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First Quarter Financial Statement And Dividend Announcement

FINANCIAL HIGHLIGHTS

	1st Qtr 2015 <u>US\$'000</u>	1st Qtr 2014 <u>US\$'000</u>	Change %
Revenue	1,553,338	1,914,182	(18.9)
Gross Profit	237,054	389,548	(39.1)
EBITDA	126,405	200,312	(36.9)
Core net profit attributable to owners of the Company	52,030	100,624	(48.3)
Core net profit per share (USD cents)	0.41	0.78	(48.3)

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a) An income statement and statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year

**UNAUDITED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2015**

	1st Qtr 2015 <u>US\$'000</u>	1st Qtr 2014 <u>US\$'000</u>	Change %
Revenue	1,553,338	1,914,182	(18.9)
Cost of sales	<u>(1,316,284)</u>	<u>(1,524,634)</u>	(13.7)
Gross profit	<u>237,054</u>	<u>389,548</u>	(39.1)
Operating expenses			
Selling expenses	(101,166)	(169,578)	(40.3)
General and administrative expenses	<u>(67,978)</u>	<u>(63,454)</u>	7.1
Total operating expenses	<u>(169,144)</u>	<u>(233,032)</u>	(27.4)
Operating profit	<u>67,910</u>	<u>156,516</u>	(56.6)
Other income/(expenses)			
Financial income	8,107	5,002	62.1
Financial expenses	(31,933)	(28,734)	11.1
Share of results of associated companies, net of tax	(56)	16	n.m.
Share of results of joint ventures, net of tax	1,779	(582)	n.m.
Foreign exchange (loss)/gain, net	(34,960)	3,183	n.m.
Other operating income, net	<u>11,667</u>	<u>4,164</u>	180.2
	<u>(45,396)</u>	<u>(16,951)</u>	167.8
Profit before tax	22,514	139,565	(83.9)
Tax	<u>(5,304)</u>	<u>(35,469)</u>	(85.0)
Profit for the period	<u>17,210</u>	<u>104,096</u>	(83.5)
Attributable to:			
Owners of the Company	17,187	103,866	(83.5)
Non-controlling interests	<u>23</u>	<u>230</u>	(90.0)
	<u>17,210</u>	<u>104,096</u>	(83.5)

Note: n.m. – not meaningful.

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2015**

	1st Qtr 2015 <u>US\$'000</u>	1st Qtr 2014 <u>US\$'000</u>
Profit for the period	<u>17,210</u>	<u>104,096</u>
Other comprehensive income/(loss):		
<u>Items that may be reclassified subsequently to profit or loss:</u>		
Foreign currency translation differences on consolidation	(4,891)	(3,556)
Changes in fair value of cash flow hedges	(1,656)	-
Changes in fair value of available-for-sale financial assets	<u>6,164</u>	<u>-</u>
	(383)	(3,556)
<u>Items that will not be reclassified subsequently to profit or loss:</u>		
Actuarial gain on post-employment benefits	441	-
Other comprehensive income/(loss), net of tax	<u>58</u>	<u>(3,556)</u>
Total comprehensive income for the period, net of tax	<u><u>17,268</u></u>	<u><u>100,540</u></u>
Total comprehensive income attributable to:		
Owners of the Company	17,242	100,579
Non-controlling interests	<u>26</u>	<u>(39)</u>
	<u><u>17,268</u></u>	<u><u>100,540</u></u>

ADDITIONAL INFORMATION

Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, foreign exchange (loss)/gain, and share of results of associated companies and joint ventures, net of tax ("EBITDA")

	1st Qtr 2015 <u>US\$'000</u>	1st Qtr 2014 <u>US\$'000</u>	Change %
Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, foreign exchange (loss)/gain, and share of results of associated companies and joint ventures ("EBITDA")	126,405	200,312	(36.9)
Interest on borrowings	(31,012)	(27,671)	12.1
Depreciation and amortisation	(39,642)	(35,693)	11.1
Foreign exchange (loss)/gain, net	(34,960)	3,183	n.m.
Share of results of associated companies, net of tax	(56)	16	n.m.
Share of results of joint ventures, net of tax	1,779	(582)	n.m.
Profit before tax	<u><u>22,514</u></u>	<u><u>139,565</u></u>	(83.9)

