



GENTING PLANTATIONS REPORTS THIRD QUARTER FINANCIAL YEAR 2013 RESULTS

KUALA LUMPUR, Nov 27 – Genting Plantations Berhad today reported its financial results for the third quarter ended 30 September 2013, with pre-tax profit at RM44.0 million, down 61% from the corresponding period of 2012.

For the first nine months of the year (“9M 2013”), pre-tax profit declined by 49% from the same period last year to RM155.7 million, although revenue for 9M 2013 was 9% higher year-on-year at RM976.2 million. Earnings per share was down 49% at 16.18 sen.

The higher revenue in 9M 2013 was underpinned by the improved performances of the Property segment and the Plantation-Indonesia segment coupled with maiden sales of biodiesel from the Group’s plant in Lahad Datu. These factors more than offset the lower revenue contribution from the Plantation-Malaysia segment, where palm product selling prices were weaker, although FFB production increased.

Palm product selling prices continued to be weighed down by the broader downturn in world edible oil markets amid persistent concerns over a potentially bearish oilseeds supply and demand outlook. Accordingly, the Group achieved crude palm oil (“CPO”) and palm kernel selling prices of RM2,325/mt and RM1,230/mt in 9M 2013, down from RM3,060/mt and RM1,765/mt respectively in the first nine months of 2012.

The Group’s FFB production in 9M 2013, however, increased 14% year-on-year. This was mainly on the back of higher crop output in Indonesia along with the overall improvement in Malaysian production for the year-to-date period despite a contraction in 3Q 2013.

Notwithstanding higher FFB production, the Plantation-Malaysia segment’s EBITDA margin narrowed year-on-year, generally as a result of the weaker palm product selling prices despite input cost being well contained due to higher crop yields.

The Plantation-Indonesia segment improved in 9M 2013, generating positive EBITDA due to improving yields in the West Kalimantan region.

The Property segment’s performance was bolstered by higher sales of industrial and commercial properties in Genting Indahpura, resulting in a more than three-fold year-on-year increase in EBITDA in 9M 2013. Meanwhile, the Biotechnology segment incurred higher expenditure year-on-year in line with the intensification of its research and development activities.

The Group's EBITDA in 9M 2013 was affected also by unrealised exchange loss of RM46.7 million arising from the weakening of the Indonesia Rupiah on U.S. Dollar denominated borrowings which has been included in the "Others" category.

Looking ahead, the direction of palm product prices, crop production trends and input cost factors as well as the demand for the Group's property offerings are among factors that are expected to have a bearing on the Group's prospects for the rest of the 2013 financial year.

The direction of palm product prices will be closely tied to the outlook for the demand and supply of global oilseeds and edible oils, weather patterns in major crop growing regions, the underlying regulatory environment in major producing and consuming countries, and global economic developments. Nevertheless, a recent recovery in palm oil prices to a one-year high, if sustained, should lend support to the Group's performance moving forward.

On the FFB production front, a notable increase can be expected for the full year 2013, stemming from the continued output growth in Indonesia as more plantings come into maturity and existing harvesting areas move into higher yielding age brackets.

For the Property segment, appropriate initiatives will be adopted in response to the changing market and regulatory environment to keep the Group at the forefront of leveraging the opportunities in its projects.

The Biotechnology segment will continue to enhance its research and development capabilities, both internally and through collaborations with renowned partners, to meet its objectives of developing novel solutions for sustainable agriculture.

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

TABLE 1:

RM' Million	3Q 2013	3Q 2012	%	9M 2013	9M 2012	%
Revenue						
Plantation - Malaysia	256.8	300.5	-15	679.9	805.1	-16
Plantation – Indonesia	21.9	4.3	>100	62.8	14.6	>100
Property	35.8	21.8	+64	205.6	73.6	>100
Others	27.9	-	-	27.9	-	-
	342.4	326.6	+5	976.2	893.3	+9
Adjusted EBITDA						
Plantation						
-Malaysia	84.3	128.8	-35	182.8	342.2	-47
-Indonesia	2.5	(6.4)	-	5.1	(17.6)	-
Property	11.3	5.5	>100	52.7	16.3	>100
Biotechnology	(6.3)	(5.6)	+13	(18.4)	(15.5)	+19
Others	(38.2)	(2.8)	>100	(45.0)	(9.0)	>100
	53.6	119.5	-55	177.2	316.4	-44
Profit before tax	44.0	113.0	-61	155.7	304.9	-49
Profit for the financial period	27.5	90.8	-70	111.4	235.5	-53
Basic EPS (sen)	4.79	12.05	-60	16.18	31.63	-49

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 162,700 hectares in Indonesia held through joint ventures. It owns six oil mills in Malaysia and two in Indonesia, with a total milling capacity of 385 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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