

Press Release

Golden Agri-Resources starts the year 2012 with strong quarter-on-quarter performance

- For the first three months of 2012, net profit¹ more than doubled from the previous quarter at US\$162 million and US\$252 million in EBITDA.
- FFB and palm product production grew year-on-year from larger mature plantation area.

Singapore, 11 May 2012 - Golden Agri-Resources Ltd and its subsidiaries (“GAR” or the “Company”) achieved strong quarter-on-quarter performance for the first quarter of 2012 (“1Q 2012”) with net profit¹ more than doubling to US\$162 million compared to US\$76 million achieved for the previous quarter. EBITDA increased 40% quarter-on-quarter to US\$252 million.

FINANCIAL HIGHLIGHTS

US\$'million	Three months ended			Change 1Q 2012 vs 4Q 2011	Change 1Q 2012 Vs 1Q 2011
	31 Mar 2012 (1Q 2012)	31 Dec 2011 (4Q 2011)	31 Mar 2011 (1Q 2011)		
Revenue	1,519	1,328	1,463	14%	4%
Gross Profit	454	386	525	17%	(14%)
EBITDA²	252	181	306	40%	(18%)
Net profit attributable to owners of the Company¹	162	76	231	113%	(30%)
Earnings per Share ¹ (US\$ cents)	1.33	0.63	1.90	113%	(30%)

The better performance in 1Q 2012 compared to 4Q 2011 was on the back of further improvements in CPO FOB prices to US\$1,064 per tonne from US\$983 per tonne; and lower operating costs.

Compared to 1Q 2011, results were softer, in line with lower CPO FOB prices by 12% from US\$1,206 per tonne last year. Higher fertiliser application and labor cost also contributed to the lower 1Q 2012 performance.

GAR's financial position as at 31 March 2012 continued to be robust, evidenced by a low gearing ratio of 0.1 times. Total assets increased by 2% since end of 2011 to US\$12.1 billion.

OPERATIONAL HIGHLIGHTS

GAR has been able to sustain its year-on-year production growth supported by larger areas of mature plantations by approximately 27,700 hectares. Palm products output for 1Q 2012 grew by 3% to 618,000 tonnes from 603,000 tonnes for the same period last year. However, compared to the previous quarter, palm products output was 12% lower primarily resulting from seasonality, as the first quarter is normally the lowest producing period of the year.

As at end of Mar 2012, GAR's total planted area was 455,800 hectares, remaining the largest in Indonesia. The age profile of GAR's plantations is favourable, comprising 28% of immature and young plantations, and 47% in their prime age. With a low average tree age of 13 years, the Company is well-positioned to sustain its long-term growth in production.

OUTLOOK AND STRATEGY

Fundamentals of the palm oil industry are expected to remain sound, due to stable demand growth for vegetable oils for edible and alternative uses, combined with the limited growth of global supply.

GAR's growth strategy focuses on balanced expansion in both upstream and downstream businesses. GAR has budgeted capital expenditure of US\$500 million for the year, for investments in upstream projects involving the expansion of plantation area and milling capacity, as well as investments in downstream projects to boost refining capacity and supporting facilities.

The new export tax scheme initiated by the Government of Indonesia has encouraged downstream players to expand their refining capabilities to benefit from the lower export tax for refined palm oil products. GAR will maintain the balance between upstream and downstream capacity to ensure optimal benefit from operating an integrated value chain.

Mr Franky Widjaja, Chairman and Chief Executive Officer of GAR commented: "We have started the year 2012 with good momentum and we are confident that the palm oil industry continues to enjoy excellent prospects. We will continually implement best-in-class sustainable plantation management practices, and also be nimble and equip ourselves to seize new opportunities that may arise. This together with our solid financial position will enable us to expand our business through organic growth and strategic acquisitions."

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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 455,800 hectares (including smallholders) as at 31 March 2012, 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\$7.6 billion as at 31 March 2012. Flambo International Limited, an investment company, is GAR’s largest shareholder, with a 50% 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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¹ 4Q 2011 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.

² 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.