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

UNAUDITED STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	As at		As at	
	31/3/2015 <u>US\$'000</u>	31/12/2014 <u>US\$'000</u>	31/3/2015 <u>US\$'000</u>	31/12/2014 <u>US\$'000</u>
Assets				
Current Assets				
Cash and cash equivalents	235,740	329,560	349	612
Short-term investments	290,769	261,166	-	-
Trade receivables	431,704	525,816	-	-
Other current assets (note (a))	925,634	827,109	73	52
Inventories	805,223	850,723	-	-
	2,689,070	2,794,374	422	664
Non-Current Assets				
Long-term receivables and assets (note (b))	350,267	360,593	-	-
Long-term investments	817,828	804,318	304,100	332,500
Subsidiary companies	-	-	2,547,007	2,575,107
Associated companies	8,350	8,431	-	-
Joint ventures	52,723	56,167	-	-
Investment properties	1,205	1,227	-	-
Property, plant and equipment	2,590,277	2,551,664	-	-
Biological assets	7,922,752	7,902,105	-	-
Deferred tax assets	41,374	27,036	-	-
Deferred charges	7,992	8,332	-	-
Brands and trademarks	329	353	-	-
Goodwill	152,021	152,021	-	-
	11,945,118	11,872,247	2,851,107	2,907,607
Total Assets	14,634,188	14,666,621	2,851,529	2,908,271

UNAUDITED STATEMENTS OF FINANCIAL POSITION (cont'd)

	Group		Company	
	As at		As at	
	31/3/2015 US\$'000	31/12/2014 US\$'000	31/3/2015 US\$'000	31/12/2014 US\$'000
Liabilities and Equity				
Current Liabilities				
Short-term loans	1,325,314	1,251,081	-	-
Bonds payable	393,109	389,882	393,109	389,882
Trade payables	471,821	543,197	-	-
Other payables (note(c))	316,048	286,720	35,917	72,871
Taxes payable	38,758	29,554	-	-
Obligations under finance leases	126	132	-	-
	2,545,176	2,500,566	429,026	462,753
Non-Current Liabilities				
Obligations under finance leases	212	269	-	-
Bonds and notes payables	1,031,696	1,040,087	-	-
Long-term borrowings	332,045	387,250	-	-
Deferred tax liabilities	1,837,834	1,843,437	973	973
Long-term payables	72,299	76,691	-	-
	3,274,086	3,347,734	973	973
Total Liabilities	5,819,262	5,848,300	429,999	463,726
Equity Attributable to Owners of the Company				
Issued capital	320,939	320,939	320,939	320,939
Share premium	1,216,095	1,216,095	1,850,965	1,850,965
Treasury shares	(20,663)	-	(20,663)	-
Other paid-in capital	184,318	184,318	-	-
Other reserves				
Option reserve	31,469	31,469	31,469	31,469
Currency translation reserve	7,399	12,293	-	-
Fair value reserve	6,164	-	-	-
PRC statutory reserve	3,820	3,820	-	-
Hedging reserve	(2,288)	(632)	-	-
Other reserve	(1,368)	(1,809)	-	-
	45,196	45,141	31,469	31,469
Retained earnings	6,979,197	6,962,010	238,820	241,172
	8,725,082	8,728,503	2,421,530	2,444,545
Non-Controlling Interests	89,844	89,818	-	-
Total Equity	8,814,926	8,818,321	2,421,530	2,444,545
Total Liabilities and Equity	14,634,188	14,666,621	2,851,529	2,908,271

UNAUDITED STATEMENTS OF FINANCIAL POSITION (cont'd)

Note:

