

Press Release

Golden Agri-Resources delivers record US\$1.25 billion profit for nine months ended 30 September 2008

- Net profit rises 111% year-on-year to US\$1.25 billion
- Revenue increases 97% to US\$2.39 billion

Singapore, 12 November 2008 – Golden Agri-Resources Ltd (“GAR” or the “Group”) today announced record profit for the nine months ended 30 September 2008. Net profit attributable to equity holders more than doubled to US\$1.25 billion.

NINE MONTHS HIGHLIGHTS

US\$ ¹ million	Nine months ended 30 Sept		
	2008	2007	Change
Revenue	2,395	1,215	97%
Gross Profit	787	422	87%
EBITDA ¹	559	364	54%
Net profit attributable to equity holders	1,249	591	111%
<i>Comprising:</i>			
<i>Net gain from changes in fair value of biological assets (net of tax and minority interests)</i>	884	326	171%
<i>Exceptional items</i>	20	74	-73%
<i>Profit excluding gain from changes in fair value of biological assets² and exceptional items</i>	345	191	80%
Earnings Per Share (US\$)	0.13	0.06	117%

For the nine months, revenue increased to US\$2.39 billion, which was US\$1.18 billion or 97% above that of the previous corresponding period. Earnings per share rose to 13 US cents compared to 6 US cents last period.

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 of associated companies

² 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.

The sterling performance was driven by a 16% rise in the production of crude palm oil (“CPO”) due primarily to the increasing maturity of GAR’s oil palm plantation trees and efficient plantation management.

Sales volume rose 22% as production improved and higher downstream sales were achieved.

THIRD QUARTER HIGHLIGHTS

US\$'million	Three months ended		
	30 Sep 2008	30 Sep 2007	Change
Revenue	831	534	56%
Gross Profit	222	184	21%
EBITDA	135	153	-12%
Net profit attributable to equity holders	224	144	56%
<i>Comprising:</i>			
<i>Net gain from changes in fair value of biological assets (net of tax and minority interests)</i>	151	61	151%
<i>Exceptional items</i>	2	-1	n.m.
<i>Profit excluding gain from changes in fair value of biological assets and exceptional items</i>	71	84	-16%
Earnings Per Share (US\$)	0.02	0.01	100%

During the third quarter, GAR registered a robust 56% jump in revenue to US\$831 million, compared to US\$534 million the previous year. This top-line improvement was on the back of a 7% rise in sales volume resulting from higher CPO production and higher downstream volume as the new refinery in Central Kalimantan went into operation earlier this year.

Compared to the corresponding quarter last year, the Group recorded a 12% decline in its EBITDA due mainly to the increase in export tax rates from between 6.5% and 7.5% to between 10% and 20% imposed by the Indonesian government on crude palm oil. The EBITDA margin in 3Q FY08 was also affected by the higher cost of production, especially fertilisers.

OPERATIONAL HIGHLIGHTS

GAR remains one of the most efficient plantation companies in the industry due to its precision fertilising technique that allows the Group to better manage and control costs.

Chief Executive Officer, Mr Franky Widjaja explained, "Our active management of our plantation assets is showing results. Our oil palms have a very favourable age profile with production growth in the long-term supported by our large hectarage of immature and young plantations. Our commitment to consistently improve on our production efficiency is also paying off, as our palm product production reached a record of 1.6 million tons for the first nine months."

The Group's FFB yield averaged 16.9 tons per hectare during the period under review, an improvement over the 15.8 tons per hectare achieved during the same period in 2007. At the same time, its CPO yield averaged 3.9 tons per hectare, higher than the 3.6 tons per hectare last period. The improvements for both FFB and CPO yields were the result of the favourable age profile of GAR's oil palms and efficient plantation management.

Year-to-date, the Group has expanded its planted area by approximately 23,000 hectares. This puts GAR's total planted hectarage at approximately 383,000 hectares as at end-September 2008, compared to 360,000 hectares as at end-December 2007.

FINANCIAL POSITION

GAR's low net gearing of 10% as at 30 September 2008 and strong cash flows put it in a financially healthy position amid the global downturn and tightened credit conditions. The Group remains proactive in managing its cash flows to ensure sufficient financial flexibility in meeting operational and capital expenditure requirements to complete existing projects, as well as the servicing of its debt obligations and refinancing needs at maturity.

OUTLOOK

The current global financial crisis, credit crunch and economic slowdown have impacted the commodity markets resulting in decline in price of commodities, including CPO. Nonetheless, Mr Widjaja said, "The medium to long-term fundamentals of the industry remain intact, supported by continued core demand from the edible oil and oleochemical markets, and emerging demand from the renewable energy sector. This will provide medium to long-term support for CPO prices. As a company with strong balance sheet position and low gearing combined with high-yielding oil palm plantation and efficient cost structure, we are well-placed to leverage our competitive strengths to ride out the market volatility."

- end -

ABOUT GOLDEN AGRI-RESOURCES LTD (“GAR”)

GAR’s primary activities include cultivating and harvesting of oil palm trees; processing of fresh fruit bunches into crude palm oil (“CPO”) and palm kernel; and refining CPO into value-added products such as cooking oils, margarine and shortening.

GAR operates a total planted area of 383,000 hectares as well as 32 palm oil processing mills, three refineries and four kernel crushing plants in Indonesia. It also has operations in China through an integrated deep-sea port, storage, oilseed crushing facilities and refinery facilities in Ningbo and Zhuhai.

GAR and its subsidiaries generated revenue of US\$1.9 billion in 2007. It has been listed on the Singapore Exchange since 1999.

For any media inquiries, please contact:

Weber Shandwick Worldwide

Name: Ivan Tan

Phone: (65) 6825 8027

Email: itan@webershandwick.com
