GENTING PLANTATIONS

PRESS RELEASE **For Immediate Release**

GENTING PLANTATIONS REPORTS 1Q 2012 FINANCIAL RESULTS

KUALA LUMPUR, May 29 – Genting Plantations Berhad today reported its financial results for the first quarter ended 31 March 2012, with pre-tax profit at RM104.0 million, down 21% from the corresponding period of the previous year.

Revenue was 1% higher year-on-year at RM272.7 million in 1Q 2012 while earnings per share declined 16% to 10.38 sen.

Despite softer palm product selling prices in 1Q 2012, the Group's revenue increased marginally as the decline in revenue from the Plantation segment was more than offset by the higher sales contribution from the Property segment.

The Group achieved average selling prices for crude palm oil ("CPO") and palm kernel of RM3,179 per metric tonne and RM1,941 per metric tonne respectively in the first quarter, down 14% and 36% respectively year-on-year. The Group's fresh fruit bunches ("FFB") production was 3% higher in 1Q 2012 compared with the corresponding period of 2011.

The year-on-year decline in pre-tax profit during the quarter reflects the impact of lower palm product selling prices and higher operating expenditure in the Plantation segment. EBITDA margin for the plantation segment in Malaysia narrowed to 47% from 54% in 1Q 2011 on account of not only lower selling prices, but also higher input costs arising from wage and material price inflation, along with increased fertiliser application and recruitment related administrative expenses.

For the Indonesia Plantation segment, although the division contributed positively to the Group's overall FFB production in the first quarter, it continued to post operating losses as it remains at the early stage of development.

The Property segment recorded a notable year-on-year improvement in profit due to the better demand for industrial and commercial properties, while the Biotechnology segment posted a higher loss in 1Q 2012 on increased research and development activities.

For the remaining period of the year, the Group performance prospects will be generally guided by the direction of palm products prices and FFB production. In view of the prevailing market outlook for slower CPO production growth this year following a bumper harvest in 2011 and reduced world soybean availability, the downside bias in CPO selling price is expected to be cushioned. Notwithstanding this, renewed concerns over the European financial crisis and a possible contagion effect on the world economy may dampen investor confidence and weigh on global commodity markets.

On the production front, growth in FFB production will mainly come from the Group's Indonesia operations, with areas progressively reaching maturity over the course of the year. The scheduled completion of palm oil processing facilities would provide an added boost to the Indonesia operations whilst plantation development activities continue. A recently-announced proposed joint venture for the development and cultivation of 74,390 hectares of oil palm plantations in Kalimantan Tengah also bodes positively for the Group's production growth and returns in the longer term.

Meanwhile, the cost of doing business can be expected to increase due to higher input cost for fertiliser, fuel and labour and more so, when the national minimum wage policy comes into effect in the near term.

As for the Property segment, marketing efforts will be channelled towards launching new residential and commercial properties within the affordable price range to capture growing interest in Iskandar Malaysia as well as to replenish the array of property offerings.

The Biotechnology segment will continue to focus its efforts on biomarker discovery for oil palm and ganoderma.

A summary of the quarterly results is shown in Table 1.

TABLE 1:

RM' Million	1Q 2012	1Q 2011	%
Revenue			
Plantation - Malaysia	243.7	253.1	-4
Plantation – Indonesia	4.7	0.5	>100
Property	24.3	17.5	+39
	272.7	271.1	+1
Adjusted EBITDA			
Plantation			
-Malaysia	113.8	136.5	-17
-Indonesia	(4.7)	(3.7)	+27
Property	5.9	2.4	>100
Biotechnology	(4.8)	(3.2)	+50
Others	(1.3)	4.5	-
	108.9	136.5	-20
EBITDA	108.0	136.4	-21
Profit before tax	104.0	132.1	-21
Profit for the financial period	77.3	94.8	-18
Basic EPS (sen)	10.38	12.43	-16

About Genting Plantations Berhad

Genting Plantations, a 54.6%-owned subsidiary of Genting Berhad, commenced operations in 1980. It has a landbank of about 66,000 hectares in Malaysia and some 100,000 hectares in Indonesia held through joint ventures. It owns 6 oil mills, with a total milling capacity of 265 tonnes per hour. Genting Plantations is one of the early members of the Roundtable on Sustainable Palm Oil (RSPO).

Genting Plantations has also diversified into property development to unlock the value of its strategically-located landbank and has invested significantly in biotechnology in a major effort to apply genomics to increase crop productivity and sustainability.

For more information, visit www.gentingplantations.com

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