(a) Other Current Assets

	Group		Company	
	As at		As at	
	31/3/2015 US\$'000	31/12/2014 US\$'000	31/3/2015 US\$'000	31/12/2014 US\$'000
Prepaid expenses	48,004	28,685	73	52
Prepaid taxes, net	205,898	253,798	-	-
Deposits and advances to suppliers	433,005	370,928	-	-
Others	83,873	86,837	-	-
	770,780	740,248	73	52
Receivable from joint ventures	154,850	86,829	-	-
Receivable from related parties	4	32	-	-
	925,634	827,109	73	52

(b) Long-Term Receivables and Assets

	Group		Company	
	As at		As at	
	31/3/2015 US\$'000	31/12/2014 US\$'000	31/3/2015 US\$'000	31/12/2014 US\$'000
Loan to joint ventures	39,451	94,231	-	-
Tax recoverable	97,953	101,572	-	-
Advances for project plasma plantations	22,342	21,621	-	-
Advances for projects	66,519	75,576	-	-
Land clearing	97,416	40,117	-	-
Advances for investments in land	2,759	2,759	-	-
Others	23,827	24,717	-	-
	350,267	360,593	-	-

(c) Other Payables

	Group		Company	
	As at		As at	
	31/3/2015 US\$'000	31/12/2014 US\$'000	31/3/2015 US\$'000	31/12/2014 US\$'000
Advances from customers	21,995	40,086	-	-
Accrued expenses	67,017	46,843	332	301
Payable to third parties	70,250	65,192	5,000	2,500
Derivative payable	127,055	63,069	-	-
Interim dividends payable	-	39,650	-	39,650
Others	25,507	29,654	5	12
	311,824	284,494	5,337	42,463
Related parties	4,224	2,226	30,580	30,408
	316,048	286,720	35,917	72,871

1(b)(ii) Aggregate amount of group's borrowings and debt securities

	As at 31/3/2015			As at 31/12/2014		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Amount repayable in one year or less, or on demand	958,613	759,936	1,718,549	997,735	643,360	1,641,095
Amount repayable after one year	320,367	1,043,586	1,363,953	369,519	1,058,087	1,427,606
Total	1,278,980	1,803,522	3,082,502	1,367,254	1,701,447	3,068,701

Details of any collateral

The secured borrowings are collateralised by certain cash and cash equivalents, short-term investments, inventories, trade receivables, biological assets and property, plant and equipment.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2015**

	1st Qtr 2015 US\$'000	1st Qtr 2014 US\$'000
Cash flows from operating activities		
Profit before tax	22,514	139,565
Adjustments for:		
Depreciation	39,246	35,145
Amortisation	396	548
Unrealised foreign exchange loss/(gain), net	13,189	(8,014)
Share of results of associated companies, net of tax	56	(16)
Share of results of joint ventures, net of tax	(1,779)	582
Loss/(Gain) on disposal of property, plant and equipment	368	(117)
Property, plant and equipment written off	286	236
Write-back of impairment loss on inventories, net	(1,086)	(754)
Changes in fair value of financial assets at fair value through profit or loss	(5,390)	(539)
Interest income	(8,107)	(5,002)
Interest expense	31,012	27,671
Operating cash flow before working capital changes	90,705	189,305
Changes in operating assets and liabilities:		
Trade receivables	94,130	(33,553)
Other current assets	(88,402)	(21,634)
Inventories	46,594	95,984
Trade payables	(71,376)	(42,088)
Other payables	54,439	(1,437)
Cash generated from operations	126,090	186,577
Interest received	3,402	827
Interest paid	(22,295)	(16,369)
Tax refund	25,111	3,426
Net cash generated from operating activities	132,308	174,461

