

Press Release

Golden Agri-Resources Maintains Strong Performance Despite Weaker Production

- First half 2010 EBITDA grew by 76% to reach US\$261 million
- Net profit more than double to reach US\$155 million year-on-year

Singapore, 11 August 2010 - Golden Agri-Resources Ltd and its subsidiaries (“GAR”) continued to deliver strong financial results in the first half 2010 (“1H 2010”) despite lower production. Revenue for 1H 2010 increased by 38% year-on-year to US\$1.4 billion, resulting in a 76% increase in EBITDA to US\$261 million from US\$148 million achieved for the same period last year.

FINANCIAL HIGHLIGHTS

US\$ million	Six months ended		Change (1H 2010 vs 1H 2009)	Three months ended		Change (2Q 2010 vs 2Q 2009)
	30 Jun 2010 (1H 2010)	30 Jun 2009 (1H 2009)		30 Jun 2010 (2Q 2010)	30 Jun 2009 (2Q 2009)	
Revenue	1,351	978	38%	726	566	28%
Gross Profit	342	194	77%	168	130	29%
EBITDA¹	261	148	76%	120	103	17%
Net profit attributable to equity holders	155	64	143%	66	55	20%
Earnings per Share (USD cents)	1.27	0.58	119%	0.54	0.50	8%

The strong performance was supported by a 27% increase in average CPO market price (FOB Belawan) from US\$604 per tonne in 1H 2009 to US\$769 per tonne in 1H 2010. This resulted in an increase in 1H 2010 net profit to US\$155 million from US\$64 million in 1H 2009. Year-on-year quarterly performance also showed that EBITDA and net profit for 2Q 2010 grew by 17% and 20%, respectively, supported by an 11% increase in CPO market price (FOB Belawan).

As at end of June 2010, GAR’s financial position remained healthy with conservative gearing and sufficient cash balance. Total assets increased slightly to US\$8.02 billion while total liabilities were recorded at US\$2.36 billion.

¹ 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.

Commenting on the 1H 2010 results, Chief Executive Officer Mr Franky Widjaja said: “We are delighted to see continued year-on-year growth in GAR’s 1H 2010 results. Since the start of 2010, the market price of CPO has maintained at a strong level. The robust supply and demand fundamentals support the resilience of the CPO industry as well as the Company.”

OPERATIONAL HIGHLIGHTS

GAR managed to improve its output of palm products for second quarter 2010 by 12% to 503,000 tonnes from 450,000 tonnes in previous quarter. For 1H 2010, output of palm products was 953,000 tonnes, 7% weaker than the peak crop experienced in last year’s period. In addition, production for this period should have been better if not because of heavy rainfall that disrupted the harvesting process in some areas in central part of Sumatra.

GAR remains focused on expanding its business to support long-term growth. GAR grew its total planted area to 433,200 hectares as at 30 June 2010, the largest in Indonesia. GAR’s long-term growth is assured by the favourable age profile of its planted area, with 33% comprising of immature and young plantations and 51% oil palm trees in their prime producing years.

OUTLOOK AND STRATEGY

The palm oil industry currently enjoys 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, 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: “GAR has managed to stay in good shape and we will consistently capitalise on our competitive strengths and growth opportunities to provide optimum value to all stakeholders through sustainable palm oil cultivation. We are glad that the independent verification report has been published and has shown that Greenpeace has created an incorrect view about our Company. We remain committed and responsible towards sustainable palm oil production. Our commitments on sustainability apply to all areas of the environment, community and economy.”

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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 433,200 hectares (including smallholders) as at 30 June 2010, located in Indonesia. It has integrated operations focused on the production of palm-based edible oil and fat products.

Founded in 1996, GAR is listed on the Singapore Exchange since 1999 with a market capitalisation of US\$4.59 billion as at 30 June 2010. Flambo International Ltd, an investment company, is GAR’s largest shareholder, with a 49% stake. GAR has several subsidiaries, including PT SMART Tbk (“SMART”) which is listed on the Indonesia Stock Exchange in 1992.

GAR is focused on sustainable palm oil production. 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. Through its subsidiaries, GAR operates palm oil processing mills, refineries and kernel crushing plants. It also has an integrated operation in China including a deep-sea port, soybean crushing plants, and production of refined edible oil products.

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