

## Press Release

### Golden Agri-Resources delivers robust performance for first quarter 2010

- First quarter 2010 EBITDA more than tripling to US\$140 million
- Net profit surging more than ten-fold to US\$89 million year-on-year
- Strong top and bottom line performance supported by CPO market price (FOB Belawan) achieving a sustained average level of US\$765 per tonne in first quarter 2010

**Singapore, 12 May 2010** - Golden Agri-Resources Ltd and its subsidiaries (“GAR”) delivered robust financial results in the first quarter 2010 (“1Q 2010”) despite low seasonal production. Revenue for 1Q 2010 surged by more than 50% year-on-year to US\$625 million, resulting in a tripling of EBITDA to US\$140 million from US\$45 million achieved for the same period last year.

#### FINANCIAL HIGHLIGHTS

US\$'million	Three months ended			Change 1Q 2010 vs 1Q 2009	Change 1Q 2010 Vs 4Q 2009
	31 Mar 2010 (1Q 2010)	31 Mar 2009 (1Q 2009)	31 Dec 2009 (4Q 2009)		
Revenue	625	412	643	52%	-3%
Gross Profit	174	63	159	174%	9%
<b>EBITDA<sup>1</sup></b>	<b>140</b>	<b>45</b>	<b>129</b>	<b>210%</b>	<b>9%</b>
<b>Net profit attributable to owners of the Company<sup>2</sup></b>	<b>89</b>	<b>9</b>	<b>66</b>	<b>932%</b>	<b>34%</b>
Earnings per Share (USD cents)	0.73	0.08	0.55	912%	33%

The robust performance was supported by a 50% hike in average CPO market price (FOB Belawan) from US\$511 per tonne in 1Q 2009 to US\$765 per tonne in 1Q 2010 and a constant palm product output level. As a result, 1Q 2010 net profit surged to US\$89 million from US\$9 million in 1Q 2009. Compared to last quarter's

<sup>1</sup> Earnings before tax, minority interests, interest on borrowings, depreciation and amortisation, net gain from changes in fair value of biological assets, foreign exchange gain/(loss), exceptional items and share of results associated companies.

<sup>2</sup> 4Q 2009 figure was represented to exclude the fair value of biological assets to conform to the first quarter's presentation for comparison purpose only.

performance, EBITDA and net profit also grew by 9% and 34%, respectively, supported by a 12% increase in CPO market price (FOB Belawan).

GAR's financial position as at end of March 2010 remained at a healthy level with conservative gearing and sufficient cash balance. Total assets maintained at US\$7.83 billion while total liabilities were recorded at US\$2.21 billion.

On the results, Group Chief Executive Officer Mr Franky Widjaja said: "We are pleased to see robust 1Q 2010 results of GAR. These results further contributed to our consistent EBITDA growth in five consecutive quarterly results and show the resilience of the Company and the CPO industry."

## **OPERATIONAL HIGHLIGHTS**

GAR managed to maintain its output of palm products for 1Q 2010. The first quarter normally experiences the lowest seasonal production for the year. 1Q 2010 production was hampered by heavy rainfall resulting in flooding of several areas in central part of Sumatra. Consistent implementation of best-in-class estate management contributed to GAR's palm product output increasing to 450,000 tonnes in 1Q 2010 from 447,000 tonnes in the same period last year.

GAR remains focused on expanding its business to support its long-term growth. GAR grew its total planted area by 8.7% year-on-year to 430,200 hectares as at 31 March 2010, the largest in Indonesia. GAR's long-term growth is also assured by the favourable age profile of its planted area, with 32% well represented by immature and young plantations and 51% comprising of oil palms in their prime producing years.

## **OUTLOOK AND STRATEGY**

The palm oil industry currently experiences a favourable business environment. GAR remains positive on the entire palm oil industry as the long-term fundamentals are intact, notwithstanding periods of volatility. The demand for palm oil, as the world's cheapest vegetable oil, will continue to grow, well supported by robust core demand from edible oil and increasing demand for substitution as well as alternative purposes, such as oleochemicals, specialty fats and biodiesel.

Mr Widjaja highlighted: "We will be relentless in implementing operational excellence in all aspects of our businesses to achieve optimum long-term returns for our stakeholders. We will leverage our capabilities to promote best practices and productivity in sustainable palm oil production, while managing the environment responsibly and empowering the communities where we operate in."

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## **About Golden Agri-Resources Ltd (“GAR”)**

GAR is the world’s second largest palm oil plantation with a total planted area of 430,200 hectares located in Indonesia. It has integrated operations focused on the production of palm-based, and edible oil and fat products.

Founded in 1996, GAR is listed on the Singapore Exchange since 1999 with a market capitalisation of US\$4.41 billion as at 31 December 2009. GAR’s main subsidiaries include PT Sinar Mas Agro Resources and Technology Tbk (“SMART”) and PT Ivo Mas Tunggal. SMART is listed on the Indonesia Stock Exchange.

GAR is focused on sustainable palm oil production. Its primary activities include the cultivating and harvesting of oil palm trees; processing of fresh fruit bunch into crude palm oil (“CPO”) and palm kernel; and refining CPO into value-added products such as cooking oil, margarine and shortening. Through its subsidiaries, GAR operates 34 palm oil mills, three refineries and six kernel crushing plants. It also operates an integrated operation in China including a deep-sea port, soybean crushing plants, and production of refined edible oil products.

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