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2015 (cont'd)**

	1st Qtr 2015 <u>US\$'000</u>	1st Qtr 2014 <u>US\$'000</u>
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	1,916	309
Proceeds from sale of biological assets	1,022	365
Capital expenditure on property, plant and equipment	(84,073)	(78,992)
Acquisition and capital expenditure on biological assets	(21,234)	(5,811)
Investments in short-term investments, net	(27,605)	(65,423)
Investments in long-term investments, net	(3,954)	(40,939)
Additional investment in a joint venture	-	(1,000)
Investments in Plasma/KKPA Program plantations, net	(1,846)	(2,985)
Dividend received from a joint venture	2,000	-
Payments for deferred expenditure	(52)	(10)
Net (increase)/decrease in long-term receivables and assets	<u>(55,615)</u>	<u>5,802</u>
Net cash used in investing activities	<u>(189,441)</u>	<u>(188,684)</u>
Cash flows from financing activities		
Proceeds from short-term loans	614,247	650,076
Payments of short-term loans	(574,863)	(576,860)
Payments of long-term borrowings	(15,667)	(73,094)
Payments of obligations under finance leases	(63)	(4)
Payments of dividends	(39,650)	-
Payments for shares buy back	(20,663)	-
Deferred loan charges and long-term bank loan administration costs	(28)	(255)
(Increase)/Decrease in cash in banks and time deposits pledged	<u>(2,409)</u>	<u>5,031</u>
Net cash (used in)/generated from financing activities	<u>(39,096)</u>	<u>4,894</u>
Net decrease in cash and cash equivalents	(96,229)	(9,329)
Cash and cash equivalents at the beginning of the period	<u>322,646</u>	<u>321,854</u>
Cash and cash equivalents at the end of the period		
(See Note below)	<u>226,417</u>	<u>312,525</u>

Note:

Cash and cash equivalents included in consolidated statement of cash flows consist of the following:

	31/3/2015 <u>US\$'000</u>	31/3/2014 <u>US\$'000</u>
Time deposits, cash and bank balances	235,740	313,126
Less: Cash in banks and time deposits pledged	<u>(9,323)</u>	<u>(601)</u>
	<u>226,417</u>	<u>312,525</u>

1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

-----> Attributable to Owners of the Company <----->

<u>The Group</u>	<u>Issued Capital</u>	<u>Share Premium</u>	<u>Treasury Shares</u>	<u>Other Paid-in Capital</u>	<u>Other Reserves</u>	<u>Retained Earnings</u>	<u>Total</u>	<u>Non- Controlling Interests</u>	<u>Total Equity</u>
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
Balance as at 1 Jan 2015	320,939	1,216,095	-	184,318	45,141	6,962,010	8,728,503	89,818	8,818,321
Profit for the period	-	-	-	-	-	17,187	17,187	23	17,210
Other comprehensive income	-	-	-	-	55	-	55	3	58
Total comprehensive income for the period	-	-	-	-	55	17,187	17,242	26	17,268
Shares buy back and held as treasury shares	-	-	(20,663)	-	-	-	(20,663)	-	(20,663)
Balance as at 31 Mar 2015	320,939	1,216,095	(20,663)	184,318	45,196	6,979,197	8,725,082	89,844	8,814,926
Balance as at 1 Jan 2014	320,939	1,216,095	-	184,318	56,597	6,942,606	8,720,555	82,818	8,803,373
Profit for the period	-	-	-	-	-	103,866	103,866	230	104,096
Other comprehensive loss	-	-	-	-	(3,287)	-	(3,287)	(269)	(3,556)
Total comprehensive (loss)/income for the period	-	-	-	-	(3,287)	103,866	100,579	(39)	100,540
Balance as at 31 Mar 2014	320,939	1,216,095	-	184,318	53,310	7,046,472	8,821,134	82,779	8,903,913

1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

The Company	Issued Capital US\$'000	Share Premium US\$'000	Treasury Shares US\$'000	Option Reserve US\$'000	Retained Earnings US\$'000	Total US\$'000
Balance as at 1 Jan 2015	320,939	1,850,965	-	31,469	241,172	2,444,545
Loss for the period, representing total comprehensive loss for the period	-	-	-	-	(2,352)	(2,352)
Shares buy back and held as treasury shares	-	-	(20,663)	-	-	(20,663)
Balance as at 31 Mar 2015	<u>320,939</u>	<u>1,850,965</u>	<u>(20,663)</u>	<u>31,469</u>	<u>238,820</u>	<u>2,421,530</u>
Balance as at 1 Jan 2014	320,939	1,850,965	-	31,469	335,212	2,538,585
Loss for the period, representing total comprehensive loss for the period	-	-	-	-	(2,876)	(2,876)
Balance as at 31 Mar 2014	<u>320,939</u>	<u>1,850,965</u>	<u>-</u>	<u>31,469</u>	<u>332,336</u>	<u>2,535,709</u>

