

## Press Release

### Golden Agri-Resources Recorded an Outstanding Growth in Third Quarter 2010

- First nine months 2010 EBITDA increased by 56% to US\$424 million
- Net profit grew by 89% to US\$254 million year-on-year

**Singapore, 11 November 2010** - Golden Agri-Resources Ltd and its subsidiaries (“GAR” or the “Company”) recorded an outstanding growth for the first nine months 2010 (“9M 2010”) with a 40% year-on-year increase in revenue to US\$2.3 billion. EBITDA for the period increased by 56% to US\$424 million compared to US\$272 million achieved for the same period last year.

#### FINANCIAL HIGHLIGHTS

US\$ million	Nine months ended		Change (9M 2010 vs 9M 2009)	Three months ended		Change (3Q 2010 vs 3Q 2009)
	30 Sep 2010 (9M 2010)	30 Sep 2009 (9M 2009)		30 Sep 2010 (3Q 2010)	30 Sep 2009 (3Q 2009)	
Revenue	2,315	1,651	40%	965	673	43%
Gross Profit	567	350	62%	225	156	44%
<b>EBITDA<sup>1</sup></b>	<b>424</b>	<b>272</b>	<b>56%</b>	<b>163</b>	<b>124</b>	<b>32%</b>
<b>Net profit attributable to equity holders</b>	<b>254</b>	<b>134</b>	<b>89%</b>	<b>99</b>	<b>71</b>	<b>41%</b>
Earnings per Share (USD cents)	2.09	1.18	77%	0.82	0.59	39%

The strong growth was supported by a 28% increase in average CPO market price (FOB) from US\$615 per tonne during 9M 2009 to US\$790 per tonne during 9M 2010. This contributed to the increase in 9M 2010 net profit to US\$254 million from US\$134 million in the same period last year, despite weaker production performance in 2010. 3Q 2010 EBITDA and net profit also showed year-on-year growth of 32% and 41%, respectively, supported by a 31% increase in CPO market price (FOB).

As at 30 September 2010, GAR’s financial position remained strong with conservative gearing and sufficient cash balance. Compared to the end of 2009,

<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.

total assets increased by 6% to US\$8.4 billion, while total liabilities were recorded at US\$2.7 billion.

Referring to the 3Q 2010 results, Chief Executive Officer Mr Franky Widjaja commented: "We are pleased with GAR's outstanding performance this year. We will continue to deliver our best to keep the Company on track in delivering long-term value to its shareholders. The robust fundamentals of the palm oil industry are reflected in the CPO price performance. Since early 2010, the market price of CPO has maintained a strong uptrend. We believe that the strong demand of edible oils and their tightness in global supply will remain. Thus, it will provide support to the resilience of the palm oil industry in the future."

## **OPERATIONAL HIGHLIGHTS**

GAR achieved strong recovery in its palm products output for 3Q 2010 by 21% to 608,000 tonnes from 503,000 tonnes in the previous quarter, resulting in year-to-date performance of 1.56 million tonnes. The year-to-date performance is still lagging by 8% compared to the same period last year, mainly due to prolonged rainy weather conditions that disrupted the harvesting process and affected fruit production.

During 9M 2010, GAR expanded its total planted area by 7,800 hectares to 435,000 hectares, remaining the largest in Indonesia. The age profile of GAR's plantations is favourable, comprising 33% of immature and young plantations as well as 51% of plantations in their prime age. With average age of 12 years, the Company will sustain its long-term growth in production.

## **OUTLOOK AND STRATEGY**

Demand for palm oil, which is predominantly used for food purposes, is expected to be well-supported into the medium to long term by the growing consumption of edible oils and fats particularly by the growing middle class in highly-populated developing countries such as China, India and Pakistan. A high barrier of entry persists in the industry and a long lead time is required to increase CPO production. Nonetheless, the CPO prices will remain volatile as it is affected by many external factors such as market prices of other edible oils and crude oil.

Mr Widjaja added: "GAR will continue to build on its core competitive strengths in a sustainable way to expand its businesses and capture the market in large developing countries. We will continue to engage our stakeholders to develop solutions to enhance the sustainability of the palm oil industry."

~ end ~

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

Headquartered in Singapore, GAR is the world’s second largest palm oil plantation company with a total planted area of 435,000 hectares (including smallholders) as at 30 September 2010, located in Indonesia. It has integrated operations focused on the production of palm-based edible oil and fat.

Founded in 1996, GAR is listed on the Singapore Exchange since 1999 with a market capitalisation of US\$5.25 billion as at 30 September 2010. Flambo International Ltd, an investment company, is GAR’s largest shareholder, with a 49% stake. GAR has several subsidiaries, including PT SMART Tbk which is listed on the Indonesia Stock Exchange since 1992.

GAR is focused on sustainable palm oil production. In Indonesia, its primary activities include 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. It also has integrated operations in China including a deep-sea port, oilseeds crushing plants, production capabilities for refined edible oil products as well as other food products such as noodles.

For media enquiries, please contact:

### **Pelham Bell Pottinger Asia**

Tel: +65 6333 3449

Nazreen Nessa  
Ang Shih-Huei

Email: [nnessa@pelhambellpottinger.asia](mailto:nnessa@pelhambellpottinger.asia) / [sang@pelhambellpottinger.asia](mailto:sang@pelhambellpottinger.asia)  
Mobile no. : +65 8322 6409 / +65 9189 1039