

News Release

Golden Agri-Resources ends 2009 with strongest quarter for the year

- Improving performance throughout 2009 with fourth quarter EBITDA more than tripling year-on-year
- Core net profit increases 64% to US\$65 million
- Full year EBITDA reaches US\$401 million, supported by a record output of palm products at 2.3 million tonnes

Singapore, 25 February 2010 - Golden Agri-Resources Ltd and its subsidiaries ("GAR") closed 2009 with its strongest quarter, through a sustained recovery in the year. Fourth quarter 2009 ("4Q 2009") core net profit¹ surged by 64% year-on-year to US\$65 million, resulting in full year 2009 ("FY 2009") core net profit of US\$203 million. Net profit was affected by higher accounting record of the fair value gains from biological assets² in 2008 compared to 2009. Revenue reached US\$2.3 billion for FY 2009.

FINANCIAL HIGHLIGHTS

US\$'million	Quarter ended 31 Dec		Change	Year ended 31 Dec		Change
	2009 (4Q 2009)	2008 (4Q 2008) ³		2009 (FY 2009)	2008 (FY 2008)	
Revenue	643	591	9%	2,294	2,986	-23%
Gross Profit	159	90	78%	509	876	-42%
EBITDA⁴	129	38	236%	401	597	-33%
Net profit attributable to equity holders	473	1,018	-54%	607	1,383	-56%
<i>Comprising:</i>						
<i>Net gain from changes in fair value of biological assets (net of tax and minority interests)</i>	406	1,020	-60%	406	1,020	-60%
<i>Foreign exchange loss (net of minority interests)</i>	3	(42)	n.m	(1)	(34)	-97%
<i>Exceptional gain, net</i>	(1)	-	n.m	(1)	20	n.m
Core Net Profit: Profit excluding gain from changes in fair value of biological assets, foreign exchange (loss) gain and exceptional items	65	40	64%	203	377	-46%
Earnings per Share ⁵ (US\$)	0.04	0.09	-56%	0.05	0.12	-58%

Sustained improvement in GAR's 4Q 2009 net profit was supported by 9% growth in revenue to US\$643 million and more than tripling of EBITDA to US\$129 million as compared to the previous year. The strong performance was driven largely by 29% growth in output of palm products.

For the full year performance, GAR recorded core net profit of US\$203 million and EBITDA of US\$401 million, while revenue was lower by 23% at US\$2.3 billion. This was mainly due to weaker average selling prices for palm products in FY 2009 compared to the high prices recorded in the previous year. The average Crude Palm Oil (CPO) market price (FOB Belawan) was US\$632 per tonne in FY 2009 as compared to US\$872 per tonne in FY 2008.

The Board proposes a final dividend of 0.495 Singapore cents to be distributed in May 2010. The Board has deemed it prudent for GAR to adopt a strategy of conserving cash for capital expenditure and to retain the flexibility of seizing any acquisition opportunities that might arise.

GAR's financial position as at end of December 2009 remained at a healthy level with conservative gearing and strong cash reserve. The proceeds from the Rights Issue in July 2009 have enabled GAR to withstand the economic downturn and to capitalise on expansion opportunities. GAR's total assets have grown steadily to US\$7.9 billion as at 31 December 2009.

Mr Franky Widjaja, CEO said: "GAR has seized the momentum of the recovering market and delivered strong results. We will continue to maximise long-term shareholder returns by leveraging on the strong fundamentals of the palm oil industry, our consistent implementation of best-in-class plantation management and sharp focus on operational excellence."

OPERATIONAL HIGHLIGHTS

GAR successfully achieved its expansion target by new planting of approximately 22,900 hectares and completing an acquisition of 12,700 hectares, which brought total planted area to 427,000 hectares as at 31 December 2009, the largest in Indonesia. Mature areas, likewise, increased by approximately 25,100 hectares, reaching a total of 334,000 hectares.

GAR's long-term growth is assured by its sizeable land bank and favourable age profile of its plantations. 33% of total estate area is at immature and young age stages while another 55% comprises oil palm trees in their prime producing years.

Improved weather conditions and consistent implementation of best-in-class estate management have enabled the strong recovery of GAR's production levels since 2Q 2009. GAR has again achieved a new record in output of palm products in FY 2009 of 2.3 million tonnes, an increase of 13% from previous year.

OUTLOOK AND STRATEGY

GAR has a positive outlook on the business as well as the entire palm oil industry. The long-term fundamentals of the palm oil industry remain firm, 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 new growth markets, generated by demand for substitute and alternative uses, such as oleochemicals, specialty fats, and biodiesel markets.

Mr Widjaja reiterated: "We are well positioned to benefit from strong fundamentals of palm oil industry. GAR's strategy is to grow our high-margin upstream business supported by downstream business, extend its research and development efforts to support our strong operational efficiencies and growth, retain cost leadership and commitment to adhere to the best practices in sustainable palm oil production."

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ABOUT GOLDEN AGRI-RESOURCES LTD

The primary activities of Golden Agri-Resources Ltd and its subsidiaries ("GAR") include the cultivating and harvesting of oil palm trees; processing of fresh fruit bunches into crude palm oil ("CPO") and palm kernel; and refining CPO into value-added products such as cooking oil, margarine and shortening.

GAR operates a total planted area of 427,000 hectares, as well as 34 palm oil processing mills, three refineries and six kernel crushing plants in Indonesia.

GAR also operates in China through an integrated deep-sea port, storage, oilseed crushing facilities and refinery facilities in Ningbo and Zhuhai.

GAR generated revenue of US\$2.3 billion in 2009 and net profit of US\$0.6 billion in 2009. The Company has been listed on the Singapore Exchange since 1999.

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¹ Net profit attributable to equity holders, excluding gain from changes in fair value of biological assets, foreign exchange loss and exceptional items.

² In accordance with International Accounting Standards ("IAS") No. 41, biological assets (plantations) are stated at fair value less estimated point-of-sale costs. The fair value of plantations is determined based on the present value of their expected future net cash inflows. Any resultant gains or losses arising from changes in fair value are recognised in the income statement.

³ 4Q 2008 figures were restated to conform to the current period's practice and presentation whereas the fair value of biological assets is determined on an annual basis. Accordingly, any changes in fair value of the biological assets will be recorded in the fourth quarter of the year.

⁴ 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.

⁵ The figures for 4Q 2008 and FY 2008 were restated to account for the effect of Bonus Issue and Rights Issue.