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

The number of issued ordinary shares (excluding treasury shares) of the Company were as follows:

	As at	
	31 Mar 2015	31 Mar 2014
Number of issued shares (excluding treasury shares)	12,769,326,156	12,837,548,556
Number of new shares that may be issued on the conversion of outstanding convertible bonds	573,747,126	566,005,216

The Company did not have treasury shares as at 31 March 2014. Movements in the Company's issued share capital (excluding treasury shares) during the period ended 31 March 2015 were as follows:

	Number of ordinary shares
Balance as at 1 January 2015	12,837,548,556
Shares buy back and held as treasury shares	(68,222,400)
Balance as at 31 March 2015	<u>12,769,326,156</u>

1(d)(iii) To show the number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The total number of issued shares excluding treasury shares as at 31 March 2015 and 31 December 2014 were 12,769,326,156 and 12,837,548,556 respectively.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Movements in the Company's treasury shares during the quarter ended 31 March 2015 were as follows:

	<u>Number of ordinary shares</u>
Balance as at 1 January 2015	-
Shares buy back on 27 March 2015	68,222,400
Balance as at 31 March 2015	<u>68,222,400</u>

The Company did not hold any treasury shares as at 31 December 2014.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

These figures have not been audited, or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Since 2009, the Group has adopted the practice of determining the fair value of the Group's biological assets on an annual basis, by reference to independent professional valuation based on the present value of expected net cash inflows from the plantations. Accordingly, no changes in fair value of biological assets are recognised on quarterly basis.

Except for the above, the Group has adopted accounting policies and methods of computation consistent with those used in the most recent audited annual financial statements for the year ended 31 December 2014.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Same as disclosed in Note 4 above.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

Earnings per ordinary share for the period after deducting any provision for preference dividends:-

(i) Based on weighted average number of ordinary shares

- Weighted average numbers of shares

(ii) On a fully diluted basis

- Weighted average numbers of shares

The Group	
1st Qtr 2015	1st Qtr 2014
USD0.13cents	USD0.81cents
12,834,516,449	12,837,548,556
Not applicable	Not applicable
Not applicable	Not applicable

* The outstanding convertible bonds have not been included in the calculation of diluted earnings per share because they are anti-dilutive for the current period.

7. Net asset value (for the issuer and group) per ordinary share based on issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year

Net asset value per ordinary share based on existing issued share capital of 12,769,326,156 (31 Dec 2014: 12,837,548,556) shares

The Group		The Company	
As at 31 Mar 2015	As at 31 Dec 2014	As at 31 Mar 2015	As at 31 Dec 2014
US\$0.68	US\$0.68	US\$0.19	US\$0.19

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

<i>Revenue by segment</i>	1st Qtr 2015 <u>US\$'000</u>	1st Qtr 2014 <u>US\$'000</u>	Change %
Plantation and palm oil mills	340,911	501,046	(32.0)
Palm and laurics	1,400,646	1,635,883	(14.4)
Oilseeds	134,473	210,920	(36.2)
Others	50,079	46,588	7.5
Inter-segment eliminations	(372,771)	(480,255)	(22.4)
Total Revenue	1,553,338	1,914,182	(18.9)
<i>EBITDA by segment</i>			
Plantation and palm oil mills	100,579	171,588	(41.4)
Palm and laurics	21,604	29,628	(27.1)
Oilseeds	2,303	(3,272)	n.m.
Others	766	2,480	(69.1)
Eliminations	1,153	(112)	n.m.
Total EBITDA	126,405	200,312	(36.9)

Notes:

- (1) EBITDA refers to earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, foreign exchange (loss)/gain, and share of results of associated companies and joint ventures, net of tax.
- (2) n.m. - not meaningful.
- (3) Plantation and palm oil mills segment refers to products from upstream business.
- (4) Palm and laurics segment refers to processing and merchandising of palm based products, i.e. bulk and branded as well as oleochemicals.
- (5) Oilseeds segment refers to processing and merchandising of oilseed based products, i.e. bulk and branded.
- (6) Others refer to production and distribution of food & consumer products in China and Indonesia.

