



Financial Results Presentation

Year ended 31 December 2008 (FY2008)

27 February 2009

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Section 1

Executive Summary

- **Record Net Profit¹ of close to USD 1.4 billion**
 - Record Revenue to USD 3.0 billion, increase by 59%
 - Record EBITDA to USD 597 million, increase by 12%
- **Record Palm Product Production of 2.1 million tons**
- **Continued growth of plantations area by 32,000 hectares²**
 - No. 1 in Indonesia with total planted area of 392,000 hectares²

Notes:

1. Attributable to the equity holders
2. Include plasma



Section 2

Financial Highlights of FY 2008 and Q4 2008

Financial Summary – FY2008



US\$'million	FY 2008	FY 2007	% Change
Revenue	2,986	1,873	59%
Gross Profit	876	658	33%
EBITDA	597	535	12%
Net Profit attributable to equity holders	1,383	1,165	19%
<i>Comprising:</i>			
▪ <i>Net gain from changes in fair value of biological assets (Net of tax and minority interests)¹</i>	1,020	813	25%
▪ <i>Foreign exchange loss (Net of minority interests)</i>	(34)	(4)	908%
▪ <i>Exceptional gain, net</i>	20	70	-71%
▪ <i>Profit excluding gain from changes in fair value of biological assets¹, foreign exchange loss and exceptional items</i>	377	286	32%

Higher FY 2008 results attributable to:

- ♦ Higher sales volume driven by higher CPO production and increase in downstream volume with the commencement of a new refinery in May 2008
- ♦ Increase in average selling price in line with the increase in CPO market price (FOB Belawan) by 22% to US\$872 per ton from US\$716 per ton in 2007

In 2008, EBITDA impacted by higher input costs and average export tax tripling to US\$115 per ton from US\$35 per ton in 2007

Notes:

1. In accordance to 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 net cash inflows. Any resultant gains or losses arising from changes in fair value are recognized in the income statement.

Financial Summary – 4Q 2008 vs 4Q 2007



US\$'million	4Q 2008	4Q 2007	% Change
Revenue	591	658	-10%
Gross Profit	90	237	-62%
EBITDA	38	171	-78%
Net Profit attributable to equity holders	133	574	-77%
<i>Comprising:</i>			
▪ <i>Net gain from changes in fair value of biological assets (Net of tax and minority interests)</i>	134	486	-72%
▪ <i>Foreign exchange loss (Net of minority interests)</i>	(41)	-	n.m
▪ <i>Exceptional loss, net</i>	-	(3)	-100%
▪ <i>Profit excluding gain from changes in fair value of biological assets, foreign exchange loss and exceptional items</i>	40	91	-56%

Lower financial performance in 4Q 2008 mainly due to:

- ♦ Lower selling price resulting from the decline in CPO market price (FOB Belawan) to US\$435 per ton in 4Q 2008 from US\$863 per ton in 4Q 2007. The decline in revenue was partly offset by increase in downstream sales volume which was contributed by the commencement of a new refinery
- ♦ Increase in cost of production input, in particular higher cost of fertilisers due to forward buying
- ♦ Lower gain from changes in fair value of biological assets
- ♦ Foreign exchange loss recorded in 4Q 2008 mainly comprised of unrealised loss arising from translation of Rupiah denominated monetary assets, due to steep depreciation of Rupiah to Rp 10,950/US\$ at end of 2008 from Rp 9,430/US\$ at end of Sep 2008

Segmental Results – FY 2008



78% of our revenue and nearly all of our earnings are from our Indonesia operations

<i>(in US\$ million)</i>	Indonesia Operations			China Operations		
	FY 2008	FY 2007	%Change	FY 2008	FY 2007	%Change
Revenue	2,328	1,395	67%	658	478	38%
Gross Profit	859	610	41%	17	48	-64%
<i>Gross Profit Margin</i>	37%	44%	-7%	3%	10%	-7%
EBITDA	588	494	19%	10	41	-77%
<i>EBITDA Margin</i>	25%	35%	-10%	1%	9%	-8%
Net Profit attributable to equity holders	1,381	1,133	22%	2	32	-95%

Higher EBITDA achieved by Indonesia Operations despite lower margins due to:

