

## Press Release

### Golden Agri-Resources starts the year 2011 with another record quarterly performance

- Record quarterly performance more than doubling last year first quarter's results
- First quarter 2011 EBITDA reached US\$306 million, with net profit at US\$231 million

**Singapore, 13 May 2011** - Golden Agri-Resources Ltd and its subsidiaries ("GAR" or the "Company") achieved record quarterly performance for the first quarter of 2011 ("1Q 2011") with revenue more than doubling to US\$1.5 billion compared to US\$625 million achieved for the same period last year. EBITDA recorded at US\$306 million, while net profit reached US\$231 million, a 161% increase year-on-year.

#### FINANCIAL HIGHLIGHTS

US\$'million	Three months ended			Change 1Q 2011 vs 1Q 2010	Change 1Q 2011 Vs 4Q 2010
	31 Mar 2011 (1Q 2011)	31 Mar 2010 (1Q 2010)	31 Dec 2010 (4Q 2010)		
Revenue	1,463	625	1,189	<b>134%</b>	<b>23%</b>
Gross Profit	525	174	387	<b>202%</b>	<b>36%</b>
<b>EBITDA<sup>1</sup></b>	<b>306</b>	<b>140</b>	<b>237</b>	<b>118%</b>	<b>29%</b>
<b>Net profit attributable to owners of the Company<sup>2</sup></b>	<b>231</b>	<b>89</b>	<b>157</b>	<b>161%</b>	<b>47%</b>
Earnings per Share <sup>2</sup> (USD cents)	1.90	0.73	1.29	<b>161%</b>	<b>47%</b>

The sterling results were supported by a 58% increase in average CPO FOB prices from US\$765 per tonne during 1Q 2010 to US\$1,206 per tonne during 1Q 2011. This contributed to sustained quarterly earnings growth with net profit reaching US\$231 million, from US\$89 million in 1Q 2010.

<sup>1</sup> Earnings before tax, non-controlling 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 of associated companies.

<sup>2</sup> 4Q 2010 figure was represented to exclude the gain from changes in fair value of biological assets to conform to the first quarter's presentation for comparison purpose only.

As at 31 March 2011, GAR's financial position remained strong with a low gearing ratio of 0.08 times and ample cash balance. Compared to end of 2010, total assets increased by 4% to US\$10.5 billion, while total liabilities stood at US\$3.4 billion.

## **OPERATIONAL HIGHLIGHTS**

As the weather conditions improved and with an increase in mature area to 393,000 hectares from 365,000 hectares last year, palm products output in 1Q 2011 greatly grew by 34% to 603,000 tonnes from 450,000 tonnes for the same period last year which was affected by unfavourable weather. However, compared to previous quarter, palm products output was 15% lower resulting from seasonality, where the first quarter is normally the lowest producing period of the year.

As at end of Mar 2011, GAR's total planted area was 443,500 hectares, remaining the largest in Indonesia. The age profile of GAR's plantations is favourable, comprising 32% of immature and young plantations as well as 45% in their prime age. With an average age of 13 years, the Company is well-positioned to sustain its long-term growth in production.

## **OUTLOOK AND STRATEGY**

Given the favourable industry outlook, GAR will continue to focus on its long-term growth by expanding both its upstream and downstream business. Management believes that the fundamentals of the industry will remain strong. The developing consumption of edible oils and fats particularly by the growing middle class in highly-populated emerging countries such as China, India and Pakistan, as well as increasing popularity of substitute and alternative uses of palm oil, will support the long-term global demand of palm oil.

On the results, Mr Franky Widjaja, Chairman and Chief Executive Officer of GAR commented: "It is an excellent start for GAR's journey into 2011. We continue to deliver robust earnings and ride on the upsurge of palm oil prices. A solid management team with best plantation practices in place and together with favourable weather conditions will support GAR's best endeavours in benefitting from the prospective industry outlook. In early April 2011, we obtained RSPO membership. This is one of the milestones in our aim to become the leader in sustainable palm oil production."

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## **About Golden Agri-Resources Ltd ("GAR")**

GAR is the world's second largest palm oil plantation company with a total planted area of 443,500 hectares (including smallholders) as at 31 March 2011, 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\$6.6 billion as at 31 March 2011. Flambo International Ltd, an investment company, is GAR's largest shareholder, with a 49.6% 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.

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