

## Press Release

### Golden Agri-Resources achieves record first half performance in 2011

- First half 2011 EBITDA reached US\$561 million and net profit came in at US\$411 million, more than doubling last year's achievement
- Strong recovery in palm products output combined with robust CPO prices support the strong financial performance

**Singapore, 11 August 2011** - Golden Agri-Resources Ltd ("GAR") recorded its best performance to date for the half year ended 30 June 2011. This was supported by strong Crude Palm Oil ("CPO") prices and recovery in fruits production. GAR continued to deliver sterling results with revenue reaching US\$3.06 billion or a 127% increase compared to the same period last year, while net profit grew by 166% to US\$411 million.

#### FINANCIAL HIGHLIGHTS

US\$'million	First half ended 30 Jun		Change	Quarter ended 30 Jun		Change
	2011 (1H 2011)	2010 (1H 2010)		2011 (2Q 2011)	2010 (2Q 2010)	
Revenue	3,064	1,351	127%	1,601	726	120%
Gross Profit	1,029	342	201%	503	168	199%
<b>EBITDA<sup>1</sup></b>	<b>561</b>	<b>261</b>	<b>115%</b>	<b>254</b>	<b>120</b>	<b>112%</b>
<b>Net profit attributable to owners of the Company</b>	<b>411</b>	<b>155</b>	<b>166%</b>	<b>180</b>	<b>66</b>	<b>172%</b>
Earnings per Share (US\$)	0.034	0.013	166%	0.015	0.005	172%

Sustained strong recovery in production combined with a 43% year-on-year increase in CPO FOB prices resulted in a more than doubling of EBITDA to US\$254 million and of net profit to US\$180 million in 2Q 2011. Year-to-date performance showed a similar trend, where 1H 2011 EBITDA reached US\$561 million, 115% higher than last year, and net profit was recorded at US\$411 million.

<sup>1</sup> 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

As at 30 June 2011, GAR's financial position remained healthy with a low gearing ratio of 0.10 times. Total assets grew by 7% to US\$10.8 billion compared to US\$10.1 billion at the end of 2010, while total liabilities stood at US\$3.5 billion.

## **OPERATIONAL HIGHLIGHTS**

In 2Q 2011, sustained production recovery resulted in palm products output achieving 650,000 tonnes, 8% stronger than the previous quarter and 29% higher than the same period last year. First half year palm products output was recorded at 1.25 million tonnes, a 31% increase compared to the same period last year. The strong increase in production was supported by expansion in mature area by 27,900 hectares in 1H 2011 as well as favourable weather conditions.

As at 30 June 2011, GAR's total planted area was 446,200 hectares, which continues to be the largest in Indonesia. The age profile of GAR's plantations remains favourable, comprising 32% of immature and young age plantations, and 45% 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**

GAR commits to sound business strategies, prudent expansion, operational excellence and environmental and social responsibility in order to achieve sustainable growth and profitability. GAR will do its best to benefit from the favourable industry outlook of palm oil and gain from the fast growing consumption in highly-populated emerging countries such as China and India, as well as demand from substitute and alternative uses of palm oil.

Commenting on the results, Mr Franky Widjaja, Chairman and Chief Executive Officer of GAR said: "We are delighted with our first half 2011 record performance. We are optimistic that GAR's consistency in implementing its best-in-class plantation operations will continue to be one of our strong foundations in delivering long-term shareholders' value. In the sustainability area, GAR has also made steady progress in achieving RSPO (Roundtable on Sustainable Palm Oil) certification for all our existing units by 2015."

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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 446,200 hectares (including smallholders) as at 30 June 2011, 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\$6.7 billion as at 30 June 2011. Flambo International Ltd, 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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