- Higher sales volume of lower margin downstream products resulting from the commencement of Tarjun refinery
- Larger volume of FFB purchased from plasma farmers and third parties at higher prices
- Higher costs for fertilisers, upkeep and maintenance (road and bridges)
- Increase in average export tax from US\$35 per ton to US\$115 per ton

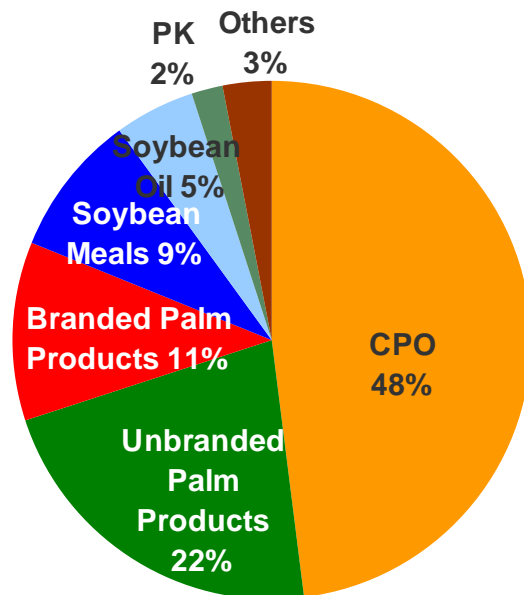
Lower EBITDA and margins in China Operations were due to highly volatile raw material prices and government's price control policy until July 2008

Revenue By Product and Geographical Location

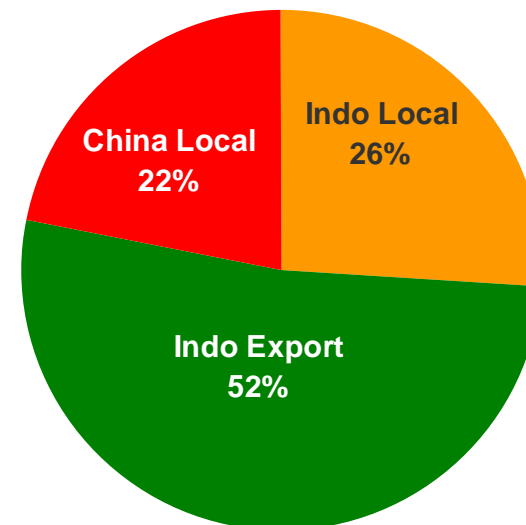


Record revenues of USD 3.0 billion mainly from CPO and refined palm oil based products

Revenue - By Product



Revenue – By Country



Notes: Data per FY2008

Financial Position



Strong balance sheet with low debt to equity ratio

(in US\$ million)	31-Dec-08	31-Dec-07	% Change
Total Assets	6,826	5,013	36%
Cash and Short-Term Investments	138	147	-6%
Total Liabilities	2,119	1,632	30%
Interest Bearing Debts	554	492	13%
Total Equity Attributable to Equity Holders	4,614	3,303	40%
Net Debt/Equity Ratio	0.09x	0.10x	
Net Debt/Total Assets	0.06x	0.07x	
Debt/EBITDA	0.93x	0.92x	
EBITDA/Interest	14.95x	15.27x	

Dividend and Bonus Share



The Company's dividend policy is to distribute up to 30% of underlying profit as dividends

Cash Dividend	2005	2006	2007	2008 Interim
Dividend per share (in S\$ cents)	0.25 ¹	0.54 ^{1,2}	1.00 ¹	0.80
Total Dividend (in S\$ 'million)	21.69	53.42 ²	99.76	79.81

We distributed interim dividend for 2008 of S\$0.8 cents in September 2008. In addition, the Board proposes a bonus issue of 1 bonus share for every 25 shares held.

This cash dividend and bonus issue are in line with our dividend policy and our precautionary strategy of preserving cash in the global liquidity crunch environment.

