

## Press Release

### Golden Agri-Resources year-to-date revenue continued to grow despite moderated CPO market prices

- Year-to-date Sep 2013 revenue was 3% higher compared to previous year
- Third quarter 2013 palm products output increased strongly quarter-on-quarter in line with seasonal trend
- Interim dividend of 0.585 Singapore cents per share declared

**Singapore, 12 November 2013** – Revenue of Golden Agri-Resources Ltd and its subsidiaries (“GAR” or the “Company”) for nine-month period of 2013 grew by 3% year-on-year, reaching US\$4.7 billion. The increase in revenue was contributed by expanding downstream operations. EBITDA<sup>1</sup> and net profit were US\$462 million and US\$188 million, respectively. GAR’s year-on-year earnings performance was lower mainly due to weaker Crude Palm Oil (“CPO”) market prices by 23%.

#### FINANCIAL HIGHLIGHTS

US\$'million	Nine months ended 30 Sep		Change	Quarter ended		Change
	2013 (9M 2013)	2012 (9M 2012)		30 Sep 2013 (3Q 2013)	30 Jun 2013 (2Q 2013)	
Revenue	4,683	4,533	3%	1,571	1,682	-7%
Gross Profit	938	1,250	-25%	277	304	-9%
<b>EBITDA<sup>1</sup></b>	<b>462</b>	<b>643</b>	<b>-28%</b>	<b>111</b>	<b>140</b>	<b>-21%</b>
<b>Net profit attributable to owners of the Company</b>	<b>188</b>	<b>356</b>	<b>-47%</b>	<b>30</b>	<b>45</b>	<b>-33%</b>
Earnings per Share (US\$ cents)	1.5	2.9	-49%	0.2	0.4	-33%

EBITDA<sup>1</sup> and net profit for third quarter of 2013 declined to US\$111 million and US\$30 million, respectively, compared to the previous quarter. This was mostly driven by weaker average selling prices, higher inventory levels as well as higher plantation costs.

<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 and joint ventures

GAR's financial position as at 30 September 2013 remained strong, evidenced by a very healthy gearing ratio of 0.20 times. Total assets continued to expand to US\$13.9 billion mainly from construction of plantation and refining facilities.

Although CPO market prices remain moderated, the Board of Directors continues to be confident about the Company's performance and industry outlook. Therefore, it has approved the distribution of an interim dividend of 0.585 Singapore cents per share for shareholders. This is approximately 30% of GAR's underlying profit for nine-month period 2013.

## **OPERATIONAL HIGHLIGHTS**

Palm product output for nine-month period 2013 reached almost 2 million tonnes. The production was 5% lower than previous year, due to the palm tree's biological cycle following the bumper crop we experienced last year and less favourable weather conditions earlier this year. As expected, however, quarter-on-quarter fruits and palm product output increased by 17%, in line with seasonal trend.

By end of September 2013, GAR's total planted area exceeded 467,000 hectares, including plasma, and remains the largest oil palm plantation in Indonesia. With sustainable plantation growth for the past several years, GAR maintains its estates' favourable age profile with an average age of 13 years, supporting the Company's production growth in the near to medium term. The plantations consist of 25% immature and young estates as well as 48% prime estates with the age of 7 to 18 years, producing optimum yield and contributing strongly to fruit production.

## **OUTLOOK AND STRATEGY**

GAR's growth strategy is to expand its plantation hectarage and milling capacity; as well as its downstream capacity and supporting facilities, and is extending distribution and logistics capabilities to reach out to more end users in our destination markets.

Mr Franky Widjaja, Chairman and Chief Executive Officer of GAR commented: "The main driver for our long-term profitability and productivity is consistent best management practices for both plantation and downstream assets. We consolidate GAR's competitiveness through continuous improvement of our efficient operations, resulting in better managed cost and sustainable returns."

GAR remains positive on the outlook of the palm oil industry, on the back of robust long-term fundamentals of the sector. Demand for palm oil will continue to grow, supported by strong primary demand for edible oils, increasing need for substitution to palm oil, as well as alternative uses such as oleochemicals, specialty fats and biodiesel.

Mr Widjaja added: "We are pleased to declare distribution of interim dividend for this year as our cash position is strong and investment opportunities through M&A are currently limited. We take this opportunity to reward our loyal shareholders in the midst of the current moderated industry environment."

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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 467,000 hectares (including smallholders) as at 30 September 2013, 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\$5.3 billion as at 30 September 2013. Flambo International Limited, an investment company, is GAR's largest shareholder, with a 49.95% 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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