



### **GENTING PLANTATIONS REPORTS THIRD QUARTER FINANCIAL YEAR 2014 RESULTS**

KUALA LUMPUR, Nov 20 – Genting Plantations Berhad today reported its financial results for the third quarter ended 30 September 2014, with pre-tax profit at RM104.8 million, a more than two-fold increase from the corresponding period of 2013.

For the first nine months of the year (“9M 2014”), pre-tax profit also more than doubled to RM342.4 million from RM155.7 million in the same period a year earlier. Revenue was 9% higher year-on-year at RM1.06 billion while earnings per share rose 94% to 31.40 sen.

Revenue for 9M 2014 improved as higher contribution from the Plantation segment, underpinned by stronger palm product selling prices and higher production of fresh fruit bunches (“FFB”), more than outweighed the declines reported in the Property segment amid comparatively lower land sales and in the “Others” segment due to reduced sales of biodiesel.

Notwithstanding a pullback in prices in 3Q 2014, the average CPO price for the first nine months of the year remained ahead of that for the same period a year ago owing to the firmer price levels that prevailed in the earlier part of the year. Likewise, although palm kernel prices also weakened in 3Q 2014, the average price stayed above the previous year’s levels for the year-to-date period due to tighter lauric oils supplies. Accordingly, the Group’s achieved average prices of CPO and PK for the 9M 2014 were RM2,472/mt and RM1,791/mt respectively, up 6% and 46% year-on-year.

The Group’s FFB production grew 11% year-on-year in 9M 2014, driven mainly by strong growth in output in Indonesia, where more planted areas reached maturity and existing harvesting areas progressed into higher yielding brackets, while production in Malaysia also improved, albeit at a more moderate pace, on the back of better crop yields at Sabah region estates.

The Plantation segment posted a much-improved EBITDA in 9M 2014 compared with the corresponding period of the previous year, bolstered by better palm product selling prices, higher FFB production and reduced CPO production costs as a result of lower fertiliser prices.

The Property segment’s EBITDA improved 11% year-on-year despite lower revenue, mainly on account of differences in the sales mix.

The Biotechnology segment incurred higher expenditure in line with the intensification of its research and development activities.

The increase in the Group's 9M 2014 EBITDA is also attributable to the unrealised exchange gain arising from the strengthening of the Indonesian Rupiah on the Group's U.S. dollar-denominated borrowings as opposed to unrealised exchange losses in the corresponding periods of the previous year, as reflected under the "Others" category.

Meanwhile, on the CPO price front, prices dipped to five-year lows in 3Q 2014 but have since staged a moderate recovery, supported by measures taken by the Malaysian and Indonesian governments to spur demand, including the removal of export duties. More recently, Malaysia announced the expansion of its mandatory biodiesel blend to 7% from 5%. These developments are expected to influence the direction of palm oil prices, which in turn would have an effect on the Group's performance for the rest of the year. In addition, weather conditions in the major oil palm growing regions, the crop production, changes in the cost of inputs, currency exchange rates and property market conditions are among other major factors that will have a bearing on the Group's performance in the remaining months of 2014.

The Group's crop production for the full year remains on track to surpass the level achieved in the previous year, driven mainly by growth in Indonesia as young areas progress into higher yielding brackets and additional plantings mature over the course of the year. Nevertheless, of late, some of the Group's estates in Peninsular Malaysia have felt the lagged effects of the dry weather experienced in early 2014 and the impact may persist in the near-term.

For the Property segment, the Group held further launches in 3Q 2014, with more offerings in Johor lined up in the coming months to cater to market demand.

The Biotechnology segment will continue to enhance and leverage its R&D capabilities for the application of its crop improvement solutions.

No dividend has been declared or recommended for 3Q 2014.

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

**TABLE 1:**

RM' Million	3Q 2014	3Q 2013	%	9M 2014	9M 2013	%
<b>Revenue</b>						
Plantation - Malaysia	235.9	256.8	-8	747.4	679.9	+10
Plantation – Indonesia	38.1	21.9	+74	125.7	62.8	>100
Property	82.4	35.8	>100	175.8	205.6	-14
Others	14.1	27.9	-49	15.0	27.9	-46
	370.5	342.4	+8	1,063.9	976.2	+9
<b>Adjusted EBITDA</b>						
Plantation						
-Malaysia	97.3	84.3	+15	311.1	182.8	+70
-Indonesia	3.4	2.5	+36	24.1	5.1	>100
Property	25.7	11.3	>100	58.3	52.7	+11
Biotechnology	(8.7)	(6.3)	+38	(25.1)	(18.4)	+36
Others	(0.4)	(38.2)	-99	5.4	(45.0)	-
	117.3	53.6	>100	373.8	177.2	>100
<b>Profit before tax</b>	104.8	44.0	>100	342.4	155.7	>100
<b>Profit for the financial period</b>	69.3	27.5	>100	244.7	111.4	>100
<b>Basic EPS (sen)</b>	9.10	4.79	+90	31.40	16.18	+94

**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 180,000 hectares in Indonesia held through joint ventures. It owns seven oil mills in Malaysia and two in Indonesia, with a total milling capacity of 405 tonnes per hour.

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](http://www.gentingplantations.com)

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