Note:

1. The figures have been adjusted for the sub-division of shares in September 2007 and February 2008
2. Translated at US\$ 1 = S\$ 1.53



Section 3

Operational Highlights of FY 2008 and Q4 2008

Plantation Area



GAR has delivered consistent growth by expanding its plantation area by 32,000 hectares to almost 392,000 hectares

(in ha)	FY 2008	FY 2007	% increase
Planted Area	391,642	359,732	8.9%
Nucleus	307,604	277,629	10.8%
Plasma	84,038	82,103	2.4%
Mature Area	308,821	292,578	5.6%
Nucleus	228,266	213,798	6.8%
Plasma	80,555	78,780	2.3%

Plantation Area



GAR's long-term growth is supported by favourable age profile of planted area underpinned by large immature and young plantations

(in ha)	Immature (0-3 years)	Young (4-6 years)	Prime (7-18 years)	Old (>18 Years)	Total
<u>FY 2008</u>					
Nucleus	79,338	19,887	170,388	37,991	307,604
Plasma	3,483	3,150	73,875	3,530	84,038
Total Area	82,821	23,037	244,263	41,521	391,642
% of total planted area	21%	6%	62%	11%	100%
<u>FY 2007</u>					
Nucleus	63,831	6,907	171,071	35,820	277,629
Plasma	3,323	2,625	76,155	-	82,103
Total Area	67,154	9,532	247,226	35,820	359,732
% of total planted area	19%	2%	69%	10%	100%

Production Highlights



Record palm products production of more than 2 million tons in 2008

	FY 2008	FY 2007	Change	4Q 2008	4Q 2007	Change
FFB Production (tons)	6,923,503	6,764,804	2%	1,697,802	2,141,361	-21%
<i>Nucleus</i>	5,049,810	5,077,782	-1%	1,207,408	1,593,866	-24%
<i>Plasma</i>	1,873,693	1,687,022	11%	490,394	547,495	-10%
FFB Yield (ton/ha)	22.4	23.1	-3%	5.5	7.3	-25%
Palm Product Production (tons)	2,072,703	1,967,092	5%	506,318	620,834	-18%
CPO	1,689,982	1,607,877	5%	411,653	505,861	-19%
PK	382,721	359,215	7%	94,665	114,973	-18%
Oil Extraction Rate	23.12%	22.97%	0.15%	23.18%	22.80%	0.37%
Kernel Extraction Rate	5.24%	5.13%	0.11%	5.33%	5.18%	0.15%
CPO Yield (ton/ha)	5.2	5.3	-2%	1.3	1.7	-24%

FFB yield experienced marginal decline in 2008 due to :

- Second year impact of drought in 2006 and trees' biological slowdown ("tree stress") after the bumper crop in 2H 2007
- Damaged road infrastructure in Kalimantan forcing delay in harvesting of nucleus estates
- Large newly matured area (trees at low FFB yielding age of 4 years increased from 5,000 ha in 2007 to 16,000 ha in 2008)

Plasma production increased resulting from favorable age profile (92% prime), located mostly in Sumatra (better condition than in Kalimantan), and improving agronomic practices



Section 4

Growth Strategy

Growth Achievements in 2008



Upstream

- Expanded our planted area by 32,000 ha
- Completed two mills in Kalimantan with annual processing capacity of 625,000 tons

Downstream

- Completed a kernel crushing plant in Central Kalimantan with annual processing capacity of 45,000 tons
- Completed a refinery in South Kalimantan with annual processing capacity of 300,000 tons
- Acquired an additional 60% stake for full ownership of PT Sinar Oleochemical International, an oleochemical producer with 80,000 ton fatty acid processing capacity

Growth Strategy for 2009



Expanding Oil Palm Plantations

- Target additional planted area of 20,000 ha
- Completing a mill in Kalimantan with annual processing capacity of 200,000 tons
- Building two new mills in Kalimantan and a mill in Sumatra with total annual processing capacity of 825,000 tons targeted for completion in 2010

Adding Downstream Processing/Refining Capacity

- Completing a kernel crushing plant in South Kalimantan with annual capacity of 180,000 tons targeted for completion in 1H 2009
- Completing a refinery in Jakarta with annual capacity of 240,000 tons expected to be completed in 2H 2009

Projected capex for FY 2009 growth strategy: approximately US\$ 200 million

GAR continues to maintain its strong balance sheet, above industry average yields and cost efficiencies

Contact Us



If you need further information, please contact:

Golden Agri-Resources Ltd

c/o 3 Shenton Way
#17-03 Shenton House
Singapore 068805

Website : www.goldenagri.com.sg

Telephone : +65 62207720

Facsimile : +65 62207020

Contact Person : Rafael B. Concepcion, Jr. (rafaelc@goldenagri.com.sg)
Suwandy Chen (swd@goldenagri.com.sg)
Richard Fung (richard@goldenagri.com.sg)