476)	114,771	11,149	8,845	7,288	8,763	(2,660)	9,765
Profit before tax (PBT)	y	1,789,325	2,294,387	1,947,060	593,146	28,805	200,069	23,447	15,338	82,559	82,562	36,309	41,717
% of *'changes in fair value'* on PBT	**x / y**	**-**	**0.7%**	**75%**	**51%**	**(269%)**	**57%**	**48%**	**58%**	**9%**	**11%**	**(7%)**	**23%**
PBT before *'changes in fair value'*	y–x = z	1,789,325	2,277,363	489,863	290,234	106,281	85,298	12,298	6,493	75,271	73,799	38,969	31,952
Ratio of *'changes in fair value'* on PBT before fair value changes	**x / z**	**-**	**-**	**3 times**	**1.0 times**	**-0.7 times**	**1.3 times**	**0.9 times**	**1.4 times**	**0.1 times**	**0.1 times**	**0.1 times**	**0.3 times**
Biological assets		mature and immature oil palm plantations		mature plantations, immature plantations and nurseries		oil palm trees, livestock and growing cane		oil palm, beef-cattle, rubber and grain crops		oil palm, rubber, tea and tropical fruits and plants		oil palm planting and nurseries	

Appendix F
Extract of audit report

Deloitte

Deloitte Bedrijfsrevisoren /
Reviseurs d'Entreprises
Berkenlaan 8b
1831 Diegem
Belgium
Tel. + 32 2 800 20 00
Fax + 32 2 800 20 01
www.deloitte.be

SA Sipef NV

Statutory auditor's report on the consolidated financial statements for the year ended 31 December 2009 to the shareholders' meeting

To the shareholders

As required by law and the company's articles of association, we are pleased to report to you on the audit assignment which you have entrusted to us. This report includes our opinion on the consolidated financial statements together with the required additional comment.

Unqualified audit opinion on the consolidated financial statements with an emphasis of matter paragraph

We have audited the accompanying consolidated financial statements of SA Sipef NV ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium. Those consolidated financial statements comprise the consolidated balance sheet as at 31 December 2009, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated balance sheet shows total assets of 423.739 (000) USD and the consolidated income statement shows a consolidated profit (group share) for the year then ended of 60.174 (000) USD.

The board of directors of the company is responsible for the preparation of the consolidated financial statements. This responsibility includes among other things: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with legal requirements and auditing standards applicable in Belgium, as issued by the "Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren". Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

Appendix F
Extract of audit report

In accordance with these standards, we have performed procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the group's internal control. We have assessed the basis of the accounting policies used, the reasonableness of accounting estimates made by the company and the presentation of the consolidated financial statements, taken as a whole. Finally, the board of directors and responsible officers of the company have replied to all our requests for explanations and information. We believe that the audit evidence we have obtained, provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the group's financial position as of 31 December 2009, and of its results and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the EU and with the legal and regulatory requirements applicable in Belgium.

Without prejudice to the unqualified opinion issued above, we draw attention to the consolidated annual report, with regard to the valuation of the biological assets, referring to the fact that, because of the inherent uncertainty associated with the valuation of the biological assets due to the volatility of the prices of the agricultural produce and the absence of a liquid market, their carrying value may differ from their realisable value.

Additional comment

The preparation and the assessment of the information that should be included in the directors' report on the consolidated financial statements are the responsibility of the board of directors.

Our responsibility is to include in our report the following additional comment which does not change the scope of our audit opinion on the consolidated financial statements:

- The directors' report on the consolidated financial statements includes the information required by law and is in agreement with the consolidated financial statements. However, we are unable to express an opinion on the description of the principal risks and uncertainties confronting the group, or on the status, future evolution, or significant influence of certain factors on its future development. We can, nevertheless, confirm that the information given is not in obvious contradiction with any information obtained in the context of our appointment.

Diegem, February 25, 2010

The statutory auditor

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