Press Release

Golden Agri achieved outstanding full year 2014 plantation performance while fourth quarter saw improvement across all business segments

- 2014 EBITDA and core net profit reached US$566 million and US$221 million, respectively
- Palm product output at a record high of 2.95 million tonnes

Singapore, 27 February 2015 – Revenue of Golden Agri-Resources Ltd and its subsidiaries ("GAR" or the "Company") again showed strong growth of 16% to US$7.62 billion for the year 2014, contributed mainly by the expansion of our palm downstream business. EBITDA[1] and core net profit[2] were US$566 million and US$221 million, respectively. For the fourth quarter of 2014, EBITDA[1] recorded an increase of 35% to US$135 million and core net profit[2] surged by 77% to US$46 million.

FINANCIAL HIGHLIGHTS

US$'million	Quarter ended		Change	Year ended 31 Dec		Change
	31 Dec 2014 (4Q 2014)	30 Sep 2014 (3Q 2014)		2014 (FY 2014)	2013 (FY 2013)	
Revenue	1,822	1,844	**-1%**	7,619	6,585	**16%**
Gross Profit	298	283	**6%**	1,311	1,363	**-4%**
EBITDA[1]	**135**	**100**	**35%**	**566**	**662**	**-14%**
Core Net Profit[2]	**46**	**26**	**77%**	**221**	**318**	**-30%**
Addition:						
Net gain/(loss) from changes in fair value of biological assets, net of tax and non-controlling interests[3]	*-101*	-	*n.m.*	*-101*	*27*	*n.m.*
Foreign exchange gain/(loss), net of non-controlling interests	*33*	*-29*	*n.m.*	*-13*	*-34*	*-60%*
Exceptional items, net of non-controlling interests	-	*7*	*-100%*	*7*	-	*n.m.*
Net Profit attributable to owners of the Company	-22	4	n.m.	114	311	-64%
Core Earnings per Share[4] (US$ cents)	0.36	0.20	77%	1.72	2.48	-30%

Our plantation business showed impressive performance with full year EBITDA[1] of US$562 million, an increase of 15% over last year, despite weaker average crude palm oil ("CPO") prices. The performance was supported by recovering palm product output and lower production costs. Quarter-on-quarter results were also stronger with fourth quarter 2014 EBITDA[1] of US$120 million compared to US$110 million achieved in the third quarter. The better performance was attributable to sell-down of inventory and Indonesian Rupiah depreciation against US Dollar, offsetting lower production and CPO prices.

The development of our palm and lauric business is on-track, achieving 26% growth in revenue for the year. EBITDA[1] contribution in 2014 was US$57 million, 60% lower than last year. The result was weighed down by lower refining margin and start-up costs for new facilities and expansion in destination markets. Nonetheless, for the fourth quarter of 2014, EBITDA[1] reached US$10 million, a 46% improvement over the previous quarter.

Our oilseed and others segment for the full year EBITDA[1] recorded a loss of US$52 million as the market environment in China remained challenging. However, there was a positive turnaround in the fourth quarter of 2014 with EBITDA[1] of US$6 million, from negative US$17 million in the previous quarter.

GAR's financial position continued to be sound. As at end of 2014, the adjusted gearing ratio[5] was prudently maintained at 0.19 times with total assets of US$14.7 billion.

OPERATIONAL HIGHLIGHTS

As at 31 December 2014, GAR managed a total oil palm plantation area of 472,800 hectares, comprising 372,000 hectares of nucleus plantations and 100,800 hectares of plasma smallholder plantations. The average age of the trees remains favourable at 14 years, delivering a high yield of 22.1 tonnes per hectare in 2014. The yield is expected to gradually increase in the long term with continuous improvement in agronomy practices and ongoing replanting activity with superior planting material.

Fresh fruit bunch production improved notably with an 8% growth to 9.73 million tonnes, while mature planted area increased by 9,900 hectares during 2014. Palm product output for the year increased at almost the same rate and achieved another record production of 2.95 million tonnes compared to 2.77 million tonnes last year.

OUTLOOK AND STRATEGY

GAR's Chairman and Chief Executive Officer, Mr. Franky O. Widjaja, elaborated: "2014 was another eventful year with many developments in the palm oil industry and within the Company. Our plantation business performed very well during the year and we will continue our efforts in unleashing the potential of our oil palm plantations through intensification by improving yield and cost efficiency. Our palm downstream business is progressing from a rapid expansion phase to a focus on optimisation of the downstream value chain. We will further open direct access to destination markets and extend our product portfolio to improve margins. We are also reviewing our business model and strategy for oilseed business in China to stabilise its performance."

"Palm oil continues to be the most consumed edible oil in the world, growing by about 3% during the year. We expect support for CPO prices to come from the recently approved biodiesel subsidy by the Indonesian government and the slowdown in supply growth due to drought conditions last year. In the long term, we believe that palm oil industry's prospects remain favourable. On the back of its cost effective production and wide range of uses, palm oil remains the preferred choice to cater to the growing global demand for edible oils."

~ end ~

[1] *Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, foreign exchange loss, exceptional item, changes in fair value of biological assets and share of results of associated companies and joint ventures.*

[2] *Net profit attributable to owners of the Company, excluding net effect of net gain/loss from changes in fair value of biological assets, foreign exchange gain/loss and exceptional items.*

[3] *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.*

[4] *Core Earnings per Share is Core Net Profit divided by weighted average numbers of shares.*

[5] *Net gearing ratio is adjusted net debt (interest bearing debts less cash and short-term investments as well as liquid working capital) to equity attributable to owners of the Company.*

About Golden Agri-Resources Ltd (“GAR")

GAR is one of the leading palm oil plantation companies with a total planted area of 472,800 hectares (including smallholders) as at 31 December 2014, 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$4.5 billion as at 31 December 2014. Flambo International Limited, an investment company, is GAR’s largest shareholder, with a 49.95% 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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