Press Release

Plantation output recovery drives Golden Agri- Resources' strong performance in 2017

- Full year 2017 EBITDA[1] grew by 16 percent to US$665 million
- EBITDA of Plantations and Palm Oil Mills segment reached US$499 million with palm product output increasing by nine percent to 2.72 million tonnes
- Proposed final dividend of 0.116 Singapore cents per share to a total of 0.809 Singapore cents per share for full year 2017

FINANCIAL HIGHLIGHTS

US$'million	Year ended 31 Dec 2017 (FY 2017)	 2016 (FY 2016)	Change	Quarter ended 31 Dec 2017 (4Q 2017)	 2016 (4Q 2016)	Change
Revenue	7,508	7,209	**4%**	1,923	2,138	**-10%**
Gross Profit	1,097	1,014	**8%**	261	308	**-15%**
EBITDA[1]	**665**	**572**	**16%**	**156**	**179**	**-12%**
Underlying Profit[2]	**254**	**186**	**36%**	**37**	**66**	**-44%**
Net Profit/(Loss)[3]	74	400	-82%	-29	46	n.m
Earnings per Share[4] (US$ cents)	0.58	3.14	-82%	-0.23	0.36	n.m

Singapore, 27 February 2018 – Golden Agri-Resources Ltd and its subsidiaries ("GAR" or the "Company") recorded revenue of over US$7.5 billion for the year 2017. Fourth quarter revenue was lower year-on-year at US$1.9 billion as production volume and CPO prices declined.

EBITDA[1] for the full year grew by 16 percent to US$665 million and underlying profit[2] increased by 36 percent to reach US$254 million. This is despite lower output and prices in fourth quarter 2017, EBITDA[1] and underlying profit[2] which also weakened to US$156 million and US$37 million, respectively. However, net profit[3] came in lower at US$74 million primarily because of the absence of deferred tax income on revaluation recorded in 2016, foreign exchange loss, and impairment loss on China assets recognised in the fourth quarter 2017.

Strong full year results were contributed primarily by the plantations and palm oil mills segment. Amidst the recovery in plantation output after the 2015 El Niño, crude palm oil (CPO) market prices maintained their resiliency with a tight stock position globally.

With adjusted net gearing ratio[5] of 0.42 times and total consolidated assets of US$8.1 billion as at 31 December 2017, GAR's financial position continues to strengthen.

In light of the strong balance sheet and our commitment to consistently reward our shareholders, the Board is pleased to propose a final dividend of 0.116 Singapore cents per share. After incorporating the 0.693 Singapore cents per share interim dividend distributed in November 2017, total dividend for FY2017 will be 0.809 Singapore cents per share. This is in line with GAR's dividend policy, which is to distribute 30 percent of underlying profit. The proposed final dividend will be distributed in May 2018, after obtaining approval from shareholders.

SEGMENTAL PERFORMANCE

Plantations and palm oil mills

Fruit production grew by eight percent to 9.61 million tonnes with average yield of 20.5 tonnes per hectare, and continues to be among the best in the industry. In line with this, palm product output increased by nine percent to 2.72 million tonnes. The growing output was driven by favourable weather conditions after the El Niño phenomenon in 2015.

This segment delivered full year EBITDA of US$499 million, a significant increase of 32 percent compared to 2016, while EBITDA margin expanded to 30 percent. The fourth quarter 2017 EBITDA[1] was lower year-on-year at US$121 million as production and prices declined.

As per 31 December 2017, GAR's planted area reached 502,847 hectares, of which 20 percent belongs to plasma smallholders. The planted area expanded by approximately 14,600 hectares from end 2016, mainly due to the consolidation of the Indonesia plantations from the investment in The Verdant Fund LP. Moreover, 9,900 hectares of old estates have been replanted during the year to maintain a favourable age profile and improve long-term productivity.

GAR's upstream strategy focuses on intensification endeavours, executed through replanting with new and higher yielding seeds, precision agriculture, mechanisation and automation.

Palm and laurics

During 2017, the palm and laurics segment maintained its sales volume at 8.9 million tonnes, generating revenue of US$6.6 billion, a five percent growth from last year. Fourth quarter EBITDA[1] reached US$36 million, resulting in full year

EBITDA[1] of US$158 million with a margin of 2.4 percent. This performance was 13 percent weaker than last year, mainly affected by a declining trend in prices.

GAR will continue focusing on higher value added products, enhancing integration and operational excellence to improve margins in the long term.

Oilseeds and Others

While the oilseed and food business in China remains competitive, these segments reached a combined EBITDA[1] of US$10 million during 2017 with an average margin of 1.2 percent.

GAR is refocusing its business model in China with the divestment of its Tianjin plants. GAR will maintain its presence in China which continues to be the largest consumer market for edible oils globally.

SUSTAINABILITY UPDATE

By end 2017, GAR has achieved 100 percent of Traceability to the Plantation (TTP) for owned mills which represents 39 percent of its total supply chain. GAR is now aiming for 100 percent TTP for independent mills by 2020 as part of its continued commitment towards responsible palm oil production.

GAR has been included in the 2017 Dow Jones Sustainability Indices (DJSI) (Asia-Pacific). This marks the first time that GAR is made a member of the DJSI which was launched in 1999. This recognition of its corporate sustainability leadership within its industry, demonstrates that GAR is serious in implementing responsible palm oil practices. In addition, GAR is part of the SGX Sustainability Index, including Sustainability Leaders Index.

OUTLOOK AND STRATEGY

Mr Franky Widjaja, GAR Chairman and Chief Executive Officer commented on the results: “We are pleased to see GAR’s strong set of results in 2017. CPO market prices have remained resilient despite the increasing production output of the industry. This has resulted in good performance of our upstream business. Downstream performance has been doing well both in Indonesia and India, while the China oilseed business remains competitive.”

Mr. Widjaja further elaborated: “We have a positive view on CPO price and the industry outlook as we enter the low production season with demand continuing to be robust. GAR’s business strategy is focused on breakthrough transformation initiatives based on technology, innovation and sustainability across the business value chain, with a view towards enhancing our competitive edge.”

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About Golden Agri-Resources Ltd (GAR)

GAR is one of the leading palm oil plantation companies with a total planted area of 502,847 hectares (including plasma smallholders) as at 31 December 2017, located in Indonesia. It has integrated operations focused on the production of palm-based edible oil and fat.

Founded in 1996, GAR was listed on the Singapore Exchange in 1999 and has a market capitalisation of US$3.5 billion as at 31 December 2017. Flambo International Limited, an investment company, is currently GAR's largest shareholder, with a 50.35 percent stake. GAR has several subsidiaries, including PT SMART Tbk which was listed on the Indonesia Stock Exchange in 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; refining CPO into value-added products such as cooking oil, margarine, shortening and biodiesel; as well as merchandising palm products throughout the world. It also has operations in China and India 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] *Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, net gain or loss from changes in fair value of biological assets, and foreign exchange gain or loss.*

[2] *Net profit attributable to owners of the Company, excluding net effect of net gain or loss from changes in fair value of biological assets, depreciation of bearer plants, exceptional items and other non-operating items (foreign exchange gain or loss, deferred tax income).*

[3] *Net profit or loss attributable to owners of the Company.*

[4] *Earnings per share is net profit attributable to owners of the Company divided by weighted average number of shares.*

[5] *Adjusted net debt (interest bearing debts less cash and short-term investments as well as liquid working capital) divided by equity attributable to owners of the Company.*