

Press Release

Golden Agri-Resources achieves record earnings in 2010

- Historical record of net profit at US\$1.42 billion recorded for full year 2010
- Continued recovery in palm products output with record production in fourth quarter
- Full year core net profit almost doubled to US\$387 million, while EBITDA¹ reached US\$661 million

Singapore, 28 February 2011 - Golden Agri-Resources Ltd and its subsidiaries ("GAR") recorded its best performance to date for its full financial year ended 31 December 2010. This was supported by appreciation of Crude Palm Oil ("CPO") prices and recovery in fruits production. Revenue reached US\$3.50 billion or a 53% increase compared to the previous year, while net profit more than doubled to US\$1.42 billion.

FINANCIAL HIGHLIGHTS

US\$'million	Year ended 31 Dec		Change	Quarter ended 31 Dec		Change
	2010 (FY 2010)	2009 (FY 2009)		2010 (4Q 2010)	2009 (4Q 2009)	
Revenue	3,505	2,294	53%	1,189	643	85%
Gross Profit	955	509	87%	387	159	143%
EBITDA	661	401	65%	237	129	84%
Net profit attributable to owners of the Company	1,423	607	134%	1,169	473	147%
<i>Comprising:</i>						
<i>Net gain from changes in fair value of biological assets (net of tax and non-controlling interests)</i>	1,012	406	149%	1,012	406	149%
<i>Foreign exchange gain/(loss) (net of non-controlling interests)</i>	30	(1)	n.m	11	3	335%
<i>Exceptional items, net</i>	(6)	(1)	341%	-	(1)	(100%)
Core Net Profit: Profit excluding gain from changes in fair value of biological assets, foreign exchange gain/(loss) and exceptional items	387	203	91%	146	65	124%
Earnings per Share (US\$)	0.12	0.05	125%	0.10	0.04	147%

¹ Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, gain from changes in fair value of biological assets, foreign exchange gain/(loss), exceptional items and share of results of associated companies.

Continued strong recovery in production accompanied by a 56% rise in CPO FOB prices year-on-year resulted in outstanding 4Q 2010 performance with EBITDA of US\$237 million and core net profit of US\$146 million. This solid quarterly performance led to full year EBITDA of US\$661 million, 65% higher than last year, and a 91% increase in core net profit to US\$387 million, despite slightly lower palm products output due to unfavourable weather conditions.

The Board proposes a final dividend of 0.77 Singapore cents, 56% higher than last year, after considering the capital expenditure target for 2011 and strategic acquisition opportunities that might arise. This dividend will be distributed in May 2011, after obtaining shareholder approval.

As at end of 2010, GAR's financial position remained at a healthy level with a low gearing ratio. Total assets grew sizeably by 28% to US\$10.1 billion compared to US\$7.9 billion last year, mainly due to organic expansion and acquisition, as well as a net gain recorded from changes in fair value of biological assets.

Commenting on the results, Mr Franky Widjaja, Chairman and Chief Executive Officer of GAR said: "GAR has benefited from its consistent best-in-class plantation operations as well as the strong industry outlook and this is demonstrated by our record performance in 2010. The Board is delighted with this excellent accomplishment and we will continue to be prudent in executing our operational strategy, leveraging our core competitiveness and capturing any strategic opportunities that may arise, in order to continue delivering long-term shareholders' returns."

OPERATIONAL HIGHLIGHTS

In 4Q 2010, production recovery was sustained achieving palm products output of 712,000 tonnes, 17% stronger than the previous quarter and the highest on record for GAR. However, the full year palm products output was unable to catch up with last year's output, due to lower production resulted from heavy rainfall in the earlier part of the year, and was recorded at 2.27 million tonnes, 3% below the 2009 output.

Despite unfavourable weather conditions experienced in Indonesia during 2010, GAR successfully expanded its planted area through new planting by approximately 15,200 hectares, bringing its total planted area to 442,500 hectares at the end of the year, and continues to be the largest in Indonesia. Likewise, mature area grew by 8.8% to 363,500 hectares during 2010.

The age profile of GAR's plantations remains favourable, comprising 18% of immature area, 16% at young age, and 50% of trees in their prime producing years. GAR will continue its strategy to sustainably expand its oil palm plantation area in order to maintain its long-term growth.

OUTLOOK AND STRATEGY

With the foundation of best plantation management, sustainable and prudent business expansion as well as a healthy financial position, GAR remains well-placed to benefit from the strong long-term fundamentals of the palm oil industry.

Mr Widjaja added: "Demand for palm oil is expected to be robust, especially from large developing countries, such as China and India. Global tightness of vegetable oil stocks is expected to remain, thus providing support to palm oil prices. By expanding its upstream and downstream businesses as well as its distribution capabilities, GAR is ready to capture the growing demand in the long-term, and retain its leadership position of developing 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 442,500 hectares (including smallholders) as at 31 December 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\$7.5 billion as at 31 December 2010. Flambo International Ltd, an investment company owned by the Widjaja Family, 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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