REVIEW OF PERFORMANCE FOR THE PERIOD ENDED 31 MARCH 2015

The Group recorded revenue of US\$1,553.3 million and EBITDA of US\$126.4 million for the 3-month period ended 31 March 2015 ("1Q2015"). The decrease in revenue and EBITDA was primarily attributable to lower average crude palm oil ("CPO") prices and lower production output during the current period.

PLANTATION AND PALM OIL MILLS

Revenue from plantation and palm oil mills segment decreased by 32.0% to US\$340.9 million mainly due to weaker average CPO prices and lower production output affected by dry weather conditions experienced in certain regions of Indonesia last year. The average international CPO (FOB Belawan) price reduced by 26.5% from US\$865 per tonne in the corresponding period last year ("1Q2014") to US\$636 per tonne. Our fresh fruit bunch ("FFB") and total palm production decreased to 2,114,000 tonnes and 634,000 tonnes respectively, as compared to 2,243,000 tonnes and 691,000 tonnes in 1Q2014.

The lower CPO prices and higher production costs per tonne has resulted in a decrease in EBITDA from plantation and palm oil mills segment from US\$171.6 million to US\$100.6 million in 1Q2015.

PALM AND LAURICS

Revenue from palm and laurics segment decreased by 14.4% to US\$1,400.6 million in 1Q2015 mainly due to lower average selling price in line with the lower international CPO prices despite higher sales volume achieved. EBITDA from palm and laurics segment decreased from US\$29.6 million in 1Q2014 to US\$21.6 million mainly affected by the lower refining margin. However, EBITDA improved by 115.7% as compared to the last quarter of 2014.

OILSEEDS

Revenue from oilseeds segment decreased by 36.2% to US\$134.5 million in 1Q2015 mainly due to lower average selling prices and lower crushing volume during the current period. Conversely, oilseeds segment recorded a positive EBITDA of US\$2.3 million for the current period as compared to a negative EBITDA of US\$3.3 million in 1Q2014, following the improved crushing margin since the last quarter of last year.

SELLING EXPENSES

Selling expenses comprised mainly export tax, transportation and freight, advertising and promotion, and salaries. The significant reduction in selling expenses to US\$101.2 million was mainly due to an effective 0% export tax rate during the current quarter in line with lower CPO prices, partially offset by increases in freight costs in line with higher volume shipped, as well as marketing and promotion expenses.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses of US\$68.0 million comprised mainly salaries and related expenses, rent, tax and licenses, depreciation, repairs and maintenance, and professional fees. Increase in general and administrative expenses was mainly due to higher salaries and related expenses.

FINANCIAL EXPENSES, NET

Net financial expenses of US\$23.8 million (1Q2014: US\$23.7 million) comprised net interest expenses (after deducting interest income), amortisation of deferred loan charges and other finance charges.

FOREIGN EXCHANGE (LOSS)/GAIN, NET

The Group recorded a net foreign exchange loss of US\$35.0 million in 1Q2015 as compared to net gain of US\$3.2 million in 1Q2014. The current period's loss was mainly attributable to translation loss on Indonesian Rupiah ("IDR") denominated monetary assets as IDR weakened against USD during the current period and fair value loss on forward foreign currency contracts entered to hedge the currency exposure of IDR.

OTHER OPERATING INCOME, NET

Net other operating income of US\$11.7 million comprised mainly income from sales of seedlings and other materials, rental and changes in fair value of financial assets. Higher net other operating income in the current period was mainly due to increase in net gain from changes in fair value of financial assets in line with higher market prices.

