GENTING PLANTATIONS

PRESS RELEASE **For Immediate Release**

GENTING PLANTATIONS REPORTS FIRST QUARTER FINANCIAL YEAR 2018 RESULTS

KUALA LUMPUR, May 23 – Genting Plantations Berhad registered revenue of RM529 million for the first quarter ended 31 March 2018 ("1Q 2018"), representing a 32% year-on-year increase.

The improvement in revenue was attributable to higher offtake from its refinery and higher progressive completion of property development projects. However, its Plantation segment posted lower year-on-year revenue as the weaker palm products selling prices outweighed the higher fresh fruit bunch ("FFB") production.

FFB production in 1Q 2018 grew 20% year-on-year, with improvements from both the Malaysia and Indonesia segments. The higher FFB production from the Plantation-Malaysia segment was due to the stronger yield achieved, despite having lower harvesting area from its replanting activities, whilst the higher output from the Plantation-Indonesia segment was a result of additional harvesting areas including that from the newly acquired subsidiary, PT Kharisma Inti Usaha.

The Group achieved crude palm oil ("CPO") and palm kernel ("PK") price of RM2,375 per metric tonne (mt) and RM2,083 per mt respectively.

Despite the lower palm products selling prices, the Plantation-Malaysia segment posted higher Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") year-on-year from drawdown of CPO stocks.

Plantation-Indonesia segment's EBITDA was lower year-on-year mainly on account of the lower palm products selling prices which outstripped the impact of higher FFB production.

Despite its higher year-on-year revenue, the Property segment's EBITDA was comparable due to different sales mix.

The Biotechnology segment posted a lower loss year-on-year on account of its lower research and development expenditure.

The Downstream Manufacturing segment registered a modest profit during the quarter from higher sales and improved capacity utilisation of its refinery operations.

Changes in the "Others" category mainly reflect the impact of changes in the foreign currency translation position arising from foreign exchange movements.

At Group level, the higher EBITDA includes a gain from the acquisition of land by the Government.

Genting Plantation’s prospects in the remaining months of 2018 will continue to be guided by the performance of its Plantation segment, which in turn is contingent upon the direction of palm products prices and the Group’s FFB production volume.

With its FFB production having achieved a double-digit year-on-year improvement in 1Q 2018, the Group expects this uptrend to continue for this year boosted by the growth from its Plantation-Indonesia segment amid additional harvesting areas, along with a better age profile.

For the Property segment, efforts will be channelled towards property offerings that are aligned to market demands. Genting Highlands Premium Outlets and Johor Premium Outlets are expected to continue performing well with the former registering its first full year of operations in 2018.

The Group’s Biotechnology segment will continue to leverage on its research capacities and capabilities for the development of commercial solutions and applications.

Downstream Manufacturing segment will continue to supply for the Malaysian B7 requirements and focus on improving its capacity utilisation, market reach and market share for its refinery operations.

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

TABLE 1:

RM' Million	1Q 2018	1Q 2017 Restated	%
Revenue			
Plantation			
- Malaysia	206.6	221.4	*-7*
- Indonesia	124.7	139.3	*-10*
Property	26.6	20.8	*+28*
Downstream Manufacturing	281.9	125.9	*>100*
	639.8	507.4	*+26*
Inter segment	(110.7)	(107.2)	*-3*
Revenue - external	529.1	400.2	*+32*
Adjusted EBITDA			
Plantation			
- Malaysia	120.1	87.0	*+38*
- Indonesia	32.5	59.0	*-45*
Property	4.8	4.7	*+2*
Biotechnology	(2.9)	(3.1)	*+6*
Downstream Manufacturing	0.4	(0.4)	-
Others*	18.2	2.1	*>100*
	173.1	149.3	*+16*
EBITDA**	187.0	149.0	*+26*
Profit before tax	130.6	107.3	*+22*
Profit for the financial period	94.3	77.8	*+21*
Basic EPS (sen)	12.57	9.13	*+38*

**Changes in the "Others" category mainly reflect the impact from foreign currency translation position arising from foreign exchange movements.*

***Includes a gain arising from the acquisition of the Group's land by the Government.*

About Genting Plantations Berhad

Genting Plantations, a subsidiary of Genting Berhad, commenced operations in 1980. It has a landbank of about 64,600 hectares in Malaysia and some 183,000 hectares (including the *Plasma* scheme) in Indonesia held through joint ventures. It owns seven oil mills in Malaysia and four in Indonesia, with a total milling capacity of 550 metric tonnes per hour. In addition, the Group has ventured into the manufacturing of downstream palm-based products.

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-based solutions to increase crop productivity and sustainability.

For more information, visit www.gentingplantations.com.

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