TAX

Income tax comprised provision for current and deferred income tax derived by applying the varying statutory tax rates of the different countries in which the Group operates on its taxable profit and taxable temporary difference. No group relief is available for set-off of taxable profits against tax losses of companies within the Group. Tax expense was lower at US\$5.3 million in 1Q2015 in line with lower profits recorded.

REVIEW OF FINANCIAL POSITION AS AT 31 MARCH 2015

ASSETS

Total assets of the Group decreased by US\$32.4 million from US\$14,666.6 million as at 31 December 2014 to US\$14,634.2 million as at 31 March 2015 mainly attributable to lower trade receivables and inventories.

Trade receivables were lower by US\$94.1 million in line with the lower revenue recorded for the current period.

Inventories were lower by US\$45.5 million mainly due to lower inventory level in our oilseeds segment as well as lower unit prices.

LIABILITIES

Compared to the previous year end, total liabilities of the Group was marginally lower at US\$5,819.3 million as at 31 March 2015. The decrease in trade payables due to settlement made during 1Q2015 was partially offset by higher other payables mainly due to changes in fair value of forward foreign currency contracts and cross currency contracts entered to hedge our currency exposure.

REVIEW OF CONSOLIDATED CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2015

The Group generated a lower cash inflows of US\$132.3 million from its operating activities during the current period. Net cash used in investing activities of US\$189.4 million was mainly for capital expenditures on property, plant and equipment, acquisition and capital expenditure incurred for biological assets and land clearing, as well as increase in short-term investments.

Net cash used in financing activities of US\$39.1 million was mainly related to payments for dividends and shares bought back and held as treasury shares, net of proceeds from loans during the current period.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The Group's operating performance will continue to be affected by fluctuating commodity prices, sustainability of the global economic recovery, climatic conditions, as well as developments in Indonesia and China. The palm oil industry is expected to benefit from the proposed implementation of biofuel policy in Indonesia which will increase the demand of CPO. Going forward, we will focus on improving our yield and cost efficiency, as well as optimising the integration of our downstream value chain. The operating environment for our oilseeds segment is expected to remain challenging while we continue to review our business strategy and manage flexible production in our existing facilities in order to improve operating performance.

11. Dividend

(a) Current Financial Period Reported On

Any ordinary dividend declared for the current financial period reported on? No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any ordinary dividend declared for the corresponding period of the immediately preceding financial year? No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, a statement to that effect

No dividend has been declared for the quarter ended 31 March 2015.

13. Interested persons transactions disclosure

Name of interested person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than SGD100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than SGD100,000)
	1Q2015	1Q2015
	US\$	US\$
Muktar Widjaja	173,583	Nil
Ningbo Asia Pulp & Paper Co., Ltd	Nil	83,039
PT Asuransi Sinar Mas	Nil	2,987,031
PT Bank Sinarmas*	Nil	4,252,444
PT Cakrawala Mega Indah	Nil	942,485
PT Rolimex Kimia Nusamas	5,000,000	1,952,946
PT Royal Oriental	Nil	7,388,429
PT Sinar Jati Mitra	Nil	433,643
Total	5,173,583	18,040,017

Note:

* Principal amount as at 31 March 2015 is approximately US\$3.3 million.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

Not applicable.

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Not applicable.

16. A breakdown of sales

Not applicable.

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Not applicable.

18. Confirmation pursuant to the Rule 705(5) of the listing manual

We, Simon Lim and Rafael Buhay Concepcion, Jr., being two directors of Golden Agri-Resources Ltd (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to their attention which would render the first quarter ended 31 March 2015 unaudited financial results to be false or misleading.

On behalf of the board of directors

Simon Lim
Director

Rafael Buhay Concepcion, Jr.
Director

12 May 2015

BY ORDER OF THE BOARD

Rafael Buhay Concepcion, Jr.
Director
12 May 2015

Submitted by Kimberley Lye Chor Mei, Director, Corporate Secretarial on 12 May 2015 to the SGX